



ANNUAL REPORT

FOR THE YEAR ENDED 31 DECEMBER 2023

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Corporate Information

Directors	Mr. Kundan Sainani (Indian) Mr. Babatunde Fajemirokun Mr. Adewale Kadri Mr. Samaila Zubairu Mr. Ademola Adebise Mrs. Oluwafolakemi Edun (nee Fajemirokun) Mr. Olalekan Akinyanmi Mr. Raimund Snyders * Mr. Rotimi Okpaise **	Chairman Group MD / CEO Executive Director Director/Independent Director Director Director Director Director
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Key	
*	South African by Nationality
**	Appointed effective 23rd February 2023

Company Secretary	Mr. Donald Kanu AICO Insurance Plc AICO Plaza Plot PC 12, Churchgate Street Victoria Island, Lagos
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Registered Office	AICO Plaza Plot PC 12, Churchgate Street Lagos
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RC No.	7340
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TIN	00401332-0001
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Corporate Head Office	AICO Plaza Plot PC 12, Churchgate Street Victoria Island Lagos Tel: +234 01 2792930-59 0700AIIContact (0700 2442 6682 28) Fax: +234 01 2799800 Website: //www.aicopl.com E-mail: aiicontact@aicopl.com
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Registrar	Coronation Registrars 09, Amodu Ojikutu Street Off Bishop Oluwole Street, Victoria Island P.M.B. 12753 Lagos
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Independent Auditor	Ernst & Young 10th & 13th Floors, UBA House 57, Marina Road Lagos Island Lagos website: www.ey.com/ng
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Bankers	Access Bank Plc Ecobank Nigeria Limited First Bank of Nigeria Limited First City Monument Bank Plc Guaranty Trust Bank Limited Stanbic IBTC Bank Standard Chartered Bank Nigeria Limited Union Bank of Nigeria Limited United Bank of Africa Plc Wema Bank Plc
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Actuary	Firm Name: Zamara Consulting Actuaries Nigeria Limited Firm FRCN: FRC/2019/00000012910 Life Valuation FRCN: Nikhil Dhodia FRCN: FRC/2021/PRO/NAS/004/00000024023 Firm Name: Zamara Consulting Actuaries Nigeria Limited Firm FRCN: FRC/2019/00000012910 Non life Valuation FRCN: Jay Kosgei FRCN: FRC/2021/PRO/NAS/004/00000023786
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Corporate information (continued)

Reinsurers		Africa Reinsurance Corporation Continental Reinsurance Plc Swiss Reinsurance WAICA Reinsurance Nigerian Reinsurance Trust Reinsurance Zep Reinsurance Arig Reinsurance Aveni Reinsurance NCA Reinsurance
Estate Valuer	Firm Name: Firm FRCN: Partner FRCN	Niyi Fatokun & Co. FRC/2019/00000012894 Niyi Fatokun (Chartered Surveyors & Valuer) FRC/2013/PRO/NIESV/004/00000001217
Regulatory Authority		National Insurance Commission (NAICOM)

Branch Networks

1. Port Harcourt

11 Ezimbu Link Road (Mummy B Road)
Off Stadium Road
G.R.A Phase 4, Port Harcourt
Rivers State
Tel: +234 808 313 4875
+234 909 448 9393

3. Abuja Area Office

No 44 Durban Street,
Off Adetokunbo Ademola Crescent, Wuse II
FCT, Abuja.
Tel: +234 805 820 0439
+234 817 668 4115

5. Abeokuta

46, Tinubu Street
Ita Eko, Abeokuta
Ogun State
Tel: +234 803 255 7071

7. Aba

7, Factory Road
Aba, Abia State
Tel: +234 805 531 4351

9. Enugu

55-59, Chime Avenue
Gbuja's Plaza New Haven
Enugu State
Tel: +234 803 724 6767

11. Benin

28, Sakponba Road
Benin City
Edo State
Tel: +234 805 116 3395
+234 813 405 1972

13. Jos

4, Beach Road
Jos, Plateau State.
Tel: +234 805 735 6726
+234 809 033 5125

15. Ibadan

12, Moshood Abiola Way
Challenge Area
Ibadan, Oyo State
Tel: +234 803 231 8925
+234 802 834 4263

2. Kaduna

Yaman Phone House
1, Constitution Road
Kaduna, Kaduna State
Tel: +234 803 338 6968;
+234 805 601 9667

4. Kano

8, Post Office Road
Kano
Kano State
Tel: +234 807 810 7938
+234 806 593 4787

6. Lagos, Ikeja

AIICO House
Plot 2, Oba Akran Avenue
Opp. Dunlop, Ikeja, Lagos
Tel: +234 1 460 2097-8; +234 808 313 4376
+234 1 460 2218

8. Lagos, Isolo

203/205, Apapa-Oshodi Expressway
Isolo, Lagos
Tel: +234 802 305 4803; +234 805 717 6063

10. Lagos, Ilupeju

AIICO House
36/38, Ilupeju Industrial Avenue
Ilupeju, Lagos
Tel: +234 816 046 6239
+234 803 334 3036

12. Onitsha

Noclink Plaza, 41 New Market Road
Opp UBA Bank, Onitsha
Anambra State
Tel: +234 708 606 4999
+234 803 375 0361

14. Owerri

46, Wetheral Road
Owerri, Imo State
Tel: +234 805 603 3269
+234 706 603 2065

16. Warri

60, Effurun/Sapele Road
Warri.
Delta State.
Tel: +234 803 971 0794
+234 818 749 7490

Results at a Glance - The Group
For the year ended 31 December 2023

Profit or Loss and Other Comprehensive Income		Restated	Increase /	Increase /
<i>In thousands of naira</i>	2023	2022	(decrease)	(decrease)
			Changes	%
Gross written premium	110,119,382	88,275,920	21,843,462	25
Insurance revenue	72,633,374	54,817,897	17,815,477	32
Insurance service expense	(65,497,784)	(43,799,903)	(21,697,881)	50
Net reinsurance	(8,753,832)	(10,793,212)	2,039,380	(19)
Insurance service result	(1,618,242)	224,782	(1,843,024)	(820)
Net investment income before fair value changes	32,032,701	22,827,291	9,205,410	40
Net fair value loss	(10,772,433)	(6,036,060)	(4,736,373)	78
Net change in investment contract liabilities	(639,957)	(167,556)	(472,401)	282
Net impairment reversal/(loss)	(165,784)	(170,440)	4,656	(3)
Net foreign exchange income/(expense)	6,422,939	(676,219)	7,099,158	(1050)
Net insurance finance result	(8,722,355)	(7,823,345)	(899,010)	11
Net insurance and investment result	16,536,870	8,178,454	8,358,416	102
Other income	2,760,894	951,040	1,809,853	190
Other expenses	(6,768,625)	(6,431,059)	(337,566)	5
Profit before income tax from continuing operations	12,529,139	2,698,436	9,830,703	364
Income tax expenses	(512,849)	(405,006)	(107,843)	(27)
Discontinued operations	-	2,872,686	(2,872,686)	(100)
Profit for the year	12,016,290	5,166,115	6,850,174	133
Total other comprehensive income/(loss)	1,701,288	(186,978)	1,888,266	(1010)
Total comprehensive income for the year	13,717,578	4,979,137	8,738,441	176
Basic and diluted earnings per share (kobo)	33	14		

Financial position		Restated	Increase /	Increase /
<i>In thousands of naira</i>	31-Dec-23	31-Dec-22	(decrease)	(decrease)
			Changes	%
Assets				
Cash and cash equivalents	18,422,728	15,915,376	2,507,352	16
Financial assets	266,747,074	225,459,912	41,287,162	18
Trade receivables	980,752	866,977	113,775	13
Reinsurance contracts assets	17,116,370	10,690,993	6,425,377	60
Other receivables and prepayments	3,667,351	4,608,478	(941,127)	(20)
Deferred tax assets	-	21,501	(21,501)	(100)
Investment properties	707,500	760,000	(52,500)	(7)
Property and equipment	8,913,645	8,359,520	554,125	7
Statutory deposits	500,000	500,000	-	-
Right of use assets	132,512	60,055	72,458	121
Goodwill and other intangible assets	907,630	928,672	(21,042)	(2)
Total assets	318,095,562	268,171,484	49,924,078	19
Liabilities				
Insurance contract liabilities	218,023,682	188,108,267	29,915,414	16
Investment contract liabilities	3,855,324	3,212,895	642,429	20
Reinsurance contract liabilities	930,616	1,301,734	(371,118)	(29)
Other insurance contract liabilities	2,423,168	3,103,704	(680,536)	(22)
Trade payables	1,612,909	2,010,298	(397,389)	(20)
Other payables and accruals	8,332,139	7,764,833	567,307	7
Fixed income liabilities	30,241,800	22,781,598	7,460,202	33
Current income tax payable	845,061	669,543	175,518	26
Deferred tax liabilities	498	7,666	(7,168)	(94)
Total liabilities	266,265,197	228,960,537	37,304,659	16
Equity				
Share capital	18,302,638	18,302,638	-	-
Share premium	64,745	64,745	-	-
Revaluation reserve	2,764,016	2,764,016	-	-
Fair value reserve	(1,107,650)	(2,796,624)	1,688,974	(60)
Contingency reserve	11,755,475	9,710,046	2,045,429	21
Retained earnings	19,615,891	10,743,724	8,872,166	83
Shareholders' funds	51,395,114	38,788,545	12,606,569	33
Non-controlling interests	435,252	422,402	12,850	3
Total equity	51,830,366	39,210,947	12,619,419	32
Total liabilities and equity	318,095,562	268,171,484	49,924,078	19

Results at a Glance - The Company
For the year ended 31 December 2023

Profit or loss and other comprehensive income		Restated	Increase/	Increase/
In thousands of naira	2023	2022	(Decrease)	(Decrease)
			Changes	%
Gross written premium	109,379,110	87,562,251	21,816,859	25
Insurance revenue	71,628,478	53,209,597	18,418,881	35
Insurance service expense	(64,847,043)	(42,944,342)	(21,902,701)	51
Net expenses from reinsurance contracts	(8,753,832)	(10,793,212)	2,039,380	(19)
Insurance service result	(1,972,397)	(527,956)	(1,444,440)	274
Net investment income before fair value changes	26,648,443	17,337,655	9,310,788	54
Net fair value loss	(10,772,433)	(6,036,060)	(4,736,373)	78
Net change in investment contract liabilities	(639,957)	(167,556)	(472,401)	282
Net impairment reversal/(loss)	38,115	(71,916)	110,031	(153)
Net foreign exchange income/(expense)	6,322,481	(690,207)	7,012,688	(1016)
Net insurance finance result	(8,702,172)	(7,817,083)	(885,089)	11
Net insurance and investment result	10,922,080	2,026,877	8,895,203	439
Other income	2,641,166	861,045	1,780,121	207
Other expenses	(1,532,079)	(1,094,846)	(437,233)	(40)
Profit before income tax from continuing operations	12,031,167	1,793,076	10,238,091	571
Income tax expenses	(460,112)	(198,370)	(261,742)	100
Discontinued operations	-	2,872,686	(2,872,686)	(100)
Profit for the year	11,571,055	4,467,391	7,103,663	159
Total other comprehensive income	1,808,153	146,339	1,661,815	1136
Total comprehensive income for the year	13,379,208	4,613,730	8,765,478	190
Basic and diluted earnings per share (kobo)	-	-		

Financial position		Restated	Increase /	Increase /
In thousands of naira	31-Dec-23	31-Dec-22	(decrease)	(decrease)
			Changes	%
Assets				
Cash and cash equivalents	7,921,257	6,521,942	1,399,315	21
Financial assets	243,686,602	208,421,453	35,265,149	17
Trade receivables	909,559	852,113	57,446	7
Reinsurance contracts assets	17,116,370	10,690,993	6,425,377	60
Other receivables and prepayments	2,838,437	4,064,879	(1,226,441)	(30)
Investment in subsidiaries	1,087,317	1,087,317	-	-
Investment properties	707,500	760,000	(52,500)	(7)
Property and equipment	8,708,397	8,064,528	643,868	8
Statutory deposits	500,000	500,000	-	-
Right of use assets	132,512	60,055	72,458	121
Goodwill and other intangible assets	840,555	846,825	(6,270)	(1)
Total assets	284,448,506	241,870,104	42,578,401	18
Liabilities				
Insurance contract liabilities	217,701,608	187,778,079	29,923,530	16
Investment contract liabilities	3,855,323	3,212,895	642,429	20
Reinsurance contract liabilities	930,616	1,301,734	(371,118)	(29)
Other insurance contract liabilities	2,423,168	3,103,704	(680,536)	(22)
Trade payables	1,612,909	2,010,297	(397,388)	(20)
Other payables and accruals	7,570,588	6,730,616	839,972	12
Current income tax payable	763,026	422,562	340,464	81
Total liabilities	234,857,238	204,559,886	30,297,352	15
Equity				
Share capital	18,302,638	18,302,638	-	-
Share premium	64,745	64,745	-	-
Revaluation reserve	2,764,016	2,764,016	-	-
Fair value reserve	(13,544)	(1,821,697)	1,808,153	(99)
Contingency reserve	11,755,475	9,710,046	2,045,429	21
Retained earnings	16,717,938	8,290,471	8,427,467	102
Shareholders' funds	49,591,268	37,310,218	12,281,050	33
Total liabilities and equity	284,448,506	241,870,104	42,578,401	18

Shareholding Structure And Freefloat Status

Company name	AIICO Insurance Plc
Year end	December
Reporting Period	31-Dec-23
Share Price at end of reporting period	N0.76 (31 December 2022: N0.59)

Shareholding Structure/Free Float Status

Description	31-Dec-23		31-Dec-22	
	Unit	Percentage	Unit	Percentage
Issued Share Capital***	36,605,276,013	100%	36,605,276,013	100%
Substantial Shareholdings (5% and above)				
AIICO Bahamas Limited	15,104,442,427	41.26%	14,804,442,337	40.44%
LeapFrog III Nigeria Insurance Holdings LTD	11,173,946,135	30.53%	11,173,946,135	30.53%
Total Substantial Shareholdings	26,278,388,562	71.79%	25,978,388,472	70.97%

Directors' Shareholdings (direct and indirect), excluding directors with substantial interests

Babatunde Fajemirokun	117,119,739	0.32%	117,119,739	0.32%
Ademola Adebise	49,070	0.00%	49,070	0.00%
Total Directors' Shareholdings	117,168,809	0.32%	117,168,809	0.32%
Total Other Influential Shareholdings	-	0.00%	-	0.00%
Free Float in Units and Percentage	10,209,718,642	27.89%	10,509,718,732	28.71%
Free Float in Value	₦ 7,759,386,167.92		₦ 6,200,734,051.88	

Declaration:

AIICO Insurance Plc with a free float percentage of 27.89% as at 31 December 2023, is compliant with The Nigeria Stock Exchange's free float requirements for companies listed on the Main Board.



Mr. Donald Kanu
Company Secretary

FRC/2013/PRO/NBA/004/00000002884
Plot PC 12, Churchgate Street
Victoria Island
Lagos, Nigeria
18-April-24

Directors' Report

For the year ended 31 December 2023

The Directors present their annual report on the affairs of AIICO Insurance Plc ("the Company") and the subsidiary companies ("the Group"), together with the audited consolidated and separate financial statements and the Auditor's Report for the year ended 31 December 2023.

Legal form and principal activity:

The Company was established in 1963 by the American Life Insurance Company and was incorporated as a limited liability company on 14 July 1970. It was converted to a Public Liability Company in 1989 and quoted on the Nigerian Exchange (NGX) Group with effect from 3 December 1990. The Company was registered by the Federal Government of Nigeria to provide Insurance services in Life Insurance Business, Non-Life Insurance Business, Deposit Administration and Financial Services to organizations and private individuals.

The Company is registered by the National Insurance Commission ("NAICOM"). It has two subsidiaries namely:

AIICO Multishield Limited

AIICO Multishield Limited was incorporated in 1997 as a Health Management Organization. It commenced operations in the same year with prepaid health plans to cater for the health needs of individuals and corporate organizations. The Company became a full subsidiary of AIICO Insurance Plc on July 1, 2012.

AIICO Capital Limited

AIICO Capital Limited was registered and licensed by the Securities & Exchange Commission in 2012, to carry out portfolio/fund management services. AIICO Capital Limited commenced full operations in 2014 through the provision of bespoke wealth solutions for clients, by adopting a research based approach for every investment decision. AIICO Capital Limited offers portfolio management services, structured investments and mutual funds to suit the investment needs of corporate and individual clients.

Operating results:

The following is a summary of the Group's operating results.

Consolidated Profit or loss and other comprehensive income

<i>In thousands of naira</i>	2023	Restated 2022	Change	Change (%)
Insurance revenue	72,633,374	54,817,897	17,815,477	32%
Insurance service expense	(65,497,784)	(43,799,903)	(21,697,881)	50%
Insurance service result before reinsurance contracts held	7,135,590	11,017,994	(3,882,404)	-35%
Net expense from reinsurance contracts held	(8,753,832)	(10,793,212)	2,039,380	-19%
Insurance service result	(1,618,242)	224,782	(1,843,024)	-820%
Net Investment income	26,877,466	15,777,016	11,100,450	70%
Net insurance finance result	(8,722,355)	(7,823,345)	(899,010)	11%
Other Expenses	(6,934,409)	(6,601,498)	(332,910)	5%
Profit before tax	12,529,138	2,698,435	9,830,703	364%
Profit from discontinued operations (net of tax)	-	2,872,686	(2,872,686)	-100%
Profit for the year	12,016,289	5,166,115	6,850,174	133%
Other comprehensive income, net of tax	1,701,288	(186,978)	1,888,266	1010%
Total comprehensive income for the year	13,717,577	4,979,137	8,738,441	176%
Basic and diluted earnings per share (kobo)	33	14	19	

Dividend

Dividend Paid

At the Company's AGM held on 08 June 2023, the Shareholders declared a dividend of 3 kobo per share (2022: 2 kobo per share) on the year ended 31 December 2022, which was paid subsequently.

Dividend Recommended

The Board of Directors, pursuant to the powers vested in it by the provisions of Section 426 of the Companies and Allied Matters Act (CAMA) of Nigeria 2020, recommended a dividend of 5 kobo per share (2022: 3 kobo per share) for the financial period ended 31 December 2023.

Directors that served during the year and their shareholding

The direct and indirect interest of Directors in the Issued Share Capital of the Company as recorded in the Register of Directors' Shareholding and/or as notified by the Directors for the purposes of sections 301 and 302 of the Companies and Allied Matters Act, 2020 and the listing requirements of the Nigerian Stock Exchange are disclosed as follows:

Directors	Director shares held	Indirect Holding	31 December 2023 Total Holding	31 December 2022 Total Holding
Mr. Kundan Sainani	-	-	-	-
Mr. Babatunde Fajemirokun	117,119,739	-	117,119,739	117,119,739
Mr. Adewale Kadri	-	-	-	-
Mr Ademola Adebise	49,070	-	49,070	49,070
Mr Samaila Zubairu	-	-	-	-
Mrs. Oluwafolakemi Edun	-	-	-	-
Mr. Olalekan Akinyanmi	-	-	-	-
Mr. Raimund Synders (LeapFrog III Nig. Ins. Holdings Ltd. representative)	-	-	-	-
Mr. Rotimi Okpaise	-	-	-	-

Directors' interest in contracts

None of the Directors has notified the Company for the purpose of Section 302 of the Company and Allied Matters Act, 2020 of any disclosable interest in contracts in which the Company was involved during the period ended 31 December 2023.

Substantial interest in shares

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

	31 December 2023		31 December 2022	
	Number of Shares held	%	Number of Shares held	%
AIICO Bahamas Limited	15,104,442,427	41.26	14,804,442,337	40.44
LeapFrog III Nigeria Insurance Holdings LTD	11,173,946,135	30.53	11,173,946,135	30.53
	26,278,388,562	71.79	25,978,388,472	70.97

Shareholding Analysis

The shareholding pattern of AIICO Insurance PLC as at 31 December 2023 is as stated below:

Holding pattern (range) as at 31 December 2023

		31 December 2023		31 December 2022	
		No. of Holders	% of Shareholders	No. of shares	% of Shareholdings
1	1,000	2,164	2.39	895,184	0.00%
1,001	10,000	19,201	21.20	93,185,405	0.25%
10,001	100,000	59,896	66.13	1,894,762,508	5.18%
100,001	500,000	7,728	8.53	1,403,326,928	3.83%
500,001	1,000,000	776	0.86	539,245,617	1.47%
1,000,001	5,000,000	649	0.72	1,356,681,049	3.71%
5,000,001	10,000,000	75	0.08	514,711,694	1.41%
10,000,001	100,000,000	70	0.08	1,968,110,727	5.38%
100,000,001	500,000,000	12	0.01	3,110,395,136	8.50%
1,000,000,001	5,000,000,000	3	0.00	7,245,775,310	19.79%
5,000,000,001	Above	2	0.00	18,478,186,455	50.48%
		90,576	100	36,605,276,013	100.00%

Holding pattern (range) as at 31 December 2022

		31 December 2022		31 December 2021	
		No. of Holders	% of Shareholders	No. of shares	% of Shareholdings
1	1,000	2,164	2.39	895,184	0.00%
1,001	10,000	19,201	21.20	93,185,405	0.25%
10,001	100,000	59,896	66.13	1,894,762,508	5.18%
100,001	500,000	7,728	8.53	1,403,326,928	3.83%
500,001	1,000,000	776	0.86	539,245,617	1.47%
1,000,001	5,000,000	649	0.72	1,356,681,049	3.71%
5,000,001	10,000,000	75	0.08	514,711,694	1.41%
10,000,001	100,000,000	70	0.08	1,968,110,727	5.38%
100,000,001	500,000,000	12	0.01	3,110,395,136	8.50%
1,000,000,001	5,000,000,000	3	0.00	7,245,775,310	19.79%
5,000,000,001	Above	2	0.00	18,478,186,455	50.48%
		90,576	100	36,605,276,013	100.00%

Company's distributors

The Company's products are marketed by insurance brokers and agents throughout the country. The Company also employs the direct marketing method to source for insurance business.

Events after reporting date

There were no significant events after the reporting date that would have affected the true and fair view of the Company's state of affairs and disclosures in the financial statements as at that date.

Property and equipment

Changes in property and equipment during the year is shown in Note 16 the financial statements. In the opinion of the directors, the market value of property and equipment is not less than the value indicated in the financial statements.

Acquisition of own shares

The Company did not purchase any of its own shares during the year.

Employment and Employees:

Employees' health, safety and environment

The Company strictly observes all health and safety regulations. The Group maintains business premises designed with a view to guaranteeing the safety and healthy living conditions of its employees and customers alike. Employees are adequately insured against occupational and other hazards. Financial provision is also made for all employees in respect of transportation, housing, medical expenses and meals.

Employment of disabled persons

It is the policy of the Company that there is no discrimination in considering applications for employment including those of physically challenged persons. All employees whether physically challenged or not are given equal opportunities to develop their knowledge and to qualify for promotion in furtherance of their careers.

Employment and Employees - continued

Employees' Involvement and Training

The Company is committed to keeping employees fully informed as much as possible regarding the Company's performance and growth. Employees opinion are sought, where practicable, on matters which particularly affect them. The Company runs an open door management policy and leverage several communication channels to disseminate information. Management, professional and technical expertise are the Company's major assets and investment in developing such skills is continuous. The Company's expanding skill base is being brought about by a wide range of in-house, open training programme and digital learning. Opportunities for career development within the Company have also been broadened. Incentive schemes designed to meet the circumstances of each individual are implemented wherever appropriate and in line with regulatory requirements and some of these schemes include staff retirement benefit, productivity bonus, promotion and salary review.

Donations

Donations and corporate social responsibility during the year ended 31 December 2023 amounted to ₦39,981,075 (2022: ₦17,937,150) as follows:

2023

Description	<i>In thousands of naira</i>	
	Amount	
Annual AICO Blood Drive 2023		980
Donation to Action Aid Nigeria		3,226
Breast Cancer Awareness Campaign		6,200
Children's Day Celebrations 2023		1,973
Donation of Mosquito Nets to the International Rescue Committee Nigeria		2,661
Donation to Best Performing Caleb University Students		500
Donation to St Augustine's Comprehensive High School, Oye-Ekiti		5,000
Donation to the Resources Centre for Caleb University Library		4,000
Donation to Ajumoni Senior Secondary School for 2023 Global Money Week		268
IWD 2023 - Sponsorship of Women Technology Programme		4,073
Lagelu Grammar School Perimeter Fence Construction Project		5,000
Marketing Sponsorship for VOICE OF WOMEN EMPOWERMENT FOUNDATION		250
Sponsorship towards the publishing of textbooks for Tertiary institutions (Professional Insurance Ladies Association)		1,350
The Nigerian Actuarial Society for Actuarial Education Projects		4,500
		39,981

2022

Description	<i>In thousands of naira</i>	
	Amount	
Breast Cancer Awareness Support		4,845
Sponsorship of Global Fund for Widows- 14th Annual Gala		2,475
12 Days of Allxmas		2,000
World Malaria Day Partnership with HACEY		1,945
Donation to LASPARK for Tree Planting		1,500
Half year Pledge Redemption to Action Aid Nigeria		1,394
2nd Half 2021 Pledge to Action Aid Nigeria		1,105
AICO Revive - A Wellness & Wellbeing Program		750
Donation to JCI Nigeria		500
Annual AICO Blood Drive		500
Facilitator's Fees for IWD 2022 Visibility Masterclass		323
Sponsorship of Lagos State School Students Excursion to Nigeria Conservation Foundation		315
2022 International Women Day Video production		161
Donation to Oromeruzimbu Youth Organisation Port Harcourt		100
Donation to Plateau Private School Jos		25
		17,937

No donations were given to any political parties (2022:Nil).

Auditors

Ernst & Young have expressed their willingness to continue in office as the Company's auditor in accordance with Section 401(2) of the Companies and Allied Matters Act 2020.

BY THE ORDER OF THE BOARD OF DIRECTORS



Mr. Donald Kanu
Company Secretary

FRC/2013/PRO/NBA/004/00000002884
Plot PC 12, Churchgate Street
Victoria Island
Lagos, Nigeria
18 April 2024

**Report of the Statutory Audit Committee
For the year ended 31 December 2023**

To the members of **AIICO Insurance PLC**

In accordance with the provisions of Section 404(7) of the Companies and Allied Matters Act 2020, we, the members of the Audit Committee of AIICO Insurance PLC, having carried out our statutory functions under the Act, hereby report as follows:

- We have reviewed the scope and planning of the audit for the year ended 31 December 2023 and we confirm that they were adequate;
- The Company's reporting and accounting policies as well as internal control systems conform to legal requirements and agreed ethical practices; and
- We are satisfied with the responses to the External Auditors' findings on management matters for the year ended 31 December 2023.

Finally, we acknowledge and appreciate the co-operation of management and staff in the conduct of these duties.

SIGNED ON BEHALF OF THE COMMITTEE BY:



Mr. Samaila Zubairu

Chairman of the Statutory Audit Committee

FRC/2014/PRO/ICAN/002/00000007663

18 April 2024

Members of the Statutory Audit Committee are:

Mr. Samaila Zubairu	(Independent Directors' Representative)	Chairman
Sir Edmond. U. Njoku Mr.	(Shareholders' Representative)	Vice-Chairman
Mrs. Funke Augustine	(Shareholders' Representative)	Member
Chief Robert I. Igwe	(Shareholders' Representative)	Member
Mr. Raimund Snyders	(Directors' Representative)Leapfrog	Member

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

Corporate Governance Report

The Board of AIICO Insurance PLC recognizes that it has the primary responsibility for ensuring good corporate governance. Accordingly the Company, through the Board, 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 stakeholders.

The Board is accountable to the Shareholders and does this through pro-actively evaluating the socio-economic, environmental and ethical matters that may impact on stakeholder's interest.

The Board also oversees the performance of Management in order to protect and enhance shareholder value and meet the Company's obligations to its employees and all other stakeholders.

To guarantee the highest level of legal and ethical requirements, internal control measures and processes have been put in place to ensure that Board, Management and staff conduct the affairs of the Company in compliance with all legislations, regulations standards and codes that will positively impact on the performance of the Company.

Roles & Responsibilities of the Board

The Board of Directors provides entrepreneurial leadership for the Company within a framework of prudent and effective controls, sets the Company's strategic direction, objectives, values and standards and ensures that the necessary financial, material and human resources are in place for the Company to meet its objectives, review Management performance and ensure that its obligations to shareholders and other stakeholders are understood and met. The Board Charter sets out the role, responsibilities, structure and processes of the Board of AIICO Insurance PLC (AIICO).

Roles and Responsibilities

The Group Board is the main decision making body at the Group level and it:

- (a) Works as a team and meets on a regular basis.
- (b) Considers and approves strategic direction of AIICO Group and corporate strategic initiatives.
- (c) Approves expenditures over certain limits in respect of its principal businesses.
- (d) Has overall responsibility for management of the business and the affairs of the Group, the establishment of Group strategy, capital raising and allocation.
- (e) Monitors and oversees the Group's operations, ensures competent and prudent management, sound planning and proper procedures for the maintenance of adequate accounting policies and systems of internal control, and for compliance with statutory and regulatory obligations.
- (f) Determines and reviews the Group's strategic direction including, as appropriate, the strategies for each of the principal business units.
- (g) Determines the Group's key financial objectives including target rates of return on capital and assets.
- (h) Considers emerging issues which may be material to the business and affairs of the Group.
- (i) Keeps under review and maintains the Group's capital and liquidity positions.
- (j) Reviews and approves proposals for the allocation of capital and other resources within the Group.
- (k) Approves material acquisitions and disposals of assets and share acquisitions and disposals which are significant in terms of the business of the Group.
- (l) Approves material joint ventures, strategic partnerships and alliances which are significant in terms of the business of the Group.
- (m) Reviews and approves the Group's annual capital and revenue budgets (and any material changes thereto).
- (n) Receives monthly Business and Financial Reports from the principal business units and consolidated reports for the Group and reviews actual performance in the light of the Group's strategy, objectives, corporate and business plans and budgets.
- (o) Considers and approves the Group's procedures for reviewing and monitoring risk, and receives regular reports thereon.
- (p) Approves the Group's annual targets and financial statements and monitoring financial performance against forecast and prior years.
- (q) Approves the Group's Annual Report and Accounts and its other published financial statements and other material and significant statements issued to shareholders or the Nigerian Stock Exchange.
- (r) Determines dividend policy and the amount, nature and timing of dividends to be paid.
- (s) Approves arrangements for Annual and Extraordinary General Meetings.
- (t) Receives and considers high level reports on matters material to the Group, in particular:
 - (i) Relations with Regulatory Authorities;
 - (ii) Human Resources matters;
 - (iii) Information systems and Technology;
 - (iv) Insurance cover;
 - (v) Disaster recovery;
 - (vi) Litigation and claims;
 - (vii) Investor and public relations;
 - (viii) Environmental Policy; and
 - (ix) Socially Responsible Investment Policy

- (u) Establishes and maintains appropriate accounting policies, implement and monitor the maintenance of adequate accounting policies and other records and systems of planning and internal control.
- (v) Considers and approves appointments to the Board, the Group Executive Management and approves remuneration arrangements for Executive
- (w) Receives the minutes of and/or reports from the Boards of subsidiary companies and the Committees of the Group Board.
- (x) Approves delegated authorities for expenditure and for lending, and for other risk exposures.
- (y) Reviews and, as appropriate, agrees changes in the terms of reference of Committees established by the Board.
- (z) Approves the appointment of Reporting Accountants.
- (aa) Maintains a satisfactory dialogue with shareholders and use the AGM to communicate with investors and encourage their participation.
- (bb) Presents a balanced and understandable assessment of the Company's position and prospects.

Board composition

The Board of Directors is currently made up of eight (9) directors comprising the Managing Director, one (1) Executive Director and five (7) Non-executive directors, including one (1) Independent Director. Each of the directors being qualified and outstanding individuals in their various fields of endeavours are knowledgeable on Board and Corporate matters. The Board members are provided with full, timely and adequate information to enable them carry out their duties from a very well informed position.

There are clear separation of responsibilities between the Chairman, CEO, Board and Management thus ensuring non-interference of the Board in Management functions.

Directors' Independence and Terms of Office

In line with the provisions of the Company's Articles of Association, a third of the directors or a number closest to a third, excluding non-executive directors and those appointed by the Board during the year, retire by rotation at each Annual general Meeting of the Company and being eligible, present themselves for re-election. Directors retiring are those longest in office since their last election or re-election.

Directors also make unfettered judgments and bring in views that are independent of Management and devoid of any business or other relationships that could interfere with their independent judgment.

Directors' Orientation and Induction

New Directors are expected to give in their best as much as other directors on the Board. To assist them become effective, these new directors are given an orientation regarding the Group's business, Directors duties, code of conduct, policies and procedures applicable to Board and Board committees. A training plan has also been approved by the Board in relevant areas of the Company's core business.

Directors' Access to Management and Right to seek Independent Professional Advice

Directors receive financial reports of the Company and may invite members of senior management at Board or Committee meetings. Access to senior Management is unhindered and is calculated to ensure adequate clarification and information flow leading up to Management decisions. All the Directors are free to seek independent professional advice in the course of their duties at the Company's expense. Directors also have access to the advice and services of the Company Secretary on rules and regulations applicable to the operations of the Board and in particular corporate governance.

Profile of Directors

Mr. Kundan Sainani (B.Comm., FCA) (Chairman)

Mr. Kundan Sainani was nominated as a substantive Director on the Board of AIICO Insurance Plc in 2015. He is currently the Chairman of the Board of Directors of AIICO Insurance Plc. Mr. Sainani brings to the Board over 30 years of experience spanning various industries within and outside of Nigeria. He started his career with Birla Group of Companies, a Multi-Billion Multi-Product conglomerate in India as Head of Management Audit and Internal Control department where he worked for over four years. He spent over five years with Kentz Corporation, Ireland, an Industrial Design and Construction Company. He worked with Tolaram Group of companies in Nigeria for over 18 years as Director (Finance) and was a board member of Viva Methanol Limited, Lekki Deep Sea Port and Lagos Free Trade Zone ; all parts of the Tolaram Group.

Mr. Babatunde Fajemirokun (BA. Hons. M.Sc., MBA, FCII) (Managing Director)

Mr. Babatunde Fajemirokun is the Managing Director and CEO at AIICO Insurance PLC, a position he has held since August 14th, 2019. With decades of professional experience cutting across management consulting, insurance, and asset management, he joined AIICO Insurance PLC, Life Insurance Division in May 2009, and was responsible for value-enhancing projects in its maiden growth strategy, business process and technology transformation projects. Prior to his appointment as Chief Executive Officer and Group Managing Director, he held roles that were responsible for key strategic and operational functions across the business. He was Divisional Head Operations & Technology (2009-2013), Chief Operating Officer (2013-2017) and Group Chief Business Officer (2017-2019).

Adewale Kadri (B.Sc., MBA, FCIIN, FCCA)
(Executive Director)

Adewale Kadri is a versatile Insurance practitioner and a seasoned salesperson. He began his Insurance career with Worldwide Insurance Company Limited in 1994 as a Life Marketer and later moved to ELMAC Assurance Nigeria Limited in 1997 where he joined the Team that was saddled with the responsibility of Marketing the Company's various special packaged products. He also worked as an Insurance Officer of Modandola Group of Companies where he was exposed to the rudiment of Insurance broking and technical operations.

He later joined the Marketing team of Newline Insurance Company Limited and Sun Insurance Plc. where he worked in various managerial capacities before joining the pioneer team of UBA Insurance in 2004 as Group Head, Brokers' Management Division. While at UBA Insurance, he served in various committees which ensured the successful take off of the first Bancassurance Business Model in Nigeria.

He had a brief stay at NICON Insurance Plc as Senior Manager/Head, Strategic Business Unit before joining Oceanic Insurance Company Limited as Group Head, Brokers Management Unit in 2007. Adewale was the Acting Managing Director of Oceanic Insurance Company Limited/Old Mutual Nigeria General Insurance between July 2012 and April 2014. He left the services Old Mutual Nigeria as Business Development Executive in April 2017 and joined AIICO Insurance Plc as General Manager, Head of Non-Life Business.

He is a Fellow of Chartered Insurance Institute of Nigeria and a Chartered Certified Accountant. He holds a B.sc in Applied Accounting from Oxford Brookes University, United Kingdom and Masters Degree in Business Administration with specialization in Marketing from Lagos State University, Ojo. He is also an Alumnus of The Polytechnic Ibadan where he obtained Higher National Diploma in Insurance and graduated with Upper Credit Division. He equally obtained Certificate of competence in Management Advancement Programme from University of the Witwatersrand, Johannesburg, South Africa.

Mr. Ademola Adebise (B. Sc., MBA, FCA)
(Non-Executive Director)

Ademola Adebise has over 33 years' experience in the banking industry including four years in management consulting serving banking and financial services clients. He has worked in various capacities in Information Technology, Financial Control & Strategic Planning, Treasury, Corporate Banking, Risk Management and Performance Management. Before joining Wema Bank, Ademola was the Head of the Finance & Performance Management Practice at Accenture (Lagos Office) where he led various projects for banks in business Process Re-engineering, Information Technology and Risk Management. He is an alumnus of the Advanced Management Program (AMP) of the Harvard Business School and the Advanced Leadership Programme of Judge Business School, University of Cambridge. He obtained a master's degree in Business Administration (MBA) from the Lagos Business School and holds a bachelor's degree in Computer Science from the University of Lagos.

A fellow of the Institute of Chartered Accountants of Nigeria (ICAN), Ademola is also an Associate of the Chartered Institute of Taxation and Computer Professionals (Registration Council of Nigeria), a Fellow of the Chartered Institute of Bankers of Nigeria (FCIB) and a member of the Institute of Directors of Nigeria. Prior to his appointment as Managing Director, he served as the Deputy Managing Director of Wema Bank.

Mr. Samaila Dalhat Zubairu (B. Sc.(Hons), FCA)
(Non-Executive Director)

Mallam Samaila Zubairu was appointed as Africa Finance Corporation (AFC)'s 3rd President and Chief Executive Officer in July 2018. Prior to his appointment, Samaila was the CEO of Africapital Management Limited, where he established a joint venture with Old Mutual's African Infrastructure Investment Managers (AIIM) to develop the Nigerian Infrastructure Investment Fund1(NIIF1) for infrastructure private equity across West Africa.

As Chief Financial Officer for Dangote Cement Plc, he launched Africa's largest syndicated project finance facility for the Obajana Cement project and managed the unbundling of Dangote Industries Limited to listed subsidiaries on the Nigerian Stock Exchange. Prior to that, he was the Treasurer for the Dangote Group during its transformation from a trading company to an industrial conglomerate. Samaila Zubairu is an Eisenhower Fellow and is a Fellow of the Institute of Chartered Accountants, Nigeria (FCA). He holds a BSc in Accounting from Ahmadu Bello University, Nigeria.

Mrs. Oluwafolakemi Edun
(Non-Executive Director)

Oluwafolakemi Edun commenced her work experience as Risk Intern at the AFRISK Management Consultants Ltd, Lagos Nigeria during her service year in 2011. She was instrumental in the development of a risk management framework checklist with 50+ controls to aid Insurance companies in assessing against industry standards.

In September 2012, she joined DELOITTE LLP, London England as a Manager, Risk Advisory. During this period, she developed Business Continuity Plan, Process Mapping, was engaged in Risk Management Frameworks reviews for several companies and also advised on risk management frameworks to be adopted.

Oluwafolakemi Edun obtained her first degree in Economics (BSc. Economics) at the University College London (UCL). She obtained her Master's degree (MSc. Decision Sciences) in 2011 at the London School of Economics & Political Science (LSE). In 2014, she was awarded A Diploma in Management Accounting at the Chartered Institute of Management Accountants (CIMA). In same year, she obtained a certification in Risk Management (Financial Services) at the Institute of Risk Management (IRM).

Mr. Olalekan Akinyanmi
(Non-Executive Director)

Olalekan ("Lekan") is the founder and Chief Executive Officer of LEKOIL Nigeria Limited, an Africa focused Oil exploration and production company. Since inception, he has led the company through fundraises of over \$300 million from public and private institutions to fund the acquisition and development of the company's assets. These include the farm-in to OPL 310 and the subsequent discovery of the Ogo field – one of the world's largest in 2013 with estimated gross resources of 774mmboe. In September 2015 LEKOIL achieved "first oil" on its Otakikpo Marginal Field, just 9 months after commencing operations and currently producing 11,000 barrels per day (bpd). In October 2015 the Company announced its acquisition of a controlling interest in OPL 325 and in August 2019, the company announced its acquisition of interest in OPL 276.

Lekan has over 20 years' experience in the oil and gas industry and was the International Energy Sector Head at Alliance Bernstein L.P. in New York (Global asset manager with over \$400 Billion under management) with direct responsibility for a \$1Billion Energy and Natural Resource Portfolio. Prior to that he was a member of the #1 institutional investor-ranked team of analysts covering the oilfield services industry as an Associate Director at UBS Investment Research. Lekan has held Engineering and operational roles within Schlumberger in a career that spanned Nigeria, Egypt, Pakistan, Oman and Scotland.

Lekan graduated from the Obafemi Awolowo University in Nigeria with a Bachelor of Science Degree in Electronic and Electrical Engineering and also holds an MBA from Massachusetts Institute of Technology (MIT) Sloan School of Management.

Mr. Raimund Synders
(Non-Executive Director)

Raimund is a Partner of Leapfrog Investment who was recently appointed as a Non-Executive Director on the Board of AIICO Insurance Plc having been recommended by Leapfrog Investment to represent its interest in AIICO Insurance Plc. Raimund brings to bear his experience as one of the most seasoned insurance leaders on the African continent, to the benefit of the LeapFrog team and partner companies. He joined LeapFrog from Old Mutual Group where as CEO of Mutual & Federal, the 185 year old insurer, he led a turnaround of the company as part of the Old Mutual Group's strategy to establish itself as a leading financial services group across the African continent. Under his leadership, Mutual & Federal was rebranded to become Old Mutual Insure.

Prior to this Raimund served in executive leadership positions in the Old Mutual Group, leading large multi-disciplinary teams in areas of business such as distribution, bancassurance, investments and wealth management. Key positions included: COO and Head of Distribution for Old Mutual's African operations; Executive General Manager, Old Mutual Life Assurance Co (South Africa); CEO, Old Mutual Life Assurance Co (Namibia); Managing Director, Old Mutual Investment Services.

His experience in the insurance industry in Africa is both vast and deep. Over his career, Raimund has led organic and inorganic expansion, sales, marketing, product development, distribution, bancassurance, investment and wealth management – with responsibilities across retail, institutional and enterprise functions cultivated during a 27+ year career with Old Mutual.

Raimund holds a Bachelor of Commerce, Bachelor of Laws from Stellenbosch University, as well as Executive Leadership qualifications from the Graduate School of Business, University of Cape Town, and Harvard Business School.

Mr. Olurotimi Olatokunbo Okpaise
(Non-Executive Director)

Rotimi Okpaise is an Actuary with over 30 years consulting experience. He has been the Statutory Actuary to many leading Insurers across West Africa. He has also been the Reporting Actuary to four CPFA's and the Pension Schemes of both NNPC and PenCom. Rotimi recently retired from Ernst and Young (EY) where he was the Partner leading both the Insurance Sector and Actuarial Services across West Africa. Rotimi is a Statistics graduate of the University of Ibadan where he was a University Scholar. He is a Fellow of the Institute of Actuaries UK, an Associate of the Society of Actuaries USA and an Alumni of the Lagos Business School (Chief Executive Programme). He was recently appointed as a Non-Executive Director on the Board of AIICO Insurance Plc.

Board/Committees and Meetings

The Board functions through these committees, whose terms of reference are as hereinafter set forth:

Finance & General Purpose and Establishment Committee

This Committee's responsibilities include considering and advising the Board on transactions, including the Company's finances, financial policies, financial controls and financial strategies; giving consideration to, and recommending to, the Board the annual budget for revenue income and expenditure and any associated capital expenditure; reviewing the periodic management accounts of the Company and recommending to the Board, any in-year budget adjustments; reviewing the annual financial statements of the Company and recommending same to the Board for approval; monitoring the financial liquidity and solvency of the Company and ensuring that action is taken to maintain this at an acceptable level. The Committee also monitors the planning, implementation and progress against plan of approved major capital expenditure projects and major procurements within the Committee's approval limits as stated in the Expense Control and Procurement Policies of the Company; Considering the Financial Regulations periodically and approving any amendments that become necessary from time to time. The Committee also provides oversight in the achievement of the Company's Investment portfolios; the Investment objectives takes into account all investment portfolios and benchmark performances in the market in which the company has chosen to play, as well as performance statistics and metrics for growth of AIICO's business, among other things.

Nomination, Remuneration & Governance Committee

This Committee's main responsibility is to assist the Board in developing Policies to fill any vacancy on the Board and Board Committees, and to ensure at all times that competence gaps are closed so that the Company is not short of the required skills. It also recommends a competitive remuneration package for the Executive Management and the Board. The Committee considers the need to maintain both internal and external competitiveness. It also reviews the Company's interface with the Regulators, advises the Board thereon, and oversees the administration and effectiveness of the Company's polices through the review of processes and management feedback etc.

Statutory Audit Committee

The purpose of the Committee is to assist the Board of Directors of the Company in fulfilling its responsibilities in respect of: -Overseeing the company's financial reporting process, including the internal control and auditing structure and procedures for financial reporting; and monitoring the integrity and appropriateness of the company's financial statements;

- The selection, compensation, independence and performance of the company's external auditors; and
- The independence and performance of the company's internal auditors.
- Examine the auditors' report and make recommendations to the Annual General Meeting;
- Ascertain whether the accounting and reporting policies of the Company are in accordance with legal requirements and ethical practices;
- Review the scope and planning of audit requirements;
- Review the findings on management matters in conjunction with the external auditor and departmental responses;
- Keep under review the effectiveness of the Company's system of accounting and internal control;

Compliance and Enterprise Risk Management Committee

The purpose of the Compliance & Enterprise Risk Management Committee is to provide oversight in the achievement of the Company's Enterprise Risk Management ("ERM") and Compliance vision(s) and mission(s). The Risk Management objective will take into account the risk profile, risk management framework and the risk reward strategy determined by the Board. The Compliance objective will be to oversee the Company's activities in the areas of compliance with the laws and regulations applicable to the busines. The primary responsibility of the Committee is to ensure that sound policies, procedures and practices are in place for the enterprise-wide management of the Company's material risks.

Other responsibilities of the Committee include: review of the adequacy and effectiveness of risk management controls, internal controls, corporate governance, drawing-up programmes of adjustment in the case of deviation, oversight of Management's process for the identification of significant risk across the Company and the adequacy of prevention, detection and reporting mechanisms; and review of the Company's compliance level with applicable laws and regulatory requirements that may impact the Company's risk profile etc.

Meetings of the Committees

FINANCE, INVESTMENT & GENERAL PURPOSE COMMITTEE

	Position	No. of Meeting	Attendance
Ademola Adebise	Chairman	4	4
Babatunde Fajemirokun	Member	4	4
Adewale Kadri Abass	Member	4	4
Oluwafolakemi Edun	Member	4	4
Olalekan Akinyanmi	Member	4	3
Olurotimi Olatokunbo Okpaise	Member	4	4
Raimund Snyders	Member	4	3

These meetings were held on January 17, April 26, July25, October 24, 2023

Compliance and Enterprise Risk Management Committee

	Position	No. of Meeting	Attendance
Olalekan Akinyanmi	Chairman	4	3
Ademola Adebise	Member	4	4
Babatunde Fajemirokun	Member	4	4
Oluwafolakemi Edun	Member	4	4
Adewale Kadri Abass	Member	4	4
Olurotimi Olatokunbo Okpaise	Member	4	4

These meetings were held on January 17, April 26, July25, October 24, 2023

Statutory Audit Committee

	Position	No. of Meeting	Attendance
Mr. Samaila Zubairu	Independent Director/Chairman	5	2
Sir Edmund U. Njoku	Shareholder/Member	5	5
Mrs. Funke Augustine	Shareholder/Member	5	3
Chief Robert I. Igwe	Shareholder/Member	5	5
Olurotimi Olatokunbo Okpaise **	Member	5	2
Raimund Snyders *	Member	5	3

These meetings were held on January 17, February 28, April 26, July 25, October 24, 2023

*Stopped being a member

**Became a member

Nomination, Remuneration and Governance Committee

	Position	No. of Meeting	Attendance
Samaila Zubairu	Chairman	2	1
Olalekan Akinyanmi	Member	2	2
Raimund Snyders	Member	2	2

This meeting was held on April 18, October 25, 2023

All the committees endeavoured to perform their duties competently during the year under review.

Meeting of the Board

Board Members

	Position	No. of Meeting	Attendance
Mr. Kundan Sainani	Chairman	6	6
Mrs. Oluwafolakemi Edun	Non Executive Director	6	6
Mr. Ademola Adebise	Non Executive Director	6	6
Mr. Samaila Zubairu	Non Executive Director	6	1
Mr. Olalekan Akinyanmi	Non Executive Director	6	4
Mr. Raimund Snyders	Non Executive Director	6	4
Mr. Olurotimi Olatokunbo Okpaise	MD/CEO	6	6
Mr. Babatunde Fajemirokun	Executive Director	6	6
Mr. Adewale Kadri	Executive Director	6	6

These meetings were held on January 19, February 28, April 28, July 27, October 26, November 28, 2023.

Statement of Directors' Responsibilities in Relation to the Preparation of the Consolidated and Separate Financial Statements

The Directors accept responsibility for the preparation of the consolidated and separate financial statements that give a true and fair view in accordance with IFRS Accounting Standards as issued by International Accounting Standards Board and in the manner required by the Companies and Allied Matters Act, 2020, the Financial Reporting Council of Nigeria (Amendment) Act, 2023, Investment Securities Act 2007, the Insurance Act of Nigeria 2003 and relevant National Insurance Commission (NAICOM) guidelines and circulars.

The Directors further accept responsibility for maintaining adequate accounting records as required by the Companies and Allied Matters Act, 2020 and for such internal control as the directors determine is necessary to enable the preparation of the consolidated and separate financial statements that are free from material misstatement whether due to fraud or error.

The Directors have made an assessment of the ability of AIICO Insurance Plc ("the Company") and the subsidiary companies ("the Group") to continue as a going concern and have no reason to believe that the Group and Company will not remain a going concern in the year ahead.

The responsibilities include ensuring that:

- Appropriate and adequate internal controls are established to safeguard the assets of the Group and to prevent and detect fraud and other irregularities;
- The Group keeps proper accounting records which disclose with reasonable accuracy the financial position and which ensure that the financial statements comply with the requirements of the Companies and Allied Matters Act, 2020, IFRS Accounting Standards as issued by International Accounting Standards Board, Insurance Act 2003, Financial Reporting Council of Nigeria (Amendment) Act, 2023 and the Operational Guidelines/Circulars issued by NAICOM;
- The Group has used appropriate accounting policies, consistently applied and supported by reasonable and prudent judgments and estimates, and that all applicable accounting standards have been followed; and
- The financial statements are prepared on a going concern basis unless it is presumed that the Group will not continue in business.

The Directors accept responsibility for the year's consolidated and separate financial statements, which have been prepared using appropriate accounting policies supported by reasonable and prudent judgements and estimates in conformity with:

- IFRS Accounting Standards as issued by International Accounting Standards Board
- Companies and Allied Matters Act 2020;
- Insurance Act 2003 as amended:
- NAICOM guidelines and circulars
- Investment Securities Act 2007; and
- Financial Reporting Council (Amendment) Act, 2023

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

The Directors have made an assessment on the Company's and the Group's ability to continue as a going concern and have no reason to believe that the Company and the Group will not remain a going concern in twelve months from the issuance of this statement .

SIGNED ON BEHALF OF THE BOARD OF DIRECTORS BY:



Mr. Kundan Sainani
Chairman

FRC/2013/PRO/DIR/003/00000003622
18 April 2024



Mr. Babatunde Fajemirokun
Managing Director/ Chief Executive Officer

FRC /2015/PRO/CIIN/010/00000019973
18 April 2024

Statement of Corporate Responsibility for Consolidated and Separate Financial Statements

We the undersigned, hereby certify the following with regards to our audited financial statements for the year ended 31 December 2023 that:

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

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



Mr. Babatunde Fajemirokun
Managing Director/ Chief Executive Officer
FRC /2015/PRO/CIIN/010/00000019973

18-Apr-24



Mrs Bisola Elias
Chief Financial Officer
FRC/2018/PRO/ICAN/001/00000018839

18-Apr-24

Independent Auditor's Report

To the Members of AllCO Insurance Plc

Report on the Audit of the Consolidated and Separate Financial Statements

Opinion

We have audited the consolidated and separate financial statements of AllCO Insurance Plc ("the Company") and its subsidiaries (together "the Group"), which comprise the consolidated and separate statements of financial position as at 31 December 2023, and the consolidated and separate statements of profit or loss and other comprehensive income, the consolidated and separate statements of changes in equity and the consolidated and separate statements of cash flows for the year then ended, and notes to the consolidated and separate financial statements, including material accounting policy information.

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

Basis for Opinion

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

Key Audit Matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the consolidated and separate financial statements of the current period. These matters were addressed in the context of our audit of the consolidated and separate financial statements as a whole, and in forming our opinion thereon, we do not provide a separate opinion on these matters. For each matter below, our description of how our audit addressed the matter is provided in that context.

We have fulfilled the responsibilities described in the *Auditor's Responsibilities for the Audit of the Consolidated and Separate Financial Statements* section of our report, including in relation to these matters.

Independent Auditor's Report - Continued

Accordingly, our audit included the performance of procedures designed to respond to our assessment of the risks of material misstatement of the consolidated and separate financial statements. The results of our audit procedures, including the procedures performed to address the matters below, provide the basis for our audit opinion on the accompanying consolidated and separate financial statements.

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

Key Audit Matter	How the matter was addressed in the audit
<p>Valuation of insurance contract liabilities</p> <p>The Group has material insurance contract liabilities of ₦217.1billion (2022: ₦187.3billion) representing 82% (2022: 82.5%) of the Group's total liabilities. Actuarial valuation of these insurance contract liabilities is an area that involves significant judgment over uncertain future outcomes and therefore was an area of significance to our audit.</p> <p>The Group reviews its unexpired risk at reporting date. Provision for reported claims is based on historical experience, however, the eventual liabilities may differ from the estimated amounts. Furthermore, the estimated liabilities for claims that have occurred but are yet to be reported involve judgment and economic assumptions.</p> <p>Consistent with the insurance industry practice and regulatory guideline, the Company engaged an independent actuary to test the adequacy of the valuation of insurance contract liabilities as at year-end. The complexity of the valuation models may give rise to errors as a result of inadequate/incomplete data or the design or application of the models.</p> <p>Economic assumptions such as interest rates and future inflation rates and actuarial assumptions such as customer behaviour and uniform risk occurrence throughout the period are key inputs used to determine these liabilities. Significant judgement is applied in setting these assumptions and small changes in a</p>	<p>We performed, amongst others, the following audit procedures with the support from our internal actuarial specialists:</p> <ul style="list-style-type: none"> • obtained and documented our understanding of the Group's basis of valuation; • agreed schedules to the general ledger and test the completeness and accuracy of the subledgers; • reviewed the accuracy of contract classifications for reporting under IFRS 17 Insurance Contracts; • reviewed data items used as inputs (premium data and claims data) to valuation or valuation models, including those involved in retrospective and prospective liability calculations; • reviewed and confirmed the appropriateness of disclosures made in the financial statements as regards insurance contract; • reviewed the policy and methodology papers; • reviewed consistency and accuracy of administration of claims and any other accounting data; • reviewed the reasonability of the assumptions and methodology used in the in the calculation of the statutory reserves at 31 December 2023 with reference to

Independent Auditor's Report - Continued

Key Audit Matter	How the matter was addressed in the audit
<p>number of these key assumptions could have a material impact on the calculation of the liabilities.</p> <p>Insurance contract liabilities, related accounting policies and significant judgments and assumptions are disclosed in Notes 2.3, 2.14, 2.18 and 25 respectively to the consolidated and separate financial statements.</p>	<p>relevant legislation, professional guidance, and actuarial best practice;</p> <ul style="list-style-type: none"> • evaluated the appropriateness of discount rates used as part of the liability for incurred claims/reinsurance amount recoverable on incurred claims calculations; • verified that the discount rates have been appropriately applied within the calculation of the liability for incurred claims; • reviewed the accuracy of data items used as inputs (premium data, claims data, assumptions etc.) to valuations or valuation models, including those involved in retrospective and prospective liability calculations; • verified the accuracy of contract classifications for reporting under IFRS 17 Insurance Contracts; • verified claims/reinsurance amount recoverable on incurred claims; and • verified that the risk adjustment factors determined for the liability for incurred claims/reinsurance amount recoverable on incurred claims have been appropriately applied within the calculation of the liability for incurred claims/reinsurance amount recoverable on incurred claims.
<p>Disclosure of the impact of the adoption of International Financial Reporting Standards (IFRS) 17 Insurance contracts</p> <p>Effective 1 January 2023, the Group transitioned to IFRS 17: 'Insurance Contracts' which replaced the existing standard for insurance contracts, IFRS 4 'Insurance Contracts'.</p>	<p>We performed, amongst others, the following audit procedures:</p> <ul style="list-style-type: none"> • Gained a detailed understanding of the process to estimate the transitional adjustments and obtained an understanding of relevant controls. • evaluated the appropriateness of key technical accounting decisions, judgments,

Independent Auditor's Report - Continued

Key Audit Matter	How the matter was addressed in the audit
<p>The disclosure of the impact of the adoption of IFRS 17 is a key audit matter as this is a new and complex accounting standard which has required considerable judgment and assumptions in its implementation, and introduced a number of significant changes, including new requirements regarding the measurement and presentation of insurance contracts and related account balances and classes of transactions.</p> <p>We focused on the significant judgements and assumptions applied in determining the following:</p> <ul style="list-style-type: none"> - Transition Approach - Accounting policies - Methodology used to determine discount rates at transition date - The methodology adopted and key assumptions employed to recalibrate and restate the figures previously reported. <p>Refer to Notes 3.3(L), 17(i) and 41 to the consolidated and separate financial statements for the disclosures on the impact of adopting IFRS 17.</p>	<p>assumptions and elections made in determining the estimate against the requirements of the standard.</p> <ul style="list-style-type: none"> • reviewed management's documentation of the transition approach for groups of insurance contracts at transition date. Where management applied the fair value approach instead of full retrospective approach, we assessed the reasonableness of management's justification that retrospective application is impracticable for those group of insurance contracts. • Tested the IAS 8 "Accounting Policies, Changes in Accounting Estimates and Errors" disclosures related to the transition impact and reconciled the disclosed impact to underlying accounting records.
<p>Valuation of investment in unquoted equity instrument measured at fair value through profit or loss</p> <p>The Company has a material investment of ₱3.75 billion (2022: Nil) in unquoted equity instrument measured at fair value through profit or loss.</p> <p>The fair value of the investment is estimated using the Discounted Cash-Flows (DCF) method which requires significant estimates and assumptions including a financial forecast of the investee, growth rates, and discount factors. The significant judgment involved and uncertainty in relation to estimation of future cash</p>	<p>With the assistance of our in-house valuation specialists, we performed the following audit procedures:</p> <ul style="list-style-type: none"> • evaluated the appropriateness of the valuation methodology employed by the external expert and assessed the reasonableness of underlying assumptions used in determining the fair value of the investment in an unquoted equity instrument.

Independent Auditor’s Report - Continued

Key Audit Matter	How the matter was addressed in the audit
<p>flows and other assumptions make this an area of significance to our audit.</p> <p>Investment in unquoted equity instruments (including significant assumptions and judgements) and related accounting policies are disclosed in Note 7(c) to the consolidated and separate financial statements.</p>	<ul style="list-style-type: none"> we assessed the competence, capabilities, and objectivity of the external expert engaged by the Directors. We also verified and assessed the expert’s qualifications and experience. We discussed the scope of work and confirmed that no scope limitations were imposed upon the expert by the directors. <p>We reviewed the qualitative and quantitative disclosures for appropriateness and reasonableness to ensure conformity with disclosure requirements of relevant accounting standards.</p>

Other Information

The Directors are responsible for the other information. The other information comprises the information included in the document titled “AIIICO Insurance Plc Annual Report for the year ended 31 December 2023”, which includes Corporate Information, Consolidated Results at a Glance - The Group, Results at a Glance - The Company, Shareholding structure and free float status, Directors’ Report, Report of the Statutory Audit Committee, Corporate Governance Report, Statement of Directors’ Responsibilities in Relation to the Preparation of the Consolidated and Separate Financial Statements, Statement of Corporate Responsibility for the Consolidated and Separate Financial Statements and Other National Disclosures. The other information does not include the consolidated and separate financial statements and our auditor’s report thereon.

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

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

If, based on the work we have performed, 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.

Independent Auditor's Report - Continued

Responsibilities of the Directors for the Consolidated and Separate Financial Statements

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

In preparing the consolidated and separate financial statements, the Directors are responsible for assessing the Group's and 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 Group and/or the Company or to cease operations, or have no realistic alternative but to do so.

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

Our objectives are to obtain reasonable assurance about whether the consolidated and separate financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated and separate 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 consolidated and separate financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's and the Company's internal control.

Independent Auditor's Report - Continued

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Directors.
- Conclude on the appropriateness of the Directors' use of the going concern basis of accounting and based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's and 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 consolidated and separate financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group and/or the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated and separate financial statements, including the disclosures, and whether the consolidated and separate financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

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

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

Independent Auditor's Report - Continued

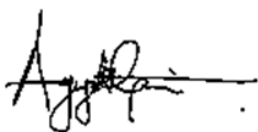
Report on Other Legal and Regulatory Requirements

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

- We have obtained all the information and explanations which, to the best of our knowledge and belief, were necessary for the purpose of our audit;
- In our opinion, proper books of account have been kept by the Group and the Company, in so far as it appears from our examination of those books;
- The consolidated and separate statements of financial position and the consolidated and separate statements of profit or loss and other comprehensive income are in agreement with the books of account; and
- In our opinion, the consolidated and separate financial statements have been prepared in accordance with the provisions of the Companies and Allied Matters Act, 2020 so as to give a true and fair view of the state of affairs and financial performance of the Company and its subsidiaries.

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

We performed a limited assurance engagement and reported on management's assessment of the Company's internal control over financial reporting as of 31 December 2023. The work performed was done in accordance with the International Standard for Assurance Engagements Other Than Audits or Reviews of Historical Financial Information ('ISAE 3000 (Revised)') and FRC Guidance on Assurance Engagement Report on Internal Control over Financial Reporting, and we have issued an unmodified conclusion in our report dated 24 May 2024.



Babayomi Ajjola
FRC/2013/PRO/ICAN/004/00000001196
For Ernst & Young
Lagos, Nigeria
29 May 2024



Material Accounting Policies

For the year ended 31 December 2023

1 Reporting entity

AIICO Insurance Plc ("the Company") was established in 1963 by American Life Insurance Company and was incorporated in 1970. It was converted to a Public Liability Company in 1989 and quoted on the Nigerian Stock Exchange (NSE) in December 1990. The Company was registered by the Federal Government of Nigeria to provide insurance services in Life Insurance Business, Non-Life Insurance Business, Deposit Administration and Financial Services to organizations and private individuals. Arising from the merger in the insurance industry, AIICO Insurance Plc acquired Nigerian French Insurance Plc and Lamda Insurance Company Limited in February 2007.

2 Basis of accounting

2.1 Statement of compliance

These consolidated and separate financial statements have been prepared in accordance with International Financial Reporting Standards (IFRSs) as issued by the International Accounting Standards Board (IASB), the provisions of the Companies and Allied Matters Act 2020, the Financial Reporting Council of Nigeria (Amendment) Act, 2023, the Insurance Act of Nigeria 2003 and relevant National Insurance Commission (NAICOM) policy guidelines and circulars.

These consolidated and separate financial statements were authorised for issue by the Company's Board of Directors on 18 April 2024.

2.2 Going concern

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

2.3 Functional and presentation currency

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

2.4 Basis of measurement

These consolidated and separate financial statements have been prepared under the historical cost convention, except for the following items; which are measured on an alternative basis on each reporting date.

Items	Measurement Bases
Item of building (Property plant and equipment)	Revalued amount
Non-derivative Financial asset at fair value through other comprehensive income	Fair value
Non-derivative Financial asset at fair value through profit or loss	Fair value
Investment properties	Fair value
Insurance contract liabilities	Present value

2.5 Use of estimates and judgement

In preparing these consolidated and separate financial statements, management has made judgements and estimates that affect the application of accounting policies and the reported amounts of assets and liabilities, income and expense. Actual results may differ from these estimates.

The significant judgements made by management in applying the Group's accounting policies and the key sources of estimation uncertainty are described in Note 4.

Material Accounting Policies
For the year ended 31 December 2023

2.6 Regulatory authority and financial reporting

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

- (i) Section 20 (1a) provides that provisions for unexpired risks shall be calculated on a time apportionment basis of the risks accepted in the year;
- (ii) Section 20 (1b) requires provision for outstanding claims to be credited with an amount equal to the total estimated amount of all outstanding claims with a further amount representing 10 percent of the estimated figure for outstanding claims in respect of claims incurred but not reported at the end of the year under review;
- (ii) Sections 21 (1a) and 22 (1b) require maintenance of contingency reserves for general and life businesses respectively at specified rates as set out under Note 3.27 to cover fluctuations in securities and variation in statistical estimates;

2.7 Changes in accounting policies

New and amended standards and interpretations

The Group applied for the first-time certain standards and amendments, which are effective for annual periods beginning on or after 1 January 2023 (unless otherwise stated). The Group has not early adopted any other standard, interpretation or amendment that has been issued but is not yet effective.

A. Issued and Amended standards effective from periods beginning on or after 1 January 2023

(i) IFRS 17 - Insurance Contracts

In May 2017, the IASB issued IFRS 17 Insurance Contracts (IFRS 17), a comprehensive new accounting standard for insurance contracts covering recognition and measurement, presentation and disclosure. Once effective, IFRS 17 will replace IFRS 4 Insurance Contracts (IFRS 4) that was issued in 2005. IFRS 17 applies to all types of insurance contracts (i.e., life, non-life, direct insurance and re-insurance), regardless of the type of entities that issue them, as well as to certain guarantees and financial instruments with discretionary participation features. A few scope exceptions will apply.

The overall objective of IFRS 17 is to provide an accounting model for insurance contracts that is more useful and consistent for insurers. In contrast to the requirements in IFRS 4, which are largely based on grandfathering previous local accounting policies, IFRS 17 provides a comprehensive model for insurance contracts, covering all relevant accounting aspects. The core of IFRS 17 is the general model, supplemented by:

- A specific adaptation for contracts with direct participation features (the variable fee approach)
- A simplified approach (the premium allocation approach) mainly for short-duration contracts.

IFRS 17 is effective for reporting periods beginning on or after 1 January 2023, with comparative figures required. Early application is permitted, provided the entity also applies IFRS 9 and IFRS 15 on or before the date it first applies IFRS 17. This standard has significantly changed how the Group measures, presents and discloses its insurance contracts from the year 2023 and the Group has put adequate processes in place.

(ii) Definition of Accounting Estimates - Amendments to IAS 8

In February 2021, the IASB issued amendments to IAS 8, in which it introduces a definition of 'accounting estimates'. The amendments clarify the distinction between changes in accounting estimates and changes in accounting policies and the correction of errors. Also, they clarify how entities use measurement techniques and inputs to develop accounting estimates.

The amendments are effective for annual reporting periods beginning on or after 1 January 2023 and apply to changes in accounting policies and changes in accounting estimates that occur on or after the start of that period. Earlier application is permitted as long as this fact is disclosed. The amendments do not have a material impact on the Group's financial statements.

Material Accounting Policies

For the year ended 31 December 2023

(iii) Disclosure of Accounting Policies - Amendments to IAS 1 and IFRS Practice Statement 2

In February 2021, the IASB issued amendments to IAS 1 and IFRS Practice Statement 2 Making Materiality Judgements, in which it provides guidance and examples to help entities apply materiality judgements to accounting policy disclosures. The amendments aim to help entities provide accounting policy disclosures that are more useful by replacing the requirement for entities to disclose their 'significant' accounting policies with a requirement to disclose their 'material' accounting policies and adding guidance on how entities apply the concept of materiality in making decisions about accounting policy disclosures.

The amendments to IAS 1 are applicable for annual periods beginning on or after 1 January 2023 with earlier application permitted. Since the amendments to the Practice Statement 2 provide non-mandatory guidance on the application of the definition of material to accounting policy information, an effective date for these amendments is not necessary.

The Group has updated its accounting policy information disclosures to ensure consistency with the amended requirements.

(iv) Deferred Tax related to Assets and Liabilities arising from a Single Transaction - Amendments to IAS 12

In May 2021, the Board issued amendments to IAS 12, which narrow the scope of the initial recognition exception under IAS 12, so that it no longer applies to transactions that give rise to equal taxable and deductible temporary differences.

The amendments should be applied to transactions that occur on or after the beginning of the earliest comparative period presented. In addition, at the beginning of the earliest comparative period presented, a deferred tax asset (provided that sufficient taxable profit is available) and a deferred tax liability should also be recognised for all deductible and taxable temporary difference associated with leases and decommissioning obligations.

The amendments do not have a material impact on the Group's financial statements as the Group currently have material unrecognised deferred tax assets.

2.8 Segment reporting

For management purposes, the Group is organized into business units based on their products and services.

Segment performance is evaluated based on profit or loss. The Company's financing and income taxes are managed on a group basis and are not allocated to individual operating segments.

Inter-segment transactions as shown in Note 5.1 Segment statement of profit or loss and other comprehensive income and 5.2 Segment statement of financial position and results will include those transfers between business segments.

3 Material accounting policies

The Group has consistently applied the following accounting policies to all years presented in these consolidated and separate financial statements.

3.1 Basis of Consolidation

(a) Business combination and goodwill

Business combinations are accounted for using the acquisition method. The cost of an acquisition is measured as the aggregate of the consideration transferred, measured at acquisition date fair value and the amount of any non-controlling interest in the acquiree. For each business combination, the Company has an option to measure any non-controlling interests in the acquiree either at fair value or at the non-controlling interest's proportionate share of the acquiree's identifiable net assets.

When the Group acquires a business, it assesses the financial assets and liabilities assumed for appropriate classification and designation in accordance with the contractual terms, economic circumstances and pertinent conditions at the acquisition date. This includes the separation of embedded derivatives in host contracts by the acquiree. No reclassification of insurance contracts is required as part of the accounting for the business combination. However, this does not preclude the Group from reclassifying insurance contracts to accord with its own policy only if classification needs to be made on the basis of the contractual terms and other factors at the inception or modification date.

Material Accounting Policies

For the year ended 31 December 2023

3.1 Basis of Consolidation (continued)

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

Any contingent consideration to be transferred by the acquirer will be recognized at fair value at the acquisition date. Subsequent changes to the fair value of the contingent consideration, which is deemed to be an asset or a liability, will be recognized as measurement year adjustments in accordance with the applicable IFRS. If the contingent consideration is classified as equity, it will not be remeasured and its subsequent settlement will be accounted for within equity.

Goodwill is initially measured at cost, being the excess of the fair value of the consideration transferred over the Company's share in the net identifiable assets acquired and liabilities assumed and net of the fair value of any previously held equity interest in the acquiree. After initial recognition, goodwill is measured at cost less any accumulated impairment losses. For the purposes of impairment testing, goodwill acquired in a business combination is allocated to an appropriate cash-generating unit that is expected to benefit from the combination, irrespective of whether other assets or liabilities of the acquiree are assigned to those units.

Where goodwill forms part of a cash-generating unit and part of the operation within that unit is disposed of, the goodwill associated with the operation disposed of is included in the carrying amount of the operation when determining the gain or loss on disposal of the operation. Goodwill disposed of in this circumstance is measured based on the relative values of the operation disposed of and the portion of the cash-generating unit retained.

(b) Subsidiaries

Subsidiaries are investees controlled by the Group. The Group controls an investee when it is exposed to, or has rights to, variable returns from its involvement with the investee and has the ability to affect those returns through its power over the investee. The financial statements of subsidiaries are included in the consolidated financial statement from the date on which control commences until the date on which control ceases.

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

Changes in the Group's interest in a subsidiary that do not result in a loss of control are accounted for as equity transactions (transactions with owners). Any difference between the amount by which the non-controlling interest is adjusted and the fair value of the consideration paid or received is recognised directly in equity and attributed to the Group.

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

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

Acquisition-related costs are expensed as incurred

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

Disposal of subsidiaries

On loss of control, the Group derecognises the assets and liabilities of the subsidiary, any related non-controlling interests and the other components of equity related to the subsidiary. Any gain or loss arising from the loss of control is recognised in profit or loss. If the Group retains any interest in such subsidiary, then such interest is measured at fair value at the date that control is lost. Subsequently, that retained interest is accounted for as an equity-accounted investee or as a financial asset elected to be measured at fair value through other comprehensive income depending on the level of influence retained.

(c) Non-Controlling Interest

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

(d) Investment in associate

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

Material Accounting Policies

For the year ended 31 December 2023

3.2 Foreign currency transactions

Transactions in foreign currencies are translated into the respective functional currencies of Group companies at the exchange rates at the dates of the transactions.

Monetary assets and liabilities denominated in foreign currencies are translated into the functional currency at the exchange rate at the reporting date. Non-monetary assets and liabilities that are measured at fair value in a foreign currency are translated into the functional currency at the spot exchange rate when the fair value was determined.

Non-monetary items that are measured based on historical cost in a foreign currency are translated at the spot exchange rate at the date of the transaction. Foreign currency differences are generally recognised in profit or loss.

However, foreign currency differences arising from the translation of the following items are recognised in Other Comprehensive Income (OCI):

- financial asset at fair value through other comprehensive income (OCI) (except on impairment, in which case foreign currency differences that have been recognised in OCI are reclassified to profit or loss);
- a financial liability designated as a hedge of the net investment in a foreign operation to the extent that the hedge is effective and
- qualifying cash flow hedges to the extent that the hedges are effective.

3.3 Cash and cash equivalents

Cash and cash equivalents comprise cash at bank and in hand and short-term deposits with an original maturity of three months or less from the date of acquisition that are subject to an insignificant risk of changes in their fair value and are used by the Group in the management of its short term commitments.

For the purpose of the statement of cash flows, cash and cash equivalents consist of cash and cash equivalents as defined above, net of outstanding bank overdrafts. The statement of cashflows was prepared using the direct method.

Cash and cash equivalents are carried at amortized cost in the consolidated and separate statements of financial position.

3.4 Financial instruments

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

3.4.1 Recognition and initial measurement

All financial instruments are initially recognized on the trade date, i.e., the date that the Group becomes a party to the contractual provisions of the instrument.

A financial asset or financial liability is measured initially at fair value plus or minus (for financial liabilities), except for a financial asset or liability measured at fair value through profit or loss, transaction costs that are directly attributable to its acquisition or issue. A trade receivable without a significant financing component is initially measured at the transaction price.

3.4.2 Classification of financial instruments

The Group classified its financial assets under IFRS 9, into the following measurement categories:

- Those to be measured at fair value through other comprehensive income (FVOCI) (either with or without recycling)
- Those to be measured at fair value through profit or loss (FVTPL); and
- Those to be measured at amortized cost.

The classification depends on the Group's business model for managing financial assets and the contractual terms of the financial assets cash flow (i.e. solely payments of principal and interest- (SPPI test)).

The Group classifies its financial liabilities as liabilities at fair value through profit or loss and liabilities at amortized cost. Management determine the classification of the financial instruments at initial recognition.

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(i) Business model assessment

The Group makes an assessment of the objective of a business model in which an asset is held at a portfolio level because this best reflects the way the business is managed and information is provided to management. The information considered includes:

- the stated policies and objectives for the portfolio and the operation of those policies in practice. In particular, whether management's strategy focuses on earning contractual interest revenue, maintaining a particular interest rate profile, matching the duration of the financial assets to the duration of the liabilities that are funding those assets or realising cash flows through the sale of the assets;
 - how the performance of the portfolio is evaluated and reported to the Group's management;
 - the risks that affect the performance of the business model (and the financial assets held within that business model) and how those risks are managed;
 - how managers of the business are compensated e.g. whether compensation is based on the fair value of the assets managed or the
 - the frequency, volume and timing of sales in prior years, the reasons for such sales and its expectations about future sales activity.
- However, information about sales activity is not considered in isolation, but as part of an overall assessment of how the Group's stated objective for managing the financial assets is achieved and how cash flows are realised.

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 Group's original expectations, the Group 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.

Financial assets that are held for trading or managed and whose performance is evaluated on a fair value basis are measured at FVTPL because they are neither held to collect contractual cash flows nor held both to collect contractual cash flows and to sell financial assets.

(ii) Assessment whether contractual cash flows are solely payments of principal and interest

As a second step of its classification process the Company assesses the contractual terms of financial asset to identify whether they meet the SPPI test.

The most significant elements of interest within a lending arrangement are typically the consideration for the time value of money and credit risk. To make the SPPI assessment, the Group applies judgement and considers relevant factors such as the currency in which the financial asset is denominated, and the year for which the interest rate is set.

In contrast, contractual terms that introduce a more than de minimis exposure to risks or volatility in the contractual cash flows that are unrelated to a basic lending arrangement do not give rise to contractual cash flows that are solely payments of principal and interest on the principal amount outstanding. In such cases, the financial asset is required to be measured at FVTPL.

In assessing whether the contractual cash flows are solely payments of principal and interest, the Group considers the contractual terms of the instrument. This includes assessing whether the financial asset contains a contractual term that could change the timing or amount of contractual cash flows such that it would not meet this condition. In making the assessment, the Group considers:

- contingent events that would change the amount and timing of cash flows;
- leverage features;
- prepayment and extension terms;
- terms that limit the Group's claim to cash flows from specified assets (e.g. non-recourse asset features); and

Financial assets with embedded derivatives are considered in their entirety when determining whether their cash flows are solely payment of principal and interest.

A financial liability is classified at fair value through profit or loss if it is classified as held-for-trading or designated as such on initial recognition. Directly attributable transaction costs on these instruments are recognised in profit or loss as incurred. Financial liabilities at fair value through profit or loss are measured at fair value and changes therein, including any interest expense, are recognised in profit or loss.

Other non-derivative financial liabilities are initially measured at fair value less any directly attributable transaction costs. Subsequent to initial recognition, these liabilities are measured at amortised cost using the effective interest method.

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(iii) Reclassifications

Financial assets are not reclassified subsequent to their initial recognition, except in the year after the Group changes its business model for managing financial assets that are debt instruments. A change in the objective of the Group's business occurs only when the Group either begins or ceases to perform an activity that is significant to its operations (e.g., via acquisition or disposal of a business line).

The following are not considered to be changes in the business model:

- A change in intention related to particular financial assets (even in circumstances of significant changes in market conditions)
- A temporary disappearance of a particular market for financial assets
- A transfer of financial assets between parts of the entity with different business models.

When reclassification occurs, the Group reclassifies all affected financial assets in accordance with the new business model. Reclassification is applied prospectively from the 'reclassification date'. Reclassification date is 'the first day of the first reporting year following the change in business model.

Gains, losses or interest previously recognized are not restated when reclassification occurs.

3.4.3 Subsequent measurements

The subsequent measurement of financial assets depends on its initial classification:

(i) Debt instruments

A financial asset is measured at amortized cost if it meets both of the following conditions and is not designated as at FVTPL:

- The asset is held within a business model whose objective is to hold assets to collect contractual cash flows; 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.

The gain or loss on a debt securities that is subsequently measured at amortized cost and is not part of a hedging relationship is recognized in profit or loss when the asset is derecognized or impaired. Interest income from these financial assets is determined using the effective interest method and reported in profit or loss as 'Investment income'.

The amortized cost of a financial instrument is the amount at which it was measured at initial recognition, minus principal repayments, plus or minus the cumulative amortization using the effective interest method of any difference between the initial amount recognized and the maturity amount, minus any loss allowance. The effective interest method is a method of calculating the amortised cost of a financial instrument (or group of instruments) and of allocating the interest income or expense over the relevant year. The effective interest rate is the rate that exactly discounts estimated future cash payments or receipts over the expected life of the instrument or, when appropriate, a shorter year, to the instrument's gross carrying amount.

* Fair value through other comprehensive income (FVOCI)

Investment in debt instrument is measured at FVOCI only if it meets both of the following conditions and is not designated as at FVTPL:

- the asset is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets; 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.

The debt instrument is subsequently measured at fair value. Gains and losses arising from changes in fair value are included in other comprehensive income (OCI) and accumulated in a separate component of equity. Impairment gains or losses, interest revenue and foreign exchange gains and losses are recognized in profit or loss. Upon disposal or derecognition, the cumulative gain or loss previously recognized in OCI is reclassified from equity to profit or loss and recognized as realized gain or loss. Interest income from these financial assets is determined using the effective interest method and recognized in profit or loss as investment income. The treatment for equity instrument at FVTOCI is stated below. (Note 3.4.3(iii)).

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*** Fair value through profit or loss (FVTPL)**

Financial assets that do not meet the criteria for amortized cost or FVOCI are measured at fair value through profit or loss. The gain or loss arising from changes in fair value of a debt securities that is subsequently measured at fair value through profit or loss and is not part of a hedging relationship is included directly in the profit or loss and reported as 'Net fair value gain/loss' in the year in which it arises. Interest income from these financial assets is recognized in profit or loss as investment income.

(ii) Equity instruments

The Group subsequently measures all equity investments at fair value. For equity investment that is not held for trading, the Group may irrevocably elect to present subsequent changes in fair value in OCI. This election is made on an investment-by-investment basis. Where the Group's management has elected to present fair value gains and losses on equity investments in other comprehensive income, there is no subsequent reclassification of fair value gains and losses to profit or loss.

Dividends from such investments continue to be recognised in profit or loss when the Group's right to receive payments is established unless the dividend clearly represents a recovery of part of the cost of the investment. Changes in the fair value of financial assets at fair value through profit or loss are recognised in 'Net fair value gain/loss in the profit or loss.

3.4.4 Impairment of financial assets

(a) Overview of the Expected Credit Losses (ECL) principles

The Group recognizes loss allowances for ECL on the following financial instruments that are not measured at FVTPL:

- Financial assets that are debt instruments measured at amortized cost and FVOCI

In this section, the instruments mentioned above are all referred to as 'financial instruments' or 'assets'. Equity instruments are not subject to impairment under IFRS 9.

The ECL allowance is based on the credit losses expected to arise over the life of the asset (the lifetime expected credit loss or LT ECL), unless there has been no significant increase in credit risk since origination, in which case, the allowance is based on the 12 months' expected credit loss (12m ECL) as outlined.

The 12month ECL is the portion of LT ECLs that represent the ECLs that result from default events on a financial instrument that are possible within the 12 months after the reporting date (or a shorter year if the expected life of the instrument is less than 12 months). Both LT ECLs and 12m ECLs are calculated on either an individual basis or a collective basis, depending on the nature of the underlying portfolio of financial instruments.

Loss allowances for account receivable are always measured at an amount equal to lifetime ECL. The Group has established a policy to perform an assessment, at the end of each reporting year, of whether a financial instrument's credit risk has increased significantly since initial recognition, by considering the change in the risk of default occurring over the remaining life of the financial instrument.

Based on the above process, the Group groups its financial instruments into Stage 1, Stage 2, Stage 3 and POCL, as described below:

- Stage 1: When financial assets are first recognised, the Company recognises an allowance based on 12m ECLs. Stage 1 asset also include facilities where the credit risk has improved and the asset has been reclassified from Stage 2.
- Stage 2: When a financial asset has shown a significant increase in credit risk since origination, the Company records an allowance for the LT ECLs. Stage 2 asset also include facilities, where the credit risk has improved and the asset has been reclassified from Stage 3.
- Stage 3: Financial assets considered credit-impaired. The Company records an allowance for the LT ECLs.

If, in a subsequent year, credit quality improves and reverses any previously assessed significant increase in credit risk since origination, depending on the stage of the lifetime – stage 2 or stage 3 of the ECL bucket, the Group would continue to monitor such financial assets for a probationary year of 90 days to confirm if the risk of default has decreased sufficiently before upgrading such exposure from Lifetime ECL (Stage 2) to 12-months ECL (Stage 1). In addition to the 90 days probationary year above, the Group also observes a further probationary year of 90 days to upgrade from Stage 3 to 2. This means a probationary year of 180 days will be observed before upgrading financial assets from Lifetime ECL (Stage 3) to 12-months ECL (Stage 1).

For financial assets for which the Group has no reasonable expectations of recovering either the entire outstanding amount, or a proportion thereof, the gross carrying amount of the financial asset is reduced. This is considered a (partial) derecognition of the financial asset.

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3.4.4 Impairment of financial assets (Continued)

The Group considers a financial asset to be in default when the following occurs;

- The counterparty is unlikely to pay its credit obligations e.g market information
- Failure by the counterparty to meet obligation 90days past due.

In assessing whether a borrower is in default, the Group considers indicators that are:

- qualitative: e.g indicators of financial asset OR breach of covenant.
- quantitative e.g overdue status and non payment of another obligation of the same issuer to the Group.

The Group has defined its maximum year in estimating expected credit losses to be the maximum year to which the Group is exposed to the credit risk.

The Group has assumed that credit risk of a financial asset has not increased significantly since initial recognition if the financial asset has low credit risk at reporting date. The Group considers a financial asset to have low risk when its credit rating is equivalent to the globally understood definition of investment grade.

As a back stop, the Group considers that a significant increase in credit risk occurs no later than when an asset is more than 30 days past due. Days past due are determined by counting the number of days since the earliest elapsed due date in respect of which full payment has not been received. Due dates are determined without considering grace period that might be available to the borrower.

(b) The calculation of ECLs

The Group calculates ECLs based on a three probability-weighted scenarios to measure the expected cash shortfalls, discounted at an appropriate rate. The mechanics of the ECL calculations are outlined below and the key elements are as follows:

- PD: The Probability of Default is an estimate of the likelihood of default over a given time horizon. A default may only happen at a certain time over the assessed year, if the facility has not been previously derecognised and is still in the portfolio.
- EAD: The Exposure at Default is an estimate of the exposure at a future default date, taking into account expected changes in the exposure after the reporting date, including repayments of principal and interest, whether scheduled by contract or otherwise, expected drawdowns on committed facilities, and accrued interest from missed payments.
- LGD: The Loss Given Default is an estimate of the loss arising in the case where a default occurs at a given time. It is based on the difference between the contractual cash flows due and those that the lender would expect to receive, including from the realisation of any collateral. It is usually expressed as a percentage of the EAD.

When estimating the ECLs, the Group considers three scenarios (a base case, an upside and downside). Each of these is associated with different PDs, EADs and LGDs. When relevant, the assessment of multiple scenarios also incorporates how defaulted assets are expected to be recovered, including the probability that the assets will cure and the value of collateral or the amount that might be received for selling the asset. Impairment losses and releases are accounted for and disclosed separately from modification losses or gains that are accounted for as an adjustment of the financial asset's gross carrying value.

- **Stage 1:** The 12m ECL is calculated as the portion of LT ECLs that represent the ECLs that result from default events on a financial instrument that are possible within the 12 months after the reporting date. The Group calculates the 12m ECL allowance based on the expectation of a default occurring in the 12 months following the reporting date. These expected 12-month default probabilities are applied to a forecast EAD and multiplied by the expected LGD and discounted by an approximation to the original EIR. This calculation is made for each of the three scenarios, as explained above.
- **Stage 2:** When an asset has shown a significant increase in credit risk since origination, the Group records an allowance for the LT ECLs. The mechanics are similar to those explained above, including the use of multiple scenarios, but PDs and LGDs are estimated over the lifetime of the instrument. The expected cash shortfalls are discounted by an approximation to the original EIR.
- **Stage 3:** For assets considered credit-impaired, the Group recognises the lifetime expected credit losses for these assets. The method is similar to that for Stage 2 assets, with the PD set at 100%.

(c) Debt instruments measured at fair value through OCI

The ECLs for debt instruments measured at FVOCI do not reduce the carrying amount of these financial assets in the statement of financial position, which remains at fair value. Instead, an amount equal to the allowance that would arise if the assets were measured at amortised cost is recognised in OCI as an accumulated impairment amount, with a corresponding charge to profit or loss. The accumulated loss recognised in OCI is reclassified to the profit or loss upon derecognition of the assets.

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(d) **Collateral valuation**

To mitigate its credit risks on financial assets, the Group seeks to use collateral, where possible. The collateral comes in various forms: staff gratuity or guarantors for staff loans, in-house pension fee for agency loan, policy document/cash value for policy loans, etc. The Company's accounting policy for collateral assigned to it through its lending arrangements under IFRS 9 is the same as it was under IAS 39. Collateral, unless repossessed, is not recorded on the Company's statement of financial position.

However, the fair value of collateral affects the calculation of ECLs. It is generally assessed, at a minimum, at inception and re-assessed on yearly basis as deemed necessary.

(e) **Presentation of allowance for ECL in the statement of financial position**

Loss allowances for ECL are presented in the statement of financial position as follows:

- Financial assets measured at amortised cost: as a deduction from the gross carrying amount of the assets;
- Debt instruments measured at FVOCI: no loss allowance is recognised in the statement of financial position because the carrying amount of these assets is their fair value. However, the loss allowance is disclosed and recognised in the fair value reserve in equity (through OCI).

(f) **Forward looking information**

In its ECL models, the Group relies on a broad range of forward looking information as economic inputs, such as:

- GDP growth
- Unemployment rates
- Inflation rates
- Crude oil price

The inputs and models used for calculating ECLs 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 in Note 47 (a) in the financial statements.

3.4.5 Fair value measurement

'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 in the principal or, in its absence, the most advantageous market to which the Group has access at that date. The fair value of a liability reflects its non-performance risk.

If a market for a financial instrument is not active, then the Group establishes fair value using a valuation technique. A market is regarded as active if transactions for the assets or liability take place with sufficient frequency and volume to provide pricing information on an ongoing basis. The chosen valuation technique makes maximum use of market inputs, relies as little as possible on estimates specific to the Group, incorporates all factors that market participants would consider in setting a price and is consistent with accepted economic methodologies for pricing financial instruments.

The best evidence of the fair value of a financial instrument at initial recognition is the transaction price – i.e. the fair value of the consideration given or received. However, in some cases the initial estimate of fair value of a financial instrument on initial recognition may be different from its transaction price. If this estimated fair value is evidenced by comparison with other observable current market transactions in the same instrument (without modification or repackaging) or based on a valuation technique whose variables include only data from observable markets, then the difference is recognised in profit or loss on initial recognition of the instrument. In other cases, the fair value at initial recognition is considered to be the transaction price and the difference is not recognised in profit or loss immediately but is recognised over the life of the instrument on an appropriate basis or when the instrument is redeemed, transferred or sold, or the fair value becomes observable.

Fair value of fixed income liabilities is not less than the amount payable on demand, discounted from the first date on which the amount could be required to be paid.

3.4.6 Derecognition of financial assets

The Group derecognises a financial asset when the contractual rights to the cash flows from the financial asset expire, or when it transfers the financial asset in a transaction in which substantially all the risks and rewards of ownership of the financial asset are transferred or in which the Group neither transfers nor retains substantially all the risks and rewards of ownership and it does not retain control of the financial asset. Any interest in such derecognised asset financial asset that is created or retained by the Group is recognised as a separate asset or liability.

On derecognition of a financial asset, the difference between the carrying amount of the asset (or the carrying amount allocated to the portion of the asset transferred), and consideration received (including any new asset obtained less any new liability assumed) is recognised in profit or loss.

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3.4.7 Derecognition of financial liabilities

The Group derecognises financial liabilities when, and only when its contractual obligations are discharged or cancelled, or expired.

When an existing financial liability is replaced by another from the same lender on substantially different terms or the terms of an existing liability are substantially modified, such an exchange or modification is treated as a derecognition of the original liability and the recognition of a new liability, and the difference in the respective carrying amounts is recognized in profit or loss.

3.4.8 Write off

The Group writes off a financial asset (and any related allowances for impairment losses) when the Group determines that the assets are uncollectible. Financial assets are written off either partially or in their entirety. This determination is reached after considering information such as the occurrence of significant changes in the borrower/issuer's financial position such that the borrower/issuer can no longer pay the obligation, or that proceeds from collateral will not be sufficient to pay back the entire exposure. If the amount to be written off is greater than the accumulated loss allowance, the difference is first treated as an addition to the allowance that is then applied against the gross carrying amount. Any subsequent recoveries are credited to impairment loss on financial assets.

However, financial assets that are written off could still be subject to enforcement activities in order to comply with the Group's procedures for recovery of amount due.

3.5 Trade receivables

Trade receivables are stated at their original invoiced value, as the interest that would be recognized from discounting future cash receipts over the short credit period is not considered to be material. These receivables are reduced by appropriate allowances for estimated irrecoverable amounts. Interest on overdue trade and other receivables (where applicable) are recognized as they accrue.

3.5 Trade payables

Trade payables are recognised when due and measured on initial recognition at the fair value of the consideration received. Subsequent to initial recognition, they are measured at amortized cost using the effective interest rate method. Trade payables are recognised as financial liabilities.

3.6 Other payables and accruals

Other payables and accruals 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. Discounting is omitted for payables that are less than one year as the effect is not material. A financial liability is derecognized when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as a derecognition of the original liability and the recognition of a new liability, and the difference in the respective carrying amounts is recognised in the profit or loss. Gains and losses are recognised in the profit or loss when the liabilities are derecognized. Other payables are recognised as other financial liabilities.

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3.7 Other receivables and prepayment

Other receivables are carried at amortised cost using the effective interest rate less accumulated impairment losses. Prepayments are carried at cost less accumulated amortization and are amortized on a straight line basis to profit or loss.

3.8 Income tax

Income tax expense comprises current and deferred tax. It is recognised in profit or loss except to the extent that this relates to a business combination, or items recognized directly in equity or other comprehensive income.

(a) Current tax

Current tax comprises the expected tax payable or receivable on the taxable income or loss for the year and any adjustment to the tax payable or receivable in respect of previous years. The amount of current tax payable or receivable is the best estimate of the tax amount expected to be paid or received that reflects uncertainty related to the income taxes, if any. It is measured using tax rate enacted or substantively enacted at the reporting date. Current tax also includes any tax arising from dividends received by the Group. Minimum tax is recognised where there is taxable loss. The minimum tax is computed as 0.5% of gross turnover.

(b) NITDA Levy

The National Information Technology Development Agency Act (2007) empowers and mandates the Federal Inland Revenue Service (FIRS) to collect and remit 1% of profit before tax of Companies with turnovers of a minimum of ₦100million under the third schedule of the Act.

(c) Deferred income taxation

Deferred tax is recognised in respect of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes.

Deferred tax is not recognised for:

- temporary differences arising on the initial recognition of assets or liabilities in a transaction that is not a business combination and that affects neither accounting nor taxable profit;
- temporary differences related to investments in subsidiaries, associates and joint arrangements to the extent that the Group is able to control timing of the reversal of the temporary differences and it is probable that they will not reverse in the foreseeable future; and
- taxable temporary difference arising on the initial recognition of goodwill.

Deferred tax assets are recognised for unused tax losses, unused tax credits and deductible temporary differences to the extent that it is probable that future taxable profits will be available against which they can be used. Future taxable profits are determined based on business plans for individual subsidiaries in the Group. Deferred tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable that the related tax benefit will be realised; such reductions are reversed when the probability of future taxable profit improves.

Unrecognised deferred tax asset are reassessed at each reporting date and recognised to the extent that it has become probable that future taxable profits will be available against which they can be used.

Deferred tax is measured at the tax rates that are expected to be applied to temporary differences when they reverse, using tax rates enacted or substantially enacted at the reporting date.

The measurement of deferred tax reflects the tax consequences that would follow the manner in which the Group expects, at the end of the reporting year, to recover or settle the carrying amount of its assets and liabilities. For this purpose, the carrying amount of investment property measured at fair value presumed to be recovered through sale, and the Group has not been rebutted this presumption.

Deferred tax assets and liabilities are offset if there is a legally enforceable right to offset current tax liabilities and assets, and they relate to taxes levied by the same tax authority on the same taxable entity, or on different tax entities, but they intend to settle current tax liabilities and assets on a net basis or their tax assets and liabilities will be realised simultaneously.

3.9 Investment properties

Investment properties are initially measured at cost and subsequently at fair value with any change therein recognised in profit or loss. Any gain or loss on disposal of investment properties (calculated as the difference between the net proceeds from disposal and the carrying amount of the item) is recognised in profit or loss.

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3.10 Intangible assets and goodwill

(a) Goodwill

Goodwill is measured at cost less accumulated impairment losses.

(b) Intangible assets

Intangible assets acquired separately are measured on initial recognition at cost. Following initial recognition, intangible assets are carried at cost less any accumulated amortization and any accumulated impairment losses. Internally generated intangible assets, excluding capitalized development costs, are not capitalized and expenditure is reflected in the profit or loss in the year in which the expenditure is incurred.

The useful lives of intangible assets are assessed to be finite.

Intangible assets with finite lives are amortized over the useful economic lives, using a straight line method, and assessed for impairment whenever there is an indication that the intangible asset may be impaired. The amortization year and the amortization 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 amortization year or method, as appropriate, and are treated as changes in accounting estimates. The amortization expense on intangible assets with finite lives is recognized in the profit or loss in the expense category consistent with the function of the intangible asset.

Computer software, not integral to the related hardware acquired by the Group, is stated at cost less accumulated amortisation and accumulated impairment losses.

Costs associated with maintaining computer software programmes are recognised as an expense as incurred. Subsequent expenditure on computer software is capitalised only when it increases the future economic benefits embodied in the specific asset to which it relates. The estimated useful life is 5 years.

Gains or losses arising from derecognition of an intangible asset are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognized in profit or loss when the asset is derecognized.

(d) Subsequent expenditure

Subsequent expenditure is capitalised only when it increases the future economic benefits embodied in the specific asset to which it relates. All other expenditure, including expenditure on internally generated goodwill and brands, is recognised in profit or loss as

(e) Amortisation

Amortisation is calculated to write off the cost of intangible assets less their estimated residual values using the straight line method over their estimated useful lives, and generally recognised in profit or loss. Goodwill is not amortised.

Amortisation methods, useful lives and residual values are reviewed at each reporting date and adjusted if appropriate.

(f) Impairment on goodwill

Goodwill is evaluated for impairment annually or whenever we identify certain triggering events or circumstances that would more likely than not reduce the fair value of a reporting unit below its carrying amount. Events or circumstances that might indicate an interim evaluation is warranted include, among other things, unexpected adverse business conditions, macro and reporting unit specific economic factors (for example, interest rate and foreign exchange rate fluctuations, and loss of key personnel), supply costs, unanticipated competitive activities, and acts by governments and courts.

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3.11 Property and equipment

(a) Recognition and measurement

Items of property and equipment are measured at cost less accumulated depreciation and impairment losses except for building (see note 2.4). Cost includes expenditures that are directly attributable to the acquisition of the asset. The cost of self-constructed assets includes the cost of materials and direct labour, any other costs directly attributable to bringing the assets to a working condition for their intended use, the costs of dismantling and removing the items and restoring the site on which they are located, and capitalised borrowing costs. Purchased software that is integral to the functionality of the related equipment is capitalised as part of that equipment.

Land and buildings are measured at revalued amount less accumulated depreciation (see note c below). Valuations are performed frequently (within every three year (3yrs) to ensure that the fair value of the revalued asset does not differ materially from its carrying amount. Accumulated depreciation as at the revaluation date is eliminated against the gross carrying amount and the net value is restated to the revalued amount of the asset. Capital work-in-progress is stated at cost and not depreciated. Depreciation on capital work-in-progress commences when the assets are ready for their intended use and have been reclassified to the related asset category.

If significant parts of an item of property and equipment have different useful lives, they are accounted for as separate items (major components) of property and equipment. Any gain or loss on disposal of an item of property and equipment is recognised in profit or loss.

(b) Subsequent expenditure

Subsequent expenditure is capitalised only if it is probable that the future economic benefits associated with the expenditure will flow to the Group.

(c) Depreciation

Depreciation is calculated to write off the cost of items of property and equipment less their estimated residual value using the straight-line method over the estimated useful lives, and is generally recognised in profit or loss. Leased assets are depreciated over the shorter of the lease term and their useful lives unless it is reasonably certain that the Group will obtain ownership by the end of the lease term.

The estimated useful lives of significant items of property and equipment for current and comparative years are as follows:

Land	Not depreciated
Buildings	50 years
Furniture and equipment	5 years
Motor vehicles	5 years
Lifts	15 Years
Central Air Conditioners	10 years
Capital work in progress	Not depreciated

Depreciation methods, useful lives and residual values are reviewed at each reporting date and adjusted if appropriate. 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. An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount. The recoverable amount is the higher of the asset's value less costs to sell or the value in use. Gains and losses on disposal are determined by comparing proceeds with carrying amount. Gains and losses are included in profit or loss for the year.

(d) De-recognition

An item of property and equipment is derecognised on disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on de-recognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in profit or loss in the year the asset is derecognised. Any revaluation gain or loss previously recognised in reserve is derecognised into retained earnings.

(e) Reclassification to investment property

When the use of a property changes from owner-occupied to investment property, the property is remeasured to fair value and reclassified accordingly. Any gain arising on this remeasurement is recognised in profit or loss to the extent that it reverses a previous impairment loss on the specific property, with any remaining gain recognised in OCI and presented in the revaluation reserve. Any loss is recognised in profit or loss.

3.12 Statutory deposit

Statutory deposit represent 10% of required minimum paid up capital of AIICO Insurance PLC. The amount is held by CBN (Central Bank of Nigeria) pursuant to Section 10(3) of the Insurance Act 2003. Statutory deposit is measured at cost.

Material Accounting Policies

For the year ended 31 December 2023

3.13 Investment contract liabilities

Investment contract liabilities are recognized when contracts are entered into and premiums are received. These liabilities are initially recognized at fair value, this being the transaction price excluding any transaction costs directly attributable to the issue of the contract. Subsequent to initial recognition investment, contract liabilities are measured at amortized cost.

Deposits and withdrawals are recorded directly as an adjustment to the liability in the statement of financial position and are not recognised as gross premium in the consolidated profit or loss. The liability is derecognized when the contract expires, is discharged or is cancelled. When contracts contain both a financial risk component and a significant insurance risk component and the cash flows from the two components are distinct and can be measured reliably, the underlying amounts are unbundled. Any premiums relating to the insurance risk component are accounted for on the same basis as insurance contracts and the remaining element is accounted for as a deposit through the statement of financial position as described above.

However, when contracts contain both financial risk component and significant insurance risk component and cash flows from the two components are not distinct and cannot be measured reliably, the underlying amounts are not unbundled but are recognized in the statement of financial position account as insurance contract liabilities. After which, the actuary, using the contract terms, allocates a portion to the deposit component during the actuarial valuation. The portion allocated to the deposit component is subsequently debited to the profit or loss as part of the actuarially determined liabilities with a corresponding credit posted to other investment contract liabilities account. The contracts with risk elements have been effectively measured under insurance contract liabilities as required by IFRS 17.

3.14 Portfolio under Management

(i) Fiduciary activities

The Group acts in other fiduciary capacities that results in holding or placing of assets on behalf of individuals and other institutions. These assets arising thereon are excluded from these financial statement as they are not assets of the Group. However, fee income earned and fee expenses incurred by the Group relating to the Group's responsibilities from fiduciary activities are recognised in profit or loss.

(ii) Fixed income liability

These are funds managed by the Group on behalf of its clients. The interest rate on these liabilities are agreed with the client at the inception of the investment. The Group invests these funds in financial instruments in order to generate at the minimum, the agreed rate of returns. The interest spread on these investments is the return to the Group. These liabilities are initially measured at fair value less any directly attributable transaction costs. Subsequent to initial recognition, these liabilities are measured at amortised cost using the effective interest method.

3.15 Leases

The Group has applied IFRS 16 using the modified retrospective approach and therefore the comparative information has not been restated and continues to be reported under IAS 17 and IFRIC 4. The details of accounting policies under IAS 17 and IFRIC 4 are disclosed separately.

The Group recognises a right-of-use asset and a lease liability at the lease commencement date. The right-of-use asset is initially measured at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or before the commencement date, plus any initial direct costs incurred and an estimate of costs to dismantle and remove the underlying asset or to restore the underlying asset or the site on which it is located, less any lease incentives received.

As a lessee

At commencement or on modification of a contract that contains a lease component, the Group allocates the consideration in the contract to each lease component on the basis of its relative stand-alone prices. However, for the leases of property the Group has elected not to separate non-lease components and account for the lease and non-lease components as a single lease component.

The right-of-use asset is subsequently depreciated using the straight-line method from the commencement date to the end of the lease term, unless the lease transfers ownership of the underlying asset to the Group by the end of the lease term or the cost of the right-of-use asset reflects that the Group will exercise a purchase option. In that case the right-of-use asset will be depreciated over the useful life of the underlying asset, which is determined on the same basis as those of property and equipment. In addition, the right-of-use asset is periodically reduced by impairment losses, if any, and adjusted for certain remeasurements of the lease liability.

Material Accounting Policies
For the year ended 31 December 2023

As a lessee (continued)

The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted using the interest rate implicit in the lease or, if that rate cannot be readily determined, the Group's incremental borrowing rate. Generally, the Group uses its incremental borrowing rate as the discount rate.

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

During the year, the Group has no lease liability as all leases were rental and leased properties prepaid.

As a lessor

At inception or on modification of a contract that contains a lease component, the Group allocates the consideration in the contract to each lease component on the basis of their relative standalone prices.

When the Group acts as a lessor, it determines at lease inception whether each lease is a finance lease or an operating lease.

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

If an arrangement contains lease and non-lease components, then the Group applies IFRS 15 to allocate the consideration in the contract.

The Group recognises lease payments received under operating leases as income on a straightline basis over the lease term as part of 'other revenue'. Generally, the accounting policies applicable to the Group as a lessor in the comparative year were not different from IFRS 16.

3.16 Provisions

Provisions are recognised when the Group has a present obligation (legal or constructive) as a result of a past event, and it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. Where the Group expects some or all of a provision to be reimbursed, the reimbursement is recognised as a separate asset, but only when the reimbursement is certain. The expense relating to any provision is presented in the profit or loss net of any reimbursement. If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, where appropriate, the risks specific to the liability.

Where discounting is used, the increase in the provision due to the passage of time is recognised as a finance cost.

3.17 Share capital

(a) Ordinary shares

The Group's issued ordinary shares are classified as equity instruments. Incremental external costs that are directly attributable to the issue of these shares are recognized in equity.

(b) Dividends on ordinary share capital

Dividends on ordinary shares when approved by the Group's shareholders are paid from retained earnings.

(c) Share premium

The Group classifies share premium as equity when there is no obligation to transfer cash or other assets.

3.18 Deposit for shares

The group recognises funds received from investors for the purposes of equity purchase as deposit for shares pending the allotment of its shares.

3.19 Revaluation reserve

Subsequent to initial recognition, land and buildings are carried at revalued amounts less accumulated depreciation. The revaluation gains is recognised in equity, unless it reverses a decrease in the fair value of the same asset which was previously recognised as an expense, in which it is recognised in profit or loss. A subsequent decrease in the fair value is charged against this reserve to the extent that there is a credit balance relating to the same asset, with the balance being recognised in profit or loss. When a revalued asset is disposed of, any revaluation surplus is left in equity under the heading retained earnings.

Material Accounting Policies

For the year ended 31 December 2023

3.20 Fair value reserve

(a) Financial assets at fair value through OCI (debt instruments)

For debt instruments at fair value through OCI, interest income, foreign exchange revaluation and impairment losses or reversals are recognised in the statement of 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. The Group's debt instruments at fair value through OCI includes investments in quoted debt instruments included under other non-current financial assets.

(b) Financial assets designated at fair value through OCI (equity instruments)

Upon initial recognition, the Group 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.

3.21 Exchange gains reserve

Exchange gain reserves comprises the cumulative net change when fair value through other comprehensive income investment in foreign currency are translated into the functional currency. When such investment is disposed of, the cumulative amount of the exchange differences recognised in other comprehensive income shall be reclassified to the profit or loss account.

3.22 Contingency reserves

(a) Non-life business

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

(b) Life business

In compliance with Section 22 (1) (b) of Insurance Act 2003, the contingency reserve is credited with the higher of 1% of gross premiums or 10% of net profit and accumulated until it reaches the amount of the minimum paid up capital – Insurance ACT 22 (1)(b).

3.23 Retained earnings

This account accumulates profits or losses from operations and reduced by dividends declared alongside other transfers to reserves in line with regulatory requirements.

3.24 Other Income

Other operating income comprises of income from realised profits on sale of securities, realised foreign exchange gains and other sundry income.

Material Accounting Policies

For the year ended 31 December 2023

(e) Investment income

Interest income is recognized in the profit or loss as it accrues and is calculated by using the effective interest rate method. Fees and commissions that are an integral part of the effective yield of the financial asset or liability are recognized as an adjustment to the effective interest rate of the instrument. Investment income also includes dividends when the right to receive payment is established. For listed securities, this is the date the security is listed as ex-dividend.

(f) Realized gains and losses

Realized gains and losses recorded in the profit or loss on investments include gains and losses on financial assets and investment property. Gains and losses on the sale of investments are calculated as the difference between net sales proceeds and the original or amortized cost and are recorded on occurrence of the sale transaction.

(g) Investment property rental income

Rental income from investment property is recognised as revenue on a straight line basis over the term of the lease. Lease incentives granted are recognised as an integral part of the total rental income, over the term of the lease.

Rental Income from other property is recognised as other income.

The fair value gain or loss on investment property is recognised in profit or loss.

3.25 Employee benefits

(a) Short term employee benefit

Short term employee benefits are expensed as the related service is provided. A liability is recognised for the amount expected to be paid if the Group 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.

(b) Defined contribution plans

Obligations for contributions to defined contribution plans are expensed as the related service is provided. Prepaid contributions are recognised as an asset to the extent that a cash refund or a reduction in future payments is available.

The Company operates a contributory pension scheme in line with the provisions of the Pension Reform Act 2014. The Pension Reform Act 2014 requires a minimum contributions of 8% from the staff and 10% by the Company based on the basic salaries and other designated allowances. The Pension Reform Act 2014 also allows the Company to bear the full contribution on behalf of the employees as far as the minimum contributions of 18% is met. The Company bears the full contribution on behalf of the employees contributions which is charged to profit or loss.

3.26 Other operating expenses

Expenses are decreases in economic benefits during the accounting year in the form of outflows, depletion of assets or incurrence of liabilities that result in decrease in equity, other than those relating to distributions to equity participants.

Other operating expenses are accounted for on accrual basis and recognized in profit or loss upon utilization of the service or at the date of their origin.

3.27 Finance cost

Interest paid is recognized in the profit or loss as it accrues and is calculated by using the effective interest rate method. Accrued interest is included within the carrying value of the interest bearing financial liability.

3.28 Earnings per share

The Group presents basic earnings per share (EPS) data for its ordinary shares. Basic EPS is calculated by dividing the profit or loss attributable to ordinary shareholders of the Group by the weighted average number of ordinary shares outstanding during the year, excluding treasury shares held by the Group. Diluted EPS is determined by adjusting the profit or loss attributable to ordinary shareholders and the weighted average number of ordinary shares outstanding for the effects of all dilutive potential ordinary shares.

3.29 Right-of-use assets

The Group recognises right-of-use assets at the commencement date of the lease (i.e., the date the underlying asset is available for use). Right-of-use assets are measured at cost, less any accumulated amortization and impairment losses (if any), and adjusted for any remeasurement of lease liabilities (if any). Right-of-use assets for the Group relates to rental payments above two (2) years and they are amortised on a straight-line basis over the period of the lease. During the year under review, there were no concession lease incentives granted to the group on rental payments.

Material Accounting Policies

For the year ended 31 December 2023

3.30 Insurance contracts

A. Key types of insurance contracts issued, and reinsurance contracts held.

The Group issues the following types of contracts that are accounted for in accordance with IFRS 17 Insurance Contracts:

(i) Life insurance

(ii) Non-life insurance

(i) Life insurance

For the Life insurance products, the Group offers the following insurance contracts with indication of IFRS 17 methodologies applied on these contracts:

(a) Individual Life With-profit Policies - These are endowment plans without participating features.

The Group accounts for these policies applying the General Model.

(b) Individual Life Without-profit Policies including:

- Term life insurance contracts providing level or decreasing sum assured coverage for a limited period in exchange for renewable fixed premiums.
- Whole of life assurance contracts.

The Group accounts for these policies applying the General Model.

(c) Annuity Policies including:

- Fixed annuity contracts providing the annuitant with a guaranteed income payout for a limited period.
- Deferred annuity contracts providing the annuitant with a guaranteed income payout for life, with the first payment due at the end of the deferral period, provided all contractual premiums were paid. The policyholder is entitled to a surrender benefit (a portion of the accumulation balance at a guaranteed interest rate) if premiums are not fully paid.

The Group accounts for these policies applying the General Model.

(d) Life Business – Deposit based policies.

These contracts are individual term assurance plans providing a death benefit with non-distinct investment components.

The Group accounts for these policies applying the General Model.

(e) Group Life Insurance - The Group issues term assurance plans providing death benefits to employees of businesses with coverage of one year or less.

The Group accounts for these contracts applying the Premium Allocation Approach (PAA).

(ii) Non-life insurance

The Company issues non-life insurance to individuals and businesses. Non-life insurance products offered include motor, property, marine, fire and personal accident. These products offer protection of policyholder's assets and indemnification of other parties that have suffered damage as a result of a policyholder's accident.

The Group accounts for these contracts applying the Premium Allocation Approach (PAA).

Reinsurance contracts

The Group also holds the following types of reinsurance contracts to mitigate risk exposure.

- For the life business, the Group holds quota share reinsurance treaties and accounts for these treaties applying the PAA.
- For non-life, the Group holds facultative (excess of individual loss) reinsurance policies and quota share reinsurance contracts accounted for applying the PAA.

B. Definitions and classifications

Insurance products sold by the Group are classified as insurance contracts when the Group accepts significant insurance risk from a policyholder by agreeing to compensate the policyholder if a specified uncertain future event adversely affects the policyholder.

This assessment is made on a contract-by-contract basis at the contract issue date. In making this assessment, the Group considers all its substantive rights and obligations, whether they arise from contract, law or regulation.

The Group determines whether a contract contains significant insurance risk by assessing if an insured event could cause the Group 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 Group does not issue any contracts with direct participating features.

Material Accounting Policies

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C. Combining a set or series of contracts

Sometimes, the Group enters into two or more contracts at the same time with the same or related counterparties to achieve an overall commercial effect. The Group 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 Group considers whether:

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

D. Separating components from insurance and reinsurance contracts

The Group assesses its insurance and reinsurance products to determine whether they contain components which must be accounted for under another IFRS rather than IFRS 17 (distinct non- insurance components). After separating any distinct components, an entity must apply IFRS 17 to all remaining components of the (host) insurance contract. Currently, the Group's products do not include distinct components that require separation.

Some term life contracts issued by the Group include a surrender option under which the surrender value is paid to the policyholder on maturity or earlier lapse of the contract. These surrender options have been assessed to meet the definition of a non-distinct investment component in IFRS 17.

However, receipts and payments of the investment components are excluded from insurance revenue and insurance expenses. The surrender options are considered non-distinct investment components as the Group is unable to measure the value of the surrender option component separately from the life insurance portion of the contract.

The standard requires an insurer to identify and separate distinct components in certain circumstances. When separated, those components are accounted for under the relevant IFRS (i.e., not under IFRS 17). Investment components that are highly interrelated with the insurance contract of which they form a part are considered non-distinct and are not separately accounted for. However, these non-distinct investment components are excluded from the insurance service results.

Paragraph B18 of IFRS 17 states that an entity needs to assess the insurance risk excluding scenarios that have no commercial substance (ie no discernible effect on the economics of the transaction). Hence, for the purpose of determining if an insurance contract includes an investment component the entity needs to assess whether scenarios in which no payments are made have commercial substance. The entity does not consider a scenario for which no payment is made if that scenario has no commercial substance.

For AIICO, none of the products issued currently have distinct investment components. For AIICO deposit-based endowments, unallocated investment income is what covers policy expenses and management expenses as well as guaranteed death benefits. This effectively implies that the investment component in these products is interrelated with the risk component.

The investment component for AIICO endowments comprises surrender and maturity benefits payable.

E. Level of aggregation

IFRS 17 requires an entity to determine the level of aggregation for applying its requirements. The Group identifies portfolios by aggregating insurance contracts that are subject to similar risks and managed together. In grouping insurance contracts into portfolios, the Group considers the similarity of risks rather than the specific labelling of product lines. The Group 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.

Each portfolio is subdivided into groups of contracts to which the recognition and measurement requirements of IFRS 17 are applied.

At initial recognition, the Group 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:

- Contracts that are onerous on initial recognition
- Contracts that, on initial recognition, have no significant possibility of becoming onerous subsequently
- Any remaining contracts

For the Retail Life business, the determination of whether a contract or a group of contracts is onerous is based on the expectations as at the date of initial recognition, with fulfilment cash flow expectations determined on a probability-weighted basis.

The composition of groups established at initial recognition is not subsequently reassessed.

The profitability of groups of contracts is assessed by actuarial valuation models that take into consideration existing and new businesses.

For short term contracts accounted for applying the PAA, the Group determines that contracts are not onerous on initial recognition, unless there are facts and circumstances indicating otherwise. For contracts that are not onerous, the Group 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 Group considers facts and circumstances to identify whether a group of contracts are onerous based on:

- Significant changes in external conditions including economic or regulatory changes e.g. (PRAN rate review)
- Changes to the organization or processes
- Changes in underwriting and pricing strategies
- Trends in experience and expected variability in cashflows.

Material Accounting Policies
For the year ended 31 December 2023

E. Level of aggregation - continued

This consideration is only required for Liability for Remaining Coverage (LRC) and not Liability for Incurred Claims (LIC) which is already measured at current fulfilment value. Fulfilment cashflows can be estimated at whichever aggregate level is deemed appropriate and then subsequently allocated into IFRS 17 portfolios and groups. The fact that incurred claims of a particular cohort is loss-making does not mean the LRC will be onerous as well. Judgement is applied to determine whether each cohort's LRC will be similar to this incurred experience and hence onerous. For example, actions taken to improve profitability a historically loss-making cohort may indicate that the cohort will be non-onerous going forward.

All short-term contracts have currently been assessed as having no possibility of becoming onerous. Though the Fire portfolio (non-Life) has historically been loss-making, the portfolio has been showing some improvement post-implementation of PRAN rates and other underwriting strategies such as removal of some toxic accounts etc. The Group expects that improvements will be sustained in future and therefore the cohort will be non-onerous. In subsequent periods, non-onerous contracts are re-assessed based on the likelihood of prevailing facts and circumstances leading to significant possibility of becoming onerous.

Reinsurance contracts held are assessed for aggregation on an individual contract basis and are assessed separately from insurance contracts. The smallest unit of account is a reinsurance contract, even where this contract covers more than one type of insurance product. However, there are cases where a reinsurance contract covers separate and identifiable product lines which are only included in the same legal document for administrative convenience. These contracts have been separated into its different component. An example is the NLIP reinsurance contract covering Auto, Casualty and Employer's Liability Lines. Each reinsured line is managed separately and priced separately so they are treated as separate reinsurance contracts.

If two or more reinsurance contracts are written on a particular product line, these may be grouped together in the same portfolio as they will be covering risks of the same nature and will be managed together. For example, the Surplus contracts (1&2) on Fire have been grouped together as they cover risks of the same nature and can be measured under the same measurement approach (PAA because they have a contract boundary of 1 year). While, facultative and excess of loss contracts are in separate groups; though they cover the same risks and are even managed together, differing measurement approaches as well as recognition requirements may apply.

F. Recognition

Insurance contracts are recognised as at the date when the first payment is received by the policyholder. As AIICO adheres to the statutory "no premium no cover", the date premium is received from the policyholder will always be earlier or on the same date as the coverage period. This premium receipt date would then be used to separate the groups of insurance contracts into yearly cohorts. The contract groupings shall not be reassessed until they are derecognized.

As required by the standard, AIICO will recognize contracts from the date at which they are determined to be onerous, if this occurs before premium payment or cover commencement.

G. Contract Boundaries

The Group 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 Group can compel the policyholder to pay the premiums, or in which the Group has a substantive obligation to provide the policyholder with insurance contract services. A substantive obligation to provide insurance contract services ends when:

- The Group 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 Group 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 are not recognized. Such amounts relate to future insurance contracts.

For life contracts with renewal periods, the Group assesses whether premiums and related cash flows that arise from the renewed contract are within the contract boundary. The pricing of the renewals is established by the Group by considering all the risks covered for the policyholder by the Group, that the Group would consider when underwriting equivalent contracts on the renewal dates for the remaining service. The Group reassesses contract boundary of each group at the end of each reporting period.

Material Accounting Policies

For the year ended 31 December 2023

H. Measurement of insurance contracts issued

1. General Model

1.1 Insurance contracts - initial measurement

The Group 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 (CSM) representing the unearned profit in the contracts relating to services that will be provided under the contracts.

Fulfilment cash flows within contract boundary

The fulfilment cash flows are the current unbiased and probability-weighted estimates of the present value of the future cash flows, including a risk adjustment for non-financial risk. In arriving at a probability-weighted mean, the Group considers a range of scenarios to establish a full range of possible outcomes incorporating all reasonable and supportable information available without undue cost or effort about the amount, timing and uncertainty of expected future cash flows. The estimates of future cash flows reflect conditions existing at the measurement date including assumptions at that date about the future. The Group estimates expected future cash flows for a group of contracts at a portfolio level and allocates them to the groups in that portfolio in a systematic and rational way.

When estimating future cash flows, the Group includes all cash flows within the contract boundary including:

- Premiums and any additional cash flows resulting from those premiums.
- Reported claims that have not yet been paid, claims incurred but not yet reported, future claims expected to arise from the policy and potential cash inflows from recoveries on future claims covered by existing insurance contracts.
- An allocation of insurance acquisition cash flows attributable to the portfolio to which the issued contract belongs.
- Claim handling costs.
- Costs of providing contractual benefits in kind, such as home and vehicle repair
- Policy administration and maintenance costs including recurring commissions expected to be paid to intermediaries for policy administration services only (recurring commissions that are insurance acquisition cash flows are treated as such in the estimate of future cash flows)
- Transaction-based taxes
- An allocation of fixed and variable overheads directly attributable to the fulfilment of insurance contracts including overhead costs such as accounting, human resources, information technology and support, building depreciation, rent, and maintenance and utilities.
- Costs incurred for performing investment activities that enhance insurance coverage benefits for the policyholder.
- Costs incurred for providing investment-related service and investment-return service to policyholders.
- Other costs specifically chargeable to the policyholder under the terms of the contract.

The Group does not provide investment-return services in respect of contracts that it issues, nor does it perform investment activities for the benefit of policyholders.

The Group incorporates, 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. The Company estimates the probabilities and amounts of future payments under existing contracts based on information obtained, including:

- Information about claims already reported by policyholders.
- Other information about the known or estimated characteristics of the insurance contracts
- Historical data about the Company's own experience, supplemented, when necessary, with data from other sources. Historical data is adjusted to reflect current conditions.
- Current pricing information, when available

The measurement of fulfilment cash flows includes insurance acquisition cash flows which are allocated as a portion of premium to profit or loss (through insurance revenue) over the period of the contract in a systematic and rational way on the basis of the passage of time. The Group does not elect to accrete interest on insurance acquisition cash flows to be allocated to profit or loss.

Discount Rate

The time value of money and financial risk is measured separately from expected future cash flows with changes in financial risks recognized in profit or loss at the end of each reporting period unless the Group has elected the accounting policy to present the time value of money separately in profit or loss and other comprehensive income. The Group measures the time value of money using discount rates that reflect the liquidity characteristics of the insurance contracts and the characteristics of the cash flows, consistent with observable current market prices. They exclude the effect of factors that influence such observable market prices but do not affect the future cash flows of the insurance contracts (e.g., credit risk).

In determining discount rates for cash flows, the Group uses the 'bottom-up approach' to estimate discount rates starting from a risk-free rate with similar characteristics, plus an illiquidity premium where applicable. Risk free rates are determined by reference to the yields of highly liquid FGN Bonds. The illiquidity premium is determined by reference to observable market rates, including sovereign debt, corporate debt and market swap rates.

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For the year ended 31 December 2023

Risk adjustment for non-financial risk

The Group measures the compensation it would require for bearing the uncertainty about the amount and timing of cash flows arising from insurance contracts, other than financial risk, separately as an adjustment for non-financial risk.

The Group uses the cost of capital method in estimating the risk adjustment. The level of capital and the cost of capital rate that feed this estimation technique are calibrated from the Group economic capital's approach within which the Group estimates the impact of non-financial risks. The economic capital approach includes a quantitative measure of the Group's risk appetite which allows a specific measure of the Group's non-financial risk and the degree of its risk aversion for financial reporting purposes. The Group's economical capital approach, and the risk adjustment calculation derived from it, include the benefits of diversification at the issuing entity level. This is allocated to all the groups of insurance contracts. Diversification benefits are derived from a study of the negative correlation that exists among the different non-financial variables impacting the cash flows from the portfolios of the Group and results in lower economic capital being necessary to absorb the residual level of uncertainty.

Contractual service margin (CSM)

The CSM is a component of the overall carrying amount of a group of insurance contracts representing unearned profit that the Group will recognize as it provides insurance contract services over the coverage period.

At initial recognition, the Group measures the CSM at an amount that, unless a group of insurance contracts is onerous, results in no gains recognized in profit or loss arising from:

- The expected fulfilment cash flows of the group.
- The amount of any derecognized asset for insurance acquisition cash flows allocated to the group.
- Any other asset or liability previously recognized for cash flows related to the group.
- Any cash flows that have already arisen on the contracts as of that date.

If a group of contracts is onerous, the Group recognizes a loss on initial recognition. This results in the carrying amount of the liability for the group being equal to the fulfilment cash flows, and the CSM of the group being nil. A loss component is recognized for any loss on initial recognition of the group of insurance contracts.

The Group determines at initial recognition the group's coverage units. The Group then allocates the group's CSM based on the coverage units provided in the period.

The Group allocates contracts acquired with claims in the settlement phase into annual groups based on the expected profitability of the contracts at the date of acquisition. The Group uses the consideration received or paid as an approximation of premiums to calculate the CSM on initial recognition.

Insurance acquisition cash flows

The Group includes insurance acquisition cash flows in the measurement of a group of insurance contracts if they are directly attributable to either the individual contracts in a group, the group itself or the portfolio of insurance contracts to which the group belongs.

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

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

In the current and prior years, the Group did not allocate any insurance acquisition cash flows to future groups of insurance contracts, as it did not expect any renewal contracts to arise from new contracts issued in the period.

In the current and prior year, the Group did not identify any facts and circumstances indicating that the assets may be impaired.

Deferred acquisition costs (DAC)

Under IFRS 4, the Group recognised deferred acquisition cash flows separately as assets. Under IFRS 17, insurance acquisition cash flows are allocated to existing and future groups of insurance contracts on a systematic and rational basis. For insurance contracts measured under the GMM, on initial recognition of a group of contracts, the allocated insurance acquisition cash flows decrease the CSM and are thus implicitly deferred within the CSM, leading to a lower amount of CSM amortisation recognised in revenue in future reporting periods as services are rendered. However, for presentation purposes, directly attributable acquisition costs allocated to a group of contracts are amortised as an insurance service expense in a systematic way on the basis of the passage of time, with an equal amount recognised as insurance revenue.

Under the PAA, the Group recognised insurance acquisition cash flows in the liability for remaining coverage (LRC) and amortised insurance acquisition cash flows as insurance service expenses.

Material Accounting Policies

For the year ended 31 December 2023

1.2. Insurance contracts – Subsequent Measurement (General Model)

In estimating the total future fulfilment cash flows, the Group distinguishes between those relating to already incurred claims and those relating to future service. At the end of each reporting period, the carrying amount of the group of insurance contracts will reflect a current estimate of the liability for remaining coverage (LRC) as at that date and a current estimate of the liability for incurred claims (LIC).

The LRC represents the Group's obligation to investigate and pay valid claims under existing contracts for insured events that have not yet occurred, amounts that relate to other insurance contract services not yet provided (i.e. provision of investment-return and investment-related services) and investment components and other amounts not related to insurance contract services that have not yet been transferred to the LIC.

The LRC is comprised of:

- (a) the fulfilment cash flows relating to future service,
- (b) the CSM yet to be earned and
- (c) any outstanding premiums for insurance contract services already provided.

The LIC includes the Group's liability to pay valid claims for insured events that have already incurred, other incurred insurance expenses arising from past coverage service and the liability for claims incurred but not yet reported. It also includes the Group's liability to pay amounts the Group is obliged to pay the policyholder under the contract. This includes repayment of investment components, when a contract is derecognized. The current estimate of LIC comprises the fulfilment cash flows related to current and past service allocated to the group at the reporting date.

Changes in fulfilment cash flows

At the end of each reporting period, the Group updates the fulfilment cash flows for both LIC and LRC to reflect the current estimates of the amounts, timing and uncertainty of future cash flows, as well as discount rates and other financial variable.

The Group has an accounting policy choice which calculates changes in fulfilment cash flows at the end of a reporting period for changes in non-financial assumptions, changes in discount rates and financial assumptions. The Group first calculates the changes in discount rates and financial assumptions on the fulfilment cash flows (as expected at the beginning of the period) and then calculate changes on those cash flows from the change in non-financial assumptions.

Experience adjustments are the difference between:

- The expected cash flow estimates at the beginning of the period and the actual cash flows for premiums received in the period (and any related cash flows paid such as insurance acquisition cash flows and insurance premium taxes)
- The expected cash flow estimates at the beginning of the period and the actual incurred amounts of insurance service expenses in the period (excluding insurance acquisition expenses)

Experience adjustments relating to current or past service are recognized in profit or loss. For incurred claims (including incurred but not reported) and other incurred insurance service expenses, experience adjustments always relate to current or past service. They are included in profit or loss as part of insurance service expenses.

Experience adjustments relating to future service are included in the LRC by adjusting the CSM. The release of the CSM depends on whether the contract does not participate, participates indirectly, or directly participates in the performance of the specified underlying items.

At the end of each reporting period, the Group re-estimates the LRC fulfilment cash flows, updating for changes in assumptions relating to financial and non-financial risks.

Adjustments to the CSM

The following changes in fulfilment cash flows are considered to be related to future service and adjust (or 'unlock') the CSM of the group of insurance contracts:

- Experience adjustments relating to the premiums received in the period that relate to future service, and any relate cash flows such as insurance acquisition cash flows and premium-based taxes measured at the 'locked in' discount rates applicable when the contracts in the group were initially recognized.
- The change in the estimate of the present value of expected future cash flows in the liability for remaining coverage, related to non-financial variables, measured at the 'locked in' discount rates applicable when the contracts in the group were initially recognized. All financial variables are locked in at initial recognition.
- Changes in the risk adjustment for non-financial risk relating to future service. The Group has elected not to disaggregate the change in the risk adjustment for non-financial risk between:
 - a change related to non-financial risk and
 - the effect of the time value of money and changes in the time value of money.
- Differences between the amount of investment components that were expected to be payable in the period and the amount of investment components that actually became payable. The amount of investment components expected to be payable in the period is measured at the discount rates applicable before it became payable.

Material Accounting Policies

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Adjustments to the CSM - continued

The following adjustments do not relate to future service and thus do not adjust the CSM:

- Changes in fulfilment cash flows for the effect of the time value of money and the effect of financial risk and changes thereof.
- Changes in the fulfilment cash flows relating to the LIC.
- Experience adjustments relating to insurance service expenses (excluding insurance acquisition cash flows)

Any further increases in fulfilment cash flows relating to future coverage are recognized in profit or loss as they occur, increasing the loss component of the group of insurance contracts. Any subsequent decreases in fulfilment cash flows related to future coverage do not adjust the CSM until the loss component of the group is fully reversed through profit or loss.

At the end of the reporting period, the carrying amount of the CSM for a group of insurance contracts without direct participating features is the carrying amount at the beginning of the period adjusted for:

- The effect of any new contracts added to the group.
- Interest accreted on the carrying amount of the CSM measured at the discount rates determined at initial recognition.
- The changes in fulfilment cash flows related to future service, except:
- Increases in fulfilment cash flows that exceed the carrying amount of the CSM, giving rise to a loss that results in the group of contracts becoming onerous or more onerous.
- Decreases in fulfilment cash flows that reverse a previously recognized loss on a group of onerous contracts.
- The effect of any currency exchange differences on the CSM
- The amount recognized as insurance revenue because of the transfer of insurance contract services in the period, determined by the allocation of the CSM remaining at the end of the reporting period over the current and remaining coverage period.

An amount of the CSM is released to profit or loss in each period during which the insurance contract services are provided.

In determining the amount of the CSM to be released in each period, the Group follows three steps:

- Determine the total number of coverage units in the group. The amount of coverage units in the group is determined by considering the quantity of benefits provided under the contract and the expected coverage period for each contract.
- Allocate the CSM at the end of the period (before any of it is released to profit or loss to reflect the insurance contract services provided in the period) equally to each of the coverage units provided in the current period and expected to be provided in the future.
- Recognize in profit or loss the amount of CSM allocated to the coverage units provided during the period.

The number of coverage units change as insurance contract services are provided, contracts expire, lapse or surrender and new contracts are added to the group. The total number of coverage units depends on the expected duration of the obligations that the Group has from its contracts. These can differ from the legal contract maturity because of the impact of policyholder behavior and the uncertainty surrounding future insured events.

By determining a number of coverage units, the Group exercises judgement in estimating the likelihood of insured events occurring and policyholder behavior to the extent that they affect expected period of coverage in the group, the different levels of service offered across periods and the 'quantity of benefits' provided under a contract.

2. Premium Allocation Approach

Insurance contracts

This is a simplification of the general model. The Group applies the PAA to the measurement of group life and non-life insurance contracts with a coverage period of each contract in the group of one year or less.

Contracts with coverage period above one year which are not immediately eligible for the PAA, were subjected to a PAA eligibility by assessing the expected LRC cashflows under both the PAA and General Model approaches. However, there is no material difference in the measurement of the liability for remaining coverage between PAA and the general model, therefore, these qualified for PAA.

On initial recognition, the Group measures the carrying amount of the Liability for remaining coverage for insurance contracts held as the premiums received - Gross Written premiums (which will be unearned at the start) less the acquisition costs (as the company has chosen not to expense acquisition costs as incurred). The Group has determined that there is no significant financing component in group life and non-life insurance contracts with a coverage period of one year or less. The Group does not discount the liability for remaining coverage to reflect the time value of money and financial risk for such insurance contracts.

At subsequent measurement, the LRC is effectively the unearned premium reserve (UPR) under IFRS 4 less the deferred acquisition costs (DAC). Unlike IFRS 4, DAC will not be presented as an asset under IFRS17. It is instead reflected in the overall insurance contract liability for remaining coverage, without being identified as a separate component in the balance sheet.

Premium Experience Adjustment: Where premium experience adjustments relate to current/ past service and are treated at the end of the period, this will be immediately recognized in the P&L as insurance revenue.

Material Accounting Policies

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Insurance acquisition cash flows

Insurance acquisition cash flows arise from the costs of selling, underwriting and starting a group of insurance contracts that are directly attributable to the portfolio of insurance contracts to which the group belongs. These include direct and indirect costs incurred in originating insurance contracts, including cashflows related to unsuccessful efforts to obtain new business.

Under the PAA, an entity can choose to immediately expense insurance acquisition cash flows in the P&L when incurred if and only if each insurance contract in a group has a coverage period of one year or less. AIICO has opted not to expense acquisition cash flows immediately when incurred. Alternatively, an entity can recognize insurance acquisition cash flows in the measurement of liability for remaining coverage (LRC) and amortize insurance acquisition cash flows in the P&L (systematically - in line with earning pattern of premium revenue OR passage of time, with the former being the method adopted by AIICO).

The exiting IFRS 4 approach is to recognize a separate deferred acquisition cost (DAC) assets for costs associated with writing new insurance contracts (e.g., commissions paid to brokers). Under IFRS 17, if acquisition costs are paid before the related insurance groups are recognized, an entity shall recognize an asset. These assets are derecognized when the group of insurance contracts are recognized. If insurance acquisition cash flows are expected to be paid after the related group is recognized, then they are included as part of the measurement of insurance contracts (LRC).

IFRS 17 allows for the deferral of acquisition costs to smooth out the recognition of profits. Paid acquisition costs are an asset that is amortized (or derecognized) when they are included in the measurement of the related group of insurance contracts. AIICO has chosen to defer all insurance acquisition cash flows and recognize them over the coverage period of contracts or groups they are attributed to. Therefore, acquisition costs and related revenue are recognized over the same periods and in the same pattern, based on the passage of time.

It must be noted that IFRS 17 requires allocation to future renewals if the acquisition cashflows are judged to support future renewals. Also the expensing acquisition costs policy choice only applies for contracts with coverage period one year or less.

For contracts measured under PAA in the Group, insurance acquisition costs comprise of costs:

- that are directly attributable to individual contracts or groups of contracts in a portfolio belongs; with the costs being allocated to groups on a systematic and rationale method e.g., Activity-Based Costing method or based on GWP proportions or claims cost etc.

3. Onerous contracts

The Group considers an insurance contract to be onerous if the expected fulfilment cash flows allocated to the contract, any previously recognized acquisition cash flows and any cash flows arising from the contract at the date of initial recognition in total result in a net cash outflow.

On initial recognition, the onerous assessment is done on an individual contract level assessing future expected cash flows on a probability-weighted basis including a risk adjustment for non-financial risk. Contracts expected on initial recognition to be loss-making are grouped together and such groups are measured and presented separately. Once contracts are allocated to a group, they are not re-allocated to another group, unless they are substantively modified.

On initial recognition, the CSM of the group of onerous contracts is nil and the group's measurement consists entirely of fulfilment cash flows. A net outflow expected from a group of contracts determined to be onerous is considered to be the group's 'loss component'. It is initially calculated when the group is first considered to be onerous and is recognized at that date in profit or loss. The amount of the group's loss component is tracked for the purposes of presentation and subsequent measurement.

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

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

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

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

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

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

- the carrying amount of the liability for remaining coverage; and
- the FCF that relates to remaining coverage similar to what is needed under the GMM.

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

Material Accounting Policies

For the year ended 31 December 2023

I. Measurement of Reinsurance contracts held

I.1 Recognition

Proportional reinsurance contracts held will be first recognized on the later of the beginning of the coverage period of the reinsurance contract or the date that the first underlying insurance contract in the treaty is initially recognized.

For example, if we enter a surplus fire reinsurance contract on 1 January 2022 and the first fire insurance policy in the treaty is written in February 2022, then the date of recognition of the surplus reinsurance contract will be February 2022. Though the contract agreement is in place in January, cashflows on the contract don't start until February.

Non-Proportionate reinsurance coverage will be recognized at the beginning of the coverage period of the contract.

I.2. Reinsurance contracts held measured under the PAA

All reinsurance contracts with contract boundaries not exceeding one year are automatically considered to meet PAA eligibility. Most of the Group's Surplus reinsurance contracts are immediately eligible for PAA as they are written on a clean-cut basis. At the end of the period, the reinsurer withdraws from the contract and the reinsurance held portfolio (including outstanding recoveries and ceded portion of unexpired premiums) is transferred to a new reinsurer.

A smaller number of surplus reinsurance contracts and all Facultative contracts are written on an underwriting year basis. This basis extends the contract boundary beyond one year as coverage of contracts ceded to the treaty may continue even after the underwriting year has ended.

For example, if an insurance contract inceptioned in May 2022 and cedes to the Marine Hull Surplus reinsurance treaty (which inceptioned 1 January 2022); the contract boundary extends till May 2023 when the insurance contract will expire. So, the contract boundary for the reinsurance contract is beyond one year i.e. 1 Jan 2022 – May 2023.

Where the reinsurance contracts held covers a group of onerous underlying insurance contracts, the Group adjusts the carrying amount of the asset for remaining coverage and recognizes a gain when, in the same period, it reports a loss on initial recognition of an onerous group of underlying insurance contracts or on addition of onerous underlying insurance contracts to a group. The recognition of this gain results in the recognition for the loss recovery component of the asset for the remaining coverage of a group of reinsurance contracts held.

I.3 Reinsurance contracts held measured under the General Model

The Group's quota share life reinsurance and the facultative reinsurance contracts held are accounted for applying the measurement requirements of the General Model for estimates of cash flows and discount rates. The Group measures the reinsurance contracts held and the underlying insurance contracts issued using consistent assumptions. The Group includes in the estimates of the present value of expected future cash flows for a group of reinsurance contracts held the effect of any risk of non-performance by the reinsurer, including the effects of any collateral and losses from disputes. The effect of non-performance risk of the reinsurer is assessed at each reporting date.

In determining the asset representing the risk adjustment for non-financial risk transferred to the reinsurer, the Group assesses the amount of risk transferred by the Group to the reinsurer by calculating the risk adjustment of the underlying contracts before and after the effect of the reinsurance contracts held. The difference is recognised as the asset representing the risk adjustment reinsured.

On initial recognition, the Group recognises any net cost or net gain on purchasing the group of reinsurance contracts held as a reinsurance CSM, unless the net cost of purchasing reinsurance coverage relates to events that occurred before the purchase of the group of reinsurance contracts, where the Group recognises such a cost immediately in profit or loss as an expense as part of insurance service result.

For a group of reinsurance contracts held, on initial recognition of an underlying onerous group of insurance contracts or on addition of onerous underlying insurance contracts to a group, the Group establishes a loss recovery component and, as a result, recognises a gain in profit or loss. The amount of the loss recovery component adjusts the CSM of a group of reinsurance contracts held. It is calculated at an amount equal to the loss recognised on the underlying insurance contracts multiplied by the percentage of claims on the underlying insurance contracts the Group expects to recover from the group of reinsurance contracts held. After initial recognition, the carrying amount of 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 entity expects to recover from the group of reinsurance contracts held. Reversal of the loss recovery component adjusts the CSM and the risk adjustment of the group of reinsurance contracts held. After establishing a reinsurance loss recovery component, except for further additions of onerous contracts to the underlying groups, its amount is adjusted for:

- Changes in fulfilment cash flows of underlying insurance contracts related to future service and do not adjust the CSM of their respective groups
- Loss recovery component reversals to the extent those reversals are not changes in the fulfilment cash flows of the group of reinsurance contracts held.

These adjustments are calculated and presented in profit or loss.

The Group adjusts the carrying amount of the CSM of a group of reinsurance contracts held at the end of a reporting period to reflect changes in the fulfilment cash flows applying the same approach as for insurance contracts issued, except when the underlying contract is onerous and the change in the fulfilment cash flows for underlying insurance contracts is recognised in profit or loss by adjusting the loss component. The respective changes in reinsurance contracts held is also recognised in profit and loss (adjusting the loss recovery component).

Material Accounting Policies
For the year ended 31 December 2023

J. Modification and Derecognition

The Group derecognizes the original contract and recognizes the modified contract as a new contract, if the terms of insurance contracts are modified and the following conditions are met:

- If the modified terms were included at contract inception and the Group would have concluded that the modified contract:
- Is outside of the scope of IFRS 17
- Results in a different insurance contract due to separating components from the host contract
- Results in a substantially different contract boundary
- Would be included in a different group of contracts.
- The original contract met the definition of an insurance contract with direct participating features, but the modified contract no longer meets the definition.
- The original contract was accounted for applying the PAA, but the modified contract no longer meets the PAA eligibility criteria for that approach.

If the contract modification meets any of the conditions, the Group performs all assessments applicable at initial recognition, derecognizes the original contract and recognizes the new modified contract as if it was entered for the first time.

If the contract modification does not meet any of the conditions, the Group treats the effect of the modification as changes in the estimates of fulfilment cash flows.

For insurance contracts accounted for applying the General Model, a change in the estimates of fulfilment cash flows results in a revised end of period CSM (before the current period allocation). A portion of the revised end of period CSM is allocated to the current period, as is the revised CSM amount applied from the beginning of the period but reflecting the change in the coverage units due to the modification during the period.

This portion is calculated using updated coverage unit amounts determined at the end of the period and weighted to reflect the fact that the revised coverage existed for only part of the current period.

For insurance contracts accounted for applying the PAA, the Group adjusts insurance revenue prospectively from the time of the contract modification. The Group derecognizes an insurance contract when, and only when the contract is:

- Extinguished (when the obligation specified in the insurance contract expires or is discharged or cancelled)
- Modified and the derecognition criteria are met.
- When the Group derecognizes an insurance contract from within a group of contracts, it:
- Adjusts the fulfilment cash flows allocated to the group to eliminate the present value of the future cash flows and risk adjustment for non-financial risk relating to the rights and obligations that have been derecognized from the group.
- Adjusts the CSM of the group for the change in the fulfilment cash flows (unless it relates to the increase or reversal of the loss component).
- Adjusts the number of coverage units for expected remaining insurance contract services to reflect the coverage units derecognized from the group and recognizes in profit or loss in the period the amount of CSM based on that adjusted number.

When the Group transfers an insurance contract to a third party and that results in derecognition, the Group adjusts the CSM of the group from which the contract has been derecognized for the difference between the change in the carrying amount of the group caused by the derecognized fulfilment cash flows and the premium charged by the third party for the transfer.

When the Group derecognizes an insurance contract due to modification, it derecognizes the original insurance contract and recognizes a new one.

The Group adjusts the CSM of the group from which the modified contract has been derecognized for the difference between the change in the carrying amount of the group as a result of adjustment to fulfilment cash flows due to derecognition and the premium the Group would have charged had it entered into a contract with equivalent terms as the new contract at the date of the contract modification, less any additional premium actually charged for the modification.

K. Presentation

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

The Group disaggregates the amounts recognized in the consolidated statement of profit or loss and other comprehensive income into an insurance service result sub-total that comprises insurance revenue and insurance service expenses and, separately from the insurance service result, the 'net insurance finance income or expenses' sub-total. The Group has voluntarily included the net insurance finance income or expenses line in another sub-total: net insurance and investment result, which also includes the income from all the assets backing the Group's insurance liabilities.

The Group includes any assets for insurance acquisition cash flows recognized before the corresponding groups of insurance contracts are recognized in the carrying amount of the related portfolios of insurance contracts issued.

The Group separately presents income or expenses from reinsurance contracts held from the expenses or income from insurance contracts issued.

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3.37 Insurance Revenue

For the General Model, The Group's insurance revenue depicts the provision of services arising from a group of insurance contracts at an amount that reflects the consideration to which the Group expects to be entitled in exchange for those services. Insurance revenue from a group of insurance contracts is therefore the relevant portion for the period of the total consideration for the contracts, (i.e., the amount of premiums paid to the Group adjusted for financing effect (the time value of money) and excluding any investment components).

As the Group provides insurance services under a group of insurance contracts issued, it reduces its LRC and recognizes insurance revenue, which is measured at the amount of consideration the Group expects to be entitled to in exchange for those services.

For groups of insurance contracts measured under the General Model, insurance revenue consists of the sum of the changes in the LRC due to:

- The insurance service expenses incurred in the period measured at the amounts expected at the beginning of the period, excluding:
- Amounts allocated to the loss component.
- Repayments of investment components.
- Amounts that relate to transaction-based taxes collected on behalf of third parties.
- Insurance acquisition expenses.
- Amounts relating to risk adjustment for non-financial risk.
- The change in the risk adjustment for non-financial risk, excluding:
- Changes that relate to future service that adjust the CSM.
- Amounts allocated to the loss component.
- The amount of CSM for the services provided in the period.
- Other amounts, such as experience adjustments for premium receipts that relate to current or past service, if any

Insurance revenue also includes the portion of premiums that relate to recovering those insurance acquisition cash flows included in the insurance service expenses in each period. Both amounts are measured in a systematic way on the basis of the passage of time.

For the Premium Allocation Approach (PAA), The insurance revenue for the period is the amount of expected premium receipts (excluding any investment component) allocated to the period.

When applying the PAA, the Group recognizes insurance revenue for the period based on the passage of time by allocating expected premium receipts including premium experience adjustments to each period of service.

At the end of each reporting period, the Group considers whether there was a change in facts and circumstances indicating a need to change, on a prospective basis, the premium receipt allocation due to changes in the expected pattern of claim occurrence.

3.31 Insurance service expenses

Insurance service expenses arising from a group of insurance contracts issued comprises:

- Changes in the LIC related to claims and expenses incurred in the period excluding repayment of investment components.
- Changes in the LIC related to claims and expenses incurred in prior periods (related to past service)
- Other directly attributable insurance service expenses incurred in the period.
- Amortization of insurance acquisition cash flows, which is recognized at the same amount in both insurance service expenses and insurance contra
- Loss component of onerous groups of contracts initially recognized in the period.
- Changes in the LRC related to future service that do not adjust the CSM, because they are changes in the loss components of onerous groups of cc

3.32 Income or expenses from reinsurance contracts held.

The Group presents income or expenses from a group of reinsurance contracts held and reinsurance finance income or expenses in profit or loss for the period separately. Income or expenses from reinsurance contracts held are split into the following two amounts:

- Amount recovered from reinsurers.
- An allocation of the premiums paid.

The Group presents cash flows that are contingent on claims as part of the amount recovered from reinsurers. Ceding commissions that are not contingent on claims of the underlying contracts are presented as a deduction in the premiums to be paid to the reinsurer which is then allocated to profit or loss.

The Group establishes a loss recovery component of the asset for the remaining coverage for a group of reinsurance contracts held. This depicts the recovery of losses recognized on the initial recognition of an onerous group of underlying insurance contracts or on addition of onerous underlying insurance contracts to a group. The loss recovery component adjusts the CSM of the group of reinsurance contracts held. The loss recovery component is then adjusted to reflect:

- Changes in the fulfilment cash flows of the underlying insurance contracts that relate to future service and do not adjust the CSM of the respective groups to which the underlying insurance contracts belong to.
- Reversals of loss recovery component to the extent those reversals are not changes in the fulfilment cash flows of the group of reinsurance contracts held.
- Allocations of the loss recovery component against the amounts recovered from reinsurers reported in line with the associated reinsured incurred claims or expenses.

Material Accounting Policies
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3.33 Insurance finance income and expenses

Insurance finance income or expenses present the effect of the time value of money and the change in the time value of money, together with the effect of financial risk and changes in financial risk of a group of insurance contracts and a group of reinsurance contracts held.

The use of OCI presentation for insurance finance income and expenses

The Group has an accounting policy choice to present all the period's insurance finance income or expenses in profit or loss or to split the amount between profit or loss and other comprehensive income (OCI). When considering the choice of presentation of insurance finance income or expenses, the Group examines the assets held for that portfolio and how they are accounted for.

Currently the Group present all the period's insurance finance income or expenses in the profit or loss.

The Group may reassess its accounting policy choice during the duration of a group of direct participating contracts when there is a change in whether the Group holds the underlying items or no longer holds the underlying items. When such change occurs, the Group includes the amount accumulated in OCI by the date of change as a reclassification adjustment to profit or loss spread across the period of change and future periods based on the method and on assumptions that applied immediately before the date of change. Comparatives are not restated.

When applying the PAA, the Group does not discount the liability for remaining coverage to reflect the time value of money and financial risk for group life and non-life policies with a coverage period of one year or less. For those claims that the Group expects to be paid within one year or less from the date of incurrence, the Group does not adjust future cash flows for the time value of money and the effects of financial risks. However, claims expected to take more than one year to settle are discounted applying the discount rate at the time the incurred claim is initially recognized.

L. Contracts existing at transition date

On transition date, 1 January 2022, the Group:

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

In determining the appropriate transition approach, the following were considered:

- the coverage period of the in-force policies
- the availability of historical data and assumptions driving measurement and the ability to obtain these without undue cost and effort.

1. Full Retrospective approach

On transition to IFRS 17, the Group applied the full retrospective approach unless impracticable to do so.

The Group has applied the full retrospective approach on transition to all short-term contracts (group life and non-life business) in force at the transition date.

To do this, at the transition date, we have identified, recognized and measured each group of insurance contracts as if IFRS 17 had always applied; and derecognized any existing balances that would not exist had IFRS 17 always applied; and finally recognized any resulting net difference in equity.

2. Fair Value approach

The Group has applied the fair value approach on transition for individual life contracts as, prior to transition, it grouped contracts from multiple cohorts and years into a single unit for accounting purposes. Obtaining reasonable and supportable information to apply the full retrospective approach was impracticable without undue cost or effort. The Group has determined the CSM of the liability for remaining coverage at the transition date, as the difference between the fair value of the group of insurance contracts and the fulfilment cash flows measured at that date. In determining fair value, the Company has applied the requirements of IFRS 13 Fair Value Measurement, except for the demand deposit floor requirement.

The Group has aggregated contracts issued more than one year apart in determining groups of insurance contracts under the fair value approach at transition as it did not have reasonable and supportable information to aggregate groups into those including only contracts issued within one year.

Material Accounting Policies

For the year ended 31 December 2023

3.40 Investment and other Income

(a) Investment income

Interest income is recognized in the profit or loss as it accrues and is calculated by using the effective interest rate method. Fees and commissions that are an integral part of the effective yield of the financial asset or liability are recognized as an adjustment to the effective interest rate of the instrument. Investment income also includes dividends when the right to receive payment is established. For listed securities, this is the date the security is listed as ex-dividend.

(b) Fees and commission income

Insurance and investment contract policyholders are charged for policy administration services, investment management services, surrenders and other contract fees. The administration fee is calculated as a flat charge payable monthly from contributions received while the fund management fee is an asset based fee charged as a percentage of the opening net assets value of the pension fund investment. These fees are recognized as revenue over the year in which the related services are performed. If the fees are for services provided in future years, then they are deferred and recognized over those

(c) Realized gains and losses

Realized gains and losses recorded in the profit or loss on investments include gains and losses on financial assets and investment property. Gains and losses on the sale of investments are calculated as the difference between net sales proceeds and the original or amortized cost and are recorded on occurrence of the sale transaction.

(d) Investment property rental income

Rental income from investment property is recognised as revenue on a straight line basis over the term of the lease. Lease incentives granted are recognised as an integral part of the total rental income, over the term of the lease.

Rental Income from other property is recognised as other income.

The fair value gain or loss on investment property is recognised in profit or loss.

(e) Other operating income

Other operating income comprises of income from realised profits on sale of securities, realised foreign exchange gains and other sundry income.

3.41 Standards issued but not yet effective

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

a) 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 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.

b) 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.

Material Accounting Policies

For the year ended 31 December 2023

c) **Classification of Liabilities as Current or Non-Current (Amendments to IAS 1)**

In January 2020, the IASB issued amendments to paragraphs 69 to 76 of IAS 1 to specify the requirements for classifying liabilities as current or non-current. The amendments clarify:

- What is meant by a right to defer settlement
- That a right to defer must exist at the end of the reporting period
- That classification is unaffected by the likelihood that an entity will exercise its deferral right
- That only if an embedded derivative in a convertible liability is itself an equity instrument would the terms of a liability not impact its classification.

The amendments are effective for annual reporting periods beginning on or after 1 January 2024 and must be applied retrospectively. The amendment is not expected to have any significant impact on the Company at the time it will take effect.

d) **Lease Liability in a Sale and Leaseback (Amendments to IFRS 16)**

In September 2022, the Board issued Lease Liability in a Sale and Leaseback. The amendment to IFRS 16 specifies the requirements that a seller-lessee uses in measuring the lease liability arising in a sale and leaseback transaction, to ensure the seller-lessee does not recognise any amount of the gain or loss that relates to the right of use it retains.

However, the requirements do not prevent the seller-lessee from recognizing any gain or loss arising from the partial or full termination of a lease.

The amendment is effective for annual reporting periods beginning on or after 1 January 2024. The amendment is not expected to have any significant impact on the Company at the time it will take effect, as there is non-existent of such transaction as Sale and Leaseback in the Company or with external parties.

e) **Lack of Exchangeability (Amendments to IAS 21)**

On 15 August 2023, the International Accounting Standards Board (the IASB or Board) issued Lack of Exchangeability (Amendments to IAS 21 The Effects of Changes in Foreign Exchange Rates) (the amendments). The IASB has amended IAS 21 to specify how an entity should assess whether a currency is exchangeable and how it should determine a spot exchange rate when exchangeability is lacking.

The amendments clarify how an entity should assess whether a currency is exchangeable and how it should determine a spot exchange rate when exchangeability is lacking, as well as require the disclosure of information that enables users of financial statements to understand the impact of a currency not being exchangeable.

The amendments apply to annual reporting periods beginning on or after 1 January 2025 and can be applied earlier. However, an entity cannot restate comparative information. The Group is currently assessing this in order to ascertain the significance of impact this would have on its financial statements in providing adequate disclosure on this in line with the requirements.

f) **Supplier Finance Arrangements (Amendments to IAS 7 and IFRS 7)**

In May 2023, the Board issued amendments to IAS 7 Statement of Cash Flows and IFRS 7 Financial Instruments. The amendments clarify the characteristics of supplier finance arrangements. In these arrangements, one or more finance providers pay amounts an entity owes to its suppliers. The entity agrees to settle those amounts with the finance providers according to the terms and conditions of the arrangements, either at the same date or at a later date than that on which the finance providers pay the entity's suppliers.

The amendments require an entity to provide information about the impact of supplier finance arrangements on liabilities and cash flows, including terms and conditions of those arrangements, quantitative information on liabilities related to those arrangements as at the beginning and end of the reporting period and the type and effect of non-cash changes in the carrying amounts of those arrangements. The information on those arrangements is required to be aggregated unless the individual arrangements have dissimilar or unique terms and conditions.

The amendment does not have any material impact on the Company.

Material Accounting Policies (Continued)
For the year ended 31 December 2023

4 Critical accounting judgements and key sources of estimation uncertainty

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

In the application of AIICO's accounting policies, the directors are required to make judgements, estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors 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.

(a) Key sources of estimation uncertainty

The following are key estimations that the directors have used in the process of applying AIICO's accounting policies and that have the most significant effect on the amounts recognised in financial statements.

Insurance contract liabilities and reinsurance contract assets.

By applying IFRS 17 to measurement of insurance contracts issued and reinsurance contracts held, AIICO has made estimations in the following key areas. They form part of the overall balances of insurance contract assets and liabilities and reinsurance contract assets and liabilities:

- Future cash flows
- Discount rates
- Allocation rate for insurance finance income or expenses
- Risk adjustment for non-financial risk

Further explanations of the estimations mentioned above have been made in note 3.30 - Insurance contracts.

Every area, including AIICO's estimation methods and assumptions used and other sources of estimation uncertainty are discussed below. At 31 December 2023 AIICO's total carrying amount of:

- Insurance contracts issued that are liabilities was ₦ [217,701,608,481.85]
- Reinsurance contracts held that are assets was ₦ [17,116,370,034.14]

Kindly refer to the sensitivities analysis for further breakdown of estimations and scenerio analysis.

a(i) Insurance and reinsurance contracts

The Group applies GMM for its retail life businesses (Ordinary life and Annuity) while it applies PAA on the non-life and group life policies.

For the GMM approach, The Group 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 (CSM) representing the unearned profit in the contracts relating to services that will be provided under the contracts. Explanations on the estimations and level of judgements involved in determining some of the components have been made under the accounting policies relating to IFRS 17 implementation. See note 3.30.

The Group applies the PAA to the measurement of group life and non-life insurance contracts with a coverage period of each contract in the group of one year or less. When measuring liabilities for remaining coverage, the PAA is broadly similar to the 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. Explanations on the estimations and level of judgements involved in determining some of the components have been made under the accounting policies relating to IFRS 17 implementation. See note 3.30.

All reinsurance contracts with contract boundaries not exceeding one year are automatically considered to meet PAA eligibility. Most of the Group's Surplus reinsurance contracts are immediately eligible for PAA as they are written on a clean-cut basis. At the end of the period, the reinsurer withdraws from the contract and the reinsurance held portfolio (including outstanding recoveries and ceded portion of unexpired premiums) is transferred to a new reinsurer.

A smaller number of surplus reinsurance contracts and all Facultative contracts are written on an underwriting year basis. This basis extends the contract boundary beyond one year as coverage of contracts ceded to the treaty may continue even after the underwriting year has ended.

For example, if an insurance contract incepted in May 2022 and cedes to the Marine Hull Surplus reinsurance treaty (which incepted 1 January 2022); the contract boundary extends till May 2023 when the insurance contract will expire. So, the contract boundary for the reinsurance contract is beyond one year i.e. 1 Jan 2022 – May 2023.

Where the reinsurance contracts held covers a group of onerous underlying insurance contracts, the Group adjusts the carrying amount of the asset for remaining coverage and recognizes a gain when, in the same period, it reports a loss on initial recognition of an onerous group of underlying insurance contracts or on addition of onerous underlying insurance contracts to a group. The recognition of this gain results in the recognition for the loss recovery component of the asset for the remaining coverage of a group of reinsurance contracts held.

Material Accounting Policies (Continued)
For the year ended 31 December 2023

(b) Impairment of financial instrument

The Company has applied some judgment in carrying out an assessment of whether credit risk on the financial asset has increased significantly since initial recognition and incorporating forward-looking information in the measurement of ECL.

The judgment is required by management in the estimation of the amount and timing of future cash flows when determining an impairment loss for debt instruments measured at amortised cost and fair value through other comprehensive income. In estimating these cash flows, the Company makes judgments about the borrower's financial situation and value of other collateral (where applicable). These estimates are based on assumptions about a number of factors and actual results may differ, resulting in future changes to the impairment allowance.

A collective assessment of impairment takes into account data from the debt portfolio (such as credit quality, levels of arrears, credit utilisation, loan to collateral ratios etc.), and concentrations of risk and economic data (including levels of unemployment, real estate prices indices, country risk and the performance of different individual groups).

These critical assumptions have been applied consistently to all years presented.

(c) Measurement of fair values

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 in the principal or, in its absence, the most advantageous market to which the Group has access at that date. The fair value of a liability reflects its non-performance risk.

A number of the Group's accounting policies and disclosures require the measurement of fair values, for both financial and non-financial assets and liabilities.

When one is available, the Group measures the fair value of an instrument using the quoted price in an active market for that instrument. A market is regarded as active if transactions for the asset or liability take place with sufficient frequency and volume to provide pricing information on an ongoing basis.

If there is no quoted price in an active market, then the Group uses valuation techniques that maximise the use of relevant observable inputs and minimise the use of unobservable inputs. The chosen valuation technique incorporates all of the factors that market participants would take into account in pricing a transaction.

If an asset or a liability measured at fair value has a bid price and an ask price, then the Group measures assets and long positions at a bid price and liabilities and short positions at an ask price.

The best evidence of the fair value of a financial instrument on initial recognition is normally the transaction price – i.e. the fair value of the consideration given or received. If the Group determines that the fair value on initial recognition differs from the transaction price and the fair value is evidenced neither by a quoted price in an active market for an identical asset or liability nor based on a valuation technique for which any unobservable inputs are judged to be insignificant in relation to the measurement, then the financial instrument is initially measured at fair value, adjusted to defer the difference between the fair value on initial recognition and the transaction price. Subsequently, that difference is recognised in profit or loss on an appropriate basis over the life of the instrument but no later than when the valuation is wholly supported by observable market data.

The determination of fair value for financial assets and financial liabilities for which there is no observable market price requires the use of valuation techniques. For financial instruments that trade infrequently and have little price transparency, fair value is less objective, and requires varying degrees of judgment depending on liquidity, concentration, uncertainty of market factors, pricing assumptions and other risks affecting the specific instrument.

The Group measures fair values using the following fair value hierarchy that reflects the significance of the inputs used in making the requirements.

- Level 1: Quoted market price in an active market for an identical instrument.

- Level 2: Valuation techniques based on observable inputs. This category includes instruments valued using: quoted market prices in active markets for similar instruments; quoted prices for similar instruments in markets that are considered less than active; or other valuation techniques where all significant inputs are directly or indirectly observable from market data.

- Level 3: Valuation techniques using significant unobservable inputs. This category includes all instruments where the valuation technique includes inputs not based on observable data and the unobservable inputs have a significant effect on the instruments valuation. This category includes instruments that are valued based on quoted prices for similar instruments where significant unobservable adjustments or assumptions are required to reflect differences between the instruments.

Fair values of financial assets and financial liabilities that are traded in active markets are based on quoted market prices or dealer price quotations.

The fair value of financial instruments where no active market exists or where quoted prices are not otherwise available are determined by using valuation techniques. In these cases the fair values are estimated from observable data in respect of similar financial instruments or using models. Where market observable inputs are not available, they are estimated based on appropriate assumptions. Where valuation techniques (for example, models) are used to determine fair values, they are validated and periodically reviewed by qualified personnel independent of those that sourced them.

All models are certified before they are used, and models are calibrated to ensure that outputs reflect actual data and comparative market prices. To the extent practical, models use only observable data; however, areas such as credit risk (both own credit risk and counterparty risk), volatilities and correlations require management to make estimates.

Material Accounting Policies (Continued)
For the year ended 31 December 2023

(d) Fair value of unquoted equity financial instruments

Investments in unquoted equity financial instrument should be measured at fair value. The Group's investment in unquoted equity financial instrument are measured at fair value and are classified as a level 3 fair value hierarchy. As observable prices are not available for these securities, the Group has used valuation techniques to derive the fair value. See note 7(e)(ii).

(e) Liabilities arising from life insurance contracts

The liabilities for life insurance contracts are estimated using appropriate and acceptable base tables of standard mortality according to the type of contract being written. Management make various assumptions such as expenses inflation, valuation interest rate, mortality and further mortality improved in estimating the required reserves for life contracts

(f) Depreciation and carrying value of property and equipment

The estimation of the useful lives of assets is based on management's judgement. Any material adjustment to the estimated useful lives of items of property and equipment will have an impact on the carrying value of these items.

(g) Determination of impairment of property and equipment and intangible assets

Management is required to make judgements concerning the cause, timing and amount of impairment. In the identification of impairment indicators, management considers the impact of changes in current competitive conditions, cost of capital, availability of funding, technological obsolescence, discontinuance of services and other circumstances that could indicate that impairment exists. This requires management to make significant judgements and estimates concerning the existence of impairment indicators, separate cash generating units, remaining useful lives of assets, projected cash flows and net realisable values. Management's judgement is also required when assessing whether a previously recognised impairment loss should be reversed.

(h) Impairment of goodwill

Goodwill is tested for impairment annually and when circumstances indicate that the carrying value may be impaired. Impairment is determined for goodwill by assessing the recoverable amount of the cash generating unit to which the goodwill relates. Where the recoverable amount of the cash generating unit is less than their carrying amount, an impairment is recognized.

The carrying amount of the Goodwill is reviewed at each reporting date to determine whether there is any indication of impairment. If any such indication exists, then the recoverable amount of the goodwill is estimated.

An impairment loss is recognised if the carrying amount of the goodwill its Cash Generating Unit (CGU) exceeds its estimated recoverable amount. The recoverable amount is the higher of the fair value less costs to sell 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 or CGU.

Impairment losses are recognised in profit or loss. Impairment losses in respect of CGUs are allocated first to reduce the carrying amount of any goodwill allocated to the CGU (group of CGUs) and then to reduce the carrying amount of the other assets in the CGU (group of CGUs) on a pro rata basis. An impairment loss in respect of goodwill is not reversed.

Material Accounting Policies (Continued)
For the year ended 31 December 2023

(i) Investment properties

The Group's investment properties are valued on the basis of open market value. The fair values are determined by applying the direct market evidence comparative method of valuation to derive the open market value such as price per square meter, rate of development in the area and quality of the building. No adjustments were made on the inputs to the model and assumptions to the model remains consistent with what was used in previous years.

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

(j) Current income tax

The current income tax charge is calculated on taxable income on the basis of the tax laws enacted or substantively enacted at the reporting date. The Company applies Section 16 of the Company Income Tax Act. It states that an Insurance business shall be taxed as;

- an insurance company, whether proprietary or mutual, other than a life insurance company; or
- a Nigerian company whose profit accrued in part outside Nigeria,

The profit on which tax may be imposed, shall be ascertained by taking the gross premium interest and other income receivable in Nigeria less reinsurance and deducting from the balance so arrived at, a reserve fund for unexpired risks at the percentage consistently adopted by the company in relation to its operation as a whole for such risks at the end of the year for which the profits are being ascertained, subject to the limitation below:

An insurance company, other than a life insurance company, shall be allowed as deductions from its premium the following reserves for tax purposes-

(a) for unexpired risks, 45 percent of the total premium in case of general insurance business other than marine insurance business and 25 percent of the total premium in the case of marine cargo insurance;

(b) for other reserves, claims and outgoings of the company an amount equal to 25 percent of the total premium.

The Directors have adopted current tax practices in computing the tax liabilities. Actual results may differ from these estimates based on the interpretation by the tax authorities. The Directors acknowledge that changes in the application of the current tax practices can have a significant impact on the tax expense and tax liabilities recorded in the financial statements.

(k) Deferred tax asset

Deferred tax assets are recognised for all unused tax losses to the extent that it is probable that taxable profit will be available against which the losses can be utilised. Significant management judgment is required to determine the amount of deferred tax assets that can be recognised, based upon the likely timing and the level of future taxable profits together with future tax planning strategies.

(h) Sensitivity analysis

The sensitivity analysis reflects the impact, on profit or loss and equity, of changes in the relevant risk variables that are reasonably possible at the reporting date.

(l) Determining control over investee entities

Management applies its judgement to determine whether the Group has control over subsidiaries or significant influence over an investee company as set out in Note 3.1(b).

The Group has determined that it exercises control and significant influence over certain investee companies due to its representation on the Board of such companies and its significant participation in the Companies' operating and financial policies.

Consolidated and separate statements of financial position

as of 31 December 2023

In thousands of naira

	Notes	Group			Company		
		31-Dec-23	31-Dec-22	1-Jan-22	31-Dec-23	31-Dec-22	1-Jan-22
Assets			<i>restated</i>	<i>restated</i>		<i>restated</i>	<i>restated</i>
Cash and cash equivalents	2	18,422,728	15,915,376	25,490,105	7,921,257	6,521,942	9,062,962
Financial assets:							
- Debt instruments at amortised cost	3(a)	105,064,665	83,886,798	73,304,067	88,136,208	74,069,969	63,972,911
- Fair value through other comprehensive income	3(b)	20,244,350	16,339,689	16,031,736	14,112,335	9,118,059	5,580,095
- Fair value through profit or loss	3(c)	141,438,059	125,233,425	83,165,217	141,438,059	125,233,425	83,165,217
Trade receivables	4	980,752	866,977	728,518	909,559	852,113	689,375
Reinsurance contract assets	5	17,116,370	10,690,993	9,758,925	17,116,370	10,690,993	9,758,925
Other receivables and prepayments	6	3,667,351	4,608,478	2,396,483	2,838,437	4,064,879	2,125,173
Deferred tax assets	8(d)	-	21,501	1,252	-	-	-
Investment in subsidiaries	9	-	-	-	1,087,317	1,087,317	1,087,317
Investment in associate	9(f)	-	-	705,629	-	-	705,691
Investment properties	10(a)	707,500	760,000	806,000	707,500	760,000	806,000
Property and equipment	12	8,913,645	8,359,520	7,068,787	8,708,397	8,064,528	6,847,439
Statutory deposits	13	500,000	500,000	500,000	500,000	500,000	500,000
Right of use assets	7	132,512	60,055	105,855	132,512	60,055	105,855
Goodwill and other intangible assets	11	907,630	928,672	934,748	840,555	846,825	838,252
Total assets		318,095,562	268,171,484	220,997,322	284,448,506	241,870,104	185,245,211
Liabilities							
Insurance contract liabilities	14(a)	218,023,682	188,108,267	142,302,057	217,701,608	187,778,079	142,081,841
Investment contract liabilities	14(d)	3,855,324	3,212,895	2,836,752	3,855,323	3,212,895	2,836,752
Reinsurance contract liabilities	5	930,616	1,301,734	1,039,575	930,616	1,301,734	1,039,575
Other insurance contract liabilities	15(b)	2,423,168	3,103,704	1,618,193	2,423,168	3,103,704	1,618,193
Trade payables	15(a)	1,612,909	2,010,298	1,121,281	1,612,909	2,010,297	1,090,366
Other payables and accruals	16(a)	8,332,139	7,764,833	3,148,171	7,570,588	6,730,616	2,842,499
Fixed income liabilities	16(b)	30,241,800	22,781,598	33,506,178	-	-	-
Current income tax payable	8(a)	845,061	669,543	407,282	763,026	422,562	307,392
Deferred tax liabilities	8(d)	498	7,666	7,666	-	-	-
Total liabilities		266,265,197	228,960,537	185,987,155	234,857,238	204,559,886	151,816,618
Equity							
Share capital	17(a)	18,302,638	18,302,638	18,302,638	18,302,638	18,302,638	18,302,638
Share premium	17(b)(i)	64,745	64,745	64,745	64,745	64,745	64,745
Revaluation reserve	17(b)(ii)	2,764,016	2,764,016	1,812,707	2,764,016	2,764,016	1,812,707
Fair value reserve	17(d)	(1,107,650)	(2,796,624)	(1,683,038)	(13,544)	(1,821,697)	(1,016,727)
Foreign currency translation reserve	17(e)	-	-	175,600	-	-	175,600
Contingency reserve	17(h)	11,755,475	9,710,046	8,304,604	11,755,475	9,710,046	8,304,604
Retained earnings	17(i)	19,615,891	10,743,724	7,687,606	16,717,938	8,290,471	5,785,026
Equity attributable to owners of the parent		51,395,114	38,788,545	34,664,863	49,591,268	37,310,218	33,428,593
Non-controlling interests	9(d)	435,252	422,402	345,303	-	-	-
Total equity		51,830,366	39,210,947	35,010,166	49,591,268	37,310,218	33,428,593
Total liabilities and equity		318,095,562	268,171,484	220,997,322	284,448,506	241,870,104	185,245,211

These consolidated and separate financial statements were approved by the Board of Directors on 18th April 2024 and signed on its behalf by:

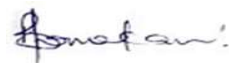


Mr. Kundan Sainani
Chairman
FRC/2013/PRO/DIR/003/00000003622



Mr. Babatunde Fajemirokun
Managing Director/ Chief Executive Officer
FRC /2015/PRO/CIIN/010/00000019973

Additionally signed by:



Mrs. Bisola Elias
Chief Financial Officer
FRC/2018/PRO/ICAN/001/00000018839

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

Consolidated and separate statements of profit or loss and other comprehensive income
For the year ended 31 December 2023

<i>In thousands of naira</i>	Notes	Group		Company	
		2023	2022 <i>restated</i>	2023	2022 <i>restated</i>
Insurance revenue	18(a)	72,633,374	54,817,897	71,628,478	53,209,597
Insurance service expense	18(b)	(65,497,784)	(43,799,903)	(64,847,043)	(42,944,342)
Net expenses from reinsurance contracts	18(c)	(8,753,832)	(10,793,212)	(8,753,832)	(10,793,212)
Insurance service result		(1,618,242)	224,782	(1,972,397)	(527,956)
Investment income from effective interest rate	19(a)	31,087,368	23,221,549	25,703,109	17,731,913
Profit from deposit administration	19(b)	82,253	199,770	82,253	199,770
Net realised gain/(loss)	20(a)(i)	863,081	(594,027)	863,081	(594,027)
Net fair value losses	20(b)	(10,772,433)	(6,036,060)	(10,772,433)	(6,036,060)
Net change in investment contract liabilities	14(d)	(639,957)	(167,556)	(639,957)	(167,556)
Net impairment (charge)/reversal	21	(165,784)	(170,440)	38,115	(71,916)
Net foreign exchange income/(expense)	22	6,422,939	(676,219)	6,322,481	(690,207)
Net investment income		26,877,466	15,777,016	21,596,649	10,371,916
Net finance expense from insurance contracts	23(a)	(9,158,728)	(8,163,041)	(9,138,545)	(8,156,779)
Net finance income from reinsurance contracts	23(b)	436,373	339,696	436,373	339,696
Net insurance finance result		(8,722,355)	(7,823,345)	(8,702,172)	(7,817,083)
Net insurance and investment result		16,536,869	8,178,453	10,922,080	2,026,877
Other income	24	2,760,894	951,040	2,641,166	861,045
Other expenses	25	(6,768,625)	(6,431,059)	(1,532,079)	(1,094,846)
Profit before income tax from continuing operations		12,529,138	2,698,435	12,031,167	1,793,076
Income tax expense	8(b)(i)	(149,321)	(257,791)	(127,345)	(51,155)
Minimum tax	8(b)(i)	(363,528)	(147,215)	(332,767)	(147,215)
Profit after tax from continuing operations		12,016,289	2,293,429	11,571,055	1,594,706
Discontinued operations					
Profit from discontinued operations (net of tax)	9(j)	-	2,872,686	-	2,872,686
Profit for the year		12,016,289	5,166,115	11,571,055	4,467,391
Attributable to owners of the parent		11,991,072	5,054,011	11,571,055	4,467,391
Attributable to non-controlling interest holders	9(e)	25,217	112,104	-	-
		12,016,289	5,166,115	11,571,055	4,467,391
Other comprehensive income, net of tax					
Items within OCI that may be reclassified to profit or loss in subsequent periods:					
Fair value loss on debt instruments	17(d)	(168,255)	(733,641)	(25,019)	(383,835)
Impairment reversal/(charge) on FVTOCI	21(a)	8,516	(9,778)	7,086	(9,778)
Items within OCI that will not be reclassified to profit or loss in subsequent periods:					
Fair value gain/(loss) on equity securities	17(d)	1,861,027	(394,868)	1,826,086	(411,357)
Revaluation gain on property and equipment	17(c)(i)	-	951,309	-	951,309
Total other comprehensive income/(loss)		1,701,288	(186,978)	1,808,153	146,339
Total comprehensive income for the year		13,717,577	4,979,137	13,379,208	4,613,730
Attributable to owners of the parent		13,707,196	4,903,062	13,379,208	4,613,730
Attributable to non-controlling interests	9(e)	10,381	76,075	-	-
		13,717,577	4,979,137	13,379,208	4,613,730
Basic and diluted earnings per share (kobo)	26(a)	33	14		

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

Consolidated Statement of Changes in Equity - Group
For the year ended 31 December 2023

Equity Attributable to owners of the Parent											
<i>In thousands of naira</i>	Note	Share Capital	Share Premium	Revaluation Reserve	Fair Value Reserve	Foreign currency translation reserve	Contingency Reserve	Retained Earnings	Total	Non Controlling Interests	Total equity
Balance at 1 January 2022	21	18,302,638	64,745	1,812,707	(1,683,037)	175,600	8,304,604	11,051,695	38,028,952	345,303	38,374,255
Impact of initial application of IFRS 17	17(j) i	-	-	-	-	-	-	(3,364,088)	(3,364,088)	-	(3,364,088)
Restated balance as at 1 Jan 2022		18,302,638	64,745	1,812,707	(1,683,037)	175,600	8,304,604	7,687,607	34,664,864	345,303	35,010,167
Total comprehensive income for the year											
Profit for the year		-	-	-	-	-	-	5,054,011	5,054,011	112,104	5,166,115
Other comprehensive income		-	-	951,309	(1,138,288)	-	-	-	(186,979)	-	(186,979)
NCI Share of other comprehensive income		-	-	-	36,029	-	-	-	36,029	(36,029)	-
Total other comprehensive income for the year		-	-	951,309	(1,102,259)	-	-	5,054,011	4,903,061	76,075	4,979,136
Transfers within equity											
Transfer to contingency reserve		-	-	-	-	-	1,405,442	(1,405,442)	-	-	-
Transfer to/(from) retained earnings		-	-	-	(10,304)	(175,600)	-	185,904	-	-	-
NCI Share of accumulated gains equities transferred to retained earnings		-	-	-	(1,024)	-	-	-	(1,024)	1,024	-
Total transfers	21(g)	-	-	-	(11,328)	(175,600)	1,405,442	(1,219,538)	(1,024)	1,024	-
Transactions with owners, recorded directly in equity											
Dividend paid to ordinary shareholders	21(i)	-	-	-	-	-	-	(732,105)	(732,105)	-	(732,105)
Total contributions by and distributions to equity holders								(732,105)	(732,105)	-	(732,105)
Balance at 31 December 2022		18,302,638	64,745	2,764,016	(2,796,624)	0	9,710,046	10,789,974	38,834,796	422,402	39,257,198
Balance as at 1 Jan 2023		18,302,638	64,745	2,764,016	(2,796,624)	-	9,710,046	10,789,974	38,834,796	422,402	39,257,198
Total comprehensive income for the year											
Profit for the year		-	-	-	-	-	-	11,991,072	11,991,072	25,217	12,016,289
Other comprehensive income		-	-	-	1,701,288	-	-	-	1,701,288	-	1,701,288
NCI Share of other comprehensive income		-	-	-	14,835	-	-	-	14,835	(14,835)	-
Total other comprehensive income for the year		-	-	-	1,716,123	-	-	11,991,072	13,707,196	10,381	13,717,577
Transfers within equity											
Transfer to contingency reserve		-	-	-	-	-	2,045,429	(2,045,429)	-	-	-
Transfer to/(from) retained earnings		-	-	-	(24,681)	-	-	24,681	-	-	-
NCI Share of accumulated gains equities transferred to retained earnings		-	-	-	(2,468)	-	-	-	(2,468)	2,468	-
Total transfers		-	-	-	(27,149)	-	2,045,429	(2,020,748)	(2,468)	2,468	-
Transactions with owners, recorded directly in equity											
Dividend paid to ordinary shareholders		-	-	-	-	-	-	(1,098,158)	(1,098,158)	-	(1,098,158)
Total contributions by and distributions to equity holders								(1,098,158)	(1,098,158)	-	(1,098,158)
Balance at 31 December 2023		18,302,638	64,745	2,764,016	(1,107,650)	0	11,755,475	19,615,891	51,395,115	435,251	51,830,367

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

Separate Statement of Changes in Equity - Company
For the year ended 31 December 2023

	Note	Attributable to owners of the Company							Total shareholders' Equity
		Issued Share Capital	Share Premium	Revaluation Reserve	Fair Value Reserve	Foreign exchange translation Reserve	Contingency Reserve	Retained Earnings	
<i>In thousands of naira</i>									
Balance at 1 January 2022	21(a)(ii)	18,302,638	64,745	1,812,707	(1,016,727)	175,600	8,304,604	9,139,931	36,783,498
Impact of initial application of IFRS 17	43	-	-	-	-	-	-	(3,354,904)	(3,354,904)
Balance at 1 Jan 2022 (restated)		18,302,638	64,745	1,812,707	(1,016,727)	175,600	8,304,604	5,785,027	33,428,594
Total comprehensive income for the year									
Profit for the year		-	-	-	-	-	-	4,467,392	4,467,392
Other comprehensive income		-	-	951,309	(804,971)	-	-	-	146,338
Total other comprehensive income for the year		-	-	951,309	(804,971)	-	-	4,467,392	4,613,730
Transfers within equity									
Transfer to contingency reserve		-	-	-	-	-	1,405,442	(1,405,442)	-
Dividend		-	-	-	-	-	-	(732,105)	(732,105)
Transfer to/(from) retained earnings		-	-	-	-	(175,600)	-	175,600	-
Total transfers within equity		-	-	-	-	(175,600)	1,405,442	(1,961,947)	(732,105)
Balance at 31 December 2022		18,302,638	64,745	2,764,016	(1,821,698)	-	9,710,046	8,290,472	37,310,219
Balance at 1 Jan 2023		18,302,638	64,745	2,764,016	(1,821,698)	-	9,710,046	8,290,472	37,310,219
Total comprehensive income for the year									
Profit for the year		-	-	-	-	-	-	11,571,055	11,571,055
Other comprehensive income		-	-	-	1,808,153	-	-	-	1,808,153
Total other comprehensive income for the year		-	-	-	1,808,153	-	-	11,571,055	13,379,208
Transfers within equity									
Transfer to contingency reserve		-	-	-	-	-	2,045,429	(2,045,429)	-
Dividend paid to ordinary shareholders		-	-	-	-	-	-	(1,098,158)	(1,098,158)
Total transfers within equity		-	-	-	-	-	2,045,429	(3,143,587)	(1,098,158)
Balance as at 31 December 2023		18,302,638	64,745	2,764,016	(13,545)	-	11,755,475	16,717,939	49,591,269

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

Consolidated and Separate Statements of Cash Flows
For the year ended 31 December 2023
In thousands of naira

	Notes	Group		Company	
		2023	2022 (restated)	2023	2022 (restated)
Operating activities:					
Premiums received for insurance contract		107,353,012	117,638,862	106,358,985	116,020,884
Reinsurance premium paid during the year	5(a)	(21,962,187)	(14,794,382)	(21,962,187)	(14,794,382)
Acquisition cashflows received	5(a)	2,884,136	38,791	2,884,136	38,791
Acquisition cashflows paid	14(a)	(14,219,501)	(12,708,773)	(14,219,501)	(12,708,773)
Claims and directly attributable expenses paid	14(a)	(68,297,004)	(57,854,494)	(67,628,834)	(57,092,565)
Claims and other benefits received	5(a)	3,590,708	4,073,165	3,590,708	4,073,165
Cash flows on premium paid in advance and unallocated premium		2,354,615	3,055,769	2,354,615	3,055,769
Minimum deposit on premium paid	6	(59,099)	(112,809)	(59,099)	(112,809)
Receipt from deposit administration	19(b)	24,558	575,854	24,558	575,854
Withdrawal from deposit administration	19(b)	(25,923)	(472,789)	(25,923)	(472,789)
Cash flows on non-attributable expenses		(710,717)	(749,988)	(836,249)	(480,439)
Other cashflow receipts/(payments)		2,633,681	(26,301,231)	1,797,501	(27,059,870)
Additions into fixed income liabilities	16(b)	32,509,488	35,433,649	-	-
Liquidations/maturities from fixed income liabilities	16(b)	(28,662,833)	(47,123,611)	-	-
Interest paid	16(b)	(3,501,752)	(3,723,147)	-	-
Income tax paid	8(a)	(352,795)	(162,994)	(127,547)	(83,200)
Net cash flows from/(used in) operating activities		13,558,387	(3,188,128)	12,151,163	10,959,636
Investing activities:					
Interest income received	19(a)	22,620,888	15,844,908	18,637,560	10,917,339
Dividend income received	19(a)	175,681	464,521	147,089	440,645
Rental income	24(a)	101,968	84,753	101,968	84,753
Purchase of property and equipment	12	(1,423,220)	(1,410,282)	(1,377,869)	(873,130)
Prepaid lease payments	7	190,950	50,694	190,950	50,694
Purchase of intangible asset	11	(18,349)	(33,644)	(9,999)	(30,267)
Proceeds from sale of associate		-	4,162,304	-	4,162,304
Proceeds from sale of property and equipment		83,256	41,015	67,159	25,620
Proceeds from sale of investment property	10	239,000	186,000	239,000	186,000
Purchase of financial assets at amortized cost	3(a)	(44,544,551)	(17,594,624)	(34,590,582)	(10,410,626)
Purchase of financial assets at FVTOCI	3(b)	(9,244,951)	(4,910,765)	(7,690,755)	(4,348,845)
Purchase of financial assets at FVTPL	3(c)	(32,880,153)	(54,633,942)	(32,880,153)	(54,633,943)
Proceed on disposal/ redemption of financial assets		52,591,680	52,018,143	45,367,604	41,562,440
Net cash flows used in investing activities		(12,107,801)	(5,730,920)	(11,798,029)	(12,867,017)
Financing activities:					
Dividends paid to equity holders	17(i)	(1,098,158)	(732,105)	(1,098,158)	(732,106)
Net cash flows used in financing activities		(1,098,158)	(732,105)	(1,098,158)	(732,106)
Net increase/(decrease) in cash and cash equivalents		352,428	(9,651,154)	(745,024)	(2,639,486)
Cash and cash equivalents at 1 January		15,915,376	25,490,105	6,521,942	9,062,962
Net foreign exchange difference	22	2,154,925	76,424	2,144,340	98,465
Cash and cash equivalents as at 31 December	2	18,422,728	15,915,376	7,921,257	6,521,942

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

Notes to the Consolidated and Separate Financial Statements
For the year ended 31 December 2023

1 Segment Information

For management purposes, the Group is organized into business units based on their products and services and has four reportable operating segments as explained below:

- **Life business** - The life insurance segment offers savings, protection products and other long-term contracts (both with and without insurance risk). It comprises a wide range of whole life, term assurance, guaranteed pensions, pure endowment pensions and mortgage endowment products. Revenue from this segment is derived primarily from insurance premium, fees and commission income and investment income.
- **General business** - The general insurance business segment comprises general insurance to individuals and businesses. Non-life insurance products offered include auto, household, commercial and business interruption insurance. These products offer protection of policyholder's assets and indemnification of other parties that have suffered damage as a result of policyholder's accident.
- **Health management services** - The Health segment is a Health Maintenance Organization for prepaid health plans to cater for the health needs of individuals and corporate organizations. The segment became a full subsidiary of AICO Insurance Plc on July 1, 2012.
- **Asset management** - The Wealth Management segment is registered and licensed by the Securities & Exchange Commission in 2012, to carry out portfolio/fund management services. The segment commenced full operations in 2014 through the provision of bespoke wealth solutions for clients, by adopting a research based approach for every investment decision. The segment offers portfolio management services, structured investments and mutual funds to suit the investment needs of corporate and individual clients.

No operating segments have been aggregated to form the above reportable operating segments.

As indicated above, the main factor considered in organizing the business units into reportable operating segment is the nature of products or services rendered by the business units.

Information regarding the results of each reportable segment is included below. Performance is measured based on segment profit before income tax, as included in the internal management reports that are reviewed by the Executive Management Committee. Segment profit is used to measure performance as management believes that such information is the most relevant in evaluating the results of certain segments relative to other entities that operate within these industries. Inter-segment pricing is determined on an arm's length basis.

The measurement policies the Group uses for segment reporting are the same as those used in its financial statements. There have been no changes from prior periods in the measurement methods used to determine reported segment profit or loss.

Notes to the Consolidated and Separate Financial Statements (Continued)
For the year ended 31 December 2023

1.1 Segment statement of profit or loss and other comprehensive income

<i>In thousands of naira</i>	Life Business	General Business	Elimination of inter-business transactions	Company	Health management services	Asset management	Elimination of inter-segment transactions	2023
Insurance revenue	39,880,548	31,747,930		71,628,478	1,004,896	-	-	72,633,374
Insurance service expense	(37,940,353)	(26,906,690)		(64,847,043)	(650,742)	-	-	(65,497,784)
Net expenses from reinsurance contracts	(989,352)	(7,764,479)		(8,753,832)	-	-	-	(8,753,832)
Insurance service result	950,842	(2,923,239)	-	(1,972,397)	354,155	-	-	(1,618,242)
Investment income from effective interest rate	23,131,335	2,571,775		25,703,109	122,648	5,261,610		31,087,368
Profit from deposit administration	82,253	-		82,253	-	-		82,253
Net realised gain/(loss)	548,450	314,631		863,081	-	-		863,081
Net fair value losses	(10,869,933)	97,500		(10,772,433)	-	-		(10,772,433)
Net foreign exchange income/(expense)	1,740,013	4,582,468		6,322,481	-	100,458		6,422,939
Net change in investment contract liabilities	(639,957)	-		(639,957)	-	-		(639,957)
Net Impairment Reversal / (Loss)	23,903	14,094		37,997	17,641	(224,280)	2,859	(165,784)
Net investment income	14,016,063	7,580,467	-	21,596,530	140,289	5,137,788	2,859	26,877,466
Net finance Expense from Insurance Contracts	(8,353,323)	(785,222)		(9,138,545)	(20,183)			(9,158,728)
Net finance Income from Reinsurance Contracts	98,982	337,391		436,373				436,373
Net insurance finance income/(expenses)	(8,254,342)	(447,831)	-	(8,702,172)	(20,183)	-	-	(8,722,355)
Net insurance and investment result	6,712,563	4,209,398	-	10,921,961	474,261	5,137,788	2,859	16,536,869
Other income	1,922,414	718,752		2,641,166	14,430	814,712	(709,415)	2,760,894
Personnel expenses	-	-		-	(322,433)	(426,215)		(748,648)
Other expenses	(1,109,374)	(422,587)		(1,531,961)	(287,740)	(4,909,690)	709,415	(6,019,977)
Profit before income tax from continuing operations	7,525,603	4,505,563	-	12,031,166	(121,482)	616,595	2,859	12,529,138
Income tax expense	(82,240)	(45,105)		(127,345)	(15,364)	(6,612)		(149,321)
Minimum tax	(88,500)	(244,267)		(332,767)	-	(30,761)		(363,528)
Profit after tax from continuing operations	7,354,863	4,216,191	-	11,571,054	(136,846)	579,222	2,859	12,016,289
Discontinued operations								-
Profit from discontinued operations (net of tax)	-	-		-				-
Profit for the year	7,354,863	4,216,191	-	11,571,054	(136,846)	579,222	2,859	12,016,289

No single external customer contributed 10 percent or more of the entity's revenues as at end of the year.

Notes to the Consolidated and Separate Financial Statements (Continued)
For the year ended 31 December 2023

(b) Segment statement of profit or loss and other comprehensive income

<i>In thousands of naira</i>	Life Business	General Business	Elimination of inter-business transactions	Company	Health management services	Asset management	Elimination of inter-segment transactions	2022 <i>Restated</i>
Insurance revenue	29,213,335	23,996,262	-	53,209,597	1,608,300	-	-	54,817,897
Insurance service expense	(29,563,248)	(13,381,093)	-	(42,944,342)	(855,562)	-	-	(43,799,903)
Net income/(expenses) from reinsurance contracts	322,339	(11,115,551)	-	(10,793,212)	-	-	-	(10,793,212)
Insurance service result	(27,574)	(500,383)	-	(527,956)	752,739	-	-	224,782
Investment income from effective interest rate	15,899,939	1,831,973	-	17,731,912	89,967	5,399,670	-	23,221,550
Profit from deposit administration	199,770	-	-	199,770	-	-	-	199,770
Net realised loss	(594,027)	-	-	(594,027)	-	-	-	(594,027)
Net fair value loss	(6,036,060)	-	-	(6,036,060)	-	-	-	(6,036,060)
Net change in investment contract liabilities	(167,556)	-	-	(167,556)	-	-	-	(167,556)
Net foreign exchange loss	(289,832)	(400,374)	-	(690,207)	-	13,988	-	(676,219)
Net impairment charged	(50,904)	(21,012)	-	(71,916)	(49,445)	(49,079)	-	(170,440)
Net investment income	8,961,330	1,410,587	-	10,371,917	40,522	5,364,579	-	15,777,018
Net finance expense from insurance contracts	(7,662,208)	(494,572)	-	(8,156,779)	(6,262)	-	-	(8,163,041)
Net finance income from reinsurance contracts	46,632	293,065	-	339,696	-	-	-	339,696
Net insurance finance expenses	(7,615,576)	(201,507)	-	(7,817,083)	(6,262)	-	-	(7,823,345)
Net insurance and investment result	1,318,180	708,697	-	2,026,877	786,999	5,364,579	-	8,178,455
Other income	231,956	629,090	-	861,045	465	521,539	(432,009)	951,040
Personnel expenses	-	-	-	-	(268,562)	(391,316)	-	(659,878)
Other expenses	(800,096)	(294,750)	-	(1,094,846)	(219,532)	(4,910,996)	454,193	(5,771,181)
Profit before income tax from continuing operations	750,040	1,043,037	-	1,793,076	299,370	583,807	22,184	2,698,436
Income tax expense	(33,915)	(17,240)	-	(51,155)	(106,268)	(67,899)	(32,469)	(257,791)
Minimum tax	(8,768)	(138,448)	-	(147,215)	-	-	-	(147,215)
Profit after tax from continuing operations	707,357	887,349	-	1,594,706	193,102	515,908	(10,285)	2,293,430
Discontinued operations								
Profit from discontinued operations (net of tax)	1,615,280	1,257,406	-	2,872,686	-	-	-	2,872,686
Profit for the year	2,322,637	2,144,755	-	4,467,392	193,102	515,908	(10,285)	5,166,116

No single external customer contributed 10 percent or more of the entity's revenues as at end of the year.

Notes to the Consolidated and Separate Financial Statements (Continued)
For the year ended 31 December 2023

1.2 Segment Statement of Financial Position

<i>In thousands of naira</i>	Life Business	General Business	Elimination of inter-business transactions	Company	Health management services	Asset management	Elimination of inter-segment transactions	2023
Assets								
Cash and cash equivalents	6,037,981	1,883,276	-	7,921,257	352,768	10,148,703	-	18,422,728
Financial assets:								
- Debt instruments at amortised cost	63,034,156	25,102,052	-	88,136,208	1,072,187	24,066,377	(8,210,107)	105,064,665
- Fair value through other comprehensive income	5,659,711	8,452,624	-	14,112,335	-	6,132,015	-	20,244,350
- Fair value through profit or loss	141,438,059	-	-	141,438,059	-	-	-	141,438,059
Trade receivables	-	909,559	-	909,559	33,801	37,392	-	980,752
Reinsurance contract assets	1,135,405	15,980,966	-	17,116,370	-	-	-	17,116,370
Other receivables and prepayments	3,679,173	721,551	(1,562,287)	2,838,437	49,020	909,522	(129,629)	3,667,351
Investment in subsidiaries	837,317	250,000	-	1,087,317	-	-	(1,087,317)	-
Investment properties	320,000	387,500	-	707,500	-	-	-	707,500
Property and equipment	6,482,680	2,225,717	-	8,708,397	43,347	161,902	-	8,913,645
Statutory deposits	200,000	300,000	-	500,000	-	-	-	500,000
Right of use assets	61,087	71,425	-	132,512	-	-	-	132,512
Goodwill and other intangible assets	39,692	800,863	-	840,555	20,184	46,891	-	907,630
Total assets	228,925,260	57,085,534	(1,562,287)	284,448,506	1,571,306	41,502,803	(9,427,053)	318,095,562
Liabilities								
Insurance contract liabilities	189,950,495	27,751,114	-	217,701,608	322,073	-	-	218,023,682
Investment contract liabilities	3,855,323	-	-	3,855,323	-	-	-	3,855,323
Reinsurance contract liabilities	207,322	723,294	-	930,616	-	-	-	930,616
Other insurance contract liabilities	2,423,168	-	-	2,423,168	-	-	-	2,423,168
Trade payables	153,453	1,459,456	-	1,612,909	-	-	-	1,612,909
Other payables and accruals	4,124,830	5,008,045	(1,562,287)	7,570,588	531,650	429,148	(199,247)	8,332,139
Fixed income liabilities	-	-	-	-	-	38,449,435	(8,207,635)	30,241,800
Current income tax payable	260,765	502,260	-	763,026	22,929	59,106	-	845,060
Deferred tax liabilities	-	-	-	-	498	-	-	498
Total liabilities	200,975,356	35,444,170	(1,562,287)	234,857,238	877,150	38,937,689	(8,406,882)	266,265,195
Equity								
Share capital	8,003,650	10,298,988	-	18,302,638	600,000	1,200,000	(1,800,000)	18,302,638
Share premium	64,745	-	-	64,745	47,494	41,346	(88,840)	64,745
Revaluation reserve	1,865,146	898,870	-	2,764,016	-	-	-	2,764,016
Fair value reserve	(434,747)	421,203	-	(13,544)	-	(1,068,535)	(25,571)	(1,107,650)
Contingency reserve	5,600,693	6,154,782	-	11,755,475	-	-	-	11,755,475
Retained earnings	12,850,416	3,867,522	-	16,717,938	46,662	2,392,303	458,989	19,615,890
Shareholders' funds	27,949,903	21,641,364	-	49,591,268	694,157	2,565,114	(1,455,423)	51,395,114
Non-controlling interests	-	-	-	-	-	-	435,252	435,252
Total equity	27,949,903	21,641,364	-	49,591,268	694,157	2,565,114	(1,020,171)	51,830,366
Total liabilities and equity	228,925,260	57,085,534	(1,562,287)	284,448,506	1,571,306	41,502,803	(9,427,053)	318,095,562

Notes to the Consolidated and Separate Financial Statements (Continued)
For the year ended 31 December 2023

1.2

<i>In thousands of naira</i>	Life Business	General Business	Elimination of inter-business transactions	Company	Health management services	Asset management	Elimination of inter-segment transactions	31 December 2022
Assets								
Cash and cash equivalents	4,846,712	1,675,230	-	6,521,942	383,408	9,010,026	-	15,915,376
Financial assets:								
- Debt instruments at amortised cost	56,553,848	17,516,121	-	74,069,969	1,207,702	18,585,216	(9,976,089)	83,886,798
- Fair value through other comprehensive income	4,245,207	4,872,852	-	9,118,059	-	7,221,630	-	16,339,689
- Fair value through profit or loss	125,233,425	-	-	125,233,425	-	-	-	125,233,425
Trade receivable	-	852,113	-	852,113	3,858	36,097	(25,091)	866,977
Reinsurance contract assets	2,592,564	8,098,429	-	10,690,993	-	-	-	10,690,993
Deferred tax asset	-	-	-	-	21,501	-	-	21,501
Investment in subsidiary	837,317	250,000	-	1,087,317	-	-	(1,087,317)	(0)
Investment property	420,000	340,000	-	760,000	-	-	-	760,000
Property, plant and equipment	5,942,919	2,121,609	-	8,064,528	30,799	264,193	-	8,359,521
Other receivables and prepayments	3,794,607	434,280	(164,009)	4,064,879	28,032	609,932	(94,365)	4,608,477
Right-of-use assets	38,830	21,225	-	60,054	-	-	-	60,054
Statutory deposit	200,000	300,000	-	500,000	-	-	-	500,000
Goodwill and other intangible assets	45,962	800,863	-	846,825	16,897	64,951	-	928,672
Total Assets	204,751,392	37,282,721	(164,009)	241,870,104	1,692,197	35,792,045	(11,182,863)	268,171,484
Liabilities and Equity								
Liabilities								
Insurance contract liabilities	172,230,186	15,547,893	-	187,778,079	330,188	-	-	188,108,267
Investment contract liabilities	3,212,895	-	-	3,212,895	-	-	-	3,212,895
Reinsurance contract liabilities	406,037	895,697	-	1,301,734	-	-	-	1,301,734
Other insurance contract liabilities	3,103,704	-	-	3,103,704	-	-	-	3,103,704
Trade payables	1,758,798	251,499	-	2,010,297	-	-	-	2,010,297
Other payables and accrual	2,911,878	3,982,746	(164,009)	6,730,615	421,589	778,116	(165,487)	7,764,833
Fixed income liability	-	-	-	-	-	32,750,212	(9,968,614)	22,781,598
Current tax payable	173,425	249,137	-	422,562	102,253	144,728	-	669,543
Deferred tax liability	-	-	-	-	-	7,666	-	7,666
Total liabilities	183,796,923	20,926,972	(164,009)	204,559,886	854,030	33,680,722	(10,134,101)	228,960,537
Equity								
Issued share capital	8,003,650	10,298,988	-	18,302,638	600,000	1,200,000	(1,800,000)	18,302,638
Share premium	64,745	-	-	64,745	47,494	41,346	(88,840)	64,745
Revaluation reserve	1,865,147	898,869	-	2,764,016	-	-	-	2,764,016
Fair value reserve	(746,585)	(1,075,113)	-	(1,821,697)	-	(936,990)	(37,937)	(2,796,624)
Contingency reserve	4,597,793	5,112,253	-	9,710,046	-	-	-	9,710,046
Retained earnings	7,169,720	1,120,751	-	8,290,471	190,673	1,806,967	455,613	10,743,724
Shareholders funds	20,954,469	16,355,749	-	37,310,219	838,167	2,111,323	(1,471,164)	38,788,545
Non- controlling interest	-	-	-	-	-	-	422,402	422,402
Total equity	20,954,469	16,355,749	-	37,310,219	838,167	2,111,323	(1,048,762)	39,210,947
Total liabilities and equity	204,751,392	37,282,721	(164,009)	241,870,104	1,692,197	35,792,045	(11,182,863)	268,171,484

Notes to the Consolidated and Separate Financial Statements (Continued)
For the year ended 31 December 2023

2 Cash and cash equivalents

<i>In thousands of naira</i>	Group			Company		
	Dec-23	Dec-22	Jan-22	Dec-23	Dec-22	Jan-22
Cash on hand	27,796	1,127	2,268	27,200	470	724
Cash in banks	6,714,457	6,547,583	4,831,744	5,600,744	5,730,674	4,200,237
Bank placements	11,686,356	9,378,917	22,442,215	2,295,168	791,427	4,867,214
Cash at bank attributable to discontinued operations	-	-	(1,764,924)	-	-	-
	18,428,608	15,927,627	25,511,303	7,923,112	6,522,571	9,068,175
Allowance for impairment on short term deposits relating to continuing operations	(5,880)	(12,251)	(25,500)	(1,855)	(629)	(5,213)
Allowance for impairment on short term deposits transferred to disposal group	-	-	4,303	-	-	-
	18,422,728	15,915,376	25,490,105	7,921,257	6,521,942	9,062,962
At 1 January	(12,251)	(25,500)	(5,774)	(747)	(5,214)	(3,362)
Reversal/(charge) in the period	6,371	13,249	(24,029)	(1,108)	4,467	(1,851)
Allowance for impairment on short term deposits transferred to disposal group	-	-	4,303	-	-	-
Balance as at	(5,880)	(12,251)	(25,500)	(1,855)	(747)	(5,213)
Current	18,422,728	15,915,376	25,490,105	7,921,257	6,521,942	9,062,962
Non Current	-	-	-	-	-	-
	18,422,728	15,915,376	25,490,105	7,921,257	6,521,942	9,062,962

(a) Short-term deposits are made for 'varying periods' of between one day and three months, depending on the immediate cash requirements of the Group and Company. The carrying amounts disclosed above reasonably approximate fair value at the reporting date and the average interest rate on the short-term deposits as at the reporting date was 9% per annum.

Interest rates on this deposit ranges from 12-18% per annum and maturities ranging between 30-90days. These funds are placed with local banks.

(b) Included in cash and cash equivalents are placements with local banks representing assets of the fixed income liabilities of ₦31.1bn (see note 20(b)(ii)) (2022: ₦22.8bn).

3 Financial assets

<i>In thousands of naira</i>	Group			Company		
	Dec-23	Dec-22	Jan-22	Dec-23	Dec-22	Jan-22
Financial assets at amortized cost (see note (a) below)	105,064,665	83,886,798	73,506,456	88,136,208	74,069,969	63,972,911
Fair value through other comprehensive income (see note (b) below)	20,244,350	16,339,689	16,031,736	14,112,335	9,118,059	5,580,095
Fair value through profit or loss (see note (c) below)	141,438,059	125,233,425	83,165,217	141,438,059	125,233,425	83,165,217
Amortised cost financial assets transferred to disposal group	-	-	(202,389)	-	-	-
	266,747,074	225,459,912	172,501,020	243,686,602	208,421,453	152,718,223
Current	161,682,409	141,573,114	99,196,953	155,550,394	134,351,484	88,745,312
Non Current	105,064,665	83,886,798	73,304,067	88,136,208	74,069,969	63,972,911
	266,747,074	225,459,912	172,501,020	243,686,602	208,421,453	152,718,223

(a) **Financial assets at amortised cost**

Federal Government Bonds	76,108,091	73,691,883	54,049,576	62,543,405	55,424,640	53,883,240
Treasury Bills	-	-	15,521,762	-	-	-
Other financial assets (see (i) below)	4,573,207	1,278,200	-	7,378,646	9,975,464	6,268,966
Corporate Bonds	3,105,875	1,621,544	100,493	1,607,983	1,621,544	100,493
Euro Bond	14,717,901	2,602,355	-	11,597,642	2,602,355	-
Commercial Paper	2,260,567	123,744	-	283,345	123,744	-
Loans to policyholders	3,170,569	2,882,253	2,620,611	3,170,569	2,882,253	2,620,611
Staff loans	1,228,770	1,424,332	1,018,838	1,161,590	1,177,482	910,476
Agent loans	129,797	83,228	80,188	129,797	83,228	80,188
Other loans	564,724	271,511	134,466	323,347	271,511	134,466
	105,859,501	83,979,050	73,525,934	88,196,324	74,162,221	63,998,440
Allowance for Impairment of other loans	(169,742)	(3,766)	(1,697)	(5,402)	(3,766)	(898)
Allowance for Impairment of bonds	(573,104)	(69,737)	(17,780)	(47,087)	(69,737)	(17,780)
Allowance for Impairment impairment on commercial papers	(10,983)	(118)	-	(200)	(118)	-
Allowance for Impairment of other financial assets	(41,007)	(18,631)	-	(7,427)	(18,631)	(6,850)
Total Allowance for Impairment (see (ii) below)	(794,836)	(92,252)	(19,478)	(60,116)	(92,252)	(25,528)
	105,064,665	83,886,798	73,506,456	88,136,208	74,069,969	63,972,911
Transfer to disposal group	-	-	(202,495)	-	-	-
Allowance for impairment transferred to disposal group	-	-	106	-	-	-
	105,064,665	83,886,798	73,304,067	88,136,208	74,069,969	63,972,911

Notes to the Consolidated and Separate Financial Statements (Continued)
For the year ended 31 December 2023

- (i) Other financial assets relates to an investment in AIICO Capital's GIN (Guaranteed income note) for investment in bonds and treasury bills at a guaranteed return of 7% per annum. AIICO Capital is regulated by Securities and Exchange Commission (SEC) to invest in the capital market and carries out this type of investments for its clients.
- (ii) Movement in impairment allowance during the period is as follows:

	Group			Company		
	Dec-23	Dec-22	Jan-22	Dec-23	Dec-22	Jan-22
At 1 January	92,252	19,478	27,218	92,252	25,528	35,897
12 months ECL charge for the period bonds	185,327	51,957	8,064	(22,650)	51,955	8,065
12 months ECL charge for the period, treasury bills	-	-	(1,032)	-	-	-
12 months ECL charge for the period commercial papers	9,998	118	-	82	118	-
12 months ECL charge for the period other loans	1,636	2,069	(14,879)	1,636	2,869	(2,244)
12 months ECL charge for the period other financial assets	1,400	18,631	-	(11,204)	11,781	(16,189)
Exchange loss	504,223	-	-	-	-	-
Recoveries	-	-	106	-	-	-
Balance as at	794,836	92,252	19,478	60,116	92,252	25,528

- (iii) Movement in amortized cost

In thousands of naira

Balance at 1 January	83,979,050	73,323,438	44,079,333	74,162,220	63,998,439	37,951,504
Additions during the year	44,544,551	17,594,624	55,102,639	34,590,582	10,410,626	39,996,468
Asset transfer from portfolio acquisition*	-	4,435,789	-	-	4,435,786	-
Disposals/Repayments	(33,545,689)	(11,860,022)	(26,039,538)	(29,164,260)	(5,123,320)	(14,894,483)
Exchange gain	8,361,815	-	-	6,850,357	-	-
Accrued interest	2,519,774	485,221	383,393	1,757,424	440,690	944,950
Amortised cost financial assets transferred to disposal group	-	-	(202,389)	-	-	-
	105,859,501	83,979,050	73,323,438	88,196,324	74,162,220	63,998,439
Allowance for 12 months ECL charge (see (ii) above)	(794,836)	(92,252)	(19,478)	(60,116)	(92,252)	(25,528)
Allowance for impairment transferred to disposal group	-	-	106	-	-	-
	105,064,665	83,886,798	73,304,067	88,136,208	74,069,969	63,972,911

* This relates to the asset brought into the books from the acquisition of tangerine annuity portfolio.

- (b) **Financial assets classified at fair value through other comprehensive income**

<i>In thousands of naira</i>	Group			Company		
	Dec-23	Dec-22	Jan-22	Dec-23	Dec-22	Jan-22
Federal Government Bonds	13,890,554	4,676,584	12,503,621	7,768,272	4,676,584	2,084,327
Corporate Bonds	958,758	826,208	240,157	958,758	826,208	240,157
Euro Bond	2,728	279,662	-	-	279,662	-
Equities (see note (i) below)	5,392,310	10,557,235	3,287,958	5,385,305	3,335,605	3,255,611
	20,244,350	16,339,689	16,031,736	14,112,335	9,118,059	5,580,095

- (i) **Equity instruments designated at fair value through other comprehensive income**

In thousands of naira

Quoted equities	825,401	871,423	589,313	818,396	871,423	556,966
Unquoted equities	4,566,909	9,685,812	2,698,645	4,566,909	2,464,182	2,698,645
	5,392,310	10,557,235	3,287,958	5,385,305	3,335,605	3,255,611

- (ii) Movement in financial asset classified as fair value through other comprehensive income (FVTOCI) is as follows;

In thousands of naira

Balance at 1 January	16,339,689	16,031,736	27,275,901	9,118,059	5,580,095	11,144,862
Additions during the period	9,244,951	4,892,876	2,171,083	7,690,755	4,348,845	1,043,777
Asset transfer from portfolio acquisition	-	167,119	-	-	167,119	-
Disposals	(7,610,323)	(4,892,155)	(12,811,450)	(4,767,676)	(1,173,154)	(6,311,450)
Accrued interest	577,260	1,268,622	726,422	270,130	990,346	364,073
Fair value loss on debt instruments	(168,255)	(733,641)	(1,330,219)	(25,019)	(383,835)	(661,167)
Fair value gain/(loss) on equity securities	1,861,027	(394,869)	-	1,826,086	(411,357)	-
Balance as at	20,244,350	16,339,689	16,031,736	14,112,335	9,118,059	5,580,095

Notes to the Consolidated and Separate Financial Statements (Continued)
For the year ended 31 December 2023

(c) **Financial assets classified at fair value through profit or loss**

<i>In thousands of naira</i>	Group			Company		
	Dec-23	Dec-22	Jan-22	Dec-23	Dec-22	Jan-22
Federal Government bonds	135,041,578	122,587,329	83,116,679	135,041,578	122,587,329	83,116,679
State Government bonds	-	-	48,538	-	-	48,538
Corporate bonds	2,646,096	2,646,096	-	2,646,096	2,646,096	-
Unquoted Equities	3,750,385	-	-	3,750,385	-	-
Balance as at	141,438,059	125,233,425	83,165,217	141,438,059	125,233,425	83,165,217

(i) Movement in financial asset classified as fair value through profit or loss (FVTPL) is as follows;

<i>In thousands of naira</i>	Group			Company		
	Dec-23	Dec-22	Jan-22	Dec-23	Dec-22	Jan-22
Balance at 1 January	125,233,425	83,165,217	117,013,926	125,233,425	83,165,217	117,013,926
Additions during the period	32,880,153	54,633,943	98,087,827	32,880,153	54,633,943	98,087,827
Asset transfer from portfolio acquisition	-	24,545,595	-	-	24,545,595	-
Disposals during the period	(10,594,308)	(35,872,976)	(102,216,809)	(10,594,308)	(35,872,976)	(102,216,809)
Accrued interest	4,868,722	4,935,707	4,978,756	4,868,722	4,935,707	4,978,756
Fair value loss during the year - Note (20.b)	(10,949,933)	(6,174,060)	(34,698,482)	(10,949,933)	(6,174,060)	(34,698,482)
Balance as at	141,438,059	125,233,425	83,165,217	141,438,059	125,233,425	83,165,217

(d) **Gross movement in financial assets (FA)**

<i>In thousands of naira</i>	Group			Company		
	Dec-23	Dec-22	Jan-22	Dec-23	Dec-22	Jan-22
Balance at 1 January	225,552,163	172,520,391	188,369,160	208,513,704	152,743,750	166,110,291
Additions during the period	86,669,655	77,121,443	155,361,549	75,161,490	69,393,414	139,128,072
Asset transfer from portfolio acquisition	-	29,148,503	-	-	29,148,500	-
Disposals/Repayments during the period	(51,750,320)	(52,625,153)	(141,067,797)	(44,526,244)	(42,169,450)	(123,422,742)
Exchange gain	8,361,816	-	-	6,850,357	-	-
Accrued interest	7,965,757	6,689,550	6,088,571	6,896,277	6,366,743	6,287,779
Fair value loss - through profit or loss	(10,949,933)	(6,174,060)	(34,698,482)	(10,949,933)	(6,174,060)	(34,698,482)
Fair value gain/(loss) - through OCI - debt instruments	(168,255)	(733,641)	(1,330,219)	(25,019)	(383,835)	(661,167)
Fair value gain/(loss) - through OCI - equity securities	1,861,027	(394,869)	-	1,826,086	(411,357)	-
Transferred to disposal group	-	-	(202,389)	-	-	-
	267,541,910	225,552,163	172,520,391	243,746,718	208,513,704	152,743,750
Allowance for 12 months ECL charge (see (ii) above)	(794,836)	(92,252)	(19,478)	(60,116)	(92,252)	(25,528)
Allowance for impairment transferred to disposal group	-	-	106	-	-	-
	266,747,074	225,459,912	172,501,020	243,686,602	208,421,453	152,718,223

(i) **Gross movement in financial assets 2023 (Group)**

<i>In thousands of naira</i>	Amortised cost	FVOCI	FVTPL	Total
Balance at 1 January	83,979,050	16,339,689	125,233,425	225,552,163
Additions during the period	44,544,551	9,244,951	32,880,153	86,669,655
Disposals/Repayments during the period	(33,545,689)	(7,610,323)	(10,594,308)	(51,750,320)
Accrued interest	2,519,774	577,260	4,868,722	7,965,757
Fair value gain / (loss)	-	1,692,772	(10,949,933)	(9,257,161)
Exchange gain	8,361,815	-	-	8,361,815
Impairment loss	(794,836)	-	-	(794,836)
	105,064,665	20,244,349	141,438,059	266,747,074

(ii) **Gross movement in financial assets 2022 (Group)**

<i>In thousands of naira</i>	Amortised cost	FVOCI	FVTPL	Total
Balance at 1 January	73,323,438	16,031,736	83,165,217	172,520,391
Additions during the year	17,594,624	4,892,876	54,633,943	77,121,443
Asset transfer from portfolio acquisition	4,435,789	167,119	24,545,595	29,148,503
Disposals/Repayments during the period	(11,860,022)	(4,892,155)	(35,872,976)	(52,625,153)
Accrued interest	485,221	1,268,622	4,935,707	6,689,550
Fair value loss	-	(1,128,510)	(6,174,060)	(7,302,570)
Impairment loss	(92,252)	-	-	(92,252)
	83,886,798	16,339,688	125,233,426	225,459,912

Notes to the Consolidated and Separate Financial Statements (Continued)
For the year ended 31 December 2023

(iii) Gross movement in financial assets 2023 (Company)

<i>In thousands of naira</i>	Amortised cost	FVOCI	FVTPL	Total
Balance at 1 January	74,162,220	9,118,059	125,233,425	208,513,704
Additions during the year	34,590,582	7,690,755	32,880,153	75,161,490
Disposals/Repayments during the year	(29,164,260)	(4,767,676)	(10,594,308)	(44,526,244)
Exchange gain	6,850,357	-	-	6,850,357
Accrued interest	1,757,424	270,130	4,868,722	6,896,277
Fair value (loss)/ gain	-	1,801,067	(10,949,933)	(9,148,866)
Impairment loss	(60,116)	-	-	(60,116)
	88,136,208	14,112,335	141,438,059	243,686,602

(iv) Gross movement in financial assets 2022 (Company)

<i>In thousands of naira</i>	Amortised cost	FVOCI	FVTPL	Total
Balance at 1 January	63,998,439	5,580,095	83,165,217	152,743,751
Additions during the period	10,410,626	4,348,845	54,633,942	69,393,413
Disposals/Repayments during the period	(5,123,320)	(1,173,154)	(35,872,976)	(42,169,450)
Asset transfer from portfolio acquisition	4,435,786	167,119	24,545,595	29,148,500
Accrued interest	440,690	990,346	4,935,707	6,366,743
Fair value (loss)/ gain	-	(795,192)	(6,174,060)	(6,969,252)
Impairment loss	(92,252)	-	-	(92,252)
	74,069,969	9,118,059	125,233,425	208,421,453

(e)(f) Policy loans

The Group granted loans to policyholders in line with the insurance policy provisions (terms and conditions). The maximum loan amount that could be granted to policyholders is 90% of the policy cash value. The cash value (worth of the policy as determined by the actuary) is the cash amount due to policyholders upon surrender of the insurance contract as at the date of determination and it is used as collateral on policy cash loan granted.

The tenor of the loan is within the policy duration and such policy must be in force and must have acquired cash value before loan application can be considered. A pre-determined interest rate (compounded daily) is applied on the loan. The rate is currently 12% per annum and it is reviewed annually.

The rate is determined after due consideration on the interest rate used by the actuary for premium benefit calculation, allowance for documentation and other expenses on the policy, margin for contingencies and profit loadings. Policy loans are not impaired as balances are set-off against benefits accruable to the policyholders.

(ii) Fair value hierarchy

This section explains the judgements and estimates made in determining the fair values of the financial instruments that are recognised and measured at fair value in the financial statements. To provide an indication about the reliability of the inputs used in determining fair value, the Group has classified its financial instruments into the three levels prescribed under the accounting standards. An explanation of each level follows underneath the table.

Group

Fair value measurements At 31 December 2023

<i>In thousands of naira</i>	Level 1	Level 2	Level 3	Total
<i>Financial assets at fair value through profit or loss (FVTPL)</i>				
-Federal Government bonds	-	135,041,578	-	135,041,578
-Corporate bonds	-	2,646,096	-	2,646,096
-Unquoted equities	-	-	3,750,385	3,750,385
Group Financial Assets at FVTPL as at 31 December 2023	-	137,687,674	3,750,385	141,438,059
<i>Financial assets at fair value through other comprehensive income</i>				
-Federal Government bonds	-	13,890,554	-	13,890,554
-Corporate bonds	-	958,758	-	958,758
-Eurobond	-	2,728	-	2,728
-Quoted equities	825,401	-	-	825,401
-Unquoted equities	-	-	4,566,909	4,566,909
Group Financial Assets at FVOCI as at 31 December 2023	825,401	14,852,040	4,566,909	20,244,351

Notes to the Consolidated and Separate Financial Statements (Continued)
For the year ended 31 December 2023

Group

Fair value measurements At 31 December 2022

In thousands of naira

	Level 1	Level 2	Level 3	Total
<i>Financial assets at fair value through profit or loss (FVTPL)</i>				
-Federal Government bonds	-	122,587,329	-	122,587,329
-Corporate bonds	-	2,646,096	-	2,646,096
Group Financial Assets at FVTPL as at 31 December 2022	-	125,233,425	-	125,233,425

Financial assets at fair value through other comprehensive income

-Federal Government bonds	-	4,676,584	-	4,676,584
-Corporate bonds	-	826,208	-	826,208
-Eurobond	-	279,662	-	279,662
-Quoted equities	871,423	-	-	871,423
-Unquoted equities	-	-	9,685,812	9,685,812
Group Financial Assets at FVOCI as at 31 December 2022	871,423	5,782,454	9,685,812	16,339,689

Group

Fair value measurements At 1 January 2022

In thousands of naira

	Level 1	Level 2	Level 3	Total
<i>Financial assets at fair value through profit or loss (FVTPL)</i>				
-Federal Government bonds	-	83,116,679	-	83,116,679
-State Government bonds	-	48,538	-	48,538
Group Financial Assets at FVTPL as at 1 January 2022	-	83,165,217	-	83,165,217

Financial assets at fair value through other comprehensive income

-Federal Government bonds	-	12,503,621	-	12,503,621
-Corporate bonds	-	240,157	-	240,157
-Quoted equities	589,313	-	-	589,313
-Unquoted equities	-	-	2,698,645	2,698,645
Group Financial Assets at FVTOCI as at 1 January 2022	589,313	12,743,778	2,698,645	16,031,736

Company

Fair value measurements At 31 December 2023

In thousands of naira

	Level 1	Level 2	Level 3	Total
<i>Financial assets at fair value through profit or loss (FVTPL)</i>				
-Federal Government bonds	-	135,041,578	-	135,041,578
-Corporate bonds	-	2,646,096	-	2,646,096
-Unquoted equities	-	-	3,750,385	3,750,385
Company Financial Assets at FVTPL as at 31 December 2023	-	137,687,674	3,750,385	141,438,059

Financial assets at fair value through other comprehensive income

-Federal Government bonds	-	7,768,272	-	7,768,272
-Corporate bonds	-	958,758	-	958,758
-Quoted equities	818,396	-	-	818,396
-Unquoted equities	-	-	4,566,909	4,566,909
Company Financial Assets at FVTOCI as at 31 December 2023	818,396	8,727,030	4,566,909	14,112,335

Company

Fair value measurements At 31 December 2022

In thousands of naira

	Level 1	Level 2	Level 3	Total
<i>Financial assets at fair value through profit or loss (FVTPL)</i>				
-Federal Government bonds	-	122,587,329	-	122,587,329
-Corporate bonds	-	2,646,096	-	2,646,096
Company Financial Assets at FVTPL as at 31 December 2022	-	125,233,425	-	125,233,425

Financial assets at fair value through other comprehensive income

-Federal Government bonds	-	4,676,584	-	4,676,584
-Corporate bonds	-	826,208	-	826,208
-Eurobond	-	279,662	-	279,662
-Quoted equities	871,423	-	-	871,423
-Unquoted equities	-	-	2,464,182	2,464,182
Company Financial Assets at FVTOCI as at 31 December 2022	871,423	5,782,454	2,464,182	9,118,059

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For the year ended 31 December 2023

Company

Fair value measurements at 1 January 2022

<i>In thousands of naira</i>	Level 1	Level 2	Level 3	Total
<i>Financial assets at fair value through profit or loss (FVTPL)</i>				
-Federal Government bonds	-	83,116,679	-	83,116,679
-State Government bonds	-	48,538	-	48,538
Company Financial Assets at FVTPL as at 1 January 2022	-	83,165,217	-	83,165,217
<i>Financial assets at fair value through other comprehensive income</i>				
-Federal Government bonds	-	2,084,327	-	2,084,327
-Corporate bonds	-	240,157	-	240,157
-Quoted equities	556,966	-	-	556,966
-Unquoted equities	-	-	2,698,645	2,698,645
Company Financial Assets at FVTOCI as at 1 January 2022	556,966	2,324,484	2,698,645	5,580,095

Recognised fair value measurements

There were no transfers between levels 1 and 2 for recurring fair value measurements during the period. The Group's policy is to recognise transfers into and out of fair value hierarchy levels as at the end of the reporting period.

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

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

Level 3: If one or more of the significant inputs is not based on observable market data, the instrument is included in level 3. This is the case for unlisted equity securities.

Valuation techniques used to determine fair values

Specific valuation techniques used to value financial instruments include:

- the use of quoted market prices or dealer quotes for similar instruments
- for other financial instruments – Price to book value approach.

All of the resulting fair value estimates are included in level 1, except for unlisted equity securities, where the fair values have been determined based on present values and the discount rates used were weighted average cost of capital.

- (iii) Other loans relates to various staff and agent loans.

4 Trade receivables

- (a) Trade receivables comprise:

<i>In thousands of naira</i>	Group			Company		
	Dec-23	Dec-22	Jan-22	Dec-23	Dec-22	Jan-22
Due from brokers (see note (iii) below)	909,559	852,113	689,375	909,559	852,113	689,375
Due from direct clients (see note (i) below)	195,564	156,924	285,625	-	-	-
Trade receivables attributable to discontinued operations (see note 19)	-	-	(154,771)	-	-	-
	1,105,123	1,009,037	820,229	909,559	852,113	689,375
Allowance for impairment on trade receivables (see note (ii) below)	(124,371)	(142,060)	(107,384)	-	-	-
Allowance for impairment on trade receivables attributable to discontinued operations (see note (19) below)	-	-	15,673	-	-	-
	980,752	866,977	728,518	909,559	852,113	689,375

Age Analysis of trade receivables:

<i>In thousands of naira</i>	Group			Company		
	Dec-23	Dec-22	Jan-22	Dec-23	Dec-22	Jan-22
Within 30 days	909,559	852,113	689,375	909,559	852,113	689,375
Above 30 days	71,193	14,864	39,143	-	-	-
Balance as at	980,752	866,977	728,518	909,559.00	852,113.00	689,375.00

- (i) Due from direct clients relates to fees receivables.
(ii) The movement in impairment allowance during the period is shown below:

<i>In thousands of naira</i>						
At 1 January	142,060	107,384	134,724	-	-	-
(Reversal)/charge for the period	-	-	-	-	-	-
[Note 25(a)]	(17,690)	34,676	(27,340)	-	-	-
	124,370	142,060	107,384	-	-	-

Notes to the Consolidated and Separate Financial Statements (Continued)
For the year ended 31 December 2023

(iii) **Movement in due from brokers**

<i>In thousands of naira</i>	Group			Company		
	Dec-23	Dec-22	Jan-22	Dec-23	Dec-22	Jan-22
Balance as at 1st January	-	689,375	897,596	-	689,375	897,596
Total Premium on all Insurance Contracts during the year	110,408,782	119,224,029	71,646,427	109,414,754	117,606,052	71,001,519
Premium Received during the year	(110,408,782)	(119,913,404)	(71,854,648)	(109,414,754)	(118,295,427)	(71,209,740)
Impairment loss allowance Charge/(Reversal) for the period	-	-	-	-	-	-
Balance as at 31 December	-	-	689,375	-	-	689,375

Contracts Measured Under PAA

<i>In thousands of naira</i>	Group			Company		
	Dec-23	Dec-22	Jan-22	Dec-23	Dec-22	Jan-22
Balance as at 1st January	-	689,375	897,596	-	689,375	897,596
Total Premium on all Insurance Contracts during the year	35,744,949	28,108,359	19,695,086	34,750,921	26,490,382	19,049,710
Premium Received during the year	(34,750,921)	(27,179,757)	(19,903,307)	(34,750,921)	(27,179,757)	(19,257,931)
Impairment loss allowance charge/(reversal) for the period	-	-	-	-	-	-
Balance as at 31 December - PAA	-	-	689,375	-	-	689,375

PS: Trade Receivable from brokers relate to receivables on Non-Life Business which is measured under PAA.

(iv) **Age Analysis on due from brokers**
Premium Receivables

S/No.	Age of Debt	Dec-23		Dec-22	
		No of Policies	NGN '000	No of Policies	NGN '000
1	Within 14 Days	14	32,702	37	196,770
2	Within 15- 30 Days	40	277,899	31	122,549
3	Within 31- 90 Days	70	324,329	96	532,794
4	Within 91- 180 Days	21	104,892	-	-
5	Above 180 Days	26	169,738	-	-
	Total	171	909,559	164	852,113

5 **Reinsurance contract held**

This represents reinsurance assets and liability, broken down as follows:

	Group			Company		
	Dec-23	Dec-22	Jan-22	Dec-23	Dec-22	Jan-22
Total Closing Asset	17,116,370	10,690,993	9,758,925	17,116,370	10,690,993	9,758,925
Total Closing Liability	(930,616)	(1,301,734)	(1,039,575)	(930,616)	(1,301,734)	(1,039,575)
Net Closing Balance	16,185,754	9,389,260	8,719,350	16,185,754	9,389,260	8,719,350

Disclosures on reinsurance contract held

Reinsurance contracts held – (under PAA), the following table shows the reconciliation from the opening to the closing balances of the net asset for the remaining coverage and the assets for incurred claims recoverable from reinsurance. The coverage period of quota-share reinsurance contracts held for insurance contracts issued by the Group have either a coverage period of one year or less or a coverage period of more than one year but have been assessed as qualifying for measurement under PAA.

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

Notes to the Consolidated and Separate Financial Statements (Continued)
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5 Reinsurance contract held - continued

(a) Reinsurance Contracts Measured Under PAA - 2023	Assets for Remaining coverage component		Amounts recoverable on incurred claims		Total
	Excluding loss recovery component	Loss recovery component	Estimates of present value of future cash flows	Risk adjustment for non-financial risk	
December-23					
Reinsurance contract assets as at 1 January	3,766,694	8,762	6,590,730	324,808	10,690,993
Reinsurance contract liabilities as at 1 January	(1,301,734)	-	-	-	(1,301,734)
Net Opening Balance	2,464,960	8,762	6,590,730	324,808	9,389,260
Changes in the statement of profit or loss					
Allocation of reinsurance premiums	(18,236,136)	(8,762)	-	-	(18,244,898)
Amounts recovered from reinsurers					
Recoveries on incurred claims and expenses	-	-	9,404,629	271,958	9,676,587
Changes in the loss recovery component	-	4,295	-	-	4,295
Changes in expected recoveries on past claims	-	-	(298,248)	108,433	(189,815)
Net expenses from reinsurance contracts held	(18,236,136)	(4,467)	9,106,381	380,390	(8,753,832)
Finance income from reinsurance contracts recognised in profit or loss	-	-	396,863	39,510	436,373
Total changes in the statement of profit or loss	(18,236,136)	(4,467)	9,503,244	419,900	(8,317,459)
Cash flows					
Premiums paid	21,962,187	-	-	-	21,962,187
Acquisition income received	(2,884,136)	-	-	-	(2,884,136)
Amounts received from reinsurers relating to incurred claims	-	-	(3,590,708)	-	(3,590,708)
Total cash flows	19,078,051	-	(3,590,708)	-	15,487,343
Non-cash flow items					
Reinsurance Premiums Payable	371,118	-	-	-	371,118
Recoverable on Paid Claims	-	-	(744,507)	-	(744,507)
Total Non-Cash flow	371,118	-	(744,507)	-	(373,389)
Net Closing Assets	3,677,993	4,295	11,758,759	744,708	16,185,754
Reinsurance contract assets as at 31 December	4,608,608	4,295	11,758,759	744,708	17,116,370
Reinsurance contract liabilities as at 31 December	(930,616)	-	-	-	(930,616)
Net Closing Balance	3,677,993	4,295	11,758,759	744,708	16,185,754

(a)i 2023 Life Business	Assets for Remaining coverage component		Amounts recoverable on incurred claims		Total
	Excluding loss recovery component	Loss recovery component	Estimates of present value of future cash flows	Risk adjustment for non-financial risk	
December-23					
Reinsurance contract assets as at 1 January	281,290	8,762	2,276,909	25,604	2,592,564
Reinsurance contract liabilities as at 1 January	(406,037)	-	-	-	(406,037)
Net Opening Balance	(124,747)	8,762	2,276,909	25,604	2,186,528
Changes in the statement of profit or loss and OCI					
Allocation of reinsurance premiums paid	(1,700,589)	(8,762)	-	-	(1,709,351)
Amounts recovered from reinsurers					
Recoveries on incurred claims and other incurred reinsurance service expenses	-	-	1,112,627	(10,672)	1,101,955
Changes in the loss recovery component	-	4,295	-	-	4,295
Changes in expected recoveries on past claims	-	-	(382,830)	(3,421)	(386,251)
Net expenses from reinsurance contracts held	(1,700,589)	(4,467)	729,796	(14,093)	(989,352)
Finance income from reinsurance contracts recognised in profit or loss	-	-	95,752	3,230	98,982
Total changes in the statement of profit or loss	(1,700,589)	(4,467)	825,548	(10,863)	(890,371)
Cash flows					
Premiums paid	2,327,934	-	-	-	2,327,934
Acquisition income received	(715,362)	-	-	-	(715,362)
Amounts received from reinsurers relating to incurred claims	-	-	(1,311,395)	-	(1,311,395)
Total cash flows	1,612,572	-	(1,311,395)	-	301,177
Non-cash flow items					
Reinsurance Premiums Payable	198,715	-	-	-	198,715
Recoverable on Paid Claims	-	-	(867,966)	-	(867,966)
Total Non-Cash flow	198,715	-	(867,966)	-	(669,251)
Net Closing Assets	(14,049)	4,295	923,095	14,741	928,083
Reinsurance contract assets as at 31 December	193,273	4,295	923,095	14,741	1,135,405
Reinsurance contract liabilities as at 31 December	(207,322)	-	-	-	(207,322)
Net Closing Balance	(14,049)	4,295	923,095	14,741	928,083

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For the year ended 31 December 2023

5 Reinsurance contract held - continued

(a)ii	2023 Non-Life Business	Assets for Remaining coverage component		Amounts recoverable on incurred claims		Total
		Excluding loss recovery component	Loss recovery component	Estimates of present value of future cash flows	Risk adjustment for non-financial risk	
	December-23					
	Reinsurance contract assets as at 1 January	3,485,404	-	4,313,821	299,204	8,098,429
	Reinsurance contract liabilities as at 1 January	(895,697)	-	-	-	(895,697)
	Net Opening Balance	2,589,707	-	4,313,821	299,204	7,202,732
	Changes in the statement of profit or loss and OCI					
	Allocation of reinsurance premiums paid	(16,535,547)	-	-	-	(16,535,547)
	Amounts recovered from reinsurers	-	-	-	-	-
	Recoveries on incurred claims and other incurred reinsurance service expense	-	-	8,292,003	282,630	8,574,632
	Changes in recoveries for past claims	-	-	23,478	111,853	135,332
	Net expenses from reinsurance contracts held	(16,535,547)	-	8,315,481	394,483	(7,825,583)
	Finance income from reinsurance contracts recognised in profit or loss	-	-	301,111	36,280	337,391
	Total changes in the statement of profit or loss and OCI	(16,535,547)	-	8,616,592	430,763	(7,488,192)
	Cash flows					
	Premiums paid	19,634,253	-	-	-	19,634,253
	Acquisition income received	(2,168,774)	-	-	-	(2,168,774)
	Amounts received from reinsurers relating to incurred claims	-	-	(2,218,209)	-	(2,218,209)
	Total cash flows	17,465,479	-	(2,218,209)	-	15,247,270
	Non-cash flow items					
	Reinsurance Premiums Payable	172,403	-	-	-	172,403
	Recoverable on paid claims	-	-	123,459	-	123,459
	Total Non-Cash flows	172,403	-	123,459	-	295,861
	Net Closing Assets	3,692,041	-	10,835,663	729,967	15,257,671
	Reinsurance contract assets as at 31 December	4,415,336	-	10,835,663	729,967	15,980,966
	Reinsurance contract liabilities as at 31 December	(723,294)	-	-	-	(723,294)
	Net Closing Balance	3,692,041	-	10,835,663	729,967	15,257,671
	Net Closing Assets Composite	3,677,993	4,295	11,758,759	744,708	16,185,754
	Reinsurance contract assets as at 31 December	4,608,608	4,295	11,758,759	744,708	17,116,370
	Reinsurance contract liabilities as at 31 December	(930,616)	-	-	-	(930,616)
	Total Closing Reinsurance Composite (Life and Non Life) see (a) above	3,677,993	4,295	11,758,759	744,708	16,185,754

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For the year ended 31 December 2023

(b)	Reinsurance Contracts Measured Under PAA - 2022	Assets for Remaining coverage component		Amounts recoverable on incurred claims		Total
		Excluding loss recovery component	Loss recovery component	Estimates of present value of future cash flows	Risk adjustment for non financial risk	
	December-22					
	Reinsurance contract assets as at 1 January	1,907,094	209,908	7,236,259	405,665	9,758,925
	Reinsurance contract liabilities as at 1 January	(1,039,575)	-	-	-	(1,039,575)
	Net Opening Balance	867,519	209,908	7,236,259	405,665	8,719,350
	Changes in the statement of profit or loss					
	Allocation of reinsurance premiums paid	(12,895,991)	(209,908)	-	-	(13,105,899)
	Amounts recovered from reinsurers					
	Recoveries on incurred claims and expenses	-	-	5,222,604	(109,778)	5,112,825
	Changes in the loss recovery component	-	8,762	-	-	8,762
	Changes in expected recoveries on past claims	-	-	(2,805,019)	(3,882)	(2,808,901)
	Net expenses from reinsurance contracts held	(12,895,991)	(201,145)	2,417,585	(113,660)	(10,793,212)
	Finance income from reinsurance contracts recognised in profit or loss	-	-	306,894	32,803	339,696
	Total changes in the statement of profit or loss	(12,895,991)	(201,145)	2,724,479	(80,857)	(10,453,515)
	Cash flows					
	Premiums paid	14,794,382	-	-	-	14,794,382
	Acquisition income received	(38,791)	-	-	-	(38,791)
	Amounts received from reinsurers relating to incurred claims	-	-	(4,073,165)	-	(4,073,165)
	Total cash flows	14,755,591	-	(4,073,165)	-	10,682,426
	Non-cash flow items					
	Reinsurance Premiums Payable	(262,158)	-	-	-	(262,158)
	Recoverable on paid claims	-	-	305,058	-	305,058
	Adjustment for past recoveries	-	-	398,099	-	398,099
	Total Non-Cash flow	(262,158)	-	703,158	-	440,999
	Net Closing Assets	2,464,960	8,762	6,590,730	324,808	9,389,260
	Reinsurance contract assets as at 31 December	3,766,694	8,762	6,590,730	324,808	10,690,993
	Reinsurance contract liabilities as at 31 December	(1,301,734)	-	-	-	(1,301,734)
	Net Closing Balance	2,464,960	8,762	6,590,730	324,808	9,389,260

(b)(i)	2022 Life Business	Assets for Remaining coverage component		Amounts recoverable on incurred claims		Total
		Excluding loss recovery component	Loss recovery component	Estimates of present value of future cash flows	Risk adjustment for non-financial risk	
	December-22					
	Reinsurance contract assets as at 1 January	276,540	24,271	1,706,655	19,585	2,027,051
	Reinsurance contract liabilities as at 1 January	(554,924)	-	-	-	(554,924)
	Net Opening Balance	(278,384)	24,271	1,706,655	19,585	1,472,127
	Changes in the statement of profit or loss					
	Allocation of reinsurance premiums paid	(1,474,571)	(24,271)	-	-	(1,498,842)
	Amounts recovered from reinsurers					
	Recoveries on incurred claims and other incurred reinsurance service expenses	-	-	1,986,565	5,378	1,991,943
	Changes in the loss recovery component	-	8,762	-	-	8,762
	Changes in expected recoveries on past claims	-	-	(178,412)	(1,112)	(179,524)
	Net expenses from reinsurance contracts held	(1,474,571)	(15,509)	1,808,153	4,266	322,339
	Finance income from reinsurance contracts recognised in profit or loss	-	-	44,879	1,753	46,632
	Total changes in the statement of profit or loss	(1,474,571)	(15,509)	1,853,032	6,019	368,971
	Cash flows					
	Premiums paid	1,518,112	-	-	-	1,518,112
	Acquisition income received	(38,791)	-	-	-	(38,791)
	Amounts received from reinsurers relating to incurred claims	-	-	(1,463,666)	-	(1,463,666)
	Total cash flows	1,479,321	-	(1,463,666)	-	15,655
	Non-cash flow items					
	Reinsurance Premiums Payable	148,887	-	-	-	148,887
	Recoverable on paid claims	-	-	180,888	-	180,888
	Total Non-Cash flow	148,887	-	180,888	-	329,775
	Net Closing Assets	(124,747)	8,762	2,276,909	25,604	2,186,528
	Reinsurance contract assets as at 31 December	281,290	8,762	2,276,909	25,604	2,592,564
	Reinsurance contract liabilities as at 31 December	(406,037)	-	-	-	(406,037)
	Net Closing Balance	(124,747)	8,762	2,276,909	25,604	2,186,528

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b(ii) 2022 Non-Life Business	Assets for Remaining coverage component		Amounts recoverable on incurred claims		Total
	Excluding loss recovery component	Loss recovery component	Estimates of present value of future cash flows	Risk adjustment for non-financial risk	
December-22					
Reinsurance contract assets as at 1 January	1,630,554	185,637	5,529,604	386,080	7,731,875
Reinsurance contract liabilities as at 1 January	(484,652)	-	-	-	(484,652)
Net Opening Balance	1,145,903	185,637	5,529,604	386,080	7,247,223
Changes in the statement of profit or loss					
Allocation of reinsurance premiums paid	(11,421,420)	(185,637)	-	-	(11,607,057)
Amounts recovered from reinsurers					
Recoveries on incurred claims and other incurred reinsurance service expense	-	-	3,236,038	(115,156)	3,120,882
Changes in recoveries for past claims	-	-	(2,626,607)	(2,769)	(2,629,376)
Net expenses from reinsurance contracts held	(11,421,420)	(185,637)	609,432	(117,926)	(11,115,551)
Finance income from reinsurance contracts recognised in profit or loss	-	-	262,015	31,050	293,065
Total changes in the statement of profit or loss and OCI	(11,421,420)	(185,637)	871,447	(86,876)	(10,822,486)
Cash flows					
Premiums paid	13,276,270	-	-	-	13,276,270
Acquisition income received	-	-	-	-	-
Amounts received from reinsurers relating to incurred claims	-	-	(2,609,499)	-	(2,609,499)
Total cash flows	13,276,270	-	(2,609,499)	-	10,666,771
Non-cash flow items					
Reinsurance Premiums Payable	(411,045)	-	-	-	(411,045)
Recoverable on paid claims	-	-	124,170	-	124,170
Adjustment for past recoveries	-	-	398,099	-	398,099
Total Non-cash flow	(411,045)	-	522,269	-	111,224
Net Closing Assets	2,589,707	-	4,313,821	299,204	7,202,732
Reinsurance contract assets as at 31 December	3,485,404	-	4,313,821	299,204	8,098,429
Reinsurance contract liabilities as at 31 December	(895,697)	-	-	-	(895,697)
Net Closing Balance	2,589,707	-	4,313,821	299,204	7,202,732
Net Closing Assets Composite	2,464,960	8,762	6,590,730	324,808	9,389,260
Reinsurance contract assets as at 31 December	3,766,694	8,762	6,590,730	324,808	10,690,993
Reinsurance contract liabilities as at 31 December	(1,301,734)	-	-	-	(1,301,734)
Total Closing Reinsurance Composite (Life and Non Life) see (b) above	2,464,960	8,762	6,590,730	324,808	9,389,260

6 Other receivables and prepayments	Group			Company		
	Dec-23	Dec-22	Jan-22	Dec-23	Dec-22	Jan-22
<i>In thousands of naira</i>						
Prepaid expenses (see note (i) below)	474,617	395,189	730,110	474,617	395,189	730,110
Short term lease payment	94,119	110,031	156,613	16,459	25,483	25,483
Prepaid minimum deposit (see note (ii) below)	59,099	112,809	52,415	59,099	112,809	52,415
Receivable from agents	130,886	67,347	76,768	130,886	67,347	76,768
WHT Receivable-Dividend	238,314	139,450	90,701	238,314	94,450	90,701
Receivable on recoveries	566,901	1,496,223	1,130,425	566,901	1,496,223	1,011,956
Sundry receivables (see note (iii) below)	2,222,804	2,406,818	137,739	1,420,749	1,941,966	137,739
Doubtful receivables (see note (iv) below)	-	-	68,588	-	-	68,588
	3,786,739	4,727,867	2,443,359	2,907,025	4,133,467	2,193,761
Less allowance for impairment (see note (v) below)	(119,388)	(119,388)	(46,876)	(68,588)	(68,588)	(68,588)
	3,667,351	4,608,478	2,396,483	2,838,437	4,064,879	2,125,173

	Group			Company		
	Dec-23	Dec-22	Jan-22	Dec-23	Dec-22	Jan-22
<i>In thousands of naira</i>						
Current	3,667,351	4,608,478	2,396,483	2,838,437	4,064,879	2,125,173
Non Current	-	-	-	-	-	-
Balance as at	3,667,351	4,608,478	2,396,483	2,838,437	4,064,879	2,125,173

(i) Prepaid expenses relate to rent and other expenses.

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For the year ended 31 December 2023

6 Other receivables and prepayments - continued

(ii) Prepaid minimum deposit

<i>In thousands of naira</i>	Group			Company		
	Dec-23	Dec-22	Jan-22	Dec-23	Dec-22	Jan-22
Balance at 1 January	112,809	52,415	46,805	112,809	52,415	46,805
Addition	59,099	112,809	52,415	59,099	112,809	52,415
Expensed during the year	(112,809)	(52,415)	(46,805)	(112,809)	(52,415)	(46,805)
Balance as at	59,099	112,809	52,415	59,099	112,809	52,415

(iii) Receivables from agents relates to cost of corporate stationeries and marketing items apportioned to the field agents which are being recovered from commission earned.

(iv) Receivables from recoveries relates to recoveries from co-insurers as regards claims paid on their behalf being the lead insurer for the insured.

(v) Sundry receivables relates to balances in the bank ledgers that are yet to be matched.

(vi) This represents receivable amount under reconciliation and which are likely to be written off based on the available information.

(vii) **The movement in impairment allowance during the year is shown below;**

<i>In thousands of naira</i>	Group			Company		
	Dec-23	Dec-22	Jan-22	Dec-23	Dec-22	Jan-22
At 1 January	119,388	46,876	68,588	68,588	68,588	68,588
Charge/(Reversal) for the year	-	72,512	(21,712)	-	-	-
	119,388	119,388	46,876	68,588	68,588	68,588

ECL assessment was done on financial assets in other receivables (Company) for the year ended 31 December 2023 (2022: Nil, 2021: Nil) but resulted to an insignificant amount.

7 Right of use assets

<i>In thousands of naira</i>	Group			Company		
	Dec-23	Dec-22	Jan-22	Dec-23	Dec-22	Jan-22
Balance at 1 January	60,055	105,855	21,987	60,055	105,855	21,987
Additions	190,950	50,694	188,166	190,950	50,694	188,166
Amortization in the period	(118,492)	(96,495)	(104,297)	(118,492)	(96,495)	(104,297)
Balance as at	132,512	60,055	105,855	132,512	60,055	105,855

There are no lease liability in relation to the right of use assets as it relates to rents paid in advance for period ranging from 12 months and above and there were no lease incentives granted to the Group.

Current	-	-	-	-	-	-
Non Current	132,512	60,055	105,855	132,512	60,055	105,855
	132,512	60,055	105,855	132,512	60,055	105,855

8 Income taxes

(a) **Current income tax payable**

The movement in current income tax payable can be analyzed as follows:

<i>In thousands of naira</i>	Group			Company		
	Dec-23	Dec-22	Jan-22	Dec-23	Dec-22	Jan-22
Balance at 1 January	669,543	407,282	358,099	422,562	307,392	307,621
Write back on prior year provisioning	8,296	-	-	7,899	-	-
Charge for the period	520,017	425,255	257,905	460,112	198,370	120,548
Payments made during the period	(352,795)	(162,994)	(201,791)	(127,547)	(83,200)	(120,777)
Transferred to disposal group	-	-	(6,931)	-	-	-
Balance as at	845,061	669,543	407,282	763,026	422,562	307,392

(b) **Amounts recognised in profit or loss**

<i>In thousands of naira</i>	Group		Company	
	Dec-23	Dec-22	Dec-23	Dec-22
Minimum tax (see note (iii) below)	363,528	147,215	332,767	147,215
	363,528	147,215	332,767	147,215

<i>In thousands of naira</i>	Group		Company	
	Dec-23	Dec-22	Dec-23	Dec-22

Notes to the Consolidated and Separate Financial Statements (Continued)
For the year ended 31 December 2023

8 Income taxes - continued

(i) Corporate tax

Current income tax expense	22,532	196,322	-	-
Police Trust Fund Levy	665	241	634	211
Tertiary tax	-	29,711	-	8,736
NITDA levy	132,877	51,766	126,711	42,208
Prior year under/(over) provision	415	-	-	-
Corporate tax expense	156,489	278,040	127,345	51,155

Deferred tax credit

Origination of temporary differences	(7,168)	(20,249)	-	-
Total deferred income tax (benefit)/ expense	(7,168)	(20,249)	-	-

Total income taxes	149,321	257,791	127,345	51,155
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(ii) Current Income tax expense

In thousands of naira

Minimum tax (see note (i) above)	363,528	147,215	332,767	147,215
Corporate tax (see note (i) above)	156,489	278,040	127,345	51,155
Deferred tax (benefit)/expense	(7,168)	(20,249)	-	-
Current income tax expense	512,849	405,006	460,112	198,370

* The Company was assessed to minimum tax using section 16 of the Company Income Tax Act (CITA) as there was no taxable profit.

The Directors believe that accruals for tax liabilities are adequate for all open tax periods based on its assessment of relevant factors, including the interpretations of tax law and tax practices in the determination of obligation for income taxes.

(iii) Effective tax reconciliation

Tax on the Group's profit before tax differ from the theoretical amount that would arise using the weighted average tax rate applicable to profit of the consolidated entities as follows:

	Group				Company			
	2023		2022 (restated)		2023		2022 (restated)	
Profit for the year		12,529,138		2,698,435		12,031,167		1,793,076
Tax calculated at domestic rate applicable in Nigeria at 30% (2022: 30%)	30%	3,758,741	30%	809,531	30%	3,609,350	30%	537,923
Effect of:								
Tax exempt income	-42%	(5,287,430)	-128%	(3,464,524)	-38%	(4,614,765)	-143%	(2,567,125)
Disallowable expenses	16%	2,038,356	39%	1,041,457	13%	1,538,121	18%	321,647
Special Reserve Fund	-7%	(848,456)	-7%	(183,892)	-7%	(848,456)	-10%	(183,892)
Unrecognised tax losses	3%	376,719	73%	1,973,501	3%	337,901	105%	1,891,447
Minimum tax	2%	247,273	5%	147,215	2%	216,512	8%	147,215
Police Trust Fund Levy	0%	662	0%	241	0%	631	0%	211
NITDA levy	1%	132,301	2%	51,766	1%	126,135	2%	42,208
Tertiary Education tax	1%	94,683	1%	29,711	1%	94,683	0%	8,736
	4%	512,850	15%	405,006	4%	460,112	11%	198,370

Notes to the Consolidated and Separate Financial Statements (Continued)
For the year ended 31 December 2023

(c) **Amounts recognised in OCI**

Group	Dec-23		
	Before tax	Tax (expense)	Net of tax
<i>In thousands of naira</i>			
Fair value gain on fair value financial assets	1,836,346	-	1,836,346
Balance as at	1,836,346	-	1,836,346
Company	Dec-23		
<i>In thousands of naira</i>	Before tax	Tax (expense)	Net of tax
Fair value gain on fair value financial assets	1,826,086	-	1,826,086
Balance as at	1,826,086	-	1,826,086
Group	Dec-22		
<i>In thousands of naira</i>	Before tax	Tax (expense)	Net of tax
Fair value loss on fair value financial assets	(394,869)	-	(394,869)
Balance as at	(394,869)	-	(394,869)
Company	Dec-22		
<i>In thousands of naira</i>	Before tax	Tax (expense)	Net of tax
Fair value loss on fair value financial assets	(411,357)	-	(411,357)
Balance as at	(411,357)	-	(411,357)

(d) **Movement in deferred tax balances**

Group	Balance at 31 December					
	Net balance at 1 January	Recognised in profit or loss	Recognised in OCI	Net	Deferred tax assets	Deferred tax liabilities
<i>In thousands of naira</i>						
Property and Equipment	(6,996)	6,996	-	-	-	-
Unrealised exchange gain on financial assets	(670)	172	-	(498)	-	(498)
	(7,666)	7,168	-	(498)	-	(498)
2022	Balance at 31 December					
Group	Net balance at 1 January	Recognised in profit or loss	Recognised in OCI	Net	Deferred tax assets	Deferred tax liabilities
<i>In thousands of naira</i>						
Property and Equipment	(7,559)	(5,449)	-	(13,008)	(6,012)	(6,996)
Unrealised exchange gain on financial assets	1,145	(1,815)	-	(670)	-	(670)
Impairment of trade and other receivables		27,513	-	27,513	27,513	-
	(6,414)	20,249	-	13,835	21,501	(7,666)

(e) **Unrecognised deferred tax on unrelieved losses**

Group	Group			Company		
	Dec-23	Dec-22	Jan-22	Dec-23	Dec-22	Jan-22
<i>In thousands of naira</i>						
Unrecognised deferred tax	16,785,228	19,254,551	11,870,014	16,785,228	19,254,551	11,870,014
	16,785,228	19,254,551	11,870,014	16,785,228	19,254,551	11,870,014

This represents the deferred tax on unrelieved losses on the life and non life businesses.

The Group did not recognise this amount as it is of the view that it may not be probable to have taxable profits against which the tax assets can be utilised, due to the four-period tax lapse period for unrelieved losses for insurance companies in Nigeria.

9 **Investment in subsidiaries**

The Group is made up of four entities, as follows:

AIICO Insurance PLC	- Parent
AIICO Multishield Limited	- Subsidiary
AIICO Capital Limited	- Subsidiary

Group	Group			Company		
	Dec-23	Dec-22	Jan-22	Dec-23	Dec-22	Jan-22
<i>In thousands of naira</i>						
AIICO Multishield Limited(see note (c) below)	-	-	-	587,317	587,317	587,317
AIICO Capital Limited see note (d) below)	-	-	-	500,000	500,000	500,000
Balance as at end of period	-	-	-	1,087,317	1,087,317	1,087,317

Notes to the Consolidated and Separate Financial Statements (Continued)
For the year ended 31 December 2023

9 Investment in subsidiaries - continued

(a) The movement in investment in subsidiaries is as follows:

<i>In thousands of naira</i>	Group			Company		
	Dec-23	Dec-22	Jan-22	Dec-23	Dec-22	Jan-22
Balance at 1 January	-	-	-	1,087,317	1,087,317	1,087,317
Movement during the year	-	-	-	-	-	-
Balance as at end of period	-	-	-	1,087,317	1,087,317	1,087,317

(b) **AIICO Multishield Limited**

<i>In thousands of naira</i>	Group			Company		
	Dec-23	Dec-22	Jan-22	Dec-23	Dec-22	Jan-22
Balance at 1 January	-	-	-	587,317	587,317	587,317
Balance as at end of period	-	-	-	587,317	587,317	587,317

(ii) The Company has 76.10% interest in AIICO Multishield Limited (2022: 76.10%). AIICO Multishield Limited is involved in health management insurance.

(c) **AIICO Capital Limited**

<i>In thousands of naira</i>	Group			Company		
	Dec-23	Dec-22	Jan-22	Dec-23	Dec-22	Jan-22
Balance at 1 January	-	-	-	500,000	500,000	500,000
Balance as at end of period	-	-	-	500,000	500,000	500,000

This represents the Company's 90% (2022: 90%) investment in AIICO Capital Limited. AIICO Capital is involved in providing portfolio and fund management services.

(d) **Non-controlling interests**

<i>In thousands of naira</i>	NCI Percentage Holding		Dec-23	NCI Percentage Holding		Jan-22
	Dec-23	Dec-22		Dec-23	Dec-22	
AIICO Multishield HMO	23.9%		306,839	23.9%	211,269	146,797
AIICO Capital	10.0%		128,412	10.0%	211,133	198,506
			435,252		422,402	345,303

(e) The movement in the NCI account during the period is as follows:

<i>In thousands of naira</i>	Dec-23	Dec-22	Jan-22
Balance at 1 January	422,402	345,303	957,243
Share of profit	25,217	112,104	62,725
Realized gain/ (loss) on equities	2,468	1,024	(547)
Fair value reserves	(14,835)	(36,029)	(66,100)
Dividend paid	-	-	(608,018)
Transfer to sale of discontinued operation	-	-	-
	435,252	422,402	345,303

(f) **Investment in associate**

<i>In thousands of naira</i>	Group			Company		
	Dec-23	Dec-22	Jan-22	Dec-23	Dec-22	Jan-22
Balance as at 1 January	-	705,629	-	-	705,691	705,691
Reclassified from assets held for sale	-	-	740,532	-	-	-
Share of associate profit	-	-	(34,902)	-	-	-
Disposed during the period	-	(705,629)	-	-	(705,691)	(705,691)
	-	-	705,629	-	-	-

(j) **Profit on disposal of investment in associate**

<i>In thousands of naira</i>	Group			Company		
	Dec-23	Dec-22	Jan-22	Dec-23	Dec-22	Jan-22
Consideration	-	4,061,856	-	-	4,061,856	-
Interest on sales proceed	-	100,448	-	-	100,448	-
Less:						
Cost to sale	-	(264,876)	-	-	(264,876)	-
Disposal of investment in associate	-	(705,629)	-	-	(705,691)	-
Profit on disposal of associate	-	3,191,798	-	-	3,191,737	-
Capital gains tax	-	(319,051)	-	-	(319,051)	-
Profit after tax on disposal of associate	-	2,872,747	-	-	2,872,686	-

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For the year ended 31 December 2023

10 Investment properties

(a) The balance in this account can be analysed as follows:

In thousands of naira	Group			Company		
	Dec-23	Dec-22	Jan-22	Dec-23	Dec-22	Jan-22
Balance at 1 January	760,000	806,000	758,000	760,000	806,000	758,000
Additions	-	-	-	-	-	-
Disposals	(230,000)	(184,000)	48,000	(230,000)	(184,000)	48,000
Changes in fair value	177,500	138,000	-	177,500	138,000	-
Balance as at	707,500	760,000	806,000	707,500	760,000	806,000
Current	-	-	-	-	-	-
Non Current	707,500	760,000	806,000	707,500	760,000	806,000
Balance as at	707,500	760,000	806,000	707,500	760,000	806,000

Changes in fair values are recognised as gains in profit or loss and included in 'other operating income'. All gains are unrealised.

The items of investment property are valued as shown below:

Investment properties, principally residential buildings, are held for long term rental yields and are not occupied by the Group. They are carried at fair value. Property interest held under operating leases are not classified as investment properties.

(i) The movement in investment property is as follows;

Group - 2023

	Opening bal	Additions	Disposal	Fair value gain/(loss)	Closing bal	Status
Safecourt Apartment Towers (2 flat). Ojulari road, off Lekki-Express Way, Lagos	100,000	-	(50,000)	17,500	67,500	Deed of lease
3 Terrace Houses. 36 Ladoke Akintola street, GRA, Ikeja, Lagos	360,000	-	-	120,000	480,000	Deed of Assignment
1 Unit Terrace Houses GRA	120,000	-	-	40,000	160,000	Deed of Assignment
Awolowo Towers	180,000	-	(180,000)	-	-	Deed of Assignment
	760,000	-	(230,000)	177,500	707,500	

Company - 2023

	Opening bal	Additions	Disposal	Fair value gain/(loss)	Closing bal	Title
Safecourt Apartment Towers (2 flats). Ojulari road, off Lekki-Express Way, Lagos	100,000	-	(50,000)	17,500	67,500	Deed of lease
3 Terrace Houses. 36 Ladoke Akintola street, GRA, Ikeja, Lagos	360,000	-	-	120,000	480,000	Deed of Assignment
1 Unit Terrace Houses GRA	120,000	-	-	40,000	160,000	Deed of Assignment
Awolowo Towers	180,000	-	(180,000)	-	-	Deed of Assignment
	760,000	-	(230,000)	177,500	707,500	

(i) The movement in investment property is as follows;

Group - 2022

	Opening bal	Additions	Disposal	Fair value gain/(loss)	Closing bal	Status
Safecourt Apartment Towers (6 flats). Ojulari road, off Lekki-Express Way, Lagos	276,000	-	(184,000)	8,000	100,000	Deed of lease
3 Terrace Houses. 36 Ladoke Akintola street, GRA, Ikeja, Lagos	270,000	-	-	90,000	360,000	Deed of Assignment
1 Unit Terrace Houses GRA	90,000	-	-	30,000	120,000	Deed of Assignment
Awolowo Towers	170,000	-	-	10,000	180,000	Deed of Assignment
	806,000	-	(184,000)	138,000	760,000	

Notes to the Consolidated and Separate Financial Statements (Continued)
For the year ended 31 December 2023

10 Investment properties - continued

Company - 2022

	Opening bal	Additions	Disposal	Fair value gain/(loss)	Closing bal	Title
Safecourt Apartment Towers (6 flats). Ojulari road, off Lekki-Express Way, Lagos	276,000	-	(184,000)	8,000	100,000	Deed of lease
3 Terrace Houses. 36 Ladoke Akintola street, GRA, Ikeja, Lagos	270,000	-	-	90,000	360,000	Deed of Assignment
1 Unit Terrace Houses GRA	90,000			30,000	120,000	Deed of Assignment
Awolowo Towers	170,000			10,000	180,000	Deed of Assignment
	806,000	-	(184,000)	138,000	760,000	

Profit on disposal of Investment property

<i>In thousands of naira</i>	Group		Company	
	Dec-23	Dec-22	Dec-23	Dec-22
Disposal Proceeds	239,000	186,000	239,000	186,000
Fair value of Investment properties disposed	(230,000)	(184,000)	(230,000)	(184,000)
	9,000	2,000	9,000	2,000

(b) Measurement of fair values

(i) Fair value hierarchy

The fair value of investment properties was determined by an external, independent property valuer, having relevant recognised professional qualifications and recent experience in the location and category of the properties being valued. The independent valuer, Niyi Fatokun (FRC/2013/PRO/NIESV/004/00000001217) of Niyi Fatokun & Co. (Estate Surveyors and Valuers, FRC/2019/00000012894) valued the properties on the basis of open market value as at 31 December 2023.

The Safecourt apartment (Off Lekki Expressway) had a fair value gain of N17.5million, the Terrace houses(GRA Ikeja) had a fair value gain of N160million,while Awolowo Towers had no fair value (loss)/gain since it was disposed during the year, hence a net fair value gain of N177.5million as shown in (a) above.

The fair value measurement for the investment properties of ₦707.5million (2022: ₦760million) has been categorised as a Level 3 fair value based on the inputs into the valuation technique used.

None of the Group's assets had been pledged as collateral during the period.

(ii) Valuation technique

The following table shows the valuation technique used in measuring the fair value of investment property.

Location of properties	Valuation technique	Significant observable inputs
Safecourt Apartment Towers (6 flats). Ojulari road, off Lekki-Express Way, Lagos	Market comparison approach	Recent sale price of similar property in the same area at the time of valuation was N50m
3 Terrace Houses. 36 Ladoke Akintola street, GRA, Ikeja,	Market comparison approach	A newly built terrace house in the same environment was sold at N120m
1 Unit Terrace Houses GRA	Market comparison approach	A newly built terrace house in the same environment was sold at N120m
Awolowo Towers	Income approach/ DCF Method	Estimated rent per annum is between N4.5m - N5m and capitalization rate of 5%

Amounts recognised in profit or loss for investment properties

<i>In thousands of naira</i>	Group		Company	
	Dec-23	Dec-22	Dec-23	Dec-22
Rental income from operating leases	14,833	14,833	14,833	14,833
Fair value gain/ loss recognised in other income	177,500	138,000	177,500	138,000
	192,333	152,833	192,333	152,833

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10 Investment properties - continued

Sensitivity of the input to fair value

Asset type	Valuation technique	Significant unobservable inputs	Sensitivity
Safecourt Apartment Towers (6 flats). Ojulari road, off Lekki-Express Way, Lagos	Market comparison approach	Recent sale price of similar property in the same area at the time of valuation	An increase/(decrease) in the price of similar property by 10% (2022: 10%) would result in an increase/(decrease) in fair value of the property by N6.750m (2022: N10m)
3 Terrace Houses. 36 Ladoke Akintola street, GRA, Ikeja, Lagos	Market comparison approach	Comparison with the price which a similar property is being sold currently in the same location of the property	An increase/(decrease) in the price of similar property by 10% (2022: 10%) would result in an increase/(decrease) in fair value of the properties by N48m (2022: N36m)
1 Unit Terrace Houses GRA	Market comparison approach	Comparison with the price which a similar property is being sold currently in the same location of the property	An increase/(decrease) in the price of similar property by 10% (2022: 10%) would result in an increase/(decrease) in fair value of the property by N16m (2022: N12m)

11 Goodwill and other intangible assets

(a) Reconciliation of carrying amount

GROUP

	Goodwill	Computer Software	Total
Balance at 1 January 2023	800,863	701,418	1,502,281
Acquisitions	-	18,349	18,349
Balance at 31 December 2023	800,863	719,767	1,520,631

Accumulated amortization

Balance at 1 January 2023	-	573,608	573,608
Amortization	-	39,392	39,392
Balance at 31 December 2023	-	613,000	613,000

Carrying amounts

Balance at 31 December 2023	800,863	106,767	907,630
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Cost

Balance at 1 January 2022	800,863	667,774	1,468,637
Acquisitions	-	33,644	33,644
Balance at 31 December 2022	800,863	701,418	1,502,281

	Goodwill	Software	Total
Balance at 1 January 2022	-	533,889	533,889
Amortization	-	39,719	39,719
Balance at 31 December 2022	-	573,608	573,608

Carrying amounts

Balance at 31 December 2022	800,863	127,810	928,672
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Notes to the Consolidated and Separate Financial Statements (Continued)
For the year ended 31 December 2023

11 Goodwill and other intangible assets - continued

(a) Reconciliation of carrying amount - continued

COMPANY

<i>In thousands of naira</i>	Goodwill	Software	Total
Cost			
Balance at 1 January 2023	800,863	568,045	1,368,908
Acquisitions	-	9,999	9,999
Balance at 31 December 2023	800,863	578,044	1,378,907
Accumulated amortization			
Balance at 1 January 2023	-	522,083	522,083
Amortization	-	16,270	16,270
Balance at 31 December 2023	-	538,353	538,353
Carrying amounts			
Balance at 31 December 2023	800,863	39,692	840,555
Cost			
Balance at 1 January 2022	800,863	537,778	1,338,641
Acquisitions	-	30,268	30,268
Balance at 31 December 2022	800,863	568,045	1,368,908
Accumulated amortization			
Balance at 1 January 2022	-	500,387	500,387
Amortization	-	21,695	21,695
Balance at 31 December 2022	-	522,083	522,083
Carrying amounts			
Balance at 31 December 2022	800,863	45,963	846,825

12 Property and equipment

(a) Group

<i>In thousands of naira</i>	Land	Buildings	Capital work in progress	Furniture & equipment	Motor vehicles	Total
Cost						
At 1 January 2023	2,064,500	4,566,125	9,858	3,721,640	1,974,011	12,336,134
Additions	-	21,450	688,674	316,108	396,989	1,423,220
Disposals	-	-	(9,858)	(29,734)	(232,748)	(272,340)
At 31 December 2023	2,064,500	4,587,575	688,674	4,008,014	2,138,252	13,487,014
Accumulated depreciation						
At 1 January 2023	-	-	-	2,654,391	1,322,223	3,976,614
Depreciation for the period	-	91,322	-	360,578	346,659	798,559
Disposals	-	-	-	(27,137)	(174,667)	(201,804)
At 31 December 2023	-	91,322	-	2,987,832	1,494,216	4,573,369
Net book value						
At 31 December 2023	2,064,500	4,496,253	688,674	1,020,182	644,036	8,913,645
Cost						
At 1 January 2022	1,715,000	4,094,891	22,414	3,067,003	1,194,278	10,093,586
Additions	-	157,837	-	530,497	721,948	1,410,282
Revaluation	349,500	313,397	-	-	-	662,897
Disposals	-	-	(2,795)	(57,059)	(72,065)	(131,918)
Opening balance adjustment (Note 19)	-	-	(9,761)	181,198	129,850	301,287
At 31 December 2022	2,064,500	4,566,125	9,858	3,721,640	1,974,011	12,336,134
Accumulated depreciation						
At 1 January 2022	-	204,508	-	2,089,349	730,942	3,024,799
Depreciation for the period	-	83,905	-	333,950	335,257	753,112
Disposals	-	-	-	(53,138)	(48,748)	(101,886)
Revaluation	-	(288,413)	-	-	-	(288,413)
Opening balance adjustment (Note 19)	-	-	-	284,230	304,772	589,002
At 31 December 2022	-	-	-	2,654,391	1,322,222	3,976,614
Net book value						
At 31 December 2022	2,064,500	4,566,125	9,858	1,067,249	651,789	8,359,520

Notes to the Consolidated and Separate Financial Statements (Continued)
For the year ended 31 December 2023

12 Property and equipment - continued

- i. The Group had no capital commitments as at the reporting date. (2022: Nil).
- ii. There were no capitalized borrowing costs related to the acquisition of property and equipment as at the reporting date.
- iii. None of the Group's assets had been pledged as collateral during the year.

(b) Company

<i>In thousands of naira</i>	Land	Buildings	Capital work in progress	Furniture & equipment	Motor vehicles	Total
Cost						
At 1 January 2023	2,064,499	4,566,125	9,858	3,451,449	1,570,423	11,662,354
Additions	-	21,450	688,674	291,756	375,989	1,377,869
Disposals	-	-	(9,858)	(29,111)	(180,557)	(219,526)
At 31 December 2023	2,064,499	4,587,575	688,674	3,714,094	1,765,855	12,820,698
Accumulated depreciation						
At 1 January 2023	-	-	-	2,573,142	1,024,686	3,597,828
Depreciation for the period	-	91,322	-	313,441	274,796	679,560
Disposals	-	-	-	(26,857)	(138,230)	(165,087)
At 31 December 2023	-	91,322	-	2,859,727	1,161,252	4,112,301
Net book value						
At 31 December 2023	2,064,499	4,496,253	688,674	854,368	604,602	8,708,397

<i>In thousands of naira</i>	Land	Buildings	Capital work in progress	Furniture & equipment	Motor vehicles	Total
Cost						
At 1 January 2022	1,715,000	4,094,891	9,858	3,124,859	1,237,672	10,182,280
Additions	-	157,837	-	327,477	387,816	873,130
Disposals	-	-	-	(887)	(55,065)	(55,952)
Revaluation	349,500	313,397	-	-	-	662,897
At 31 December 2022	2,064,500	4,566,125	9,858	3,451,449	1,570,423	11,662,355
Accumulated depreciation						
At 1 January 2022	-	204,508	-	2,270,521	859,812	3,334,841
Depreciation for the period	-	83,905	-	303,077	205,731	592,713
Disposals	-	-	-	(458)	(40,857)	(41,315)
Revaluation	-	(288,413)	-	-	-	(288,413)
At 31 December 2022	-	(0)	-	2,573,140	1,024,686	3,597,826
Net book value						
At 31 December 2022	2,064,500	4,566,125	9,858	878,308	545,737	8,064,528

- i. The Company had no capital commitments as at the reporting date. (2022: Nil)
- ii. There were no capitalized borrowing costs related to the acquisition of property and equipment as at the reporting date.

The status of the properties of land and building is as follows:

Location	Title	Status
Plot Pc 12 Churchgate street Victoria Island.	Certificate of Occupancy	Perfected
Plot 2 Oba Akran Avenue Ikeja.	Deed of Assignment	Perfected
12 Moshood Abiola Way, Liberty road Ibadan	Receipt of purchase	Acquired via acquisition
AICO House, 36-38 Ilupeju Industrial Avenue, Ilupeju, Lagos State	Deed of Assignment	Perfected

iv. The movement in land and building is as follows;

Group - 2023

	Opening bal	Additions	Disposal	Accumulated depreciation	Revaluation Gain/(Loss)	Closing bal
Plot Pc 12 Churchgate street Victoria Island.	3,970,000	-	-	(62,000)	-	3,908,000
Plot 2 Oba Akran Avenue Ikeja.	2,023,625	21,450	-	(21,593)	-	2,023,482
12 Moshood Abiola Way, Liberty road Ibadan	152,000	-	-	(1,370)	-	150,630
AICO House, 36-38 Ilupeju Industrial Avenue, Ilupeju, Lagos State	485,000	-	-	(6,360)	-	478,640
	6,630,625	21,450	-	(91,323)	-	6,560,752

Notes to the Consolidated and Separate Financial Statements (Continued)
For the year ended 31 December 2023

Company - 2023

	Opening bal	Additions	Disposal	Depreciation	Revaluation Gain/(Loss)	Closing bal
Plot Pc 12 Churchgate street Victoria Island.	3,970,000	-	-	(62,000)	-	3,908,000
Plot 2 Oba Akran Avenue Ikeja.	2,023,625	21,450	-	(21,593)	-	2,023,482
12 Moshood Abiola Way, Liberty road Ibadan	152,000	-	-	(1,370)	-	150,630
AICO House, 36-38 Ilupeju Industrial Avenue, Ilupeju, Lagos State	485,000	-	-	(6,360)	-	478,640
	6,630,625	21,450	-	(91,323)	-	6,560,752

iv. **The movement in land and building is as follows;**

Group - 2022

	Opening bal	Additions	Disposal	Accumulated depreciation	Revaluation Gain/(Loss)	Closing bal
Plot Pc 12 Churchgate street Victoria Island.	3,474,891	-	-	-	495,109	3,970,000
Plot 2 Oba Akran Avenue Ikeja.	1,855,000	-	-	-	168,625	2,023,625
12 Moshood Abiola Way, Liberty road Ibadan	105,000	-	-	-	47,000	152,000
AICO House, 36-38 Ilupeju Industrial Avenue, Ilupeju, Lagos State	375,000	157,837	-	-	(47,837)	485,000
	5,809,891	157,837	-	-	662,897	6,630,625

Company - 2022

	Opening bal	Additions	Disposal	Depreciation	Revaluation Gain/(Loss)	Closing bal
Plot Pc 12 Churchgate street Victoria Island.	3,474,891	-	-	-	495,109	3,970,000
Plot 2 Oba Akran Avenue Ikeja.	1,855,000	-	-	-	168,625	2,023,625
12 Moshood Abiola Way, Liberty road Ibadan	105,000	-	-	-	47,000	152,000
AICO House, 36-38 Ilupeju Industrial Avenue, Ilupeju, Lagos State	375,000	157,837	-	-	(47,837)	485,000
	5,809,891	157,837	-	-	662,897	6,630,625

The revaluation of Land and Building was determined by an external, independent property valuer, having relevant recognised professional qualifications and recent experience in the location and category of the properties being valued. The independent valuer, Niyi Fatokun (FRC/2013/PRO/NIESV/004/0000001217) of Niyi Fatokun & Co. (Estate Surveyors and Valuers, FRC/2019/00000012894) valued the properties on the basis of comparable transaction method (for land component) and replacement cost method (for building component) as at 31 December 2022.

13 Statutory deposits

This represents the amount deposited with the Central Bank of Nigeria as at 31 December 2023 in accordance with section 9(1) and section 10(3) of Insurance Act 2003. Interest income earned on this deposit is included in the investment income.

<i>In thousands of naira</i>	Group			Company		
	Dec-23	Dec-22	Jan-22	Dec-23	Dec-22	Jan-22
Non life business	300,000	300,000	300,000	300,000	300,000	300,000
Life business	200,000	200,000	200,000	200,000	200,000	200,000
	500,000	500,000	500,000	500,000	500,000	500,000
<i>In thousands of naira</i>	Dec-23	Dec-22	Jan-22	Dec-23	Dec-22	Jan-22
At 1 January	500,000	500,000	500,000	500,000	500,000	500,000
Balance as at	500,000	500,000	500,000	500,000	500,000	500,000

Notes to the Consolidated and Separate Financial Statements (Continued)
For the year ended 31 December 2023

14 (a) Insurance and reinsurance contracts

The breakdown of the Group's insurance and reinsurance contracts issued, and reinsurance contracts held, that are in an asset position and those in a liability position is set out in the table below:

Group	Dec-23			Dec-22			Jan-22		
	Assets	Liabilities	Net Balance	Assets	Liabilities	Net Balance	Assets	Liabilities	Net Balance
14 (a) Insurance contracts issued	-	218,023,682	218,023,682	-	188,108,267	188,108,267	-	142,302,057	142,302,057
5(a) Reinsurance contracts held	17,116,370	(930,616)	16,185,754	10,690,993	(1,301,734)	9,389,260	9,758,925	(1,039,575)	8,719,350
Total insurance & reinsurance contracts	17,116,370	217,093,066	234,209,436	10,690,993	186,806,534	197,497,527	9,758,925	141,262,482	151,021,407

Company	Dec-23			Dec-22			Jan-22		
	Assets	Liabilities	Net Balance	Assets	Liabilities	Net Balance	Assets	Liabilities	Net Balance
14 (b) Insurance contracts issued	-	217,701,608	217,701,608	-	187,778,079	187,778,079	-	142,081,841	142,081,841
5(a) Reinsurance contracts held	17,116,370	(930,616)	16,185,754	10,690,993	(1,301,734)	9,389,260	9,758,925	(1,039,575)	8,719,350
Total insurance & reinsurance contracts	17,116,370	216,770,993	233,887,363	10,690,993	186,476,345	197,167,339	9,758,925	141,042,265	150,801,190

Group	Dec-23	Dec-22	Jan-22	Dec-23	Dec-22	Jan-22
Insurance Contract and Reinsurance Contract - Summary	Insurance Contracts Issued			Reinsurance Contracts Held		
Liability for remaining coverage (LRC) and the ARC:						
Excluding Loss Components	178,853,205	162,339,379	121,605,835	4,608,608	3,766,694	1,907,094
Loss components	7,873,778	3,776,034	358,793	4,295	8,762	209,908
Total - LRC and associated ARC	186,726,983	166,115,413	121,964,628	4,612,904	3,775,456	2,117,002
Liability for Incurred Claims (LIC) and the AIC:						
Incurred claims / PV of future cash flows	29,959,870	21,221,189	19,538,759	11,758,759	6,590,730	7,236,259
Risk Adjustment - PAA	1,336,828	771,665	798,669	744,708	324,808	405,665
Reinsurance Payable	-	-	-	(930,616)	(1,301,734)	(1,039,575)
Total - LIC and the associated AIC	31,296,698	21,992,854	20,337,429	11,572,851	5,613,804	6,602,348
Total Insurance / Reinsurance contract	218,023,682	188,108,267	142,302,057	16,185,754	9,389,260	8,719,350

Company	Dec-23	Dec-22	Jan-22	Dec-23	Dec-22	Jan-22
Insurance Contract and Reinsurance Contract - Summary	Insurance Contracts			Reinsurance Contracts		
Liability for remaining coverage (LRC) and the ARC:						
Excluding Loss Components	178,817,995	162,293,300	121,569,432	4,608,608	3,766,694	1,907,094
Loss components	7,873,778	3,776,034	358,793	4,295	8,762	209,908
Total - LRC and associated ARC	186,691,773	166,069,334	121,928,226	4,612,904	3,775,456	2,117,002
Liability for Incurred Claims (LIC) and the AIC:						
Incurred claims / PV of future cash flows	29,672,898	20,938,398	19,370,185	11,758,759	6,590,730	7,236,259
Risk Adjustment - PAA	1,336,938	770,347	783,430	744,708	324,808	405,665
Reinsurance Payable	-	-	-	(930,616)	(1,301,734)	(1,039,575)
Total - LIC and the associated AIC	31,009,836	21,708,745	20,153,615	11,572,851	5,613,804	6,602,348
Total Insurance / Reinsurance contract	217,701,608	187,778,079	142,081,841	16,185,754	9,389,260	8,719,350

Notes to the Consolidated and Separate Financial Statements (Continued)
For the year ended 31 December 2023

14 (a) Insurance Contract Liabilities - Group

The following table shows the reconciliation from the opening to the closing balances of the net asset or liability for the remaining coverage and the liability for incurred claims for insurance contracts:

(a) i Insurance Contracts measured under GMM - Group	31 December 2023					31 December 2022				
	Liability for remaining coverage		Liability for incurred claims		Total	Liability for remaining coverage		Liability for incurred claims		Total
	Excluding loss component	Loss component	Estimates of present value of future cash flows	Risk adjustment for non-financial risk		Excluding loss component	Loss component	Estimates of present value of future cash flows	Risk adjustment for non-financial risk	
Insurance contract assets as at 1 January	-	-	-	-	-	-	-	-	-	-
Insurance contract liabilities as at 1 January	154,948,872	3,740,985	8,503,643	-	167,193,500	116,441,646	249	6,981,696	-	123,423,591
Net Opening Balance - GMM	154,948,872	3,740,985	8,503,643	-	167,193,500	116,441,646	249	6,981,696	-	123,423,591
Changes in the statement of profit or loss										
Insurance revenue										
Contracts under the fair value approach	(16,586,691)	-	-	-	(16,586,691)	(17,465,596)	-	-	-	(17,465,596)
Other contracts	(14,895,734)	-	-	-	(14,895,734)	(3,998,361)	-	-	-	(3,998,361)
	(31,482,425)	-	-	-	(31,482,425)	(21,463,956)	-	-	-	(21,463,956)
Insurance service expenses										
Incurring claims and expenses	-	(2,422,668)	48,561,251	-	46,138,582	-	(908,715)	40,864,829	-	39,956,114
Adjustments to liabilities for incurred claims	-	-	(25,159,779)	-	(25,159,779)	-	-	(23,626,161)	-	(23,626,161)
Losses and reversals of losses on onerous contracts	-	5,831,167	-	-	5,831,167	-	4,361,242	-	-	4,361,242
Amortisation of insurance acquisition cash flows	4,307,950	-	-	-	4,307,950	1,470,295	-	-	-	1,470,295
	4,307,950	3,408,499	23,401,472	-	31,117,920	1,470,295	3,452,527	17,238,668	-	22,161,490
Insurance service result	(27,174,475)	3,408,499	23,401,472	-	(364,504)	(19,993,661)	3,452,527	17,238,668	-	697,534
Finance expenses from insurance contracts in profit or loss	7,346,187	707,114	-	-	8,053,300	7,238,465	288,209	-	-	7,526,674
Total Changes in the statement of profit or loss	(19,828,288)	4,115,613	23,401,472	-	7,688,796	(12,755,196)	3,740,736	17,238,668	-	8,224,208
Investment components excluded from insurance result	(25,394,107)	-	25,394,107	-	-	(25,345,646)	-	25,345,646	-	-
Cash flows										
Premiums received (including investment components)	66,396,109	-	-	-	66,396,109	83,561,502	-	-	-	83,561,502
Insurance acquisition cash flows	(7,215,719)	-	-	-	(7,215,719)	(6,953,434)	-	-	-	(6,953,434)
Claims and other insurance service expenses paid (including investment components)	-	-	(48,695,979)	-	(48,695,979)	-	-	(41,062,367)	-	(41,062,367)
Total cash flows	59,180,390	-	(48,695,979)	-	10,484,412	76,608,068	-	(41,062,367)	-	35,545,701
Net Closing Liabilities Balance - GMM	168,906,867	7,856,598	8,603,243	-	185,366,708	154,948,872	3,740,985	8,503,643	-	167,193,500
Insurance contract assets as at 31 December	-	-	-	-	-	-	-	-	-	-
Insurance contract liabilities as at 31 December	168,906,867	7,856,598	8,603,243	-	185,366,708	154,948,872	3,740,985	8,503,643	-	167,193,500
Net Closing Balance - GMM	168,906,867	7,856,598	8,603,243	-	185,366,708	154,948,872	3,740,985	8,503,643	-	167,193,500

Notes to the Consolidated and Separate Financial Statements (Continued)
For the year ended 31 December 2023

(a) ii Insurance Contracts Measured Under PAA - Group

The following table shows the reconciliation from the opening to the closing balances of the net liability for the remaining coverage and the liability for incurred claims for insurance contracts measured under PAA. The coverage period of the insurance contracts issued by the Group are one year or less. See further details on the accounting policies applied for insurance contracts measured under PAA. This group presents movement in insurance contract liability for group life, non-life and AICO Multishield portfolios.

	31 December 2023					31 December 2022				
	Liability for remaining coverage		Liability for incurred claims		Total	Liability for remaining coverage		Liability for incurred claims		Total
	Excluding loss component	Loss component	Estimates of present value of future cash flows	Risk adjustment for non-financial risk		Excluding loss component	Loss component	Estimates of present value of future cash flows	Risk adjustment for non-financial risk	
Insurance contract assets as at 1 January	-	-	-	-	-	-	-	-	-	-
Insurance contract liabilities as at 1 January	7,390,507	35,049	12,695,309	793,901	20,914,767	5,164,189	358,544	12,557,063	798,669	18,878,466
Net Opening Balance - PAA	7,390,507	35,049	12,695,309	793,901	20,914,767	5,164,189	358,544	12,557,063	798,669	18,878,466
Changes in the statement of profit or loss										
<i>Insurance revenue</i>										
Other contracts	(41,150,950)	-	-	-	(41,150,950)	(33,353,941)	-	-	-	(33,353,941)
	(41,150,950)	-	-	-	(41,150,950)	(33,353,941)	-	-	-	(33,353,941)
<i>Insurance service expenses</i>										
Incurred claims and expenses	-	-	18,338,433	217,759	18,556,192	-	-	13,098,993	(146,727)	12,952,266
Adjustments to liabilities for incurred claims	-	-	8,911,510	232,141	9,143,651	-	-	3,275,135	61,837	3,336,972
Losses on onerous contracts	-	(17,869)	-	-	(17,869)	-	(323,495)	-	-	(323,495)
Amortisation of insurance acquisition cash flows	6,697,890	-	-	-	6,697,890	5,673,071	-	-	-	5,673,071
	6,697,890	(17,869)	27,249,943	449,900	34,379,864	5,673,071	(323,495)	16,374,128	(84,890)	21,638,815
Insurance service result	(34,453,060)	(17,869)	27,249,943	449,900	(6,771,086)	(27,680,870)	(323,495)	16,374,128	(84,890)	(11,715,126)
Finance expenses from insurance contracts in profit or loss	-	-	1,012,400	93,027	1,105,428	-	-	578,482	57,885	636,367
Total changes in the statement of profit or loss	(34,453,060)	(17,869)	28,262,344	542,927	(5,665,658)	(27,680,870)	(323,495)	16,952,610	(27,004)	(11,078,759)
<i>Cash flows</i>										
Premiums received (including investment components)	44,012,673	-	-	-	44,012,673	35,662,528	-	-	-	35,662,528
Insurance acquisition cash flows	(7,003,782)	-	-	-	(7,003,782)	(5,755,339)	-	-	-	(5,755,339)
Claims and other insurance service expenses paid (including investment components)	-	-	(19,601,026)	-	(19,601,026)	-	-	(16,792,127)	-	(16,792,127)
Total cash flows	37,008,890	-	(19,601,026)	-	17,407,865	29,907,188	-	(16,792,127)	-	13,115,061
<i>Non-Cash flows</i>										
Premiums receivable on new contracts	-	-	-	-	-	-	-	-	-	-
Total Non-cash flows	-	-	-	-	-	-	-	-	-	-
Net Closing Liabilities Balance - PAA	9,946,338	17,180	21,356,627	1,336,828	32,656,974	7,390,507	35,049	12,717,546	771,665	20,914,767
Insurance contract assets as at 31 December	-	-	-	-	-	-	-	-	-	-
Insurance contract liabilities as at 31 December	9,946,338	17,180	21,356,627	1,336,828	32,656,974	7,390,507	35,049	12,717,546	771,665	20,914,767
Net Closing Balance - PAA	9,946,338	17,180	21,356,627	1,336,828	32,656,974	7,390,507	35,049	12,717,546	771,665	20,914,767

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(a) iii Total Insurance Contracts Measured Under GMM and PAA - Group

	31 December 2023					31 December 2022				
	Liability for remaining coverage		Liability for incurred claims		Total	Liability for remaining coverage		Liability for incurred claims		Total
	Excluding loss component	Loss component	Estimates of present value of future cash flows	Risk adjustment for non-financial risk		Excluding loss component	Loss component	Estimates of present value of future cash flows	Risk adjustment for non-financial risk	
Insurance contract assets as at 1 January	-	-	-	-	-	-	-	-	-	-
Insurance contract liabilities as at 1 January	162,339,379	3,776,034	21,198,953	793,901	188,108,267	121,605,835	358,793	19,538,759	798,669	142,302,057
Net Opening Balance (GMM + PAA)	162,339,379	3,776,034	21,198,953	793,901	188,108,267	121,605,835	358,793	19,538,759	798,669	142,302,057
Changes in the statement of profit or loss										
Insurance revenue										
Contracts under the fair value approach	(16,586,691)	-	-	-	(16,586,691)	(17,465,596)	-	-	-	(17,465,596)
Other contracts	(56,046,684)	-	-	-	(56,046,684)	(37,352,302)	-	-	-	(37,352,302)
	(72,633,374)	-	-	-	(72,633,374)	(54,817,897)	-	-	-	(54,817,897)
Insurance service expenses										
Incurred claims and expenses	-	(2,422,668)	66,899,683	217,759	64,694,774	-	(908,715)	53,963,822	(146,727)	52,908,380
Adjustments to liabilities for incurred claims	-	-	(16,248,269)	232,141	(16,016,128)	-	-	(20,351,026)	61,837	(20,289,189)
Losses on onerous contracts	-	5,813,298	-	-	5,813,298	-	4,037,746	-	-	4,037,746
Amortisation of insurance acquisition cash flows	11,005,840	-	-	-	11,005,840	7,143,367	-	-	-	7,143,367
	11,005,840	3,390,630	50,651,415	449,900	65,497,784	7,143,367	3,129,031	33,612,796	(84,890)	43,800,304
Insurance service result	(61,627,535)	3,390,630	50,651,415	449,900	(7,135,590)	(47,674,530)	3,129,031	33,612,796	(84,890)	(11,017,593)
Finance expenses from insurance contracts in profit or loss	7,346,187	707,114	1,012,400	93,027	9,158,728	7,238,465	288,209	578,482	57,885	8,163,041
Total changes in the statement of profit or loss	(54,281,348)	4,097,744	51,663,815	542,927	2,023,138	(40,436,066)	3,417,241	34,191,278	(27,004)	(2,854,552)
Investment components excluded from insurance result	(25,394,107)	-	25,394,107	-	-	(25,345,646)	-	25,345,646	-	-
Cash flows										
Premiums received (including investment components)	110,408,782	-	-	-	110,408,782	119,224,029	-	-	-	119,224,029
Insurance acquisition cashflows	(14,219,501)	-	-	-	(14,219,501)	(12,708,773)	-	-	-	(12,708,773)
Claims and other insurance service expenses paid (including investment components)	-	-	(68,297,004)	-	(68,297,004)	-	-	(57,854,494)	-	(57,854,494)
Total cash flows	96,189,281	-	(68,297,004)	-	27,892,276	106,515,256	-	(57,854,494)	-	48,660,762
Non-Cash flows										
Premiums receivable on new contracts	-	-	-	-	-	-	-	-	-	-
Total Non-cash flows	-	-	-	-	-	-	-	-	-	-
Net Composite Insurance Liabilities (GMM + PAA)	204,247,312	7,873,778	4,565,764	1,336,828	218,023,682	187,685,026	3,776,034	(4,124,457)	771,665	188,108,267
Insurance contract assets as at 31 December	-	-	-	-	-	-	-	-	-	-
Insurance contract liabilities as at 31 December	178,853,205	7,873,778	29,959,870	1,336,828	218,023,682	162,339,379	3,776,034	21,221,189	771,665	188,108,267
Net Composite Closing Balance (GMM + PAA)	178,853,205	7,873,778	29,959,870	1,336,828	218,023,682	162,339,379	3,776,034	21,221,189	771,665	188,108,267

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For the year ended 31 December 2023

(a) iv Insurance Contracts Analysed by Components. GMM - Group

The following table shows the reconciliation from the opening to the closing balances of the net insurance contract liability analysed by components - estimates of the present value of future cash flows, risk adjustment and CSM:

	31 December 2023				31 December 2022			
	Estimates of present value of future cash flows	Risk Adjustment	CSM	Total	Estimates of present value of future cash flows	Risk Adjustment	CSM	Total
Insurance contract assets as at 1 January	-	-	-	-	-	-	-	-
Insurance contract liabilities as at 1 January	150,878,094	2,879,641	13,435,765	167,193,500	114,075,288	2,222,901	7,125,402	123,423,591
Net Closing Opening Analysed by Component - GMM	150,878,094	2,879,641	13,435,765	167,193,500	114,075,288	2,222,901	7,125,402	123,423,591
Changes in the statement of profit or loss								
Changes that relate to current service								
CSM recognised for services provided	-	-	(5,937,274)	(5,937,274)	-	-	(3,683,031)	(3,683,031)
Change in risk adjustment for non-financial risk for risk expired	-	(156,780)	-	(156,780)	-	(108,756)	-	(108,756)
Experience adjustments	(201,217)	-	-	(201,217)	(1,393,868)	-	-	(1,393,868)
Total - Changes that relate to current service	(201,217)	(156,780)	(5,937,274)	(6,295,271)	(1,393,868)	(108,756)	(3,683,031)	(5,185,655)
Changes that relate to future service								
Contracts initially recognised in the year	(3,269,066)	600,691	8,741,274	6,072,898	(3,591,395)	1,003,961	7,519,794	4,932,360
Changes in estimates that adjust the CSM	(3,372)	2,774,853	(2,771,481)	-	(11,865)	2,797,857	(2,785,992)	-
Changes in estimates that result in losses and reversals of losses on onerous contracts	(1,007,188)	(3,166,839)	3,932,297	(241,731)	(1,367,736)	(3,036,322)	3,832,939	(571,119)
<i>Changes that relate to past service</i>								
Adjustments to liabilities for incurred claims	99,600	-	-	99,600	1,521,947	-	-	1,521,947
Insurance service result	(4,381,243)	51,924	3,964,815	(364,504)	(4,842,916)	656,740	4,883,709	697,534
Finance expenses from insurance contracts in profit or loss	5,613,474	-	2,439,827	8,053,300	6,100,021	-	1,426,653	7,526,674
Total changes in the statement of profit or loss	1,232,230	51,924	6,404,642	7,688,796	1,257,105	656,740	6,310,362	8,224,208
Cash flows								
Premiums received (including investment components)	66,396,109	-	-	66,396,109	83,561,502	-	-	83,561,502
Insurance acquisition cash flows	(7,215,719)	-	-	(7,215,719)	(6,953,434)	-	-	(6,953,434)
Claims and other insurance service expenses paid (including investment components)	(48,695,979)	-	-	(48,695,979)	(41,062,367)	-	-	(41,062,367)
Total cash flows	10,484,412	-	-	10,484,412	35,545,701	-	-	35,545,701
Net Closing Liabilities Analysed by Component - GMM	162,594,736	2,931,565	19,840,406	185,366,708	150,878,094	2,879,641	13,435,765	167,193,500
Insurance contract assets as at 31 December	-	-	-	-	-	-	-	-
Insurance contract liabilities as at 31 December	162,594,736	2,931,565	19,840,406	185,366,708	150,878,094	2,879,641	13,435,765	167,193,500
Net Closing Balance Analysed by Component - GMM	162,594,736	2,931,565	19,840,406	185,366,708	150,878,094	2,879,641	13,435,765	167,193,500

14 (a) v Contractual Service Margin - Group

The following table shows an analysis of the expected recognition of the CSM remaining at the end of reporting period in profit or loss.

December 2023	Less than 1 year	In 1 to 3 years	In 4 to 5 years	> 5 years	Total
Insurance contracts					
Life	4,427,166	6,022,924	3,887,304	5,503,013	19,840,406
Total CSM for insurance contracts	4,427,166	6,022,924	3,887,304	5,503,013	19,840,406
December 2022	Less than 1 year	In 1 to 3 years	In 4 to 5 years	> 5 years	Total
Insurance contracts					
Life	3,166,126	3,989,556	2,495,613	3,784,470	13,435,765
Total CSM for insurance contracts	3,166,126	3,989,556	2,495,613	3,784,470	13,435,765

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14 (b) Insurance Contract Liabilities - Company

The following table shows the reconciliation from the opening to the closing balances of the net asset or liability for the remaining coverage and the liability for incurred claims for insurance contracts:

(b) i Insurance Contracts measured under GMM - Company	31 December 2023					31 December 2022				
	Liability for remaining coverage		Liability for incurred claims		Total	Liability for remaining coverage		Liability for incurred claims		Total
	Excluding loss component	Loss component	Estimates of present value of future cash flows	Risk adjustment for non-financial risk		Excluding loss component	Loss component	Estimates of present value of future cash flows	Risk adjustment for non-financial risk	
Insurance contract assets as at 1 January	-	-	-	-	-	-	-	-	-	-
Insurance contract liabilities as at 1 January	154,948,872	3,740,985	8,503,643	-	167,193,500	116,441,646	249	6,981,696	-	123,423,591
Net Opening Balance - GMM	154,948,872	3,740,985	8,503,643	-	167,193,500	116,441,646	249	6,981,696	-	123,423,591
Changes in the statement of profit or loss										
Insurance revenue										
Contracts under the fair value approach	(16,586,691)	-	-	-	(16,586,691)	(17,465,596)	-	-	-	(17,465,596)
Other contracts	(14,895,734)	-	-	-	(14,895,734)	(3,998,361)	-	-	-	(3,998,361)
	(31,482,425)	-	-	-	(31,482,425)	(21,463,956)	-	-	-	(21,463,956)
Insurance service expenses										
Incurred claims and expenses	-	(2,422,668)	48,561,251	-	46,138,582	-	(908,715)	40,864,829	-	39,956,114
Adjustments to liabilities for incurred claims	-	-	(25,159,779)	-	(25,159,779)	-	-	(23,626,161)	-	(23,626,161)
Losses and reversals of losses on onerous contracts	-	5,831,167	-	-	5,831,167	-	4,361,242	-	-	4,361,242
Amortisation of insurance acquisition cash flows	4,307,950	-	-	-	4,307,950	1,470,295	-	-	-	1,470,295
	4,307,950	3,408,499	23,401,472	-	31,117,920	1,470,295	3,452,527	17,238,668	-	22,161,490
Insurance service result	(27,174,475)	3,408,499	23,401,472	-	(364,504)	(19,993,661)	3,452,527	17,238,668	-	697,534
Finance expenses from insurance contracts in profit or loss	7,346,187	707,114	-	-	8,053,300	7,238,465	288,209	-	-	7,526,674
Total Changes in the statement of profit or loss	(19,828,288)	4,115,613	23,401,472	-	7,688,796	(12,755,196)	3,740,736	17,238,668	-	8,224,208
Investment components excluded from insurance results	(25,394,107)	-	25,394,107	-	-	(25,345,646)	-	25,345,646	-	-
Cash flows										
Premiums received (including investment components)	66,396,109	-	-	-	66,396,109	83,561,502	-	-	-	83,561,502
Insurance acquisition cash flows	(7,215,719)	-	-	-	(7,215,719)	(6,953,434)	-	-	-	(6,953,434)
Claims and other insurance service expenses paid (including investment components)	-	-	(48,695,979)	-	(48,695,979)	-	-	(41,062,367)	-	(41,062,367)
Total cash flows	59,180,390	-	(48,695,979)	-	10,484,412	76,608,068	-	(41,062,367)	-	35,545,701
Net Closing Liabilities Balance - GMM	168,906,867	7,856,598	8,603,243	-	185,366,708	154,948,872	3,740,985	8,503,643	-	167,193,500
Insurance contract assets as at 31 December	-	-	-	-	-	-	-	-	-	-
Insurance contract liabilities as at 31 December	168,906,867	7,856,598	8,603,243	-	185,366,708	154,948,872	3,740,985	8,503,643	-	167,193,500
Net Closing Balance GMM	168,906,867	7,856,598	8,603,243	-	185,366,708	154,948,872	3,740,985	8,503,643	-	167,193,500

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(b) ii **Insurance Contracts Measured Under PAA - Company**

The following table shows the reconciliation from the opening to the closing balances of the net liability for the remaining coverage and the liability for incurred claims for insurance contracts measured under PAA. The coverage period of the insurance contracts issued by the Group are one year or less. See further details on the accounting policies applied for insurance contracts measured under PAA. This group presents movement in insurance contract liability for group life and non-life portfolios.

	31 December 2023					31 December 2022				
	Liability for remaining coverage		Liability for incurred claims		Total	Liability for remaining coverage		Liability for incurred claims		Total
	Excluding loss component	Loss component	Estimates of present value of future cash flows	Risk adjustment for non-financial risk		Excluding loss component	Loss component	Estimates of present value of future cash flows	Risk adjustment for non-financial risk	
Insurance contract assets as at 1 January	-	-	-	-	-	-	-	-	-	-
Insurance contract liabilities as at 1 January	7,344,428	35,049	12,434,754	770,347	20,584,579	5,127,786	358,544	12,388,489	783,430	18,658,249
Net Opening Balance - PAA	7,344,428	35,049	12,434,754	770,347	20,584,579	5,127,786	358,544	12,388,489	783,430	18,658,249
Changes in the statement of profit or loss										
<i>Insurance revenue</i>										
Other contracts	(40,146,053)	-	-	-	(40,146,053)	(31,745,641)	-	-	-	(31,745,641)
	(40,146,053)	-	-	-	(40,146,053)	(31,745,641)	-	-	-	(31,745,641)
<i>Insurance service expenses</i>										
Incurred claims and expenses	-	-	17,670,263	217,759	17,888,022	-	-	12,337,064	(146,727)	12,190,337
Adjustments to liabilities for incurred claims	-	-	8,905,276	255,804	9,161,080	-	-	3,167,180	75,759	3,242,939
Losses on onerous contracts	-	(17,869)	-	-	(17,869)	-	(323,495)	-	-	(323,495)
Amortisation of insurance acquisition cash flows	6,697,890	-	-	-	6,697,890	5,673,071	-	-	-	5,673,071
	6,697,890	(17,869)	26,575,538	473,563	33,729,122	5,673,071	(323,495)	15,504,244	(70,968)	20,782,852
Insurance service result	(33,448,163)	(17,869)	26,575,538	473,563	(6,416,931)	(26,072,569)	(323,495)	15,504,244	(70,968)	(10,962,789)
Finance expenses from insurance contracts in profit or loss	-	-	992,218	93,027	1,085,245	-	-	572,220	57,885	630,106
Total changes in the statement of profit or loss	(33,448,163)	(17,869)	27,567,756	566,590	(5,331,686)	(26,072,569)	(323,495)	16,076,464	(13,083)	(10,332,683)
<i>Cash flows</i>										
Premiums received (including investment components)	43,018,645	-	-	-	43,018,645	34,044,550	-	-	-	34,044,550
Insurance acquisition cash flows	(7,003,782)	-	-	-	(7,003,782)	(5,755,339)	-	-	-	(5,755,339)
Claims and other insurance service expenses paid (including investment components)	-	-	(18,932,856)	-	(18,932,856)	-	-	(16,030,198)	-	(16,030,198)
Total cash flows	36,014,863	-	(18,932,856)	-	17,082,008	28,289,211	-	(16,030,198)	-	12,259,013
<i>Non-Cash flows</i>										
Premiums receivable on new contracts	-	-	-	-	-	-	-	-	-	-
Total Non-cash flows	-	-	-	-	-	-	-	-	-	-
Net Closing Liabilities Balance - PAA	9,911,128	17,180	21,069,655	1,336,938	32,334,900	7,344,428	35,049	12,434,754	770,347	20,584,579
Insurance contract assets as at 31 December	-	-	-	-	-	-	-	-	-	-
Insurance contract liabilities as at 31 December	9,911,128	17,180	21,069,655	1,336,938	32,334,900	7,344,428	35,049	12,434,754	770,347	20,584,579
Net Closing Balance - PAA	9,911,128	17,180	21,069,655	1,336,938	32,334,900	7,344,428	35,049	12,434,754	770,347	20,584,579

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(b) iii Total Insurance Contracts Measured Under GMM and PAA - Company

	31 December 2023					31 December 2022				
	Liability for remaining coverage		Liability for incurred claims		Total	Liability for remaining coverage		Liability for incurred claims		Total
	Excluding loss component	Loss component	Estimates of present value of future cash flows	Risk adjustment for non-financial risk		Excluding loss component	Loss component	Estimates of present value of future cash flows	Risk adjustment for non-financial risk	
Insurance contract assets as at 1 January	-	-	-	-	-	-	-	-	-	-
Insurance contract liabilities as at 1 January	162,293,300	3,776,034	20,938,398	770,347	187,778,079	121,569,432	358,793	19,370,185	783,430	142,081,841
Net Opening Balance (GMM + PAA)	162,293,300	3,776,034	20,938,398	770,347	187,778,079	121,569,432	358,793	19,370,185	783,430	142,081,841
Changes in the statement of profit or loss										
<i>Insurance revenue</i>										
Contracts under the fair value approach	(16,586,691)	-	-	-	(16,586,691)	(17,465,596)	-	-	-	(17,465,596)
Other contracts	(40,146,053)	-	-	-	(40,146,053)	(31,745,641)	-	-	-	(31,745,641)
	(56,732,744)	-	-	-	(56,732,744)	(49,211,236)	-	-	-	(49,211,236)
<i>Insurance service expenses</i>										
Incurred claims and expenses	-	(2,422,668)	66,231,513	217,759	64,026,604	-	(908,715)	53,201,893	(146,727)	52,146,451
Adjustments to liabilities for incurred claims	-	-	(16,254,503)	255,804	(15,998,699)	-	-	(20,458,981)	75,759	(20,383,223)
Losses on onerous contracts	-	5,813,298	-	-	5,813,298	-	4,037,746	-	-	4,037,746
Amortisation of insurance acquisition cash flows	11,005,840	-	-	-	11,005,840	7,143,367	-	-	-	7,143,367
	11,005,840	3,390,630	49,977,010	473,563	64,847,043	7,143,367	3,129,031	32,742,911	(70,968)	42,944,342
Insurance service result	(45,726,904)	3,390,630	49,977,010	473,563	8,114,299	(42,067,869)	3,129,031	32,742,911	(70,968)	(6,266,895)
Finance expenses from insurance contracts in profit or loss	7,346,187	707,114	992,218	93,027	9,138,545	7,238,465	288,209	572,220	57,885	8,156,779
Total changes in the statement of profit or loss	(38,380,718)	4,097,744	50,969,228	566,590	17,252,844	(34,829,405)	3,417,241	33,315,132	(13,083)	1,889,885
Investment components excluded from insurance result	(25,394,107)	-	25,394,107	-	-	(25,345,646)	-	25,345,646	-	-
<i>Cash flows</i>										
Premiums received (including investment components)	109,414,754	-	-	-	109,414,754	117,606,052	-	-	-	117,606,052
Insurance acquisition cash flows	(14,219,501)	-	-	-	(14,219,501)	(12,708,773)	-	-	-	(12,708,773)
Claims and other insurance service expenses paid (including investment components)	-	-	(67,628,834)	-	(67,628,834)	-	-	(57,092,565)	-	(57,092,565)
Total cash flows	95,195,253	-	(67,628,834)	-	27,566,419	104,897,279	-	(57,092,565)	-	47,804,714
<i>Non-Cash flows</i>										
Premiums receivable on new contracts	-	-	-	-	-	-	-	-	-	-
Total Non-cash flows	-	-	-	-	-	-	-	-	-	-
Net Composite Insurance Liabilities (GMM + PAA)	219,107,835	(17,520,329)	4,278,791	26,731,044	232,597,342	191,637,307	(21,569,612)	(4,407,249)	26,115,994	191,776,439
Insurance contract assets as at 31 December	-	-	-	-	-	-	-	-	-	-
Insurance contract liabilities as at 31 December	178,817,995	7,873,778	29,672,898	1,336,938	217,701,608	162,293,300	3,776,034	20,938,398	770,347	187,778,079
Net Composite Closing Balance (GMM + PAA)	178,817,995	7,873,778	29,672,898	1,336,938	217,701,608	162,293,300	3,776,034	20,938,398	770,347	187,778,079

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(b) iv Insurance Contracts Analysed by Components GMM - Company

The following table shows the reconciliation from the opening to the closing balances of the net insurance contract liability analysed by components - estimates of the present value of future cash flows, risk adjustment and CSM:

	31 December 2023				31 December 2022			
	Estimates of present value of future cash flows	Risk Adjustment	CSM	Total	Estimates of present value of future cash flows	Risk Adjustment	CSM	Total
Insurance contract assets as at 1 January	-	-	-	-	-	-	-	-
Insurance contract liabilities as at 1 January	150,878,094	2,879,641	13,435,765	167,193,500	114,075,288	2,222,901	7,125,402	123,423,591
Net Opening Balance Analysed by Components - GMM	150,878,094	2,879,641	13,435,765	167,193,500	114,075,288	2,222,901	7,125,402	123,423,591
Changes in the statement of profit or loss								
Changes that relate to current service								
CSM recognised for services provided	-	-	(5,937,274)	(5,937,274)	-	-	(3,683,031)	(3,683,031)
Change in risk adjustment for non-financial risk for risk expired	-	(156,780)	-	(156,780)	-	(108,756)	-	(108,756)
Experience adjustments	(201,217)	-	-	(201,217)	(1,393,868)	-	-	(1,393,868)
Total - Changes that relate to current service	(201,217)	(156,780)	(5,937,274)	(6,295,271)	(1,393,868)	(108,756)	(3,683,031)	(5,185,655)
Changes that relate to future service								
Contracts initially recognised in the year	(3,269,066)	600,691	8,741,274	6,072,898	(3,591,395)	1,003,961	7,519,794	4,932,360
Changes in estimates that adjust the CSM	(3,372)	2,774,853	(2,771,481)	-	(11,865)	2,797,857	(2,785,992)	-
Changes in estimates that result in losses and reversals of losses on onerous contracts	(1,007,188)	(3,166,839)	3,932,297	(241,731)	(1,367,736)	(3,036,322)	3,832,939	(571,119)
Changes that relate to past service								
Adjustments to liabilities for incurred claims	99,600	-	-	99,600	1,521,947	-	-	1,521,947
Insurance service result	(4,381,243)	51,924	3,964,815	(364,504)	(4,842,916)	656,740	4,883,709	697,534
Finance expenses from insurance contracts in profit or loss	5,613,474	-	2,439,827	8,053,300	6,100,021	-	1,426,653	7,526,674
Total changes in the statement of profit or loss	1,232,230	51,924	6,404,642	7,688,796	1,257,105	656,740	6,310,362	8,224,208
Cash flows								
Premiums received (including investment components)	66,396,109	-	-	66,396,109	83,561,502	-	-	83,561,502
Insurance acquisition cash flows	(7,215,719)	-	-	(7,215,719)	(6,953,434)	-	-	(6,953,434)
Claims and other insurance service expenses paid (including investment components)	(48,695,979)	-	-	(48,695,979)	(41,062,367)	-	-	(41,062,367)
Total cash flows	10,484,412	-	-	10,484,412	35,545,701	-	-	35,545,701
Net Closing Liabilities Analysed by Component - GMM	162,594,736	2,931,565	19,840,406	185,366,708	150,878,094	2,879,641	13,435,765	167,193,500
Insurance contract assets as at 31 December	-	-	-	-	-	-	-	-
Insurance contract liabilities as at 31 December	162,594,736	2,931,565	19,840,406	185,366,708	150,878,094	2,879,641	13,435,765	167,193,500
Net Closing Balance Analysed by Component - GMM	162,594,736	2,931,565	19,840,406	185,366,708	150,878,094	2,879,641	13,435,765	167,193,500

PS: This component reconciliation refers to the Retail Life Insurance Business, where the GMM approach was considered.

(b) vi The following table provides an analysis of the Insurance Revenue and CSM of insurance contracts by the Transition Method for GMM - Company

	31 December 2023				31 December 2022			
	Modified Retrospective	Fair Value	Other Contracts	Total	Modified Retrospective	Fair Value	Other Contracts	Total
Gross - Insurance Revenue	-	16,586,691	14,895,734	31,482,425	-	17,465,596	3,998,361	21,463,956
Gross - CSM	-	6,091,545	13,748,862	19,840,406	-	6,075,794	7,359,971	13,435,765
Reinsurance - Insurance Revenue	-	-	-	-	-	-	-	-
Reinsurance - CSM	-	-	-	-	-	-	-	-
Net - Insurance Revenue	-	16,586,691	14,895,734	31,482,425	-	17,465,596	3,998,361	21,463,956
Net - CSM	-	6,091,545	13,748,862	19,840,406	-	6,075,794	7,359,971	13,435,765

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(b) v Contractual Service Margin - Company

The following table shows an analysis of the expected recognition of the CSM remaining at the end of reporting period in profit or loss.

December 2023	Less than 1 year	In 1 to 3 years	In 4 to 5 years	> 5 years	Total
Insurance contracts					
Life	4,427,166	6,022,924	3,887,304	5,503,013	19,840,406
Total CSM for insurance contracts	4,427,166	6,022,924	3,887,304	5,503,013	19,840,406

December 2022	Less than 1 year	In 1 to 3 years	In 4 to 5 years	> 5 years	Total
Insurance contracts					
Life	3,166,126	3,989,556	2,495,613	3,784,470	13,435,765
Total CSM for insurance contracts	3,166,126	3,989,556	2,495,613	3,784,470	13,435,765

(b) vii The following table provides an analysis of insurance contracts initially recognised in the period - Company

	31 December 2023					31 December 2022				
	Contracts issued		Acquired contracts		Total	Contracts issued		Acquired contracts		Total
	Profitable contracts	Onerous contracts	Profitable contracts	Onerous contracts		Profitable contracts	Onerous contracts	Profitable contracts	Onerous contracts	
<i>Life Insurance contract liabilities</i>										
Insurance acquisition cash flows	3,621,550	3,953,548	-	-	7,575,097	3,405,630	3,645,394	-	-	7,051,024
Estimate of present value of future cash outflows, excluding insurance acquisition cash flows	47,664,552	7,003,923	-	-	54,668,475	69,974,395	5,911,666	-	-	75,886,061
Estimates of present value of future cash outflow	51,286,101	10,957,471	-	-	62,243,572	73,380,024	9,557,060	-	-	82,937,084
Estimates of present value of future cash inflow	(60,554,077)	(4,958,561)	-	-	(65,512,639)	(81,851,567)	(4,676,912)	-	-	(86,528,479)
Risk adjustment for non-financial risk	526,702	73,989	-	-	600,691	951,749	52,212	-	-	1,003,961
CSM	8,741,274	-	-	-	8,741,274	7,519,794	-	-	-	7,519,794
Losses on onerous contracts at initial recognition	-	6,072,898	-	-	6,072,898	-	4,932,360	-	-	4,932,360

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14 (c) Insurance Contract by Reporting Segments

(c) i Insurance Contract - Life Business (Retail and Group Life)

	31 December 2023					31 December 2022				
	Liability for remaining coverage		Liability for incurred claims		Total	Liability for remaining coverage		Liability for incurred claims		Total
	Excluding loss component	Loss component	Estimates of present value of future cash flows	Risk adjustment for non-financial risk		Excluding loss component	Loss component	Estimates of present value of future cash flows	Risk adjustment for non-financial risk	
Insurance contract assets as at 1 January	-	-	-	-	-	-	-	-	-	-
Insurance contract liabilities as at 1 January	156,066,673	3,776,034	12,307,595	79,883	172,230,186	117,717,842	97,333	9,998,775	71,203	127,885,153
Net Opening Balance - Life Business	156,066,673	3,776,034	12,307,595	79,883	172,230,186	117,717,842	97,333	9,998,775	71,203	127,885,153
Changes in the statement of profit or loss										
<i>Insurance revenue</i>										
Contracts under the fair value approach	(16,586,691)	-	-	-	(16,586,691)	(17,465,596)	-	-	-	(17,465,596)
Other contracts	(23,293,857)	-	-	-	(23,293,857)	(11,747,739)	-	-	-	(11,747,739)
	(39,880,548)	-	-	-	(39,880,548)	(29,213,335)	-	-	-	(29,213,335)
<i>Insurance service expenses</i>										
Incurred claims and expenses	-	(2,422,668)	52,872,920	(22,038)	50,428,214	-	(908,715)	46,087,492	(11,981)	45,166,795
Adjustments to liabilities for incurred claims	-	-	(25,120,470)	1,965	(25,118,504)	-	-	(23,677,234)	14,887	(23,662,348)
Losses and reversals of losses on onerous contracts	-	5,813,298	-	-	5,813,298	-	4,299,207	-	-	4,299,207
Amortisation of insurance acquisition cash flows	6,817,345	-	-	-	6,817,345	3,759,594	-	-	-	3,759,594
	6,817,345	3,390,630	27,752,450	(20,073)	37,940,353	3,759,594	3,390,492	22,410,257	2,906	29,563,248
Insurance service result	(33,063,202)	3,390,630	27,752,450	(20,073)	(1,940,194)	(25,453,741)	3,390,492	22,410,257	2,906	349,913
Finance expenses from insurance contracts in profit or loss	7,346,187	707,114	290,092	9,931	8,353,323	7,238,465	288,209	129,759	5,774	7,662,208
Total Changes in the statement of profit or loss	(25,717,015)	4,097,744	28,042,543	(10,142)	6,413,129	(18,215,276)	3,678,701	22,540,016	8,680	8,012,121
Investment components excluded from insurance results	(25,394,107)	-	25,394,107	-	-	(25,345,646)	-	25,345,646	-	-
<i>Cash flows</i>										
Premiums received (including investment components)	74,663,833	-	-	-	74,663,833	91,115,670	-	-	-	91,115,670
Insurance acquisition cash flows	(9,685,352)	-	-	-	(9,685,352)	(9,205,916)	-	-	-	(9,205,916)
Claims and other insurance service expenses paid	-	-	(53,671,301)	-	(53,671,301)	-	-	(45,576,842)	-	(45,576,842)
Total cash flows	64,978,481	-	(53,671,301)	-	11,307,180	81,909,754	-	(45,576,842)	-	36,332,912
Net Closing Liabilities - Life Business	169,934,032	7,873,778	12,072,944	69,741	189,950,495	156,066,673	3,776,034	12,307,595	79,883	172,230,186
Insurance contract assets as at 31 December	-	-	-	-	-	-	-	-	-	-
Insurance contract liabilities as at 31 December	169,934,032	7,873,778	12,072,944	69,741	189,950,495	156,066,673	3,776,034	12,307,595	79,883	172,230,186
Net Closing Balance - Life Business	169,934,032	7,873,778	12,072,944	69,741	189,950,495	156,066,673	3,776,034	12,307,595	79,883	172,230,186

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(c) ii Insurance Contract - Retail Life

	31 December 2023					31 December 2022				
	Liability for remaining coverage		Liability for incurred claims		Total	Liability for remaining coverage		Liability for incurred claims		Total
	Excluding loss component	Loss component	Estimates of present value of future cash flows	Risk adjustment for non-financial risk		Excluding loss component	Loss component	Estimates of present value of future cash flows	Risk adjustment for non-financial risk	
Insurance contract assets as at 1 January	-	-	-	-	-	-	-	-	-	-
Insurance contract liabilities as at 1 January	154,948,872	3,740,985	8,503,643	-	167,193,500	116,441,646	249	6,981,696	-	123,423,591
Net Opening Balance - Life Business	154,948,872	3,740,985	8,503,643	-	167,193,500	116,441,646	249	6,981,696	-	123,423,591
Changes in the statement of profit or loss										
Insurance revenue										
Contracts under the fair value approach	(16,586,691)	-	-	-	(16,586,691)	(17,465,596)	-	-	-	(17,465,596)
Other contracts	(14,895,734)	-	-	-	(14,895,734)	(3,998,361)	-	-	-	(3,998,361)
	(31,482,425)	-	-	-	(31,482,425)	(21,463,956)	-	-	-	(21,463,956)
Insurance service expenses										
Incurred claims and expenses	-	(2,422,668)	48,561,251	-	46,138,582	-	(908,715)	40,864,829	-	39,956,114
Adjustments to liabilities for incurred claims	-	-	(25,159,779)	-	(25,159,779)	-	-	(23,626,161)	-	(23,626,161)
Losses and reversals of losses on onerous contracts	-	5,831,167	-	-	5,831,167	-	4,361,242	-	-	4,361,242
Amortisation of insurance acquisition cash flows	4,307,950	-	-	-	4,307,950	1,470,295	-	-	-	1,470,295
	4,307,950	3,408,499	23,401,472	-	31,117,920	1,470,295	3,452,527	17,238,668	-	22,161,490
Insurance service result	(27,174,475)	3,408,499	23,401,472	-	(364,504)	(19,993,661)	3,452,527	17,238,668	-	697,534
Finance expenses from insurance contracts in profit or loss	7,346,187	707,114	-	-	8,053,300	7,238,465	288,209	-	-	7,526,674
Total Changes in the statement of profit or loss	(19,828,288)	4,115,613	23,401,472	-	7,688,796	(12,755,196)	3,740,736	17,238,668	-	8,224,208
Investment components excluded from insurance results	(25,394,107)	-	25,394,107	-	-	(25,345,646)	-	25,345,646	-	-
Cash flows										
Premiums received (including investment components)	66,396,109	-	-	-	66,396,109	83,561,502	-	-	-	83,561,502
Insurance acquisition cash flows	(7,215,719)	-	-	-	(7,215,719)	(6,953,434)	-	-	-	(6,953,434)
Claims and other insurance service expenses paid	-	-	(48,695,979)	-	(48,695,979)	-	-	(41,062,367)	-	(41,062,367)
Total cash flows	59,180,390	-	(48,695,979)	-	10,484,412	76,608,068	-	(41,062,367)	-	35,545,701
Net Closing Liabilities - Life Business	168,906,867	7,856,598	8,603,243	-	185,366,708	154,948,872	3,740,985	8,503,643	-	167,193,500
Insurance contract assets as at 31 December	-	-	-	-	-	-	-	-	-	-
Insurance contract liabilities as at 31 December	168,906,867	7,856,598	8,603,243	-	185,366,708	154,948,872	3,740,985	8,503,643	-	167,193,500
Net Closing Balance - Life Business	168,906,867	7,856,598	8,603,243	-	185,366,708	154,948,872	3,740,985	8,503,643	-	167,193,500

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(c) iii Insurance Contract - Group Life

	31 December 2023					31 December 2022				
	Liability for remaining coverage		Liability for incurred claims		Total	Liability for remaining coverage		Liability for incurred claims		Total
	Excluding loss component	Loss component	Estimates of present value of future cash flows	Risk adjustment for non-financial risk		Excluding loss component	Loss component	Estimates of present value of future cash flows	Risk adjustment for non-financial risk	
Insurance contract assets as at 1 January	-	-	-	-	-	-	-	-	-	-
Insurance contract liabilities as at 1 January	1,117,801	35,049	3,803,952	79,883	5,036,686	1,276,196	97,084	3,017,079	71,203	4,461,562
Net Opening Balance - Life Business	1,117,801	35,049	3,803,952	79,883	5,036,686	1,276,196	97,084	3,017,079	71,203	4,461,562
Changes in the statement of profit or loss										
<i>Insurance revenue</i>										
Other contracts	(8,398,123)	-	-	-	(8,398,123)	(7,749,379)	-	-	-	(7,749,379)
	(8,398,123)	-	-	-	(8,398,123)	(7,749,379)	-	-	-	(7,749,379)
<i>Insurance service expenses</i>										
Incurring claims and expenses	-	-	4,311,669	(22,038)	4,289,632	-	-	5,222,663	(11,981)	5,210,681
Adjustments to liabilities for incurred claims	-	-	39,309	1,965	41,275	-	-	(51,073)	14,887	(36,186)
Losses and reversals of losses on onerous contracts	-	(17,869)	-	-	(17,869)	-	(62,035)	-	-	(62,035)
Amortisation of insurance acquisition cash flows	2,509,396	-	-	-	2,509,396	2,289,298	-	-	-	2,289,298
	2,509,396	(17,869)	4,350,979	(20,073)	6,822,433	2,289,298	(62,035)	5,171,590	2,906	7,401,759
Insurance service result	(5,888,727)	(17,869)	4,350,979	(20,073)	(1,575,690)	(5,460,080)	(62,035)	5,171,590	2,906	(347,620)
Finance expenses from insurance contracts in profit or loss	-	-	290,092	9,931	300,023	-	-	129,759	5,774	135,534
Total Changes in the statement of profit or loss	(5,888,727)	(17,869)	4,641,071	(10,142)	(1,275,667)	(5,460,080)	(62,035)	5,301,349	8,680	(212,087)
Investment components excluded from insurance results	-	-	-	-	-	-	-	-	-	-
<i>Cash flows</i>										
Premiums received (including investment components)	8,267,724	-	-	-	8,267,724	7,554,168	-	-	-	7,554,168
Insurance acquisition cash flows	(2,469,634)	-	-	-	(2,469,634)	(2,252,483)	-	-	-	(2,252,483)
Claims and other insurance service expenses paid	-	-	(4,975,322)	-	(4,975,322)	-	-	(4,514,475)	-	(4,514,475)
Total cash flows	5,798,090	-	(4,975,322)	-	822,768	5,301,686	-	(4,514,475)	-	787,210
Net Closing Liabilities - Life Business	1,027,165	17,180	3,469,701	69,741	4,583,787	1,117,801	35,049	3,803,952	79,883	5,036,686
Insurance contract assets as at 31 December	-	-	-	-	-	-	-	-	-	-
Insurance contract liabilities as at 31 December	1,027,165	17,180	3,469,701	69,741	4,583,787	1,117,801	35,049	3,803,952	79,883	5,036,686
Net Closing Balance - Life Business	1,027,165	17,180	3,469,701	69,741	4,583,787	1,117,801	35,049	3,803,952	79,883	5,036,686

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(c) iv Insurance Contract - Non-Life Business

	31 December 2023					31 December 2022				
	Liability for remaining coverage		Liability for incurred claims		Total	Liability for remaining coverage		Liability for incurred claims		Total
	Excluding loss component	Loss component	Estimates of present value of future cash flows	Risk adjustment for non-financial risk		Excluding loss component	Loss component	Estimates of present value of future cash flows	Risk adjustment for non-financial risk	
Insurance contract assets as at 1 January	-	-	-	-	-	-	-	-	-	-
Insurance contract liabilities as at 1 January	6,226,627	-	8,630,802	690,464	15,547,893	3,851,590	261,460	9,371,410	712,227	14,196,687
Net Opening Balance - Non-Life Business	6,226,627	-	8,630,802	690,464	15,547,893	3,851,590	261,460	9,371,410	712,227	14,196,687
Changes in the statement of profit or loss										
Insurance revenue										
Other contracts	(31,747,930)	-	-	-	(31,747,930)	(23,996,262)	-	-	-	(23,996,262)
	(31,747,930)	-	-	-	(31,747,930)	(23,996,262)	-	-	-	(23,996,262)
Insurance service expenses										
Incurred claims and other insurance service expense	-	-	13,300,187	239,797	13,539,983	-	-	7,114,401	(134,746)	6,979,655
Adjustments to liabilities for incurred claims	-	-	8,982,779	253,839	9,236,619	-	-	3,218,253	60,872	3,279,125
Losses on onerous contracts	-	-	-	-	-	-	(261,460)	-	-	(261,460)
Amortisation of insurance acquisition cash flows	4,188,494	-	-	-	4,188,494	3,383,773	-	-	-	3,383,773
	4,188,494	-	22,282,966	493,636	26,965,096	3,383,773	(261,460)	10,332,654	(73,874)	13,381,093
Insurance service result	(27,559,436)	-	22,282,966	493,636	(4,782,834)	(20,612,489)	(261,460)	10,332,654	(73,874)	(10,615,169)
Finance expenses from insurance contracts in profit or loss	-	-	702,125	83,096	785,222	-	-	442,461	52,111	494,572
Total changes in the statement of profit or loss	(27,559,436)	-	22,985,091	576,733	(3,997,612)	(20,612,489)	(261,460)	10,775,115	(21,763)	(10,120,597)
Premiums received (including investment components)	34,750,921	-	-	-	34,750,921	26,490,382	-	-	-	26,490,382
Insurance acquisition cash flows	(4,534,149)	-	-	-	(4,534,149)	(3,502,857)	-	-	-	(3,502,857)
Claims and other insurance service expenses paid	-	-	(14,015,940)	-	(14,015,940)	-	-	(11,515,723)	-	(11,515,723)
Total cash flows	30,216,773	-	(14,015,940)	-	16,200,833	22,987,525	-	(11,515,723)	-	11,471,802
Non-Cash flows										
Premiums receivable on new contracts	-	-	-	-	-	-	-	-	-	-
Net Closing Liabilities for Non-Life	8,883,963	-	17,599,954	1,267,197	27,751,114	2,723,770	-	8,630,802	690,464	12,045,036
Insurance contract assets as at 31 December	-	-	-	-	-	-	-	-	-	-
Insurance contract liabilities as at 31 December	8,883,963	-	17,599,954	1,267,197	27,751,114	2,723,770	-	8,630,802	690,464	12,045,036
Net Closing Balance for Non-Life	8,883,963	-	17,599,954	1,267,197	27,751,114	2,723,770	-	8,630,802	690,464	12,045,036

Notes to the Consolidated and Separate Financial Statements (Continued)
For the year ended 31 December 2023

(c) v Insurance Contract - AIICO Multishield (PAA)

	31 December 2023					31 December 2022				
	Liability for remaining coverage		Liability for incurred claims		Total	Liability for remaining coverage		Liability for incurred claims		Total
	Excluding loss component	Loss component	Estimates of present value of future cash flows	Risk adjustment for non-financial risk		Excluding loss component	Loss component	Estimates of present value of future cash flows	Risk adjustment for non-financial risk	
Insurance contract assets as at 1 January	-	-	-	-	-	-	-	-	-	-
Insurance contract liabilities as at 1 January	46,080	-	260,555	23,554	330,188	36,403	-	168,575	15,239	220,216
Net Opening Balance - AIICO Multishield (PAA)	46,080	-	260,555	23,554	330,188	36,403	-	168,575	15,239	220,216
Changes in the statement of profit or loss										
Insurance revenue										
Other contracts	(1,004,896)	-	-	-	(1,004,896)	(1,608,300)	-	-	-	(1,608,300)
	(1,004,896)	-	-	-	(1,004,896)	(1,608,300)	-	-	-	(1,608,300)
Insurance service expenses										
Incurring claims and expenses	-	-	668,170	-	668,170	-	-	761,929	-	761,929
Adjustments to liabilities for incurred claims	-	-	6,235	(23,663)	(17,429)	-	-	107,955	(13,921)	94,034
Losses on onerous contracts	-	-	-	-	-	-	-	-	-	-
Amortisation of insurance acquisition cash flows	-	-	-	-	-	-	-	-	-	-
	-	-	674,405	(23,663)	650,742	-	-	869,884	(13,921)	855,963
Insurance service result	(1,004,896)	-	674,405	(23,663)	(354,155)	(1,608,300)	-	869,884	(13,921)	(752,338)
Finance expenses from insurance contracts in profit or loss	-	-	20,183	-	20,183	-	-	6,262	-	6,262
Total changes in the statement of profit or loss	(1,004,896)	-	694,587	(23,663)	(333,972)	(1,608,300)	-	876,146	(13,921)	(746,076)
Cash flows										
Premiums received (including investment components)	994,027	-	-	-	994,027	1,617,977	-	-	-	1,617,977
Insurance acquisition cash flows	-	-	-	-	-	-	-	-	-	-
Claims and other insurance service expenses paid	-	-	(668,170)	-	(668,170)	-	-	(761,929)	-	(761,929)
Total cash flows	994,027	-	(668,170)	-	325,857	1,617,977	-	(761,929)	-	856,048
Net Closing Liabilities - AIICO Multishield (PAA)	35,210	-	286,972	(109)	322,073	46,080	-	282,791	1,318	330,188
Insurance contract assets as at 31 December	-	-	-	-	-	-	-	-	-	-
Insurance contract liabilities as at 31 December	35,210	-	286,972	(109)	322,073	46,080	-	282,791	1,318	330,188
Net Closing Balance - AIICO Multishield (PAA)	35,210	-	286,972	(109)	322,073	46,080	-	282,791	1,318	330,188

Notes to the Consolidated and Separate Financial Statements (Continued)
For the year ended 31 December 2023

14 (b) Insurance Contract Liabilities - Company

Age analysis of Outstanding Claims

Life business

Days	2023		2022	
	No. of claimants	Amount (N'000)	No. of claimants	Amount (N'000)
0 - 90 days	1,099	1,678,582	883	1,918,057
91 - 180 days	267	430,566	145	157,152
181 - 270 days	161	128,039	186	281,232
271 - 365 days	192	96,469	187	321,419
365 days and above	1,844	1,233,230	2,651	2,387,486
	3,563	3,566,886	4,052	5,065,346

Age analysis of outstanding claims by reason of being outstanding:

2023 claims status - Reason	0 - 90 days		91 - 180 days		181 - 270 days		271 - 365 days		365 days and above		Total	
	Qty	N'000	Qty	N'000	Qty	N'000	Qty	N'000	Qty	N'000	Qty	N'000
Discharged vouchers signed and returned to policy holders	-	-	-	-	-	-	-	-	-	-	-	-
Discharge vouchers not yet signed	-	-	-	-	-	-	-	-	-	-	-	-
Claims reported but incomplete documentation	1,099	1,678,582	267	430,566	161	128,039	192	96,469	1,844	1,233,230	3,563	3,566,886
Claims reported but being adjusted	-	-	-	-	-	-	-	-	-	-	-	-
Claims repudiated	-	-	-	-	-	-	-	-	-	-	-	-
Awaiting adjusters final report	-	-	-	-	-	-	-	-	-	-	-	-
Litigation awarded	-	-	-	-	-	-	-	-	-	-	-	-
Awaiting Lead insurer's instruction	-	-	-	-	-	-	-	-	-	-	-	-
Third party liability outstanding	-	-	-	-	-	-	-	-	-	-	-	-
Adjusters fee payable	-	-	-	-	-	-	-	-	-	-	-	-
Total	1,099	1,678,582	267	430,566	161	128,039	192	96,469	1,844	1,233,230	3,563	3,566,886

Notes to the Consolidated and Separate Financial Statements (Continued)
For the year ended 31 December 2023

14 (b) Insurance Contract Liabilities - Company
Age analysis of outstanding claims
Life business - continued

2022 claims status - Reason	0 - 90 days		91 - 180 days		181 - 270 days		271 - 365 days		365 days and above		Total	
	Qty	N'000	Qty	N'000	Qty	N'000	Qty	N'000	Qty	N'000	Qty	N'000
Discharged vouchers signed and returned to policy holders	-	-	-	-	-	-	-	-	-	-	-	-
Discharge vouchers not yet signed	883	1,918,057	145	157,152	186	281,232	187	321,419	2,651	2,387,486	4,052	5,065,346
Claims reported but incomplete documentation	-	-	-	-	-	-	-	-	-	-	-	-
Claims reported but being adjusted	-	-	-	-	-	-	-	-	-	-	-	-
Claims repudiated	-	-	-	-	-	-	-	-	-	-	-	-
Awaiting adjusters final report	-	-	-	-	-	-	-	-	-	-	-	-
Litigation awarded	-	-	-	-	-	-	-	-	-	-	-	-
Awaiting Lead insurer's instruction	-	-	-	-	-	-	-	-	-	-	-	-
Third party liability outstanding	-	-	-	-	-	-	-	-	-	-	-	-
Adjusters fee payable	-	-	-	-	-	-	-	-	-	-	-	-
Total	883	1,918,057	145	157,152	186	281,232	187	321,419	2,651	2,387,486	4,052	5,065,346

Age analysis of outstanding claims
Non-life business

Days	2023		2022	
	No. of claimants	Amount (N'000)	No. of claimants	Amount (N'000)
0 - 90 days	3	50,350	411	564,392
91 - 180 days	11	19,644	259	483,080
181 - 270 days	16	31,811	269	264,100
271 - 365 days	24	4,525,688	307	400,126
365 days and above	3,338	10,536,205	2,465	4,732,142
	3,392	15,163,698	3,711	6,443,841

Notes to the Consolidated and Separate Financial Statements (Continued)
For the year ended 31 December 2023

14 (b) Insurance Contract Liabilities - Company

Age analysis of outstanding claims

Non-life business - continued

Age analysis of outstanding claims by reason of being outstanding:

2023 claims status - Reason	0 - 90 days		91 - 180 days		181 - 270 days		271 - 365 days		365 days and above		Total	
	Qty	N'000	Qty	N'000	Qty	N'000	Qty	N'000	Qty	N'000	Qty	N'000
Discharged vouchers signed and returned to policy holders	-	-	-	-	-	-	-	-	-	-	-	-
Discharge vouchers not yet signed	-	-	-	-	-	-	-	-	-	-	-	-
Claims reported but incomplete documentation	3	50,350	11	19,644	16	31,811	24	4,525,688	3,338	10,536,205	3,392	15,163,698
Claims reported but being adjusted	-	-	-	-	-	-	-	-	-	-	-	-
Claims repudiated	-	-	-	-	-	-	-	-	-	-	-	-
Awaiting adjusters final report	-	-	-	-	-	-	-	-	-	-	-	-
Litigation awarded	-	-	-	-	-	-	-	-	-	-	-	-
Awaiting Lead insurer's instruction	-	-	-	-	-	-	-	-	-	-	-	-
Third party liability outstanding	-	-	-	-	-	-	-	-	-	-	-	-
Adjusters fee payable	-	-	-	-	-	-	-	-	-	-	-	-
Total	3	50,350	11	19,644	16	31,811	24	4,525,688	3,338	10,536,205	3,392	15,163,698

2022 claims status - Reason	0 - 90 days		91 - 180 days		181 - 270 days		271 - 365 days		365 days and above		Total	
	Qty	N'000	Qty	N'000	Qty	N'000	Qty	N'000	Qty	N'000	Qty	N'000
Discharged vouchers signed and returned to policy holders	-	-	-	-	-	-	-	-	-	-	-	-
Discharge vouchers not yet signed	411	564,392	259	483,080	269	264,100	307	400,126	2,465	4,732,142	3,711	6,443,841
Claims reported but incomplete documentation	-	-	-	-	-	-	-	-	-	-	-	-
Claims reported but being adjusted	-	-	-	-	-	-	-	-	-	-	-	-
Claims repudiated	-	-	-	-	-	-	-	-	-	-	-	-
Awaiting adjusters final report	-	-	-	-	-	-	-	-	-	-	-	-
Litigation awarded	-	-	-	-	-	-	-	-	-	-	-	-
Awaiting Lead insurer's instruction	-	-	-	-	-	-	-	-	-	-	-	-
Third party liability outstanding	-	-	-	-	-	-	-	-	-	-	-	-
Adjusters fee payable	-	-	-	-	-	-	-	-	-	-	-	-
Total	411	564,392	259	483,080	269	264,100	307	400,126	2,465	4,732,142	3,711	6,443,841

Notes to the Consolidated and Separate Financial Statements (Continued)
For the year ended 31 December 2023

14 (d) Investment contract liabilities

<i>In thousands of naira</i>	Group			Company		
	Dec-23	Dec-22	Jan-22	Dec-23	Dec-22	Jan-22
Deposit administration (see note (i) below)	3,855,324	3,212,895	2,836,752	3,855,323	3,212,895	2,836,752
Total investment contract liabilities	3,855,324	3,212,895	2,836,752	3,855,323	3,212,895	2,836,752

(i)

Movement in deposit administration is shown below:	Group			Company		
	Dec-23	Dec-22	Jan-22	Dec-23	Dec-22	Jan-22
At 1 January	3,212,894	2,836,752	2,906,733	3,212,894	2,836,752	2,906,733
Deposits	24,558	575,854	380,955	24,558	575,854	380,955
Withdrawals	(25,923)	(472,789)	(91,692)	(25,923)	(472,789)	(91,692)
Credit of interest and other income	7,373	107,744	99,030	7,373	107,744	99,030
Changes in investment contract liabilities (NPF)	639,957	167,556	(125,958)	639,957	167,556	(125,958)
Impact of actuarial valuation	(3,536)	(2,223)	(332,316)	(3,536)	(2,223)	(332,316)
Balance as at	3,855,323	3,212,894	2,836,752	3,855,323	3,212,894	2,836,752

15 (a) Trade Payables

Trade payables represent amounts payable to reinsurers, co-insurers, agents and brokers at the end of the period. The carrying amounts disclosed below approximate the fair values at the reporting date.

<i>In thousands of naira</i>	Group			Company		
	Dec-23	Dec-22	Jan-22	Dec-23	Dec-22	Jan-22
Co-insurance Payable	1,621,536	1,879,085	1,042,798	1,621,536	1,879,085	1,042,798
Commission Payable	(8,627)	131,212	47,568	(8,627)	131,212	47,568
Others (see (iii) below)	-	-	62,507	-	-	-
Transfer to held for sale	-	-	(31,592)	-	-	-
	1,612,909	2,010,298	1,121,281	1,612,909	2,010,297	1,090,366

15 (b) Other Insurance Contract Liabilities

<i>In thousands of naira</i>	Group			Company		
	Dec-23	Dec-22	Jan-22	Dec-23	Dec-22	Jan-22
Premium Paid in Advance	265,265	118,405	150,302	265,265	118,405	150,302
Refund to policyholders (see (i) below)	68,553	47,935	33,025	68,553	47,935	33,025
Unallocated premium (see (ii) below)	2,089,350	2,937,364	1,434,866	2,089,350	2,937,364	1,434,866
	2,423,168	3,103,704	1,618,193	2,423,168	3,103,704	1,618,193

(i) This relates to premiums refundable to policyholders on policies cancelled during the grace period.

(ii) This relates to premiums yet to be matched to policies due to various reasons.

(iii) This relates to trade payables of subsidiaries.

16 (a) Other payables and accruals

<i>In thousands of naira</i>	Group			Company		
	Dec-23	Dec-22	Jan-22	Dec-23	Dec-22	Jan-22
Accrued expenses (see note (iii) below)	2,899,408	1,355,363	1,023,137	2,842,373	1,328,711	781,461
Provision for Litigation	30,500	-	-	30,500	-	-
NAICOM levy	1,094,084	877,441	710,024	1,094,084	877,440	710,024
Agent provident fund	302,177	289,741	229,454	302,177	289,741	229,454
Gratuity payable (see note (i) below)	11,693	10,380	11,549	11,693	10,380	11,549
Sundry Payables	1,591,364	1,924,488	544,779	687,600	751,439	93,042
Sundry credit balances (see note (ii) below)	2,402,914	3,307,419	869,819	2,402,914	3,321,976	869,819
Payable to subsidiaries	-	-	-	199,247	150,930	147,151
Transferred to disposal group (see note 19(b))	-	-	(240,590)	-	-	-
	8,332,139	7,764,833	3,148,171	7,570,588	6,730,616	2,842,499

Notes to the Consolidated and Separate Financial Statements (Continued)
For the year ended 31 December 2023

- (i) The Company's retirement benefit obligation was terminated in 2014 and the liability as at the date of termination - April 30, 2014, was transferred to a payable account.
- (ii) Sundry credit balances represent outstanding bank credits which have not been matched to the prospective policyholders.
- (iii) Included in accrued expense is N118m (2022: N354m) which represents deferred incentive pay for executive management staff (from AGM to MD). This incentive pay is 30% of eligible employees annual bonus, which is deferred and shall vest after three years. It will also grow in line with the growth in Net Asset Value (NAV) of the Company.

(b) Fixed income liabilities

<i>In thousands of naira</i>	Group			Company		
	Dec-23	Dec-22	Jan-22	Dec-23	Dec-22	Jan-22
Guaranteed income notes (see note (i))	30,241,800	22,781,598	33,506,178	-	-	-
	30,241,800	22,781,598	33,506,178	-	-	-

- (i) AICO Capital Limited, a subsidiary company, manages a guaranteed income product, held as fixed income liabilities. The assets held under this arrangement are in the name of AICO Capital Limited and the underlying risks are retained by the Company.

- (ii) These fixed income liabilities are invested as follows:

<i>In thousands of naira</i>	Group			Company		
	Dec-23	Dec-22	Jan-22	Dec-23	Dec-22	Jan-22
Cash and cash equivalents	599,691	541,485	791,245	-	-	-
Financial assets	29,642,109	22,240,113	32,714,933	-	-	-
	30,241,800	22,781,598	33,506,178	-	-	-

- (iii) **Movement in fixed income liabilities**

<i>In thousands of naira</i>	Group			Company		
	Dec-23	Dec-22	Jan-22	Dec-23	Dec-22	Jan-22
Opening balance	22,781,598	33,506,178	49,317,289	-	-	-
Additions	32,509,488	35,433,649	31,848,253	-	-	-
Interest accrued	4,471,304	4,476,313	3,465,091	-	-	-
Interest paid	(3,501,752)	(3,723,147)	(2,869,538)	-	-	-
Liquidation/ Maturities	(28,662,833)	(47,123,611)	(48,409,111)	-	-	-
Revaluation	2,643,995	212,217	154,194	-	-	-
	30,241,800	22,781,598	33,506,178	-	-	-

17 Capital and reserves

(a) Share capital

<i>In thousands of naira</i>	Group			Company		
	Dec-23	Dec-22	Jan-22	Dec-23	Dec-22	Jan-22

(a)(i) Authorised:

At 1 January 2023: 36,605,275,996 (2022:37,600,000,000) shares of 50k each	18,302,638	18,800,000	18,800,000	18,302,638	18,800,000	18,800,000
Cancelled during the period* 2023 Nil (2022:994,723,987 units of 50k each)		(497,362)	-		(497,362)	-
At 31 December 2023: 37,600,000,000 shares of 50k each	18,302,638	18,302,638	18,800,000	18,302,638	18,302,638	18,800,000

(a)(ii) Ordinary shares issued and fully paid:

<i>In thousands of naira</i>	Group			Company		
	Dec-23	Dec-22	Jan-22	Dec-23	Dec-22	Jan-22
At 1 January 2023: 36,605,275,996 (2022:36,605,275,996) shares of 50k each	18,302,638	18,302,638	7,843,988	18,302,638	18,302,638	7,843,988
Increase: Nil (2022: Nil, 2021: Bonus issue of 20,917,299,080 shares at 50k each)	-		10,458,650			10,458,650
At 31 December 2023: 36,605,275,996 shares of 50k each	18,302,638	18,302,638	18,302,638	18,302,638	18,302,638	18,302,638

- (a)(iii) Ordinary shares issued and fully paid can be further analysed as follows:**

<i>In thousands of naira</i>	Group			Company		
	Dec-23	Dec-22	Jan-22	Dec-23	Dec-22	Jan-22
General business - 20,597,978,694 ordinary shares at 50 kobo each	10,298,988	10,298,988	10,298,988	10,298,988	10,298,988	10,298,988
Life business - 16,007,300,002 ordinary shares at 50 kobo each	8,003,650	8,003,650	8,003,650	8,003,650	8,003,650	8,003,650
	18,302,638	18,302,638	18,302,638	18,302,638	18,302,638	18,302,638

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For the year ended 31 December 2023

(b)(i) Share premium

<i>In thousands of naira</i>	Group			Company		
	Dec-23	Dec-22	Jan-22	Dec-23	Dec-22	Jan-22
At 1 January	64,745	64,745	64,745	64,745	64,745	64,745
Balance as at 31 December	64,745	64,745	64,745	64,745	64,745	64,745

(b)(ii) Share premium can be further analysed as follows:

<i>In thousands of naira</i>	Group			Company		
	Dec-23	Dec-22	Jan-22	Dec-23	Dec-22	Jan-22
General business	-	-	-	-	-	-
Life business - (2022: 129,489,292) ordinary shares at 50 kobo each	64,745	64,745	64,745	64,745	64,745	64,745
Balance as at	64,745	64,745	64,745	64,745	64,745	64,745

(c) Revaluation reserve

(i) The balance in this account is analysed as follows:

<i>In thousands of naira</i>	Group			Company		
	Dec-23	Dec-22	Jan-22	Dec-23	Dec-22	Jan-22
At 1 January	2,764,016	1,812,707	1,812,707	2,764,016	1,812,707	1,812,707
Revaluation gain	-	951,309	-	-	951,309	-
Balance as at	2,764,016	2,764,016	1,812,707	2,764,016	2,764,016	1,812,707

(d) Fair value reserve

	Group			Company		
	Dec-23	Dec-22	Jan-22	Dec-23	Dec-22	Jan-22
At 1 January	(2,796,624)	(1,683,037)	(507,416)	(1,821,697)	(1,016,727)	(438,588)
Reclassification from fair value reserves	(24,681)	(10,304)	91,081	-	-	85,611
Fair value loss on debt instruments	(168,255)	(733,641)	(1,330,219)	(25,019)	(383,835)	(661,167)
Fair value gain/(loss) on equity securities	1,861,027	(394,869)	-	1,826,086	(411,357)	-
Impairment adjustment	8,516	(9,778)	(3,130)	7,086	(9,778)	(2,583)
Transfer to NCI	12,367	35,005	66,647	-	-	-
Balance as at	(1,107,650)	(2,796,624)	(1,683,038)	(13,544)	(1,821,697)	(1,016,727)

(e) Foreign exchange gains reserve

<i>In thousands of naira</i>	Group			Company		
	Dec-23	Dec-22	Jan-22	Dec-23	Dec-22	Jan-22
At 1 January	-	175,600	175,600	-	175,600	175,600
Transfer to Retained earnings	-	(175,600)	-	-	(175,600)	-
Balance as at	-	-	175,600	-	-	175,600

(h) Contingency reserve

<i>In thousands of naira</i>	Group			Company		
	Dec-23	Dec-22	Jan-22	Dec-23	Dec-22	Jan-22
At 1 January	9,710,046	8,304,604	7,213,594	9,710,046	8,304,604	7,213,594
Transfer from retained earnings	2,045,429	1,405,442	1,091,010	2,045,429	1,405,442	1,091,010
Balance as at	11,755,475	9,710,046	8,304,604	11,755,475	9,710,046	8,304,604

Contingency reserve is calculated, in the case of non-life business, at the rate of the higher of 3% of total premium income receivable during the period or 20% of the net profits in accordance with Section 21(2) of Insurance Act, 2003.

Notes to the Consolidated and Separate Financial Statements (Continued)
For the year ended 31 December 2023

(i) **Retained earnings**

The movement in retained earnings can be analysed as follows:

<i>In thousands of naira</i>	Group			Company		
	Dec-23	Dec-22	Jan-22	Dec-23	Dec-22	Jan-22
At 1 January		11,051,695	9,924,143		9,139,930	8,834,102
Impact of initial application of IFRS 17 (see (j) below)		(3,410,338)	(3,364,088)		(3,354,904)	(3,354,904)
<i>At 1 January (restated)</i>	<i>10,743,724</i>	<i>7,641,357</i>	<i>6,560,055</i>	<i>8,290,471</i>	<i>5,785,026</i>	<i>5,479,198</i>
Transfer from statement of profit or loss and other comprehensive income	11,991,072	5,054,011	4,853,284	11,571,055	4,467,392	4,968,664
Transfer from/(to) contingency reserve	(2,045,429)	(1,405,442)	(1,091,010)	(2,045,429)	(1,405,442)	(1,091,010)
Transfer from statutory reserve	-	-	202,042	-	-	-
Transfer from foreign exchange reserve	-	175,600	-	-	175,600	-
Transfer to investment in associate	-	-	740,532	-	-	-
Dividend paid to ordinary shareholders	(1,098,158)	(732,105)	-	(1,098,158)	(732,105)	-
Realised gain /(loss) on equities	24,681	10,304	(91,081)	-	-	(85,611)
Transfer to share capital	-	-	(3,486,215)	-	-	(3,486,215)
Balance as at	19,615,891	10,743,724	7,687,606	16,717,938	8,290,471	5,785,026

Impact of Transition on Net Assets, relative to IFRS 4 Balance Sheet - Reporting Segments

(j) i **Transition Changes 2021YE - Company (AIICO Insurance)**

Impact of initial application of IFRS 17	NGN '000
Retail Life	(3,825,053)
Group Life	198,327
Life Total	(3,626,726)
Non-life	271,822
Composite	(3,354,904)

(j) ii **Transition Changes 2021YE - AIICO Multishield**

Impact of initial application of IFRS 17	NGN '000
Total Remaining coverage liability (A)	35,676
Total incurred Claims Liability (B)	184,539
IFRS 17 Reserve - (C) = A + B	220,215
IFRS 4 Reserve - (D)	211,030
Impact on NAV (Due to Ins Contract Liabilities) D - C	(9,184)

(j) iii **Transition Changes 2022YE - AIICO Multishield**

Impact of initial application of IFRS 17	NGN '000
Total Remaining coverage liability (A)	76,720
Total incurred Claims Liability (B)	285,229
IFRS 17 Reserve - (C) = A + B	361,949
IFRS 4 Reserve - (D)	315,699
Impact on NAV (Due to Ins Contract Liabilities) D - C	(46,250)

Notes to the Consolidated and Separate Financial Statements (Continued)
For the year ended 31 December 2023

18 Insurance Result

18 (a) Insurance Revenue

<i>In thousands of naira</i>	Group		Company	
	Dec-23	Dec-22	Dec-23	Dec-22
Expected insurance service expenses incurred in the period	21,175,447	16,270,023	21,175,447	16,270,023
Change in the risk adjustment for non-financial risk	61,753	40,606	61,753	40,606
Amount of CSM recognised in profit or loss	5,937,274	3,683,031	5,937,274	3,683,031
Acquisition Expenses Recovered from Premiums	4,307,950	1,470,295	4,307,950	1,470,295
Contracts measured under the PAA	41,150,950	33,353,941	40,146,053	31,745,641
Total - Insurance revenue	72,633,374	54,817,897	71,628,478	53,209,597

(a)i Insurance Revenue - Group

The following tables present an analysis of the insurance revenue recognised in the period. Insurance revenue comprises of the expected cash outflows, risk adjustment expired, allocation of acquisition cash flows and allocation of the CSM to profit or loss.

December-23	Reporting Groups			Total
	Life	Non-Life	AIICO Multishield	
Contracts not measured under the PAA				
<i>Amounts relating to changes in liabilities for remaining coverage</i>				
Expected incurred claims and expenses	21,175,447	-	-	21,175,447
Change in risk adjustment for non- financial risk for risk expired	61,753	-	-	61,753
CSM recognised for services provided	5,937,274	-	-	5,937,274
Recovery of insurance acquisition cash flow	4,307,950	-	-	4,307,950
Contracts measured under the PAA Total insurance revenue	8,398,123	31,747,930	1,004,896	41,150,950
Total Insurance revenue	39,880,548	31,747,930	1,004,896	72,633,374

December-22	Reporting Groups			Total
	Life	Non-Life	AIICO Multishield	
Contracts not measured under the PAA				
<i>Amounts relating to changes in liabilities for remaining coverage</i>				
Expected incurred claims and expenses	16,270,023	-	-	16,270,023
Change in risk adjustment for non- financial risk for risk expired	40,606	-	-	40,606
CSM recognised for services provided	3,683,031	-	-	3,683,031
Recovery of insurance acquisition cash flow	1,470,295	-	-	1,470,295
Contracts measured under the PAA Total insurance revenue	7,749,379	23,996,262	1,608,300	33,353,941
Total Insurance revenue	29,213,335	23,996,262	1,608,300	54,817,897

(a)ii Insurance Revenue - Company

The following tables present an analysis of the insurance revenue recognised in the period. Insurance revenue comprises of the expected cash outflows, risk adjustment expired, allocation of acquisition cash flows and allocation of the CSM to profit or loss.

December-23	Reporting Segments				Total
	Ordinary Life	Regulated Annuity	Group Life	Non-Life	
Contracts not measured under the PAA					
<i>Amounts relating to changes in liabilities for remaining coverage</i>					
Expected incurred claims and expenses	8,244,123	12,931,324	-	-	21,175,447
Change in risk adjustment for non- financial risk for risk expired	336	61,417	-	-	61,753
CSM recognised for services provided	5,767,158	170,116	-	-	5,937,274
Recovery of insurance acquisition cash flow	4,158,885	149,065	-	-	4,307,950
Contracts measured under the PAA Total insurance revenue	-	-	8,398,123	31,747,930	40,146,053
Total Insurance revenue	18,170,502	13,311,922	8,398,123	31,747,930	71,628,478

December-22	Reporting Segments				Total
	Ordinary Life	Regulated Annuity	Group Life	Non-Life	
Contracts not measured under the PAA					
<i>Amounts relating to changes in liabilities for remaining coverage</i>					
Expected incurred claims and expenses	8,003,516	8,266,507	-	-	16,270,023
Change in risk adjustment for non- financial risk for risk expired	3,539	37,068	-	-	40,606
CSM recognised for services provided	3,486,710	196,322	-	-	3,683,031
Recovery of insurance acquisition cash flow	1,446,691	23,604	-	-	1,470,295
Contracts measured under the PAA Total insurance revenue	-	-	7,749,379	23,996,262	31,745,641
Total Insurance revenue	12,940,455	8,523,501	7,749,379	23,996,262	53,209,597

18 (b) Insurance Service Expenses:

<i>In thousands of naira</i>	Group		Company	
	Dec-23	Dec-22	Dec-23	Dec-22
Incurring claims and other expenses	64,694,774	52,907,979	64,026,604	52,146,451
Losses on onerous contracts and reversals of those losses	5,813,298	4,037,746	5,813,298	4,037,746
Amortisation of insurance acquisition cash flows	11,005,840	7,143,367	11,005,840	7,143,367
Changes to liabilities for incurred claims	(16,016,128)	(20,289,189)	(15,998,699)	(20,383,223)
	65,497,784	43,799,903	64,847,043	42,944,342

18 (c) Insurance Service Expenses - Group

The tables below show an analysis of insurance service expenses recognised by the group in the period

December-23	Reporting Groups			Total
	Life	Non-Life	AIICO Multishield	
Incurring claims and expenses	50,428,214	13,598,390	668,170	64,694,774
Changes that relate to past service - adjustment to the LIC	(25,118,504)	9,119,805	(17,429)	(16,016,128)
Changes that relate to future service - losses on onerous groups of contracts and reversal of such losses	5,813,298	-	-	5,813,298
<i>Insurance acquisition cash flows</i>				
Amortisation	6,817,345	4,188,494	-	11,005,840
Total Insurance expenses	37,940,353	26,906,690	650,742	65,497,784

December-22	Reporting Groups			Total
	Life	Non-Life	AIICO Multishield	
Incurring claims and expenses	45,166,795	6,979,655	761,528	52,907,979
Changes that relate to past service - adjustment to the LIC	(23,662,348)	3,279,125	94,034	(20,289,189)
Changes that relate to future service - losses on onerous groups of contracts and reversal of such losses	4,299,207	(261,460)	-	4,037,746
<i>Insurance acquisition cash flows</i>				
Amortisation	3,759,594	3,383,773	-	7,143,367
Total Insurance expenses	29,563,248	13,381,093	855,562	43,799,903

Insurance Service Expenses - Company

The tables below show an analysis of insurance service expenses recognised by the company in the period

December-23	Reporting Segments				Total
	Ordinary Life	Regulated Annuity	Group Life	Non-Life	
Incurring claims and expenses	32,685,146	13,453,436	4,289,632	13,598,390	64,026,604
Changes that relate to past service - adjustment to the LIC	(25,158,638)	(1,141)	41,275	9,119,805	(15,998,699)
Changes that relate to future service - losses on onerous groups of contracts and reversal of such losses	5,762,355	68,813	(17,869)	-	5,813,298
<i>Insurance acquisition cash flows</i>					
Amortisation	4,158,885	149,065	2,509,396	4,188,494	11,005,840
Total Insurance expenses	17,447,747	13,670,173	6,822,433	26,906,690	64,847,043

December-22	Reporting Segments				Total
	Ordinary Life	Regulated Annuity	Group Life	Non-Life	
Incurring claims and expenses	31,234,541	8,721,573	5,210,681	6,979,655	52,146,451
Changes that relate to past service - adjustment to the LIC	(23,626,685)	524	(36,186)	3,279,125	(20,383,223)
Changes that relate to future service - losses on onerous groups of contracts and reversal of such losses	4,273,869	87,372	(62,035)	(261,460)	4,037,746
<i>Insurance acquisition cash flows</i>					
Amortisation	1,446,691	23,604	2,289,298	3,383,773	7,143,367
Total Insurance expenses	13,328,416	8,833,073	7,401,759	13,381,093	42,944,342

Insurance claims and other expenses are represented by actual cash outflows on insured events that have occurred. Changes in the liability for remaining coverage due to incurred claims and other insurance service expenses are allocated between the loss component and the remainder of the liability for remaining coverage on a systematic basis.

Losses on onerous contracts are represented by a loss component that is recognised and reversed as the amounts move into the liability for incurred claims or are no longer required.

Changes to the liabilities for incurred claims show changes in expected cash flows for insured events that have occurred and release of the risk adjustment.

(c) **Net expense from reinsurance contracts held**

(i) <i>In thousands of naira</i>	Group		Company	
	Dec-23	Dec-22	Dec-23	Dec-22
Contracts measured under the PAA	(18,244,898)	(13,105,899)	(18,244,898)	(13,105,899)
Allocation of reinsurance premiums	(18,244,898)	(13,105,899)	(18,244,898)	(13,105,899)
Amounts recoverable for claims and other expenses incurred in the period	(9,676,587)	(5,112,825)	(9,676,587)	(5,112,825)
Changes in amounts recoverable arising from changes in liability for incurred claims	189,815	2,808,901	189,815	2,808,901
Changes in fulfilment cash flows which relate to onerous underlying contracts	(4,295)	(8,762)	(4,295)	(8,762)
Amounts recoverable from reinsurers	(9,491,067)	(2,312,687)	(9,491,067)	(2,312,687)
Net expense from reinsurance contracts held	(8,753,832)	(10,793,212)	(8,753,832)	(10,793,212)

Net Income or expenses from reinsurance contracts held - Group

An analysis of allocation of reinsurance premiums paid and amounts recovered from reinsurers, are presented in the tables below.

December-23	Reinsurance contracts held for:			Total
	Reporting Group			
	Life	Non-Life	AIICO Multishield	
Contracts measured under the PAA	(1,709,351)	(16,535,547)	-	(18,244,898)
Allocation of reinsurance premiums paid	(1,709,351)	(16,535,547)	-	(18,244,898)
Amounts recoverable for incurred claims and other incurred insurance service expenses	(1,101,955)	(8,574,632)	-	(9,676,587)
Changes in amounts recoverable that relate to past service – adjustments to incurred claims	386,251	(196,436)	-	189,815
Recoveries of losses on onerous group of underlying contracts and reversal of such losses	(4,295)	-	-	(4,295)
Contracts not measured under the PAA	-	-	-	-
Contracts measured under the PAA	(719,999)	(8,771,068)	-	(9,491,067)
Amounts recovered from reinsurers	(719,999)	(8,771,068)	-	(9,491,067)
Net expenses from reinsurance contracts held	(989,352)	(7,764,479)	-	(8,753,832)

December-22	Reporting Group			Total
	Life	Non-Life	AIICO Multishield	
	Contracts measured under the PAA	(1,498,842)	(11,607,057)	
Allocation of reinsurance premiums paid	(1,498,842)	(11,607,057)	-	(13,105,899)
Amounts recoverable for incurred claims and other incurred insurance service expenses	(1,991,943)	(3,120,882)	-	(5,112,825)
Changes in amounts recoverable that relate to past service – adjustments to incurred claims	179,524	2,629,376	-	2,808,901
Recoveries of losses on onerous group of underlying contracts and reversal of such losses	(8,762)	-	-	(8,762)
Contracts not measured under the PAA	-	-	-	-
Contracts measured under the PAA	(1,821,181)	(491,506)	-	(2,312,687)
Amounts recovered from reinsurers	(1,821,181)	(491,506)	-	(2,312,687)
Net expenses from reinsurance contracts held	322,339	(11,115,551)	-	(10,793,212)

Net Income or expenses from reinsurance contracts held - Company

An analysis of allocation of reinsurance premiums paid and amounts recovered from reinsurers, are presented in the tables below.

December-23	Reinsurance contracts held for:				Total
	Reporting Segments				
	Ordinary Life	Regulated Annuity	Group Life	Non-Life	
Contracts measured under the PAA	(56,045)	-	(1,653,306)	(16,535,547)	(18,244,898)
Allocation of reinsurance premiums paid	(56,045)	-	(1,653,306)	(16,535,547)	(18,244,898)
Amounts recoverable for incurred claims and other incurred insurance service expenses	-	-	(1,101,955)	(8,574,632)	(9,676,587)
Changes in amounts recoverable that relate to past service – adjustments to incurred claims	-	-	386,251	(196,436)	189,815
Recoveries of losses on onerous group of underlying contracts and reversal of such losses	-	-	(4,295)	-	(4,295)
Contracts not measured under the PAA	-	-	-	-	-
Contracts measured under the PAA	-	-	(719,999)	(8,771,068)	(9,491,067)
Amounts recovered from reinsurers	-	-	(719,999)	(8,771,068)	(9,491,067)
Net expenses from reinsurance contracts held	(56,045)	-	(933,307)	(7,764,479)	(8,753,832)

December-22	Reporting Segments				Total
	Reporting Segments				
	Ordinary Life	Regulated Annuity	Group Life	Non-Life	
Contracts measured under the PAA	(51,840)	-	(1,447,002)	(11,607,057)	(13,105,899)
Allocation of reinsurance premiums paid	(51,840)	-	(1,447,002)	(11,607,057)	(13,105,899)
Amounts recoverable for incurred claims and other incurred insurance service expenses	(50,193)	-	(1,941,750)	(3,120,882)	(5,112,825)
Changes in amounts recoverable that relate to past service – adjustments to incurred claims	-	-	179,524	2,629,376	2,808,901
Recoveries of losses on onerous group of underlying contracts and reversal of such losses	-	-	(8,762)	-	(8,762)
Contracts not measured under the PAA	-	-	-	-	-
Contracts measured under the PAA	(50,193)	-	(1,770,988)	(491,506)	(2,312,687)
Amounts recovered from reinsurers	(50,193)	-	(1,770,988)	(491,506)	(2,312,687)
Net expenses from reinsurance contracts held	(1,647)	-	323,986	(11,115,551)	(10,793,212)

Notes

- a. Expected recovery for insurance service expenses incurred in the period comprise recovery for claims and other expenses which the Company expects to receive from reinsurers on insured events occurred during the period.
- b. Change in risk adjustment shows amount of risk which expired during the period.
- c. Net cost/gain recognised in profit or loss during the coverage period of the corresponding group of reinsurance contracts held based on coverage units.

19 (a) Investment income

<i>In thousands of naira</i>	Group		Company	
	Dec-23	Dec-22	Dec-23	Dec-22
Interest income	30,911,687	22,757,028	25,556,020	17,291,267
Dividend income	175,681	464,521	147,089	440,645
	31,087,368	23,221,549	25,703,109	17,731,912

<i>In thousands of naira</i>	Group			Company		
	Dec-23			Dec-23		
	Accrued interest/dividend @31 Dec 2023	Interest income/dividend income received in the year	Interest income/dividend income recognised in profit or loss	Accrued interest/dividend @31 Dec 2023	Interest income/dividend income received in the year	Interest income/dividend income recognised in profit or loss
Cash and cash equivalents	325,041	783,798	1,108,840	22,183	568,413	590,596
Financial assets at AMC	2,519,774	6,607,272	9,127,047	1,757,424	3,619,316	5,376,740
Financial assets at FVOCI	577,260	1,561,488	2,138,748	270,130	781,502	1,051,632
Interest income using effective interest method	3,422,076	8,952,559	12,374,635	2,049,738	4,969,230	7,018,968
Financial assets at FVTPL	4,868,722	13,668,330	18,537,052	4,868,722	13,668,330	18,537,052
Total interest income	8,290,798	22,620,888	30,911,687	6,918,460	18,637,560	25,556,020
Dividend	-	175,681	175,681	-	147,089	147,089
Investment income	8,290,798	22,796,570	31,087,368	6,918,460	18,784,649	25,703,109

19 (a) Investment income - continued

<i>In thousands of naira</i>	Group			Company		
	Dec-22			Dec-22		
	Accrued interest/dividend @31 Dec 2022	Interest income/dividend income received in the year	Interest income/dividend income recognised in profit or loss	Accrued interest/dividend @31 Dec 2022	Interest income/dividend income received in the year	Interest income/dividend income recognised in profit or loss
Cash and cash equivalents	222,571	1,175,125	1,397,696	7,185	420,625	427,810
Financial assets at AMC	485,221	6,121,889	6,607,110	440,690	3,324,801	3,765,491
Financial assets at FVOCI	1,268,622	1,805,835	3,074,457	990,346	429,855	1,420,201
Interest income using effective interest method	1,976,414	9,102,849	11,079,263	1,438,221	4,175,281	5,613,502
Financial assets at FVTPL	4,935,707	6,742,059	11,677,765	4,935,707	6,742,059	11,677,765
Total interest income	6,912,121	15,844,908	22,757,028	6,373,928	10,917,339	17,291,267
Dividend	-	464,521	464,521	-	440,645	440,645
	6,912,121	16,309,428	23,221,549	6,373,928	11,357,984	17,731,912

<i>In thousands of naira</i>	Group		Company	
	Dec-23	Dec-22	Dec-23	Dec-22
Policyholders' funds (see note (i) below)	14,572,049	11,295,513	14,572,049	11,295,514
Annuity funds (see note (ii) below)	11,112,268	6,417,861	11,112,268	6,417,861
Shareholders' funds (see note (iii) below)	5,403,050	5,508,174	18,792	18,537
	31,087,368	23,221,549	25,703,109	17,731,913

(i) Investment income attributable to policyholders' funds

<i>In thousands of naira</i>	Group		Company	
	Dec-23	Dec-22	Dec-23	Dec-22
Interest income on financial assets	13,131,081	8,788,356	13,131,081	8,788,356
Interest income on cash and cash equivalents	1,089,392	1,870,607	1,089,392	1,870,608
Income on policy loan	218,917	195,906	218,917	195,906
Dividend income	132,658	440,645	132,658	440,645
	14,572,049	11,295,513	14,572,049	11,295,514

(ii) Investment income attributable to annuity funds

Interest income on financial assets	11,097,837	6,417,861	11,097,837	6,417,861
Dividend income	14,432	-	14,432	-
	11,112,268	6,417,861	11,112,268	6,417,861

(iii) Investment income attributable to shareholders' funds

Interest income on financial assets	4,852,620	4,511,073	15,198	15,198
Interest income on cash and cash equivalents	521,838	973,225	3,594	3,339
Dividend income	28,592	23,876	-	-
	5,403,050	5,508,174	18,792	18,537

(b) Profit on deposit administration

<i>Investment income on deposit administration can be analysed as follows:</i>	Group		Company	
	Dec-23	Dec-22	Dec-23	Dec-22
Investment income on deposit	86,497	305,785	86,497	305,785
Guaranteed interest to policyholders	(7,373)	(107,744)	(7,373)	(107,744)
Acquisition expense	(408)	(494)	(408)	(494)
Impact of actuarial valuation	3,536	2,223	3,536	2,223
Profit from deposit administration	82,253	199,770	82,253	199,770

20 (a)(i) Net realised gains

<i>In thousands of naira</i>	Group		Company	
	Dec-23	Dec-22	Dec-23	Dec-22
<i>Net realised gains are attributable to the following:</i>				
Property and equipment	12,720	10,983	12,720	10,983
Investment property	9,000	2,000	9,000	2,000
Fair value financial instruments (see (ii) below)	841,361	(607,010)	841,361	(607,010)
	863,081	(594,027)	863,081	(594,027)

(a)(ii) Net realised gains on fair value financial instrument can be analysed as follows:

Realised gain/(loss) on FGN Bonds	841,361	(607,010)	841,361	(607,010)
	841,361	(607,010)	841,361	(607,010)

20 (b) Net fair value (losses)/ gains

<i>In thousands of naira</i>	Group		Company	
	Dec-23	Dec-22	Dec-23	Dec-22
Financial assets	(10,949,933)	(6,174,060)	(10,949,933)	(6,174,060)
Investment properties [Note 10(a)]	177,500	138,000	177,500	138,000
	(10,772,433)	(6,036,060)	(10,772,433)	(6,036,060)

21 Net Impairment (charge)/reversal

<i>In thousands of naira</i>	Group		Company	
	Dec-23	Dec-22	Dec-23	Dec-22
Impairment loss on financial instruments and others	(165,784)	(170,440)	38,115	(71,916)
	(165,784)	(170,440)	38,115	(71,916)

(a) Impairment (charge)/reversal can be attributable to the following:

<i>In thousands of naira</i>	Group		Company	
	Dec-23	Dec-22	Dec-23	Dec-22
Impairment (loss)/reversal on financial instruments at amortized cost	(198,361)	(66,605)	32,136	(66,605)
Impairment reversal/(loss) on financial instruments at FVTOCI	8,516	(9,778)	7,086	(9,778)
Impairment (loss)/reversal on debt instruments	(189,845)	(76,383)	39,223	(76,383)
Impairment reversal/(loss) on cash and cash equivalent	6,371	13,131	(1,108)	4,467
Impairment reversal/(loss) on trade receivables	17,690	(34,676)	-	-
Impairment loss on other receivables	-	(72,512)	-	-
	(165,784)	(170,440)	38,115	(71,916)

22 Net foreign exchange gain/(loss)

<i>In thousands of naira</i>	Group		Company	
	Dec-23	Dec-22	Dec-23	Dec-22
Realised exchange loss	(4,598,024)	(548,895)	(2,672,215)	(573,735)
Unrealised foreign exchange gain/(loss) - see (i) below	11,020,964	(127,324)	8,994,697	(116,472)
	6,422,939	(676,219)	6,322,481	(690,207)

(i) This amount is made up of foreign exchange gain or loss on translation of foreign currency denominated financial assets and cash and cash equivalent balances. See analysis below:

	Group		Company	
	Dec-23	Dec-22	Dec-23	Dec-22
Realised exchange loss on cash and cash equivalents	(4,598,024)	(548,895)	(2,672,215)	(573,735)
Unrealised exchange gain on cash and cash equivalents	2,154,925	76,424	2,144,340	98,465
Unrealised exchange gain/(loss) on financial asset at amortized cost	8,361,816	(203,748)	6,850,357	(214,937)
Unrealised exchange loss on impairment allowance	504,223	-	-	-
	6,422,939	(676,219)	6,322,481	(690,207)

23 **Net Insurance finance income/(expenses) for insurance contracts issued**

(a) Net Finance Income/(expenses) from Insurance	Group		Company	
	Dec-23	Dec-22	Dec-23	Dec-22
Interest accreted to insurance contracts	(24,678,962)	(17,978,101)	(24,658,611)	(17,969,239)
Effect of differences between current rates and locked-in rates when measuring changes in estimates	169,432,295	151,928,848	169,432,295	151,928,848
Due to changes in interest rates and other financial assumptions	(153,912,060)	(142,113,789)	(153,912,228)	(142,116,389)
Total Net Insurance Finance Expense (see c (i) below)	(9,158,728)	(8,163,041)	(9,138,545)	(8,156,779)
Net Finance Expense to P&L	(9,158,728)	(8,163,041)	(9,138,545)	(8,156,779)

Insurance finance expenses comprises 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.
- The effect of financial risk and changes in financial risk.

Insurance finance expenses in the table above includes amounts recognised in the profit or loss.

(b) Net Finance Income/(Expense) from Reinsurance Contracts held	Group		Company	
	Dec-23	Dec-22	Dec-23	Dec-22
Interest accreted to reinsurance contracts	436,373	339,696	436,373	339,696
Total Net Reinsurance Finance Income (see c (ii) below)	436,373	339,696	436,373	339,696
Net Finance Expense to P&L	436,373	339,696	436,373	339,696

(a) i Finance income/expenses from insurance contracts issued - Group December-2023	Reporting Groups			Total
	Life	Non-Life	AIICO Multishield	
Interest accreted to insurance contracts	(23,805,013)	(853,599)	(20,351)	(24,678,962)
Effect of differences between current rates and locked-in rates when measuring changes in estimates	169,432,295	-	-	169,432,295
Effect of changes in interest rates and other financial assumption	(153,980,605)	68,377	168	(153,912,060)
Total Finance income/expenses from insurance contracts issued	(8,353,323)	(785,222)	(20,183)	(9,158,728)

(b) i Finance income/expenses from reinsurance contracts held - Group				
Interest accreted to reinsurance contracts	100,087	362,980	-	463,068
Effect of changes in interest rates and other financial assumption	(1,106)	(25,589)	-	(26,695)
Total finance income/expenses from reinsurance contracts held	98,982	337,391	-	436,373
Net insurance finance income or expenses	(8,254,342)	(447,831)	(20,183)	(8,722,355)

(a) ii Finance income/expenses from insurance contracts issued December-2023	Reporting Segments				Total
	Ordinary Life	Regulated Annuity	Group Life	Non-Life	
	N	N	N	N	N
Finance income/expenses from insurance contracts issued					
Interest accreted to insurance contracts	(12,430,035)	(11,064,066)	(310,911)	(853,599)	(24,658,611)
Effect of differences between current rates and locked-in rates when measuring changes in estimates	81,443,257	87,989,038	-	-	169,432,295
Effect of changes in interest rates and other financial assumption	(73,256,201)	(80,735,292)	10,888	68,377	(153,912,228)
Total finance income/expenses from insurance contracts i	(4,242,980)	(3,810,321)	(300,023)	(785,222)	(9,138,545)

(b) ii Finance income/expenses from reinsurance contracts held					
Interest accreted to reinsurance contracts	-	-	100,087	362,980	463,068
Effect of changes in interest rates and other financial assumption	-	-	(1,106)	(25,589)	(26,695)
Total finance income/expenses from reinsurance contract	-	-	98,982	337,391	436,373
Net insurance finance income or expenses	(4,242,980)	(3,810,321)	(201,041)	(447,831)	(8,702,172)

23 Net finance income/(expenses) for insurance contracts issued - Group (continued)

December-2022	Reporting Groups			Total
	Life	Non-Life	AIICO Multishield	
(a) iii Insurance finance income/expenses from insurance contracts issued				
Interest accreted to insurance contracts	(17,264,733)	(704,506)	(8,862)	(17,978,101)
Effect of differences between current rates and locked-in rates when measuring changes in estimates	151,928,848	-	-	151,928,848
Effect of changes in interest rates and other financial assumption	(142,326,323)	209,934	2,600	(142,113,789)
Total insurance finance income/ expenses from insurance contracts issued	(7,662,208)	(494,572)	(6,262)	(8,163,041)
(b) iii Finance income/expenses from reinsurance contracts held				
Interest accreted to reinsurance contracts	51,856	369,043	-	420,899
Effect of changes in interest rates and other financial assumption	(5,224)	(75,978)	-	(81,202)
Total finance income/expenses from reinsurance contracts held	46,632	293,065	-	339,696
Net insurance finance income or expenses	(7,615,576)	(201,507)	(6,262)	(7,823,345)

Net Insurance finance income/(expenses) for insurance contracts issued - Company

December-2022	Reporting Segments				Total
	Ordinary Life	Regulated Annuity	Group Life	Non-Life	
Insurance finance income/expenses from insurance contracts issued					
(a) iv Interest accreted to insurance contracts	(10,077,225)	(7,003,846)	(183,662)	(704,506)	(17,969,239)
Effect of differences between current rates and locked-in rates when measuring changes in estimates	74,724,842	77,204,006	-	-	151,928,848
Effect of changes in interest rates and other financial assumption	(69,149,201)	(73,225,250)	48,128	209,934	(142,116,389)
Total insurance finance expenses from insurance contract	(4,501,584)	(3,025,090)	(135,534)	(494,572)	(8,156,779)
(b) iv Finance income/expenses from reinsurance contracts held					
Interest accreted to reinsurance contracts	-	-	51,856	369,043	420,899
Effect of changes in interest rates and other financial assumption	-	-	(5,224)	(75,978)	(81,202)
Total finance income from reinsurance contracts held	-	-	46,632	293,065	339,696
Net insurance finance income or expenses	(4,501,584)	(3,025,090)	(88,902)	(201,507)	(7,817,083)

Reinsurance finance income comprises the change in the carrying amount of groups of reinsurance contracts held arising from:

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

Reinsurance finance income in the table above includes amounts recognised in both profit or loss and OCI.

24 Other operating income

In thousands of naira	Group		Company	
	Dec-23	Dec-22	Dec-23	Dec-22
Sundry income	2,760,894	951,040	2,641,166	861,045
	2,760,894	951,040	2,641,166	861,045

(a) Sundry income is analysed as follows:

In thousands of naira	Group		Company	
	Dec-23	Dec-22	Dec-23	Dec-22
Recoveries on written-off assets	-	9,552	-	9,552
Income from statutory deposit	38,450	20,968	38,450	20,968
Administrative charges	228,915	264,351	228,915	264,351
Rental income	101,968	84,753	101,968	84,753
Interest on current account	214,250	-	116,768	-
Others (see (i) below)	2,177,311	571,417	2,155,065	481,422
	2,760,894	951,040	2,641,166	861,045

(i) Amount represents sundry income from charges on lost documents, income on bank balances management
Others (group) also includes contract income from AIICO Capital Ltd (subsidiary).
Others (Company) in 2023 was primarily arising from the results of reconciliation conducted in respect of the composition of the unallocated premium account balance.

25 Other Expenses

In thousands of naira	Group		Company	
	Dec-23	Dec-22	Dec-23	Dec-22
Attributable expenses - see 25 (a) & (b) below	14,365,267	11,420,523	14,365,267	11,420,523
Non-attributable expenses - see (25 (c) & (d))	6,768,625	6,431,059	1,532,079	1,094,846
	21,133,892	17,851,582	15,897,347	12,515,369

25 (a) **Other Expenses - Personnel expenses (attributable)**

<i>In thousands of naira</i>	Group		Company	
	Dec-23	Dec-22	Dec-23	Dec-22
Salaries	2,924,043	1,786,341	2,924,043	1,786,341
Allowances and other benefits	2,765,204	2,217,807	2,765,204	2,217,807
	5,689,247	4,004,148	5,689,247	4,004,148

25 (b) **Other Expenses - Operating (attributable)**

<i>In thousands of naira</i>	Group		Company	
	Dec-23	Dec-22	Dec-23	Dec-22
Marketing and administration	1,438,022	1,007,553	1,438,022	1,007,553
Communication and postages	1,251,682	940,767	1,251,682	940,767
NAICOM levy	1,094,084	877,440	1,094,084	877,440
Fees and assessments	920,443	1,010,225	920,443	1,010,225
Consulting fees (IT, contract staff related)	817,430	587,772	817,430	587,772
Occupancy	789,528	529,793	789,528	529,793
Miscellaneous expenses	694,441	194,814	694,441	194,814
Travel and representation	684,423	454,106	684,423	454,106
Regulatory fees & expenses (local licensing and filing)	239,975	235,083	239,975	235,083
Directors emolument	183,463	95,550	183,463	95,550
Office supply and stationery	140,295	94,385	140,295	94,385
Advertising	132,341	252,647	132,341	252,647
Amortization of Right of Use Assets	118,492	96,495	118,492	96,495
Legal fees	117,400	90,615	117,400	90,615
Auditor's fees (see note (i) below)	54,000	80,410	54,000	80,410
Business acquisition cost	-	868,721	-	868,721
	8,676,021	7,416,375	8,676,021	7,416,375

- (i) The auditors did not earn any non-audit fees during the period.
(ii) Miscellaneous expenses relate to local taxes including tenement rates, land use charges, parking fees, etc.
(iii) Included in the Legal fees is NGN 30.5m, which relates to the provision for litigation for the year 2023.

25 (c) **Other Expenses - Personnel Expenses (non-attributable)**

<i>In thousands of naira</i>	Group		Company	
	Dec-23	Dec-22	Dec-23	Dec-22
Salaries (subsidiaries only)	447,699	532,387	-	-
Allowances and other benefits (subsidiaries only)	300,949	127,491	-	-
	748,648	659,878	-	-

25 (d)

Other Expenses - Operating (non-attributable) <i>In thousands of naira</i>	Group		Company	
	Dec-23	Dec-22	Dec-23	Dec-22
Interest expense - fixed income liabilities	4,471,305	4,476,314	-	-
Depreciation and amortisation	837,955	544,879	695,830	614,408
Fees and assessments	180,470	561,002	764,015	432,510
Miscellaneous expenses (see note (i) below) (Misc. local taxes)	149,788	7,542	3,237	39
Office supply and stationery	88,336	25,221	-	-
Dues and subscriptions	79,594	64,251	68,997	47,889
Auditor's fees	71,018	10,308	-	-
Travel and representation	41,965	15,391	-	-
Occupancy	37,958	27,198	-	-
Communication and postages	37,858	24,928	-	-
Marketing and administration	23,729	14,146	-	-
	6,019,977	5,771,181	1,532,079	1,094,846

- (i) This is the non-attributable miscellaneous expenses relates to amounts paid to local tax authorities.
(ii) AIICO Insurance PLC made a donation of N39.9m which represents a portion of the total operating expenses of N1.5bn

26 Earnings per share

26 (a) Earnings per share from continued operation

Basic earnings per share amounts is calculated by dividing the net profit for the year attributable to ordinary shareholders by the weighted average number of ordinary shares outstanding at the reporting date.

<i>In thousands of naira</i>	Group		Company	
	Dec-23	Dec-22	Dec-23	Dec-22
Net profit from operations	11,991,072	5,054,011	11,571,055	4,467,391
Less: NCI share of Net profit from operations	(25,217)	(112,104)	-	-
Net profit attributable to ordinary shareholders from continuing operations	11,965,856	4,941,907	11,571,055	4,467,391
Net profit attributable to ordinary shareholders from discontinued operation	-	-	-	-
	11,965,856	4,941,907	11,571,055	4,467,391
Number of shares in issue	36,605,276	36,605,276	36,605,276	36,605,276
Weighted average of ordinary shares in issue	36,605,276	36,605,276	36,605,276	36,605,276
Basic and diluted earnings per share from continued operation (kobo)	33	14	32	12
Basic and diluted earnings per share (kobo)	33	14	32	12

27 Related party disclosures

(a) Parent and ultimate controlling party

The ultimate controlling party of the Group is AIICO Insurance PLC.

(b) Transactions with related parties and key management personnel

(b)(i) Loan to directors

In 2023, no loan was advanced to directors (2022: nil).

(b)(ii) Related party transactions and balances.

A number of key management personnel, or their related parties, hold positions in other companies that result in them having control or significant influence over these companies.

A number of these companies transacted with the Group during the period. The terms and conditions of these transactions were no more favourable than those available, or which might reasonably be expected to be available, in similar transactions with non-key management personnel related companies on an arm's length basis.

Company	Name of related party	Relationship	Nature of transaction	Transaction values ('000)		Balance outstanding ('000)	
				Dec-23	Dec-22	Dec-23	Dec-22
	AiICO Multishield Limited	Subsidiary	Health Premium	54,196	23,134	-	-
			Insurance Premium	2,787	5,289	-	-
	AiICO Capital Limited*	Subsidiary	Portfolio Management	709,415	432,009	199,247	150,930
			Insurance Premium	6,901	5,295	-	-
			Rent	22,169	24,632	-	-
	Magnartis Finance and Investment	Common Director	Stockbrokers	648,882	-	104,340	54,919
				1,444,350	490,359	303,587	205,849

* AIICO Insurance Plc employs the services of AIICO Capital Limited to manage its financial assets. In return, AIICO Capital charges a percentage on the income generated as

**Magnartis Finance and Investment Limited are stockbrokers that trades the Company's equity portfolio. The balance reflected above are the unsettled balances on stock transactions as at reporting date.

The terms and conditions of the finance lease transactions were no more favourable than those available, or which might reasonably be expected to be available, in similar transactions with non-key management personnel related companies on an arm's length basis.

All outstanding balances with these related parties are priced on an arm's length basis and are to be settled in cash within 3 months of the reporting date. None of the balances are secured. No expense has been recognised in the current period or prior period for bad or doubtful debts in respect of amounts owed by related parties. No guarantees have been given or received.

(b) (iii) Directors remuneration

Directors remuneration excluding pension contributions and certain benefits was provided as follows:

<i>In thousands of naira</i>	Group		Company	
	Dec-23	Dec-22	Dec-23	Dec-22
Fees as Directors	3,594	20,448	1,663	1,663
Other allowances	223,462	105,728	154,146	72,449
	227,056	126,176	155,809	74,112
Executive compensation	299,700	249,094	183,393	163,088
	526,756	375,270	339,202	237,200
Chairman	67,745	28,975	46,745	17,775
Highest paid director	233,299	212,677	116,992	101,389

The number of directors, including the Chairman, whose emoluments were within the following range were:

	Group		Company	
	Dec-23	Dec-22	Dec-23	Dec-22
1,000,001 - 2,000,000	7	1	-	-
2,000,001 and above	15	18	9	7
	22	19	9	7

28 Contingencies and commitments

(a)(i) Legal proceedings and obligations

The Company operates in the insurance industry and is subject to legal proceedings in the normal course of business. There were 39 outstanding cases at the end of the year 2023 with a total claim of ca. N2.36bn. The Directors, having sought legal opinion, are of the view that the Company stands a good chance on those cases and hence do not foresee those cases having any material effect on the Company's results and financial position. Therefore, no provisions have been made in the financial statements.

- (ii) Some time ago, AIICO Insurance Plc ("the Company" or "AIICO" or "the Claimant") filed a suit against Megamound Investment Limited and Indemnity Finance Limited ("the defendants") for the recovery of its outstanding loan plus interest of N1.4b. Although the defendant, via a letter dated 9 Nov 2007 allocated 1.5 hectares of land (1.089 hectare, if the portion allocated for common areas is considered) at Lekki County Estate to the Company, it never effected a transfer. The Claimant sought and obtained a judgement of the court in terms of the loan. The Court, via a judgement dated 30 May 2014, ordered that the defendants execute and deliver to the Claimant the property in respect of the 1.5 hectares of land at Lekki County Home Estate, excluding the area marked for provision of common services. The Court further ordered that possession should be granted to the Claimant of the 1.5 hectares of land at Lekki County homes Estate, excluding the areas marked for the provision of common services measuring 4,108.5 square metres. AIICO commenced execution of this judgment on 6 January 2022. However, when AIICO sought to take over the property, the management of Lekki County Estate obstructed AIICO from taking possession of the allocated land and also harassed and assaulted its staff. Consequently, AIICO has not recognized this land in its books but has hereby made disclosure of its existence while filing requisite actions including Contempt of Court proceedings against the management of Lekki County Estate. The Company has taken further steps required for the purposes of enforcement of the judgement.
- (iii) There were two (2) court judgement against the Company with a claim of N8.6m as at the year ended 31 of December 2023. The Company has appealed the judgments delivered against it.
- (iv) The Company is also subject to insurance solvency regulations of NAICOM. There are no contingencies related to such regulations.

(b) Funds under management

These funds do not form part of the assets and liabilities of the Group as the risks and rewards of these investments belong to the customers. This represents investments held on behalf of clients and are stated at amortised cost.

An analysis of funds under management is shown below:

<i>In thousands of naira</i>	Group		Company	
	Dec-23	Dec-22	Dec-23	Dec-22
AIICO Money Market Fund (AMMF) (see note (i) below)	4,691,215	1,311,047	-	-
AIICO Balance Mutual Fund (ABF) (see note (ii) below)	224,968	166,596	-	-
Portfolio management - others (see note (iii) below)	5,498,493	2,261,020	-	-
Total funds	10,414,676	3,738,663	-	-

Fees earned from the management of these funds are as follows:

<i>In thousands of naira</i>	Group		Company	
	Dec-23	Dec-22	Dec-23	Dec-22
AMMF	43,904	13,788	-	-
ABF	2,815	2,372	-	-
Portfolio management - others	12,723	-	-	-
Total funds	59,442	16,160	-	-

(i) AIICO Money Market Fund (AMMF)

This represents customers' investment in the AIICO Money Market Fund, which is managed by AIICO Capital Limited, a subsidiary of the Company. This fund is regulated by the Nigerian Securities and Exchange Commission (SEC) and it started on 10 March 2014. It currently trades at N100 per unit as at 31 December 2023 (2022: N100)

(ii) **High Networth Individuals Fund (HNI)**

This represents customers' investment in High Networth Individuals Fund, which is managed by AIICO Capital Limited, a subsidiary of the Company. This fund started in August 2015.

Returns on this fund are discretionary, however, when the Group exceeds the returns agreed with the customer, they earn a 20% performance fee on the excess. The Group also charges management fees on this Fund.

(c) **Unclaimed dividend**

The Company has unclaimed dividend of ₦1.232bn as at 31 December 2023 (2022: N896million). As required by section 16(d) of the Nigerian Securities and Exchange Commission (SEC) guidelines the assets representing these unclaimed dividend do not form part of the assets of the Company. These funds were returned to AIICO insurance and is domiciled with the custodian.

29 Contraventions and penalties

NIL

30 Personnel

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

Number	Group		Company	
	Dec-23	Dec-22	Dec-23	Dec-22
Managerial	84	78	67	61
Senior staff	334	310	301	295
Junior staff	74	93	6	6
	492	481	374	362

(a) The personnel expenses for the above persons were:

In thousands of naira

Wages and salaries	2,924,043	1,857,842	2,924,043	1,325,455
Other staff costs	2,765,204	2,806,183	2,765,204	2,678,692
	5,689,247	4,664,025	5,689,247	4,004,147

(b) The number of employees paid emoluments, excluding pension and allowances, above ₦100,000 for the period were:

Number	Group		Company	
	Dec-23	Dec-22	Dec-23	Dec-22
100,000 - 600,000	223	248	214	225
600,001 - 1,200,000	120	131	90	80
1,200,001 - 2,400,000	83	49	36	28
2,400,001 and above	66	53	34	29
	492	481	374	362

31 Securities trading policy

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

Notes to the Consolidated and Separate Financial Statements (Continued)
For the year ended 31 December 2023

32 Hypothecation of assets

2023

	Policyholder's fund					Shareholders' fund	Total
	Life Fund	Annuity	Investment Contract Liabilities	Non-life Insurance Contract Liabilities	Total Policyholders fund		
Cash and cash equivalents	479,502	4,223,970	1,172,281	1,863,752	7,739,505	181,752	7,921,257
Financial assets:							
Bonds and treasury bills	98,772,519	91,044,022	2,312,371	4,991,032	197,119,943	36,112,706	233,232,649
Quoted equities	4,799	-	198,008	615,589	818,396	-	818,396
Unquoted equities	1,163,385	-	288,802	1,584,238	3,036,425	1,530,484	4,566,909
Loans & receivables	3,170,569	-	-	-	3,170,569	1,898,079	5,068,648
Investment in subsidiaries	-	-	-	-	-	1,087,317	1,087,317
Investment in associate	-	-	-	-	-	-	-
Investment properties	320,000	-	-	387,500	707,500	-	707,500
Property and equipment	-	-	-	-	-	8,708,397	8,708,397
Statutory deposits	-	-	-	-	-	500,000	500,000
Other assets (See a below)	1,135,405	-	-	16,890,525	18,025,929	3,811,504	21,837,433
Total assets (a)	105,046,178	95,267,992	3,971,461	26,332,636	230,618,267	53,830,239	284,448,506
Policyholders liabilities (b)	106,208,972	83,741,523	3,855,323	27,751,114	221,556,932	62,891,574	284,448,506
Excess/ (shortfall) of assets over liabilities (a-b)	(1,162,794)	11,526,469	116,138	(1,418,478)	9,061,335	(9,061,336)	(0)
(a) Other Assets							
Trade receivables	-	-	-	909,559	909,559	-	909,559
Reinsurance assets	1,135,405	-	-	15,980,966	17,116,370	-	17,116,370
Other receivables and prepayments	-	-	-	-	-	2,970,949	2,970,949
Goodwill and other intangible assets	-	-	-	-	-	840,555	840,555
	1,135,405	-	-	16,890,525	18,025,929	3,811,504	21,837,433

2022

	Policyholder's fund					Shareholders' fund	Total
	Life Fund	Annuity	Investment Contract Liabilities	Non-life Insurance Contract Liabilities	Total Policyholders fund		
Cash and cash equivalents	3,504,909	258,418	937,962	1,675,112	6,376,401	145,423	6,521,824
Financial assets:							
Bonds and treasury bills	87,408,305	76,645,833	2,394,099	3,959,748	170,407,984	30,139,762	200,547,746
Quoted equities	5,132	-	211,749	658,309	875,190	-	875,190
Unquoted equities	627,731	-	155,830	854,813	1,638,374	825,808	2,464,182
Money market placements	-	-	-	-	-	-	-
Loans & receivables	2,882,193	-	-	-	2,882,193	1,652,258	4,534,451
Investment in subsidiaries	-	-	-	-	-	1,087,317	1,087,317
Investment in Associate	-	-	-	-	-	-	-
Investment properties	420,000	-	-	340,000	760,000	-	760,000
Property and equipment	-	-	-	-	-	8,124,583	8,124,583
Statutory deposits	-	-	-	-	-	500,000	500,000
Other assets (See a below)	2,720,294	-	-	9,621,795	12,342,088	4,988,651	17,330,739
Total assets (a)	97,568,562	76,904,251	3,699,639	17,109,776	195,282,230	47,463,802	242,746,032
Policyholders liabilities (b)	96,056,907	76,318,475	3,212,894	15,493,103	191,081,379	51,664,653	242,746,032
Excess/ (shortfall) of assets over liabilities (a-b)	1,511,655	585,776	486,745	1,616,673	4,200,851	(4,200,851)	(0)
Other Assets							
Trade receivables	-	-	-	852,113	852,113	-	852,113
Reinsurance assets	2,720,294	-	-	8,769,682	11,489,975	-	11,489,975
Other receivables and prepayments	-	-	-	-	-	4,141,826	4,141,826
Goodwill and other intangible assets	-	-	-	-	-	846,825	846,825
	2,720,294	-	-	9,621,795	12,342,088	4,988,651	17,330,739

Notes to the Consolidated and Separate Financial Statements (Continued)
For the year ended 31 December 2023

33 (a) PRA Regulated Annuity Fund

We illustrate below the movement of the annuity portfolio in 2023:

	Number of annuity policies	Annual Annuity (₦)	Number of annuity policies	Annual Annuity (₦)
	Dec-23		Dec-22	
Opening as at 1 January	18,219	11,504,269,136	11,132	6,373,982,403
· New Entrants	1,510	1,695,007,274	7,196	5,204,935,355
· Deaths	(135)	(105,184,966)	(106)	(71,848,115)
· Cancelled	-	-	(3)	(2,800,507)
As at 31 December	19,594	13,094,091,444	18,219	11,504,269,136

Mortality assumptions

We have assumed the following sample average expectation of life in line with the PA(90) UK published tables (as adjusted in line with the internal experience):

Age	Expectation of Life (in years)	
	Male	Female
50	29	34
60	20	25
70	14	17
80	7	9

**PENCOM REGULATED ANNUITY
STATEMENT OF ASSETS AND LIABILITIES
For the year ended 31 December 2023**

Cash and cash equivalents

Cash at bank	4,023,575,740.23
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Bonds

Description	Maturity Date	Coupon Rate	Amortized Cost
12.4% FGN MAR 2036	18-Mar-36	12.4000%	5,031,969,273
12.98% FGN MAR 2050	27-Mar-50	12.9800%	2,313,184,719
13.00% FGN JAN 2042	21-Jan-42	13.0000%	1,078,869,814
13.98% FGN FEB 2028	23-Feb-28	13.9800%	954,540,296
14.20% FGN MAR 2024	14-Mar-24	14.2000%	660,110,531
14.80% FGN APR 2049	26-Apr-49	14.8000%	2,818,625,330
16.2499% APR 2037	18-Apr-37	16.2499%	5,999,506,740
9.8% FGN JUL 2045	24-Jul-45	9.8000%	991,898,571
			19,848,705,274

Corporate Bonds

Description	Maturity Date	Coupon Rate	Amortized Cost
8.5% FIDELITY 07 JAN 2031 (FID2031S1)	7-Jan-31	8.5000%	415,263,592
5.50% FLOUR MILLS OF NIGERIA PLC BOND 15 DEC 2025	15-Dec-25	5.5000%	46,415,938
10.00% EMZOR PHARMA 20 JAN 2026	20-Jan-26	10.0000%	365,715,115
10%TSL SPVBOND2030	6-Oct-30	10.0000%	157,662,048
LFZC-S1	16-Sep-41	13.2500%	519,151,342
			1,504,208,035

Description	Maturity Date	Coupon Rate	Fair value
12.98% FGN MAR 2050	27-Mar-50	12.9800%	9,274,611,078
13.00% FGN JAN 2042	21-Jan-42	13.0000%	25,672,675,731
14.80% FGN APR 2049	26-Apr-49	14.8000%	18,769,060,575
15.70% FGN JUN 2053	21-Jun-53	15.7000%	15,780,326,873
16.2499% APR 2037	18-Apr-37	16.2499%	194,434,237
			69,691,108,494

Money Market Instrument

	200,394,521
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Total Assets	95,267,992,064
Liabilities - Annuity Reserves	83,741,522,856

Notes to the Consolidated and Separate Financial Statements (Continued)
For the year ended 31 December 2023

34 Risk management framework

(a) Governance framework

The primary objective of the Group's risk and financial management framework is to protect the Group's shareholders from events that hinder the sustainable achievement of financial performance objectives, including failing to exploit opportunities.

Key management recognises the critical importance of having efficient and effective risk management systems in place. The Group has established a risk management function with clear terms of reference from the board of directors, its committees and the associated executive management committees. This is supplemented with a clear organisational structure with documented delegated authorities and responsibilities from the board of directors to executive management committees and senior managers.

Lastly, a Group policy framework which sets out the risk profiles for the Group, risk management, control and business conduct standards for the Group's operations has been put in place. Each policy has a member of senior management charged with overseeing compliance with the policy throughout the Group.

The Board of directors approves the Group's risk management policies and meets regularly to approve any commercial, regulatory and organisational requirements of such policies. These policies define the Group's identification of risk, analysis and its interpretation, limit structure to ensure the appropriate quality and diversification of assets, align underwriting reinsurance strategy for appropriate Asset-Liability Management, to achieve the corporate goals, and specify reporting and regulatory requirements.

(b) Capital management objectives, policies and approach

The National Insurance Commission (NAICOM), sets and monitors capital requirements for Insurance Companies. The individual subsidiaries are directly supervised by other regulators, i.e., AIICO Capital Limited is regulated by the Nigerian Securities and Exchange Commission, AIICO Pensions Limited by the National Pension Commission while AIICO MULTISHIELD Limited is regulated by the National Health Insurance Scheme.

Management uses regulatory capital ratios to monitor its capital base. The allocation of capital between specific operations and activities is, to a large extent, driven by optimisation of the return achieved on the capital allocated. The amount of capital allocated to each operation or activity is based primarily on the regulatory capital, but in some cases the regulatory requirements do not fully reflect the varying degree of risk associated with different activities. In such cases, the capital requirements may be flexed to reflect differing risk profiles, subject to the overall level of capital to support a particular operation or activity not falling below the minimum required for regulatory purposes. The process of allocating capital to specific operations and activities is undertaken independently of those responsible for the operation by Group Risk and Group Credit, and is subject to review by the Group Asset and Liability Management Committee (ALCO), as appropriate. The Group ensures it maintains the minimum required capital at all times throughout the year. The Regulatory capital for the non-life business is determined as the solvency margin while that of the life business is determined as the net asset value. The table below summarises the minimum required capital across the Group and the regulatory capital held against each of them.

The Group has established the following capital management objectives, policies and approach to managing the risks that affect its capital position:

- (i) To maintain the required level of stability of the Group thereby providing a degree of security to policyholders and other stakeholders as required.
- (ii) To allocate capital efficiently and support the development of business by ensuring that returns on capital employed meet the requirements of its capital providers and of its shareholders.
- (iii) To retain financial flexibility by maintaining strong liquidity and access to a range of capital markets.
- (iv) To align the profile of assets and liabilities taking account of risks inherent in the business.
- (v) To maintain financial strength to support new business growth and to satisfy the requirements of the policyholders, regulators and stakeholders.
- (vi) To maintain strong credit ratings and healthy capital ratios in order to support its business objectives and maximise shareholders value.

In reporting financial strength, capital and solvency are measured using the rules prescribed by the National Insurance Commission (NAICOM). These regulatory capital tests are based upon required levels of solvency, capital and a series of prudent assumptions in respect of the type of business written. The Group's capital management policy for its insurance and non-insurance business is to hold sufficient capital to cover the statutory requirements based on the NAICOM directives, including any additional amounts required by the regulator.

(c) Approach to capital management

The Group seeks to optimise the structure and sources of capital to ensure that it consistently maximises returns to the shareholders and policyholders. The Group's approach to managing capital involves managing assets, liabilities and risks in a coordinated way, assessing shortfalls between reported and required capital levels on a regular basis and taking appropriate actions to influence the capital position of the Group in the light of changes in economic conditions and risk characteristics.

The primary source of capital used by the Group is equity shareholders' funds.

The Group has had no significant changes in its policies and processes to its capital structure during the past year from previous years.

The table below shows the available capital resources as at 31 December:

<i>In thousands of naira</i>	Group		Company	
	Dec-23	Dec-22	Dec-23	Dec-22
Total shareholders' funds	51,830,366	39,210,947	49,591,268	37,310,218
Regulatory required capital	5,000,000	5,000,000	5,000,000	5,000,000
Excess capital reserve	46,830,366	34,210,947	44,591,268	32,310,218

Notes to the Consolidated and Separate Financial Statements (Continued)
For the year ended 31 December 2023

(d) Regulatory framework

The insurance industry regulator measures the financial strength of Insurance companies using a Solvency Margin model. NAICOM generally expects insurers to comply with this capital adequacy requirement. Section 24 of the Insurance Act 2003 defines the solvency margin of as the difference between the admissible assets and liabilities, and this shall not be less than 15% of the net premium income (gross income less reinsurance premium paid), or the minimum capital base (N5billion) whichever is higher.

This test compares the insurer's capital against the risk profile. The regulator indicated that insurers should produce a minimum solvency margin of 100%. During the year, the Group has consistently exceeded this minimum. The regulator has the authority to request more extensive reporting and can place restrictions on the Group's operations if the Group falls below this requirement.

The solvency margin of the Company is as follows:

35. Solvency margin computation as at 31 December 2023

	2023			2022		
	N5b			N5b		
	31-Dec 2023			31-Dec 2022		
<i>In thousands of naira</i>						
	Total	Inadmissible	Admissible	Total	Inadmissible	Admissible
Assets						
Cash and cash equivalents	7,921,257	1,049,098	6,872,159	6,521,942	-	6,521,942
Trade receivables	909,559	-	909,559	852,113	-	852,113
Reinsurance assets	17,116,370	-	17,116,370	10,690,993	-	10,690,993
Financial assets	243,686,602	-	243,686,602	208,421,453	-	208,421,453
Investment in subsidiaries	1,087,317	-	1,087,317	1,087,317	-	1,087,317
Deferred acquisition costs	-	-	-	-	-	-
Investment property	707,500	-	707,500	760,000	-	760,000
Property and equipment	8,708,397	5,582,759	3,125,637	8,064,528	5,000,007	3,064,521
Other receivables and prepayments	2,838,437	2,838,437	-	4,064,879	4,064,879	-
Right of use asset	132,512	132,512	-	60,055	60,055	-
Statutory deposits	500,000	-	500,000	500,000	-	500,000
Goodwill and other intangible assets	840,555	800,864	39,691	846,825	804,484	42,341
Investment in Associate	-	-	-	-	-	-
	284,448,506	10,403,671	274,044,835	241,870,104	9,929,424	231,940,680
Liabilities						
Insurance contract liabilities	217,701,608	-	217,701,608	187,778,079	-	187,778,079
Investment contract liabilities	3,855,323	-	3,855,323	3,212,895	-	3,212,895
Other insurance contract liabilities	2,423,168	-	2,423,168	3,103,704	-	3,103,704
Trade payables	1,612,909	-	1,612,909	2,010,297	-	2,010,297
Other payables	7,570,588	-	7,570,588	6,730,616	-	6,730,616
Taxation payable	763,026	-	763,026	422,562	-	422,562
Total admissible liabilities	233,926,622	-	233,926,622	203,258,153	-	203,258,153
Excess of total admissible assets over admissible liabilities	50,521,884	10,403,671	40,118,213	38,611,952	9,929,424	28,682,527
Higher of:						
Gross premium written			109,379,110			85,292,276
Less: Reinsurance expense			(21,141,817)			(15,330,978)
Net premium			88,237,293			69,961,298
15% of net premium (annualised)			13,235,594			10,494,195
Minimum paid up capital			5,000,000			5,000,000
The higher thereof:			13,235,594			10,494,195
Excess of solvency margin over minimum capital base			26,882,619			18,188,333
Solvency margin ratio			303%			273%

Notes to the Consolidated and Separate Financial Statements (Continued)
For the year ended 31 December 2023

36 Financial instruments - fair values and risk management

(a) Accounting classifications and fair values

The following table shows the carrying amounts and fair values of financial assets and financial liabilities, including their levels in the fair value hierarchy. It does not include fair value information for financial assets and financial liabilities not measured at fair value if the carrying amount is a reasonable approximation of fair value.

GROUP

31 December 2023

<i>In thousands of naira</i>	Note	Carrying amount				Fair value				
		FVTPL	Amortized Cost	FVOCI	Other financial liabilities	Total	Level 1	Level 2	Level 3	Total
Financial assets measured at fair value										
Debt Instruments		137,687,674	-	14,852,040	-	152,539,714	-	152,539,714	-	152,539,714
Equities		3,750,385	-	5,392,310	-	9,142,695	825,401	-	8,317,294	9,142,695
		141,438,059	-	20,244,350	-	161,682,409	825,401	152,539,714	8,317,294	161,682,409
Financial assets not measured at fair value										
Cash and cash equivalents		-	18,422,728	-	-	18,422,728	-	18,422,728	-	18,422,728
Trade Receivables*		-	980,752	-	-	980,752	-	-	980,752	980,752
Loans and receivables		-	5,093,860	-	-	5,093,860	-	-	5,093,860	5,093,860
Other receivables**,**		-	3,667,351	-	-	3,667,351	-	-	3,667,351	3,667,351
Debt Instruments^^		-	99,970,805	-	-	99,970,805	-	99,970,805	-	99,970,805
		-	128,135,496	-	-	128,135,496	-	118,393,533	9,741,963	128,135,496
Financial liabilities not measured at fair value										
Other payables and accruals		-	-	-	2,677,082	2,677,082	-	-	2,677,082	2,677,082
Trade payables		-	-	-	3,779,049	3,779,049	-	-	3,779,049	3,779,049
Fixed income liabilities		-	33,506,178	-	-	33,506,178	-	-	33,506,178	33,506,178
Investment contract liabilities		-	22,829,871	-	-	22,829,871	-	-	22,829,871	22,829,871
		-	56,336,049	-	6,456,131	62,792,180	-	-	62,792,180	62,792,180

The Group has disclosed the fair value of each class of financial assets and liabilities in a way that permits the information to be compared with the carrying amounts. In addition, it has reconciled the assets and liabilities to the different categories of financial instruments as defined in IAS 39 Financial instruments: Recognition and Measurement.

COMPANY

31 December 2023

<i>In thousands of naira</i>	Note	Carrying amount				Fair value				
		FVTPL	Amortized Cost	FVOCI	Other financial liabilities	Total	Level 1	Level 2	Level 3	Total
Financial assets measured at fair value										
Debt Instruments		137,687,674	-	8,727,030	-	146,414,704	-	146,414,704	-	146,414,704
Equities		3,750,385	-	5,385,305	-	9,135,690	818,396	-	8,317,294	9,135,690
		141,438,059	-	14,112,335	-	155,550,394	818,396	146,414,704	8,317,294	155,550,394
Financial assets not measured at fair value										
Cash and cash equivalents		-	7,921,257	-	-	7,921,257	-	7,921,257	-	7,921,257
Trade receivables*		-	909,559	-	-	909,559	-	-	909,559	909,559
Loans and receivables		-	4,785,303	-	-	4,785,303	-	-	4,785,303	4,785,303
Other receivables**,**		-	2,838,437	-	-	2,838,437	-	-	2,838,437	2,838,437
Debt Instruments^^		-	83,350,905	-	-	83,350,905	-	83,350,905	-	83,350,905
		-	99,805,461	-	-	99,805,461	-	91,272,162	8,533,299	99,805,461

Financial liabilities not measured at fair value

Other payables*,***	-	-	-	-	-	-	-	-	-
Trade payables*	-	-	-	1,612,909	1,612,909	-	-	1,612,909	1,612,909
Investment contract liabilities	-	3,855,323	-	-	3,855,323	-	-	3,855,323	3,855,323
	-	3,855,323	-	1,612,909	5,468,232	-	-	5,468,232	5,468,232

The Group has disclosed the fair value of each class of financial assets and liabilities in a way that permits the information to be compared with the carrying amounts. In addition, it has reconciled the assets and liabilities to the different categories of financial instruments as defined in IAS 39 Financial instruments: Recognition and Measurement.

(b) Measurement of fair values

(i) Transfer between Levels 1 and 2

At 31 December 2023, there was no transfer between level 1, level 2 and level 3 (2022: NIL)

GROUP

31 December 2022

	Carrying amount				Fair value				
	FVTPL	Amortized Cost	FVOCI	Other financial liabilities	Total	Level 1	Level 2	Level 3	Total
<i>In thousands of naira</i>									
Financial assets measured at fair value									
Debt Instruments^ ^	125,233,425	-	5,782,454	-	131,015,879	-	131,015,879	-	131,015,879
Equities	-	-	10,557,235	-	10,557,235	871,423	-	9,685,812	10,557,235
	125,233,425	-	16,339,689	-	141,573,114	871,423	131,015,879	9,685,812	141,573,114
Financial assets not measured at fair value									
Cash and cash equivalents	-	15,915,258	-	-	15,915,258	-	15,915,258	-	15,915,258
Trade Receivables*	-	866,977	-	-	866,977	-	-	866,977	866,977
Loans and receivables*	-	4,657,557	-	-	4,657,557	-	-	4,657,557	4,657,557
Other receivables**	-	4,290,237	-	-	4,290,237	-	-	4,290,237	4,290,237
Debt Instruments^ ^	-	79,229,357	-	-	79,229,357	-	76,446,801	-	76,446,801
	-	104,959,386	-	-	104,959,386	-	92,362,059	9,814,771	102,176,830
Other payables and accruals***	-	-	-	6,733,515	6,733,515	-	-	6,733,515	6,733,515
Trade payables*	-	-	-	6,461,628	6,461,628	-	-	6,461,628	6,461,628
Fixed income liabilities	-	22,781,598	-	-	22,781,598	-	-	22,781,598	22,781,598
Investment contract liabilities	-	3,855,323	-	-	3,855,323	-	-	3,855,323	3,855,323
	-	26,636,921	-	13,195,143	39,832,064	-	-	39,832,064	39,832,064

The Group has disclosed the fair value of each class of financial assets and liabilities in a way that permits the information to be compared with the carrying amounts. In addition, it has reconciled the assets and liabilities to the different categories of financial instruments as defined in IFRS 9 Financial instruments: Recognition and Measurement.

COMPANY
31 December 2022

	Note	Carrying amount				Fair value				
		FVTPL	Amortized Cost	FVOCI	Other financial liabilities	Total	Level 1	Level 2	Level 3	Total
<i>In thousands of naira</i>										
Financial assets measured at fair value										
Debt Instruments		125,233,425	-	5,782,454	-	131,015,879	-	131,015,879	-	131,015,879
Equities		-	-	3,335,605	-	3,335,605	871,423	-	2,464,182	3,335,605
		125,233,425	-	9,118,059	-	134,351,484	871,423	131,015,879	2,464,182	134,351,484
Financial assets not measured at fair value										
Cash and cash equivalents		-	6,521,824	-	-	6,521,824	-	6,521,824	-	6,521,824
Trade receivables*		-	852,113	-	-	852,113	-	-	852,113	852,113
Loans and receivables*		-	4,410,707	-	-	4,410,707	-	-	4,410,707	4,410,707
Other receivables**,**		-	3,746,637	-	-	3,746,637	-	-	3,746,637	3,746,637
Debt Instruments^ ^		-	69,659,378	-	-	69,659,378	-	66,906,822	-	66,906,822
		-	85,190,659	-	-	85,190,659	-	73,428,646	9,009,457	82,438,103
Financial liabilities not measured at fair value										
Other payables and accruals***		-	-	-	5,725,954	5,725,954	-	-	5,725,954	5,725,954
Trade payables		-	-	-	6,461,628	6,461,628	-	-	6,461,628	6,461,628
Investment contract liabilities		-	3,212,894	-	-	3,212,894	-	-	3,212,894	3,212,894
		-	3,212,894	-	12,187,582	15,400,476	-	-	15,400,476	15,400,476

The Company has disclosed the fair value of each class of financial assets and liabilities in a way that permits the information to be compared with the carrying amounts. In addition, it has reconciled the assets and liabilities to the different categories of financial instruments as defined in IFRS 9 Financial instruments: Recognition and Measurement.

Notes to the Consolidated and Separate Financial Statements (Continued)
For the year ended 31 December 2023

(c) Risk management framework

The Company's board of directors has the overall responsibility for the establishment of oversight of the Group's enterprise risk management systems. The Board of directors has established the Risk Management Committee, which is responsible for developing and monitoring the Group's risk management framework and activities. The committee reports regularly to the Board of directors for on its activities.

The Group's risk management policies are established to identify and analyse the risk faced by the group, to set appropriate risk limits and controls (through the risk appetite), and to monitor risks and adherence to limits. Risk mamangement policies and systems are reviewed regularly to reflect changes in market conditions and Group activities. The group, through its training and management standards and procedures, maintains and will continuously heighten a disciplined and constructive control environment in which all employees understand their roles and obligations.

The Group audit committee oversees how management monitors compliance with the Group's risk management policies and procedures and reviews the adequacy of the risk management framework in relation to the risks faced by the Group. The Group Audit Committee is assisted in its oversight role by Internal Audit. Internal Audit undertakes both regular and ad hoc reviews of risk management controls and procedures, the result of which are reported to the audit committee.

(d) Financial risk management

The Group has exposure to the following risks arising from financial instruments

- Credit risk
- Liquidity risk
- Market risk
- Currency risk

(i) Credit risk

Credit risk is the risk of financial loss to the Group if a customer or counterparty to a financial instrument fails to meet its contractual obligations, and arises principally from the Group's receivables from customers and investment in debt securities.

The carrying amount of financial assets represents the maximum credit exposure

In addition to credit risks arising out of investments and transactions with clients, AICO actively assumes credit risk through the writing of insurance business and the approval and issuance of loans. credit risk can arise when a client defaults on loan payments or settlement of premium payments and can also arise when its own repayment capability decreases (as reflected in a rating downgrade).

AICO's strategy as an Insurance Group does not entail the elimination of credit risk but rather to take on credit risk in a well-controlled, planned and targeted manner pursuant to its business objectives. Its approach to measuring credit risk is therefore designed to ensure that it is assessed accurately in all its forms, and that relevant, timely and accurate credit risk information is available to the relevant decision makers at an operational and strategic level at all times.

At a strategic level, AICO manages its credit risk profile within the constraints of its overall Risk Appetite and structures its portfolio so that it provides optimal returns for the level of risk taken. Operationally, the Insurance Group Credit Risk Management is governed by the overall risk appetite framework and aims to ensure that the risk inherent to individual exposures or certain business portfolios are appropriately managed through the economic cycle.

The Group is committed to:

- a) Create, monitor and manage credit risk in a manner that complies with all applicable laws and regulations;
- b) Identify credit risk in each investment, loan or other activity of the Insurance Group;
- c) Utilize appropriate, accurate and timely tools to measure credit risk;
- d) Set acceptable risk parameters;
- e) Maintain acceptable levels of credit risk for existing individual credit exposures;
- f) Maintain acceptable levels of overall credit risk for AICO's Portfolio; and
- g) Coordinate Credit Risk Management with the management of other risks inherent in AICO's business activities.

Unsecured exposures to high risk obligors, transactions with speculative cash flows, loans in which the Insurance Group will hold an inferior or subordinate position are some of the credit exposures that are considered undesirable by the organization.

37 (a) Credit quality analysis

An asset will migrate down the ECL stages as asset quality deteriorates by comparing the credit risk rating of the asset at reporting date with its credit risk rating at origination using the Company's internal credit rating system. The trigger to move down an ECL stage is based on a pre-determined ratings downgrade shift that determines whether significant deterioration has occurred. Conversely, assets will migrate up an ECL stage as asset quality improves.

(i) Credit portfolio neither past due nor impaired

The following table sets out information about the credit quality of debt instruments measured at amortised cost, debt instruments measured at FVOCI. Unless specifically indicated, for financial assets, the amounts in the table represent gross carrying amounts.

As at 31 December 2023	Group							Company						
	FGN Bonds	Eurobonds	Corporate bonds	Commercial papers & Other financial assets	Loans and receivables	Trade receivables	Total	FGN Bonds	Eurobonds	Corporate bonds	Commercial papers & Other financial assets	Loans and receivables	Trade receivables	Total
<i>In thousands of naira</i>														
Performing	89,998,645	14,720,629	4,064,633	6,833,774	5,093,860	1,105,123	121,816,664	70,311,677	11,597,642	2,566,741	7,661,991	4,785,303	909,559	97,832,913
Underperforming	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Loss	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Loss allowance	(573,104)	-	-	(51,990)	(169,742)	(124,371)	(919,207)	(47,087)	-	-	(7,627)	(5,402)	-	(60,116)
Carrying amount	89,425,541	14,720,629	4,064,633	6,781,784	4,924,118	980,752	120,897,457	70,264,590	11,597,642	2,566,741	7,654,364	4,779,901	909,559	97,772,797

At 31 December 2022	Group							Company						
	FGN bonds	Eurobonds	Corporate bonds	Commercial papers & Other financial assets	Loans and receivables	Trade receivables	Total	FGN Bonds	Eurobonds	Corporate bonds	Commercial papers & Other financial assets	Loans and receivables	Trade receivables	Total
<i>In thousands of naira</i>														
Performing	78,368,467	2,882,017	2,447,752	1,745,288	4,661,324	1,009,037	91,113,885	60,101,224	2,882,017	2,447,752	10,099,208	4,414,474	852,113	80,796,788
Underperforming	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Loss	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Loss allowance	(69,737)	-	-	(18,749)	(3,766)	(142,060)	(234,312)	(69,737)	-	-	(18,749)	(3,766)	-	(92,252)
Carrying amount	78,298,730	2,882,017	2,447,752	1,726,539	4,657,558	866,977	90,879,573	60,031,487	2,882,017	2,447,752	10,080,459	4,410,708	852,113	80,704,536

The following table sets out information about the credit quality of loans measured at amortised cost:

At 31 December 2023

<i>In thousands of naira</i>	Group				Company			
	Policyholders loan	Staff loan	Agent loan	Other loans/financial assets	Policyholders loan	Staff loan	Agent loan	Other loans/financial assets
Performing	3,170,569	1,228,770	129,797	564,724	3,170,569	1,161,590	129,797	323,347
Underperforming	-	-	-	-	-	-	-	-
Loss	-	-	-	-	-	-	-	-
Loss allowance	-	-	-	(169,742)	-	-	-	(5,402)
Carrying amount	3,170,569	1,228,770	129,797	394,982	3,170,569	1,161,590	129,797	317,945

At 31 December 2022

<i>In thousands of naira</i>	Group				Company			
	Policyholders loan	Staff loan	Agent loan	Other loans/financial assets	Policyholders loan	Staff loan	Agent loan	Other loans/financial assets
Performing	2,882,253	1,424,332	83,228	1,549,711	2,882,253	1,177,482	83,228	10,246,975
Underperforming	-	-	-	-	-	-	-	-
Loss	-	-	-	-	-	-	-	-
Loss allowance	-	-	-	(22,398)	-	-	-	(22,398)
Carrying amount	2,882,253	1,424,332	83,228	1,527,313	2,882,253	1,177,482	83,228	10,224,577

The following table sets out information about the credit quality of loans measured at amortised cost;

(ii) **Loss allowance**

Measurement basis under IFRS 9

The following table shows reconciliations from the opening to the closing balance of the loss allowance by class of financial instrument. Explanation of the terms: 12-month ECL (stage 1), lifetime ECL (stage 2) and credit-impaired (stage 3) are included in Note 3.4.4 (Impairment of financial assets) in the accounting policies.

Group	Debt instruments measured at amortised cost					
	2023					2022
	12-month ECL Individual	Lifetime ECL not credit-impaired	Lifetime ECL credit-impaired	Purchased or originated credit-impaired	Total	Total
<i>In thousands of naira</i>						
Balance at 1 January	92,252	-	-	-	92,252	19,478
Net remeasurement of loan	702,584	-	-	-	702,584	72,774
Closing balance	794,836	-	-	-	794,836	92,252
Gross amount	105,859,501	-	-	-	105,859,501	83,979,050
Company	Debt instruments measured at amortised cost					
	2023					2022
	12-month ECL Individual	Lifetime ECL not credit-impaired	Lifetime ECL credit-impaired	Purchased or originated credit-impaired	Total	Total
<i>In thousands of naira</i>						
Balance at 1 January	92,252	-	-	-	92,252	25,528
Net remeasurement of loan	(32,136)	-	-	-	(32,136)	66,724
Closing balance	60,116	-	-	-	60,116	92,252
Gross amount	88,196,324	-	-	-	88,196,324	74,162,221
Group	Debt instruments measured at fair value through OCI					
	2023					2022
	12-month ECL Individual	Lifetime ECL not credit-impaired	Lifetime ECL credit-impaired	Purchased or originated credit-impaired	Total	Total
<i>In thousands of naira</i>						
Balance at 1 January	12,584	-	-	-	12,584	2,583
Net remeasurement of ECL on debt instrument	8,516	-	-	-	8,516	10,001
Closing balance	21,100	-	-	-	21,100	12,584
Gross amount	14,852,040	-	-	-	14,852,040	5,782,454
Company	Debt instruments measured at fair value through OCI					
	2023					2022
	12-month ECL Individual	Lifetime ECL not credit-impaired	Lifetime ECL credit-impaired	Purchased or originated credit-impaired	Total	Total
<i>In thousands of naira</i>						
Balance at 1 January	12,361	-	-	-	12,361	2,583
Net remeasurement of ECL on debt instrument	7,086	-	-	-	7,086	9,778
Closing balance	19,447	-	-	-	19,447	12,361
Gross amount	8,727,030	-	-	-	8,727,030	5,782,454

Group	Loans to Policyholders, Agents, Staff and other financial assets					
	2023				2022	
	12-month ECL Individual	Lifetime ECL not credit-impaired	Lifetime ECL credit-impaired	Purchased or originated credit-impaired	Total	Total
<i>In thousands of naira</i>						
Balance at 1 January	22,397	-	-	-	22,397	1,697
Net remeasurement of ECL on loan	188,352	-	-	-	188,352	20,700
Closing balance	210,749	-	-	-	210,749	22,397
Gross amount	9,667,067	-	-	-	9,667,067	5,939,524

Company	Loans to Policyholders, Agents, Staff and other financial assets					
	2023				2022	
	12-month ECL Individual	Lifetime ECL not credit-impaired	Lifetime ECL credit-impaired	Purchased or originated credit-impaired	Total	Total
<i>In thousands of naira</i>						
Balance at 1 January	22,397	-	-	-	22,397	7,748
Net remeasurement of ECL on loan	(9,568)	-	-	-	(9,568)	14,649
Closing balance	12,829	-	-	-	12,829	22,397
Gross amount	12,163,949	-	-	-	12,163,949	14,389,938

Group	Trade receivables					
	12-month ECL Individual				Total	
	12-month ECL Individual	Lifetime ECL not credit-impaired	Lifetime ECL credit-impaired	Purchased or originated credit-impaired	Total	Total
<i>In thousands of naira</i>						
Balance at 1 January	142,060	-	-	-	142,060	107,384
Net remeasurement of ECL on loan	(17,690)	-	-	-	(17,690)	34,676
Closing balance	124,370	-	-	-	124,370	142,060
Gross amount	1,105,123	-	-	-	1,105,123	1,009,037

(iii) Collateral held and other credit enhancements

A key mitigation step employed by the Group in its credit risk management process includes the use of collateral securities to secure its loans as an alternative source of repayment during adverse conditions.

All loans granted to policyholders, Agents and Staff are collateralized by the cash value of the policies, the Agent pension fund balance which is managed by the Group and gratuity due to various staff together with the provided guarantors respectively.

(b) Geographical sectors

The Group limits its exposure to credit risk by investing only in liquid debt securities and only with counterparties that have a very high credit rating.

The maximum exposure to credit risk for debt securities at the reporting date per geo-political region was as follows:

<i>In thousands of naira</i>	Group		Company	
	2023	2022	2023	2022
North*	239,760,852	203,837,813	216,950,897	185,570,570
South South	281,954	281,954	281,954	281,954
South West	21,311,959	10,782,911	21,068,446	19,233,324
	261,354,764	214,902,677	238,301,297	205,085,848

* The North's figures includes Federal Government of Nigeria issued debt securities such as bonds and treasury bills as the FCT is in the North
The Group did not have any debt securities that were past due but not impaired at 31 December 2023 (2022:Nil)

(ii) Liquidity risk

Liquidity risk is the risk that the Group will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset.

The Group's approach to managing liquidity is to ensure, as far as possible, that it will have sufficient liquidity to meet its liabilities when they are due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Group's reputation.

The Group uses activity-based costing to cost its products and services, which assists it in monitoring cash flow requirements and optimising its cash return on investments.

The Group aims to maintain the level of its cash and cash equivalents and other highly marketable debt investments at an amount in excess of expected cash outflows on financial liabilities over the next 60 days.

The Group also monitors the level of expected cash inflows on trade and other receivables together with expected cash outflows on trade and other payables.

Exposure to liquidity risk

The following are the remaining contractual maturities of financial liabilities at the reporting date.

The amounts are gross and undiscounted, include contractual interest payments and exclude the impact of netting agreements

Maturity analysis

The table below summarises the expected utilisation or settlement of assets and liabilities as at 31 December:

Group 31 December 2023	Contractual cash flows						
	Carrying amount	Gross nominal cashflow	3 months or less	3 - 12 months	1 - 2 years	2 - 5 years	More than 5 years
<i>In thousands of naira</i>							
Trade and other receivables	4,648,103	4,648,103	3,950,887	697,215	-	-	-
Reinsurance contract assets	17,116,370	17,116,370	10,269,822	6,846,548	-	-	-
Financial Assets	266,747,074	271,747,334	23,680,714	10,467,380	36,649,159	31,924,722	169,025,360
Cash and cash equivalents	18,422,728	19,910,162	19,910,162	-	-	-	-
	306,934,275	313,421,969	57,811,586	18,011,143	36,649,159	31,924,722	169,025,360
Investment contract liabilities	3,855,324	3,855,324	-	-	3,855,324	-	-
Insurance contract liabilities	218,023,682	218,023,682	65,407,104	76,308,289	76,308,289	-	-
Reinsurance contract liabilities	930,616	930,616	558,370	372,246	-	-	-
Other insurance contract liabilities	2,423,168	2,423,168	1,453,901	969,267	-	-	-
Fixed Income liabilities	30,241,800	31,342,185	19,432,155	7,522,124	4,387,906	-	-
Trade payables	1,612,909	1,612,909	967,745	645,164	-	-	-
	257,087,498	258,187,883	87,819,275	85,817,090	84,551,518	-	-
Liquidity gap	49,846,777	55,234,086	(30,007,689)	(67,805,947)	(47,902,359)	31,924,722	169,025,360
Company 31 December 2023	Contractual cash flows						
	Carrying amount	Gross nominal cashflow	3 months or less	3 - 12 months	1 - 2 years	2 - 5 years	More than 5 years
<i>In thousands of naira</i>							
Trade and other receivables	3,747,996	3,747,996	3,185,797	562,199	-	-	-
Reinsurance contract assets	17,116,370	17,116,370	10,269,822	6,846,548	-	-	-
Financial Assets	243,686,602	246,875,234	8,107,905	25,151,497	11,212,678	36,593,600	165,809,554
Cash and cash equivalents	7,921,257	7,947,564	7,947,564	-	-	-	-
	272,472,225	275,687,164	29,511,088	32,560,244	11,212,678	36,593,600	165,809,554
Investment contract liabilities	3,855,323	3,855,323	-	-	3,855,323	-	-
Insurance contract liabilities	217,701,608	217,701,608	65,310,483	76,195,563	76,195,563	-	-
Reinsurance contract liabilities	930,616	930,616	558,370	372,246	-	-	-
Other insurance contract liabilities	2,423,168	2,423,168	1,453,901	969,267	-	-	-
Trade payables	1,612,909	1,612,909	967,745	645,164	-	-	-
	226,523,625	226,523,625	68,290,498	78,182,240	80,050,886	-	-
Liquidity gap	45,948,601	49,163,540	(38,779,410)	(45,621,996)	(68,838,208)	36,593,600	165,809,554

Group
31 December 2022

<i>In thousands of naira</i>	Contractual cash flows						
	Carrying amount	Gross nominal cashflow	3 months or less	3 - 12 months	1 - 2 years	2 - 5 years	More than 5 years
Trade and other receivables	4,934,374	5,195,822	1,009,037	61,347	4,125,438	-	-
Reinsurance contract assets	10,690,993	10,690,993	3,207,298	7,483,695	-	-	-
Financial Assets	225,459,912	225,564,409	125,233,425	16,352,050	13,996,508	13,996,508	55,986,033
Cash and cash equivalents	15,915,258	15,927,627	15,927,627	-	-	-	-
	257,000,538	257,378,852	145,377,387	23,897,093	18,121,946	13,996,508	55,986,033
Investment contract liabilities	3,212,895	3,212,895	-	-	3,212,895	-	-
Insurance contract liabilities	188,108,267	188,108,267	56,432,480	65,837,894	65,837,894	-	-
Reinsurance contract liabilities	1,301,734	1,301,734	390,520	911,214	-	-	-
Other insurance contract liabilities	3,103,704	3,103,704	931,111	2,172,593	-	-	-
Fixed income liabilities	22,781,598	22,781,598	-	-	22,781,598	-	-
Trade payables	2,010,298	2,010,298	603,089	1,407,208	-	-	-
	220,518,495	220,518,495	58,357,201	70,328,908	91,832,386	-	-
Liquidity gap	36,482,042	36,860,356	87,020,186	(46,431,816)	(73,710,440)	13,996,508	55,986,033

Company
31 December 2022

<i>In thousands of naira</i>	Contractual cash flows						
	Carrying amount	Gross nominal cashflow	3 months or less	3 - 12 months	1 - 2 years	2 - 5 years	More than 5 years
Trade and other receivables	852,113	852,113	852,113	-	-	-	-
Reinsurance contract assets	10,690,993	10,690,993	3,207,298	7,483,695	-	-	-
Financial Assets	208,421,453	226,203,220	4,774,487	35,294,463	4,465,542	5,154,150	176,514,577
Cash and cash equivalents	6,521,824	9,092,612	9,090,329	-	-	-	-
	226,486,383	246,838,937	17,924,226	42,778,159	4,465,542	5,154,150	176,514,577
Investment contract liabilities	3,212,895	21,907,727	-	-	21,907,727	-	-
Insurance contract liabilities	187,778,079	187,778,079	56,333,424	65,722,328	65,722,328	-	-
Reinsurance contract liabilities	1,301,734	1,301,734	390,520	911,214	-	-	-
Other insurance contract liabilities	3,103,704	3,103,704	931,111	2,172,593	-	-	-
Trade payables	2,010,297	6,461,618	603,089	1,407,208	-	-	-
	197,406,709	220,552,861	58,258,144	70,213,342	87,630,055	-	-
Liquidity gap	29,079,675	26,286,076	(40,333,918)	(27,435,184)	(83,164,512)	5,154,150	176,514,577

Group

<i>In thousands of naira</i>	2023			2022		
	Current	Non-current	Total	Current	Non-current	Total
Cash and cash equivalents	18,422,728	-	18,422,728	15,915,376	-	15,915,376
Financial assets	161,682,409	105,064,665	266,747,074	141,573,114	83,886,798	225,459,912
Trade receivable	980,752	-	980,752	866,977	-	866,977
Reinsurance assets	17,116,370	-	17,116,370	10,690,993	-	10,690,993
Other receivables and prepayments	3,667,351	-	3,667,351	4,608,478	-	4,608,478
Deferred tax asset	-	-	-	-	21,501	21,501
Investment property	-	707,500	707,500	-	760,000	760,000
Goodwill and other intangible assets	-	907,630	907,630	-	928,672	928,672
Property and equipment	-	8,913,645	8,913,645	-	8,359,520	8,359,520
Statutory deposit	-	500,000	500,000	-	500,000	500,000
Right of use assets	-	132,512	132,512	-	60,055	60,055
Total assets	201,869,610	116,225,952	318,095,562	173,654,938	94,516,546	268,171,484
Insurance contract liabilities	43,604,736	174,418,945	218,023,682	37,813,479	150,294,788	188,108,267
Investment contract liabilities	3,855,324	-	3,855,324	91,692	3,121,203	3,212,895
Reinsurance contract liabilities	930,616	-	930,616	1,301,734	-	1,301,734
Other insurance contract liabilities	2,423,168	-	2,423,168	3,103,704	-	3,103,704
Trade payables	1,612,909	-	1,612,909	2,010,298	-	2,010,298
Other payables and accruals	8,332,139	-	8,332,139	7,764,833	-	7,764,833
Fixed income liability	30,241,800	-	30,241,800	22,781,598	-	22,781,598
Current income tax payable	845,061	-	845,061	669,543	-	669,543
Deferred tax liability	-	498	498	-	7,666	7,666
Total liabilities	91,845,753	174,419,443	266,265,197	75,536,881	153,423,657	228,960,537

Company

<i>In thousands of naira</i>	2023			2022		
	Current	Non-current	Total	Current	Non-current	Total
Cash and cash equivalents	7,921,257	-	7,921,257	6,521,942	-	6,521,942
Financial assets	155,550,394	88,136,208	243,686,602	134,351,484	74,069,969	208,421,453
Trade receivable	909,559	-	909,559	852,113	-	852,113
Reinsurance contract assets	17,116,370	-	17,116,370	10,690,993	-	10,690,993
Other receivables and prepayments	2,838,437	-	2,838,437	4,064,879	-	4,064,879
Investment in subsidiaries	-	1,087,317	1,087,317	-	1,087,317	1,087,317
Investment property	-	707,500	707,500	-	760,000	760,000
Goodwill and other intangible assets	-	8,708,397	8,708,397	-	846,825	846,825
Property and equipment	-	500,000	500,000	-	8,064,528	8,064,528
Statutory deposit	-	132,512	132,512	-	500,000	500,000
Right of use assets	-	840,555	840,555	-	60,055	60,055
Total assets	184,336,017	100,112,488	284,448,506	156,481,411	85,388,694	241,870,104
Insurance contract liabilities	43,540,322	174,161,287	217,701,608	37,483,291	150,294,788	187,778,079
Investment contract liabilities	3,855,323	-	3,855,323	91,692	3,121,203	3,212,895
Reinsurance contract liabilities	930,616	-	930,616	1,301,734	-	1,301,734
Other insurance contract liabilities	2,423,168	-	2,423,168	3,103,704	-	3,103,704
Trade payables	1,612,909	-	1,612,909	2,010,297	-	2,010,297
Other payables and accruals	7,570,588	-	7,570,588	6,730,616	-	6,730,616
Current income tax payable	763,026	-	763,026	422,562	-	422,562
Total liabilities	60,695,951	174,161,287	234,857,238	51,143,896	153,415,991	204,559,886

Notes to the Consolidated and Separate Financial Statements (Continued)
For the year ended 31 December 2023

(iii) Market risk

Market risk is the risk that changes in market prices – such as foreign exchange rates, interest rates and equity prices – will affect the Group's income or the value of its holdings of financial instruments. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimising the return.

(iv) Currency risk

The Group is exposed to currency risk to the extent that there is a mismatch between the currencies in which premium, claims and borrowings are denominated and the respective functional currencies of Group companies. The functional currency of Group companies is the Nigerian naira.

The currencies in which these transactions are primarily denominated are the Nigerian naira. However, the Group receives some premium in foreign currencies and also pays some claims in foreign currencies. The foreign currencies the Group transacts in include euro, british pounds and united states dollars.

Exposure to currency risk

The summary quantitative data about the Group's exposure to currency risk as reported to the management of the Group is as follows:

GROUP <i>In thousands of</i>	31 December 2023				31 December 2022			
	Carrying Value	EUR	USD	GBP	Carrying value	EUR	USD	GBP
Cash and cash equivalent	4,692,769	16,857	4,630,699	45,213	3,056,197	34,172	2,994,089	27,936
Financial assets	14,720,629	-	14,720,629	-	2,882,017	-	2,882,017	-
Net statement of financial position exposure	19,413,398	16,857	19,351,328	45,213	5,938,214	34,172	5,876,106	27,936

COMPANY <i>In thousands of</i>	31 December 2023				31 December 2022			
	NGN	EUR	USD	GBP	Carrying value	EUR	USD	GBP
Cash and cash equivalent	4,692,769	16,857	4,630,699	45,213	3,056,197	34,172	2,994,089	27,936
Financial assets	11,597,642	-	11,597,642	-	2,882,017	-	2,882,017	-
Net statement of financial position exposure	16,290,411	16,857	16,228,341	45,213	5,938,214	34,172	5,876,106	27,936

The following significant exchange rates have been applied.

Naira	Year-end spot rate	
	2023	2022
USD 1	907.11	461.50
GBP 1	1143.94	715.00
EUR 1	994.55	613.00

Sensitivity analysis

A reasonably possible strengthening (weakening) of the Euro, US Dollar, Pound Sterling or Swiss Franc against all other currencies at 31 December would have affected the measurement of financial instruments denominated in a foreign currency and affected equity and profit or loss by the amounts shown below. This analysis assumes that all other variables, in particular interest rates, remain constant and ignores any impact of forecast sales and purchases.

Effects in thousands of naira	Group				Company			
	Profit or loss		Equity, net of tax		Profit or loss		Equity, net of tax	
	Strengthening	Weakening	Strengthening	Weakening	Strengthening	Weakening	Strengthening	Weakening
31 December 2023								
EUR (20% movement)	3,371	(3,371)	2,360	(2,360)	3,371	(3,371)	2,360	(2,360)
USD (20% movement)	3,870,266	(3,870,266)	2,709,186	(2,709,186)	3,245,668	(3,245,668)	2,271,968	(2,271,968)
GBP (20% movement)	9,043	(9,043)	6,330	(6,330)	9,043	(9,043)	6,330	(6,330)
31 December 2022								
EUR (10% movement)	3,417	(3,417)	2,392	(2,392)	6,834	(6,834)	4,784	(4,784)
USD (10% movement)	587,611	(587,611)	411,327	(411,327)	1,175,221	(1,175,221)	822,655	(822,655)
GBP (10% movement)	2,794	(2,794)	1,956	(1,956)	5,587	(5,587)	3,911	(3,911)

Note 38: Financial instruments - fair values and risk management (Continued)

(c)(v) Interest rate risk

The Group adopts a policy of ensuring that all its interest rate risk exposure is at a fixed rate. This eliminates the variability in the risks and returns on the Group's interest bearing assets and liabilities.

Exposure to interest rate risk

The interest rate profile of the Group's interest-bearing financial instruments is as follows.

<i>In thousands of naira</i>	Group		Company	
	2023	2022	2023	2022
Fixed-rate instruments				
Money market placements	11,686,356	9,378,917	2,295,168	791,426
Debt securities	252,479,805	209,055,405	226,197,464	190,788,162
Loans	8,438,297	4,515,192	11,002,359	13,212,456
	272,604,458	222,949,514	239,494,991	204,792,044

<i>In thousands of naira</i>	Group		Company	
	2023	2022	2023	2022
Fixed-rate liabilities				
Fixed income liabilities	30,241,800	22,781,598	-	-
	30,241,800	22,781,598	-	-

Cashflow sensitivity analysis for fixed-rate instruments

<i>Effect in thousands of naira</i>	Group				Company			
	Profit or loss		Equity, net of tax		Profit or loss		Equity, net of tax	
	300bp increase	300bp decrease	300bp increase	300bp decrease	300bp increase	300bp decrease	300bp increase	300bp decrease
31 December 2023								
Financial assets	8,178,134	(8,178,134)	8,178,134	(8,178,134)	7,184,850	(7,184,850)	7,184,850	(7,184,850)
	8,178,134	(8,178,134)	8,178,134	(8,178,134)	7,184,850	(7,184,850)	7,184,850	(7,184,850)
31 December 2022								
Financial assets	2,229,495	(2,229,495)	2,229,495	(2,229,495)	2,047,920	(2,047,920)	2,047,920	(2,047,920)
	2,229,495	(2,229,495)	2,229,495	(2,229,495)	2,047,920	(2,047,920)	2,047,920	(2,047,920)

Cashflow sensitivity analysis for variable-rate instruments

There are no variable rate instruments

Other market price risk

The Group is exposed to equity price risk, which arises from financial asset designated at other comprehensive income held for partially meeting the claims and benefits obligations. The Group monitors the proportion of equity securities in its investment portfolio, based on market indices. Material investments within the portfolio are managed on an individual basis and all buy and sell decisions are approved by the Risk Management Committee.

The primary goal of the Group's investment strategy is to maximise investment returns, both to partially meet the Group's claims and benefits obligations and to improve its returns in general.

39 Insurance Risk

The principal risk the Group faces under insurance contracts is that the actual claims and benefit payments or the timing thereof, differ from expectations. This is influenced by the frequency of claims, severity of claims, actual benefits paid and subsequent development of long-term claims. Therefore, the objective of the Group is to ensure that sufficient reserves are available to cover these liabilities. The risk exposure is mitigated by diversification across a large portfolio of insurance contracts and geographical areas. The variability of risks is also improved by careful selection and implementation of underwriting strategy guidelines, as well as the use of reinsurance arrangements.

The Group purchases reinsurance as part of its risks mitigation programme. Reinsurance ceded is placed on both a proportional and non-proportional basis. The majority of proportional reinsurance is quota-share reinsurance which is taken out to reduce the overall exposure of the Group to certain classes of business. Non-proportional reinsurance is primarily excess-of-loss reinsurance designed to mitigate the Group's net exposure to catastrophe losses. Retention limits for the excess-of-loss reinsurance vary by product line and territory.

Amounts recoverable from reinsurers are estimated in a manner consistent with the outstanding claims provision and are in accordance with the reinsurance contracts. Although the Group has reinsurance arrangements, it is not relieved of its direct obligations to its policyholders and thus a credit exposure exists with respect to ceded insurance, to the extent that any reinsurer is unable to meet its obligations assumed under such reinsurance agreements. The Group's placement of reinsurance is diversified such that it is neither dependent on a single reinsurer nor are the operations of the Group substantially dependent upon any single reinsurance contract.

(a) Life insurance contracts (including investment contracts)

Life insurance contracts offered by the Group include: whole life, term assurance and deposit administration. Whole life and term assurance are conventional regular premium products when lump sum benefits are payable on death or permanent disability. Deposit administration is an investment product which accepts deposit from clients and other businesses of savings nature, by agreeing to pay interest on those deposits for an agreed period. For contracts for which death or disability is the insured risk, the significant factors that could increase the overall frequency of claims are epidemics, widespread changes in lifestyle and natural disasters, resulting in earlier or more claims than expected. For annuity contracts, the most significant factor is continued improvement in medical science and social conditions that would increase longevity. For contracts with DPF, the participating nature of these contracts results in a significant portion of the insurance risk being shared with the insured party.

The Group's underwriting strategy is designed to ensure that risks are well diversified in terms of type of risk and level of insured benefits. This is largely achieved through diversification across industry sectors and geography, the use of underwriting limits are in place to enforce appropriate risk selection criteria. Insurance contracts also entitle the Group to pursue third parties for payment of some or all costs. The Group further enforces a policy of actively managing and promptly pursuing claims, in order to reduce its exposure to unpredictable future developments that can negatively impact the Group.

Key assumptions

Material judgement is required in determining the liabilities and in the choice of assumptions. Assumptions in use are based on past experience, current internal data, external market indices and benchmarks which reflect current observable market prices and other published information. Assumptions and prudent estimates are determined at the date of valuation and no credit is taken for possible beneficial effects of voluntary withdrawals. Assumptions are further evaluated on a continuous basis in order to ensure realistic and reasonable valuations. The key assumptions are as follows:

Valuation basis	2023	2022
a. Economic assumptions		
i. Net valuation interest rate for the long term risk business	15.50%	13.90%
ii. Annuity valuation rate	15.75%	14.15%
iii. Tax adjustment (on projected returns)		
i. Inflation rate	19.00%	13.00%
b. Non - Economic assumptions		
i. Acquisition expense to maintenance expense	56:44	56:44
ii. Per policy expense assumption (per annum)	N1,535	N1,400
	Non Annuities: 65% of A67/70 UK Annuities: UK PA90(-1) adjusted based on experience	Non Annuities: 65% of A67/70 UK Annuities: UK PA90(-1) adjusted based on experience
iii. Mortality assumption (based on assured lifetable)		

Sensitivities

The analysis which follows is performed for reasonably possible movements in key assumptions with all other assumptions held constant, showing the impact on gross and net liabilities, profit before tax and equity. The correlation of assumptions will have a significant effect in determining the ultimate claims liabilities, but to demonstrate the impact due to changes in assumptions, assumptions had to be changed on an individual basis. It should be noted that movements in these assumptions are non-linear. Sensitivity information will also vary according to the current economic assumptions, mainly due to the impact of changes to both the intrinsic cost and time value of options and guarantees. When options and guarantees exist, they are the main reason for the asymmetry of sensitivities.

Sensitivity of liability to changes in long term valuation assumptions

31 December 2023 actuarial valuation

N'000	Base	VIR +1%	VIR -1%	Expenses +10%	Expenses -10%	Expense Inflation +2%	Expense Inflation 2%	Mortality +5%	Mortality -5%
Individual Risk Reserve (Excluding Annuity)	38,450,736	36,469,381	40,621,256	38,684,248	38,218,981	38,505,837	38,397,804	38,569,798	38,331,463
Annuity (PRA)	78,503,785	75,037,526	82,314,698	78,548,509	78,459,352	78,598,652	78,431,895	78,095,105	78,923,346
Annuity (Others)	24,714,772	22,732,380	26,473,354	24,483,487	24,446,201	24,516,619	24,429,039	24,388,760	24,542,754
Investment Linked Products	23,213,433	23,213,433	23,213,433	23,213,433	23,213,433	23,213,433	23,213,433	23,213,433	23,213,433
Group DA	314,904	314,904	314,904	314,904	314,904	314,904	314,904	314,904	314,904
Group Credit Life	88,091	88,091	88,091	88,091	88,091	88,091	88,091	88,091	88,091
Group Life - UPR	1,969,462	1,969,462	1,969,462	1,969,462	1,969,462	1,969,462	1,969,462	1,969,462	1,969,462
Group Life - AURR	48,776	48,776	48,776	48,776	48,776	48,776	48,776	48,776	48,776
Group Life - IBNR	3,116,209	3,116,209	3,116,209	3,116,209	3,116,209	3,116,209	3,116,209	3,116,209	3,116,209
Group Life -OCR	1,467,575	1,467,575	1,467,575	1,467,575	1,467,575	1,467,575	1,467,575	1,467,575	1,467,575
Additional Reserves	7,778,544	7,778,544	7,778,544	7,778,544	7,778,544	7,778,544	7,778,544	7,778,544	7,778,544
	179,666,288	172,236,281	187,406,302	179,713,239	179,121,529	179,618,103	179,255,732	179,050,658	179,794,558
Reinsurance	(1,818,325)	(1,818,325)	(1,818,325)	(1,818,325)	(1,818,325)	(1,818,325)	(1,818,325)	(1,818,325)	(1,818,325)
Net Liability	177,847,963	170,417,956	185,587,977	177,894,914	177,303,204	177,799,778	177,437,407	177,232,333	177,976,233
% change in Net Liability		-	-	-	-	-	-	-	-

Summary	Base	Interest rate +1%	Interest rate -1%	Expenses +10%	Expenses -10%	Expense Inflation +2%	Expense Inflation 2%	Mortality +5%	Mortality -5%
Individual	172,661,270	165,231,264	180,401,285	172,708,221	172,116,511	172,613,085	172,250,715	172,045,640	172,789,541
Group	5,186,692	5,186,692	5,186,692	5,186,692	5,186,692	5,186,692	5,186,692	5,186,692	5,186,692
Net Liability	177,847,963	170,417,956	185,587,977	177,894,914	177,303,204	177,799,778	177,437,407	177,232,333	177,976,233
% change in Liability		-	-	-	-	-	-	-	-

All stresses were applied independently.

Stresses not applied to individual reinsurance asset due to immateriality.

The mortality stress has been applied in the opposite direction for annuities.

(b) Non-life insurance contracts

The Group principally issues the following types of general insurance contracts: fire, motor, casualty, workmen compensation, personal accident, marine and oil and gas. Risks under non-life insurance policies usually cover twelve months duration. For general insurance contracts, the most significant risks arise from climate changes, natural disasters and terrorist activities. For longer tail claims that take some years to settle, there is also inflation risk. The above risk exposure is mitigated by diversification across a large portfolio of insurance contracts and geographical areas. The variability of risks is improved by careful selection and implementation of underwriting strategies, which are designed to ensure that risks are diversified in terms of type of risk and level of insured benefits. This is largely achieved through diversification across industry sectors and geography.

Furthermore, strict claim review policies and procedures exist to assess all new and on-going claims, regular detailed review of claims handling procedures and frequent investigation of possible fraudulent claims are all policies and procedures put in place to reduce the risk exposure of the Group. The Group further enforces a policy of actively managing and promptly pursuing 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.

The Group has also limited its exposure by imposing maximum claim amounts on certain contracts as well as the use of reinsurance arrangements in order to limit exposure to catastrophic events (e.g., hurricanes, earthquakes and flood damage).

Key assumptions

The principal assumption underlying the liability estimates is that the Group's future claims development will follow a similar pattern to past claims development experience. This includes assumptions in respect of average claim costs, claim handling costs, claim inflation factors and claim numbers for each accident year.

Additional qualitative judgments are used to assess the extent to which past trends may not apply in the future, for example: one-off occurrence, changes in market factors such as public attitude to claims, economic conditions, as well as internal factors such as portfolio mix, policy conditions and claims handling procedures. Judgment is further used to assess the extent to which external factors such as judicial decisions and government legislation affect the estimates. Other key circumstances affecting the reliability of assumptions include variation in interest rates, delays in settlement and changes in foreign currency rates.

Sensitivities

The non-life insurance claim liabilities are sensitive to the key assumptions that follow. It has not been possible to quantify the sensitivity of certain assumptions such as legislative changes or uncertainty in the estimation process.

Claims development table

The following tables show the estimates of cumulative incurred claims, including both claims notified and IBNR for each successive underwriting year at each reporting date, together with cumulative payments to date. The Group has taken a transitional rules under IFRS 17 that allows aggregation of claims at underwriting year level and to be disclosed upon adoption of IFRS 17.

In general, the uncertainty associated with the ultimate claims experience in an underwriting year is greatest when the underwriting year is at an early stage of development and the margin necessary to provide the necessary confidence in the provisions adequacy is relatively at its highest. As claims develop, and the ultimate cost of claims becomes more certain, the relative level of margin maintained should decrease. However, due to the uncertainty inherited in the estimation process, the actual overall claim provision may not always be in surplus.

Claims data

The claims data has seven risk groups – Marine, Motor, Casualty, Fire, Personal Accident, Oil and Gas, Agriculture and Workmen Compensation. The combined claims data for all lines of business between 2013 and 2023 are summarized in the table below:

Incremental chain ladder - yearly projections

Underwriting Year	1	2	3	4	5	6	7	8	9	10	11	Claims paid till date (#'000)
2013	932,968,375	608,696,192	316,917,886	57,163,615	87,563,102	425,187,555	11,248,817	177,371,637	4,869,901	927,697	7,088,881	2,630,003,659
2014	749,672,559	1,509,486,799	609,249,681	46,116,421	48,736,671	19,613,210	9,379,198	21,390,090	140,986	15,710,204	-	3,029,495,818
2015	775,889,089	1,575,343,848	190,489,915	151,371,921	54,965,500	9,377,842	24,397,089	17,331,868	-	-	-	2,799,167,072
2016	1,011,162,984	2,268,253,151	517,579,718	303,471,736	97,311,619	144,255,222	4,250,662	115,994,763	-	-	-	4,462,279,856
2017	1,066,222,567	2,178,322,332	1,553,849,937	524,272,589	141,776,521	386,003	9,546,426	-	-	-	-	5,474,376,374
2018	1,696,644,449	2,549,497,943	599,892,699	235,351,337	39,884,161	9,180,658	-	-	-	-	-	5,130,451,246
2019	1,584,811,203	6,426,221,714	1,772,953,458	594,023,180	119,988,996	-	-	-	-	-	-	10,497,998,550
2020	1,116,215,894	2,555,315,457	1,197,420,038	361,758,592	-	-	-	-	-	-	-	5,230,709,980
2021	1,981,071,357	2,017,995,791	964,897,430	-	-	-	-	-	-	-	-	4,963,964,578
2022	1,233,304,838	2,489,033,445	-	-	-	-	-	-	-	-	-	3,722,338,283
2023	891,090,574	-	-	-	-	-	-	-	-	-	-	891,090,574

Premium data

For consistency the total gross and reinsurance premium amounts received by line of business have been compared with the amounts recorded in financial accounts as shown below:

Class of business	Gross premium data (N'000)	Gross premium revenue (N'000)
Auto	4,516,779	4,516,779
Fire	6,663,120	6,663,120
Casualty	4,314,618	4,314,618
Marine	4,053,937	4,053,937
Special Oil	13,285,212	13,285,212
Personal accident	1,675,010	1,675,010
Workmen compensation	230,871	230,871
Agriculture	11,384	11,384
Total	34,750,931	34,750,931

Gross claim reserving

The claims paid are allocated to claim development years. In the Motor line for example, of the claims that arose in 2012, N395million was paid in 2012 (development year 1), N250.7million in 2013 (development year 2) etc. The tables shown are the step by step output of the Inflation Adjusted Basic Chain Ladder (IABCL) Method in estimating Gross Claims Reserve.

Basic chain ladder method - Gross Motor claims

Incremental Chain ladder (Table of Attritional claims paid)

Underwriting Year	Cumulative Yearly Projections (N'000)										
	1	2	3	4	5	6	7	8	9	10	11
2013	306,585	626,187	659,661	661,329	670,020	671,120	672,074	672,074	672,074	672,674	-
2014	232,380	644,751	666,287	675,165	694,216	694,216	694,216	694,216	694,216	694,575	-
2015	417,606	719,352	748,185	752,118	752,204	752,204	752,204	752,204	752,204	-	-
2016	385,454	722,627	737,157	737,753	741,760	741,921	741,921	741,921	-	-	-
2017	434,275	883,305	897,517	898,092	899,052	899,052	900,452	-	-	-	-
2018	440,965	898,203	921,864	923,637	923,700	923,710	-	-	-	-	-
2019	355,142	738,410	763,944	777,356	777,366	-	-	-	-	-	-
2020	355,422	875,398	947,116	955,874	-	-	-	-	-	-	-
2021	409,219	948,137	1,071,079	-	-	-	-	-	-	-	-
2022	313,096	828,507	-	-	-	-	-	-	-	-	-
2023	246,423	-	-	-	-	-	-	-	-	-	-

Basic chain ladder method - Gross Fire claims

Incremental Chain ladder (Table of Attritional claims paid)

Underwriting Year	Cumulative Yearly Projections (N'000)										
	1	2	3	4	5	6	7	8	9	10	11
2013	195,266	304,439	426,534	460,704	469,635	470,195	470,195	470,195	470,195	470,195	-
2014	67,178	242,388	412,945	426,844	430,703	444,619	444,619	444,619	444,619	444,619	-
2015	133,964	406,615	475,411	504,609	525,619	527,165	545,485	547,112	547,112	-	-
2016	213,372	635,994	728,569	786,138	791,615	870,163	871,897	871,897	-	-	-
2017	149,493	356,074	588,005	652,014	753,827	753,827	753,857	-	-	-	-
2018	305,331	794,628	910,312	917,041	917,128	917,128	-	-	-	-	-
2019	258,148	598,226	720,411	752,614	756,513	-	-	-	-	-	-
2020	220,207	766,101	945,248	1,010,236	-	-	-	-	-	-	-
2021	211,525	716,242	778,246	-	-	-	-	-	-	-	-
2022	174,213	625,771	-	-	-	-	-	-	-	-	-
2023	94,481	-	-	-	-	-	-	-	-	-	-

Basic chain ladder method - casualty

Basic chain ladder method - Gross Casualty claims

Incremental Chain ladder (Table of Attritional claims paid)

Cumulative Yearly Projections (N'000)

Underwriting Year	1	2	3	4	5	6	7	8	9	10	11
2013	207,925	241,049	292,690	307,168	347,253	356,069	357,033	365,642	369,936	370,264	-
2014	119,888	333,018	445,679	462,630	481,545	485,041	486,204	487,423	487,423	502,774	-
2015	169,059	452,491	484,785	498,643	507,869	508,884	509,074	522,172	522,172	-	-
2016	224,911	589,011	671,748	698,663	707,270	710,443	710,482	710,484	-	-	-
2017	252,524	643,881	790,814	814,410	821,758	821,849	828,457	-	-	-	-
2018	321,748	760,550	862,996	884,788	889,243	895,676	-	-	-	-	-
2019	295,379	858,620	986,568	1,048,235	1,052,346	-	-	-	-	-	-
2020	249,246	776,068	965,513	1,011,344	-	-	-	-	-	-	-
2021	275,077	743,218	890,273	-	-	-	-	-	-	-	-
2022	173,174	616,214	-	-	-	-	-	-	-	-	-
2023	293,718	-	-	-	-	-	-	-	-	-	-

Basic chain ladder method - Marine

Incremental Chain ladder (Table of Attritional claims paid)

Cumulative Yearly Projections (N'000)

Underwriting Year	1	2	3	4	5	6	7	8	9	10	11
2013	-	-	9,846	10,735	12,765	13,048	13,559	13,559	14,134	14,134	-
2014	-	37,511	44,212	45,904	47,964	50,139	57,063	57,096	57,096	57,096	-
2015	32,629	120,576	146,198	160,125	160,788	162,266	168,152	168,152	168,152	-	-
2016	19,628	87,991	125,529	149,883	152,087	159,481	161,959	161,959	-	-	-
2017	33,119	116,213	125,996	130,916	131,152	131,446	132,733	-	-	-	-
2018	37,626	90,033	117,542	148,338	162,566	163,455	-	-	-	-	-
2019	36,397	92,328	101,500	119,109	119,414	-	-	-	-	-	-
2020	13,398	125,143	154,235	157,012	-	-	-	-	-	-	-
2021	24,826	97,354	140,148	-	-	-	-	-	-	-	-
2022	25,474	213,504	-	-	-	-	-	-	-	-	-
2023	55,111	-	-	-	-	-	-	-	-	-	-

Basic chain ladder method - Personal Accident

Incremental Chain ladder (Table of Attritional claims paid)

Cumulative Yearly Projections (N'000)

Underwriting Year	1	2	3	4	5	6	7	8	9	10	11
2013	8,543	9,234	10,091	10,237	10,607	10,607	10,607	10,607	10,607	10,607	-
2014	5,195	13,294	14,721	14,721	14,721	14,746	14,746	14,746	14,746	14,746	-
2015	1,192	23,545	27,070	29,380	29,395	29,395	29,395	29,395	29,395	-	-
2016	2,860	17,703	19,853	21,682	21,682	21,682	21,682	21,682	-	-	-
2017	2,803	9,916	10,119	11,401	11,694	11,694	11,694	-	-	-	-
2018	4,638	15,013	15,716	21,737	22,004	22,004	-	-	-	-	-
2019	5,556	28,170	29,560	29,653	30,633	-	-	-	-	-	-
2020	5,274	27,751	28,605	30,727	-	-	-	-	-	-	-
2021	21,701	36,259	37,670	-	-	-	-	-	-	-	-
2022	19,201	28,923	-	-	-	-	-	-	-	-	-
2023	11,929	-	-	-	-	-	-	-	-	-	-

Basic chain ladder method - Workmen's Compensation
Incremental Chain ladder (Table of Attritional Claims paid)

Cumulative Yearly Projections (N'000)

Underwriting Year	1	2	3	4	5	6	7	8	9	10	11
2013	17,487	32,711	43,859	48,392	48,541	48,541	48,541	49,143	49,143	49,143	-
2014	18,043	49,383	61,552	64,782	69,094	69,094	69,094	69,094	69,094	69,094	-
2015	11,113	35,486	47,644	47,644	48,012	53,352	53,352	55,960	55,960	-	-
2016	9,032	32,827	43,311	44,197	44,197	44,552	44,552	44,552	-	-	-
2017	11,271	30,265	36,556	39,350	39,508	39,508	39,730	-	-	-	-
2018	11,008	31,268	34,329	35,192	37,544	39,130	-	-	-	-	-
2019	15,771	41,141	51,792	55,341	55,814	-	-	-	-	-	-
2020	6,682	39,740	50,364	55,463	-	-	-	-	-	-	-
2021	11,608	29,680	49,475	-	-	-	-	-	-	-	-
2022	5,100	30,155	-	-	-	-	-	-	-	-	-
2023	7,649	-	-	-	-	-	-	-	-	-	-

Basic chain ladder method - Special Oil
Incremental Chain ladder (Table of Claims paid)

Cumulative Yearly Projections (N'000)

Underwriting Year	1	2	3	4	5	6	7	8	9	10	11
2013	-	-	48,753	48,753	48,934	463,363	472,183	640,344	640,344	640,344	-
2014	-	3,956	133,091	134,322	134,862	134,862	136,155	156,292	156,433	156,433	-
2015	-	-	8,212	85,614	85,614	85,614	85,614	85,614	85,614	-	-
2016	3,812	165,599	271,030	456,774	470,819	525,442	525,442	641,435	-	-	-
2017	-	26,799	227,141	625,869	656,837	656,837	656,837	-	-	-	-
2018	6,908	73,178	220,704	220,704	239,136	239,397	-	-	-	-	-
2019	12	15,076	622,656	637,718	638,253	-	-	-	-	-	-
2020	5,277	10,547	10,673	14,596	-	-	-	-	-	-	-
2021	169	4,011	7,906	-	-	-	-	-	-	-	-
2022	-	334	-	-	-	-	-	-	-	-	-
2023	26,264	-	-	-	-	-	-	-	-	-	-

Basic chain ladder method - Agriculture
Incremental Chain ladder (Table of Claims paid)

Cumulative Yearly Projections (N'000)

Underwriting Year	1	2	3	4	5	6	7	8	9	10	11
2013	-	-	-	-	-	-	-	-	-	-	-
2014	-	-	-	-	-	-	-	-	-	-	-
2015	-	-	-	-	-	-	-	-	-	-	-
2016	-	-	-	-	-	-	-	-	-	-	-
2017	-	-	-	-	-	-	-	-	-	-	-
2018	-	2,257	18,116	18,116	18,116	18,116	-	-	-	-	-
2019	-	22,040	24,232	24,232	24,232	-	-	-	-	-	-
2020	114,591	215,217	215,217	215,217	-	-	-	-	-	-	-
2021	8,241	22,316	35,113	-	-	-	-	-	-	-	-
2022	-	4,615	-	-	-	-	-	-	-	-	-
2023	-	-	-	-	-	-	-	-	-	-	-

Technique for estimation of future cash flows

In estimating fulfilment cash flows included in the contract boundary, AIICO considers the range of all possible outcomes in an unbiased way specifying the amount of cash flows, timing and probability of each scenario reflecting conditions existing at the measurement date, using a probability-weighted average expectation. The probability weighted average represents the probability-weighted mean of all possible scenarios. In determining possible scenarios, AIICO uses all the reasonable and supportable information available to them without undue cost and effort, which includes information about past events, current conditions and future forecasts.

Cash flow estimates include both market variables directly observed in the market or derived directly from markets and non-market variables such as mortality rates, accident rates, average claim costs, probabilities of severe claims, policy surrender rates. AIICO maximises the use of observable inputs for market variables and utilises internally generated AIICO-specific data. For life insurance contracts, AIICO uses national statistical data for estimating the mortality rates as the national statistical data is more current than internal mortality statistics.

In measuring investment-linked life insurance contracts' cash flows or a portion of those cash flows, AIICO uses a fair value of a 'replicating asset' or a 'replicating portfolio of assets' where cash flows exactly match the cash flows (or some of the cash flows) of a AIICO of insurance contracts in all scenarios in terms of timing, amount and uncertainty. The fair value of the asset reflects both the expected present value of the cash flows and their associated risk, and this matches the characteristics of AIICO of insurance contracts in all scenarios.

Method of estimating discount rates

In determining discount rates for different products, AIICO uses the bottom-up approach for all products under the Company's business units. In applying the bottom-up approach, AIICO has considered assets in the market with similar characteristics as the insurance liabilities of AIICO. The FGN bonds issued in the Nigerian market represent assets that would most closely match the liabilities of AIICO in terms of timing and currency. The discount rate adopted by AIICO is derived by referencing the yield curve based on the FGN bonds backing the liabilities of the life fund. More than 95% of the fair valued bonds of the life fund of AIICO are in four FGN bonds (FGN2042, 2049, 2050 and 2053). This portfolio of bonds has been structured to match the liabilities of AIICO in terms of amount and timing of cashflows. The discount rate is set as a flat yield curve comprising the weighted average of the yields implicit in the fair value measurement of the FGN bonds. The flat yield is adjusted for illiquidity for purposes of discounting annuity liabilities. The illiquidity adjustment is set at a maximum of 50 basis points.

Estimation of allocation rate for insurance finance income or expenses

AIICO policy on the presentation of insurance finance expenses is to have the full expenses presented in Profit and Loss. There is therefore no allocation of finance income and expenses to other income.

Risk adjustment for non-financial risk

The risk adjustment for non-financial risk is the compensation AIICO requires for bearing the uncertainty about the amount and timing of the cash flows arising from insurance risk and other non-financial risks such as lapse risk and expense risk. It measures the degree of variability of expected future cash flows and AIICO-specific price for bearing that risk and reflects the degree of AIICO's risk aversion. In estimating the risk adjustment, AIICO uses the cost of capital method. The method looks at estimating the additional amount of capital required for the amount of uncertainty, and then estimating the expected cost of that capital over the period of the risk. The expected cost of capital is determined at 6% per annum applied to the present value amount of projected capital relating to non-financial risk, which is calculated at 99.5% confidence level. The resulting risk adjustment corresponds to a confidence level of 75%-80%.

AIICO determines the risk adjustment for non-financial risk separately for the life and non-life business unit. This allows for the benefit of risk diversification across the products within each business unit. The risk adjustment is then expressed as a rate derived as the ratio of the total risk adjustment to the total present value of all outgo or best estimate liabilities. To allocate the total risk adjustment to the various groups of insurance contracts, the risk adjustment rate is applied to each of the groups' respective liabilities. The size of the liabilities under each group of insurance contracts is a reasonable measure of the level of risk associated with the group of contracts. This effectively results in an allocation of the risk adjustment which is consistent with the level of associated risk. The risk adjustment rate was estimated to 2.1% and 2.01% for the life business in 2022 and 2023 respectively. For the Non-Life business the rate was determined as 8.0% and 7.2% in 2022 and 2023 respectively.

Allocation of asset for insurance acquisition cash flows to current and future AIICOs of contracts

AIICO does not have any acquisition expenses paid for future contracts.

Underwriting risk

Underwriting risk management

Underwriting risk consists of insurance risk, persistency risk and expense risk.

Insurance risk is the risk of the loss event occurrence, or the timing and amount of the loss being different from expectation. AIICO's main income generating activity is the issuance of insurance contracts and therefore insurance risk is a principal risk.

AIICO is exposed to different elements of insurance risks:

- For life insurance policies:

- Mortality risk: the risk of losses arising from death of life insurance policyholders being earlier than expected

- Morbidity risk: the risk of losses from medical claims occurring higher than expected

- Longevity risks: the risk of losses arising from longer life of policyholders than expected

- Non-Life policies:

- Catastrophe risk: the risk of incurring significant losses as a result of catastrophic events

- All policies:

- Premium risk: the risk that premiums charged to policyholders are less than claims cost on business written

- Reserve risk: the risk that the claims reserves are insufficient to cover all claims

For life insurance policies where death or disability is the insured risk, the most significant factors that could increase the amount and frequency of claims are epidemics or widespread changes in lifestyle, resulting in earlier or more claims than expected.

For annuity contracts where longevity is the main insurance risk, the most significant factor which could increase the amount and frequency of claims is improvement in medical science.

For Non-life insurance policies, the most significant factor which could increase the amount and frequency of claims is a catastrophic event such as a hurricane, flooding or earthquake.

AIICO is exposed to reserve risk and premium risk arising on all insurance contracts issued.

AIICO mitigates its exposure by applying its underwriting strategy to diversify the type of insurance risks accepted and the level of insured benefit.

AIICO also mitigates these risks by purchasing excess of loss reinsurance programmes against large individual claims and catastrophe losses and quota-share reinsurance arrangements to reduce the overall exposure for certain classes of business. AIICO has a variety of approved reinsurers to mitigate reinsurance risk, the risk of placement of ineffective reinsurance arrangements.

AIICO is exposed to longevity risk on its immediate annuity contracts issued and deferred annuity contracts issued.

AIICO is exposed to mortality and morbidity risk on its term and endowment life assurance contracts issued as well as deposit based endowment assurances.

Concentration of risk

AIICO monitors insurance risk per class of business. An analysis of AIICO's insurance risk concentration (both before and after reinsurance) per class of business is provided in the following tables.

Concentration by class of business	Insurance	Reinsurance	Net
	contracts	contracts	
	issued	held	
	₦	₦	₦
Non-Life Insurance	27,751,114	15,980,966	11,770,148
Group Life	4,583,787	1,135,405	3,448,382
Ordinary Life	101,625,185	-	101,625,185
Annuity	83,741,523	-	83,741,523
Total	217,701,608	17,116,370	200,585,238

40 Capital Requirement

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 the 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;

As an existing company, our capital requirement is as shown below

	Group		Company	
	2023	2022	2023	2022
	₦'000	₦'000	₦'000	₦'000
Share Capital	18,302,638	18,302,638	18,302,638	18,302,638
Share Premium	64,745	64,745	64,745	64,745
Retained Earnings	19,615,891	10,743,724	16,717,938	8,290,471
Contingency Reserve	11,755,475	9,710,046	11,755,475	9,710,046
Excess of admissible assets over liabilities	49,738,748	38,821,153	46,840,796	36,367,899
Less the amount of own shares held (Treasury shares)	-	-	-	-
	49,738,748	38,821,153	46,840,796	36,367,899
Subordinated liabilities subject to approval by the Commission	-	-	-	-
Any other financial instrument as prescribed by the Commission	-	-	-	-
Capital Requirement	49,738,748	38,821,153	46,840,796	36,367,899

IFRS 17 Transition Adjustments

January 2022

40(A)(i) Reinsurance Assets	Group				Company			
	IFRS 4	Remeasurement	Reclassification	IFRS 17	IFRS 4	Remeasurement	Reclassification	IFRS 17
Prepaid reinsurance (see note (a) below)	2,478,884	(2,478,884)	-	-	2,478,884	(2,478,884)	-	-
Recoverable on outstanding claims (see note (a) below)	6,582,652	(6,582,652)	-	-	6,582,652	(6,582,652)	-	-
Reinsurance contract held (see note (a) below)	-	9,758,925	-	9,758,925	-	9,758,925	-	9,758,925
Recoveries on Claims paid (see note (b) below)	1,326,388	-	(1,326,388)	-	1,326,388	-	(1,326,388)	-
	10,387,924	697,389	(1,326,388)	9,758,925	10,387,924	697,389	(1,326,388)	9,758,925

Under IFRS 4, the group cedes insurance risk in the normal course of business on the bases of our treaty and facultative agreements. Reinsurance assets represent balances due from reinsurance companies. Amounts recoverable from reinsurers are estimated in a manner consistent with settled claims associated with the reinsurer's policies and are in accordance with the related reinsurance contract.

Under IFRS 17, Reinsurance contracts held are treated as independent contracts, grouped and measured according to the IFRS 17 requirements; e.g. with General Measurement Method or Premium Allocation Approach. Recoveries on Claims paid, is thus, the only Reinsurance component that remains unchanged from IFRS 4 to IFRS 17.

40(A)(ii) Deferred acquisition costs

40(A)(ii) Deferred acquisition costs	Group				Company			
	IFRS 4	Remeasurement	Reclassification	IFRS 17	IFRS 4	Remeasurement	Reclassification	IFRS 17
Balance at 1 January	739,223	-	(739,223)	-	739,223	-	(739,223)	-
Balance as at 1-Jan-2022	739,223	-	(739,223)	-	739,223	-	(739,223)	-

Under IFRS 4, this is treated as those direct and indirect costs incurred during the financial year arising from the writing or renewing of insurance contracts and are deferred to the extent that these costs are recoverable out of future premiums. All other acquisition costs are recognized as an expense when incurred.

Under IFRS 17, Deferred Acquisition Cost is included as a part of the Insurance Contract Liabilities and not as a standalone item, as it was under IFRS 4.

40(A)(iii) Insurance contract liabilities

40(A)(iii) Insurance contract liabilities	Group				Company			
	IFRS 4	Remeasurement	Reclassification	IFRS 17	IFRS 4	Remeasurement	Reclassification	IFRS 17
Life								
Insurance contracts issued	104,265,381	3,626,653	19,993,119	127,885,153	104,265,381	3,626,653	19,993,119	127,885,153
Balance as at 1-Jan-2022	104,265,381	3,626,653	19,993,119	127,885,153	104,265,381	3,626,653	19,993,119	127,885,153
Non-Life								
Insurance contracts issued	15,510,950	(2,053,486)	739,223	14,196,687	15,299,918	(1,842,454)	739,223	14,196,687
IFRS 4 Adjusted for DAC	(737,567)	-	-	-	(737,567)	737,567	-	-
Balance as at 1-Jan-2022	14,773,383	(2,053,486)	739,223	14,196,687	14,562,351	(1,104,887)	739,223	14,196,687

Under IFRS 4, an assessment is made of whether the recognized life insurance liabilities are adequate by carrying out a liability adequacy test. The liability value is adjusted to the extent that it is insufficient to meet expected future benefits and expenses. In performing the adequacy test, current best estimates of future contractual cash flows, including related cash flows such as claims handling and policy administration expenses, policyholder options and guarantees, as well as investment income from assets backing such liabilities, are used. Discounted cash flows model is used in the valuation.

Non-life insurance contract liabilities include the outstanding claims provision, the provision for unearned premium and the provision for premium deficiency. The outstanding claims provision is based on the estimated ultimate cost of all claims incurred but not settled at the reporting date, whether reported or not, together with related claims expenses.

Under IFRS 17, the Discounted Cashflow model is also used to determine adequate reserves for in-force long-term Life business contracts as at the valuation date. The results thereof are then used to ascertain adjustments necessary to reserve component balances including the Best Estimate of Liabilities, the Risk Adjustment factor and the Contractual Service Margin. This difference in treatment of the components of reserve, as well as difference in IFRS 17 prescribed methodology are responsible for the variations on IFRS 4 and IFRS 17 reserves for the Life business.

Short-term contracts (Group Life and Non-Life) liabilities are similar in components under IFRS 17 and IFRS 4. Differences observed are due to grouping requirements which may increase the provision for premium deficiency (for onerous groups), the introduction by IFRS 17 of a Risk Adjustment factor and of Discounting for Outstanding and Incurred Claims projections.

40(A)(iv) Investment contract liabilities

Deposit administration (see note (i) below)
Other investment contract liabilities (see note (b) below)

	Group				Company			
	IFRS 4	Remeasurement	Reclassification	IFRS 17	IFRS 4	Remeasurement	Reclassification	IFRS 17
Deposit administration (see note (i) below)	2,836,752	-	376,143	3,212,895	2,836,752	-	-	2,836,752
Other investment contract liabilities (see note (b) below)	19,993,119	-	(19,993,119)	-	19,993,119	-	(19,993,119)	-
Total investment contract liabilities	22,829,871	-	(19,616,976)	3,212,895	22,829,871	-	(19,993,119)	2,836,752

Investment contract liabilities are recognized when contracts are entered into and premiums are received. These liabilities are initially recognized at fair value, this being the transaction price excluding any transaction costs directly attributable to the issue of the contract. Subsequent to initial recognition investment contract liabilities are measured at amortized cost.

Under IFRS 4, we had other investment contract liabilities which were attached to insurance contracts within the ordinary life portfolio.

Under IFRS 17, the investment contract liabilities attached to the long-term contracts are treated as not being qualified to be separable from their associated insurance components, due to the inability to measure one without the other, as stated in the IFRS 17 standard, and they are thus measured and valued as part of the insurance contract liabilities.

40(A)(v) Retained earnings

	Group				Company			
	IFRS 4	Remeasurement	Reclassification	IFRS 17	IFRS 4	Remeasurement	Reclassification	IFRS 17
At 1 January	11,051,695	-	-	11,051,695	9,139,930	-	-	9,139,930
IFRS 17 Adjustment****	-	(3,410,338)	-	(3,410,338)	-	(3,354,904)	-	(3,354,904)
At 1 January (restated)	11,051,695	(3,410,338)	-	7,641,357	9,139,930	(3,354,904)	-	5,785,026

Transition Changes 2021YE

IFRS 17 Adjustment****	NGN '000
Retail Life (i)	(3,825,053)
Group Life (ii)	198,327
Life Total	(3,626,726)
Non-life (iii)	271,822
Composite	(3,354,904)

Impact of Transition on Net Assets, relative to IFRS 4 Balance Sheet.

Retail Life

At transition, the IFRS 4 reserve is replaced on the balance sheet with the IFRS 17 Liability for Remaining Coverage. The increase in this balance sheet item causes an impact on Net Assets at transition of a **NGN 3.82bn** decrease.

	2021YE NGN '000
Narrations	
2021 IFRS 4 Statutory Reserve; A	119,598,538
IFRS17 Best Estimate Liability; i	107,093,592
Risk Adjustment; ii	2,222,901
Contractual Service Margin; iii	7,125,402
2021 IFRS 17 Liability for Remaining Coverage (LRC); B = i + ii + iii	116,441,895
2021 IFRS 17 Liability for Incurred Claims (LIC); C	6,981,696
Impact on Net Asset (Fair Value minus LRC); A - (B + C)	(3,825,053)

Transition Approach and measurement method for AIICO's Retail Life: The fair value approach was used for all Retail Life product groups. The General Measurement Method was applied to the insurance contracts within the scope of Retail Life business, due to the long-term nature of the contracts, as prescribed by the standard.

Group Life

At transition, the IFRS 4 reserve is replaced on the balance sheet with the IFRS 17 Liability for Remaining Coverage and Liability for Incurred Claims. The changes in this balance sheet item caused an impact on Net Assets at transition for Group Life of **NGN 198.3mn** increase.

Group Life 2021YE	NGN '000
Transition	
IFRS 4 Res; A	3,187,762
UPR	1,509,375
UPR - Reinsurance	(509,718)
Additional Unexpired Risk Reserve	72,813
Reinsurance Premiums Payable	554,924
Liability for Remaining Coverage; B	1,627,393
Present Value of IC cashflows	3,271,598
Present Value of IC cashflows - Reinsurance	(916,489)
Effect of discounting	(254,520)
Effect of discounting reinsurance	86,614
Risk Adjustment	71,203
Risk Adjustment - Reinsurance	(19,585)
Recoverables on claims paid	(876,781)
Liability for Incurred Claims; C	1,362,042
IFRS 17 Reserve; D: B + C	2,989,435
Impact on NAV (Due to Ins Contract Liabilities); A - D	198,327

Transition Approach and measurement method for AIICO's Group Life: The full retrospective approach was used for all Group Life product groups. The Premium Allocation Approach Measurement Method was applied to the insurance contracts within the scope of Group Life, due to the short-term nature of the contracts, as prescribed by the standard.

Non-Life

At transition, the IFRS 4 reserve is replaced on the balance sheet with the IFRS 17 Liability for Remaining Coverage and Liability for Incurred Claims. The change in this balance sheet item caused an impact on Net Assets at transition for Non-Life of **271.8mn** increase.

2021YE	NGN '000
Transition	
IFRS 4 Res; A	7,186,241
UPR	4,590,813
UPR - Reinsurance	(1,630,554)
DAC	(739,223)
Additional Unexpired Risk Reserve	261,460
Additional Unexpired Risk Reserve - Reinsurance	(185,637)
Liability for Remaining Coverage; B	2,296,859
Present Value of IC cashflows	9,371,410
Present Value of IC cashflows - Reinsurance	(5,079,997)
Risk Adjustment	712,227
Risk Adjustment - Reinsurance	(386,080)
Liability for Incurred Claims; C	4,617,561
IFRS 17 Reserve; D: B + C	6,914,420
Impact on NAV (Due to Ins Contract Liabilities); A - D	271,822

Transition Approach and measurement method for AIICO's Non-Life: The full retrospective approach will be used for all Non-Life product groups. The Premium Allocation Approach Measurement Method was applied to the insurance contracts within the scope of Non-Life business, due to the short-term nature of the contracts, as prescribed by the standard.

IFRS 17 Transition Adjustments

December 2022

40(B)(i) Reinsurance Assets	Group				Company			
	IFRS 4	Remeasurement	Reclassification	IFRS 17	IFRS 4	Remeasurement	Reclassification	IFRS 17
Prepaid reinsurance (see note (a) below)	4,435,951	(4,435,951)	-	-	4,435,951	(4,435,951)	-	-
Recoverable on outstanding claims (see note (a) below)	5,846,380	(5,846,380)	-	-	5,846,380	(5,846,380)	-	-
Reinsurance contract held (see note (a) below)	-	10,690,993	-	10,690,993	-	10,690,993	-	10,690,993
Recoveries on Claims paid (see note (b) below)	1,631,446	-	(1,631,446)	-	1,631,446	-	(1,631,446)	-
	-	-	-	-	-	-	-	-
	11,913,777	408,662	(1,631,446)	10,690,993	11,913,777	408,662	(1,631,446)	10,690,993

(a) Under IFRS 4, prepaid reinsurance was measured as a function of the reinsurance policy tenor while reinsurance recoverable on outstanding claims is derived from the outstanding claims and the reinsurance policy terms. However, under IFRS 17, prepaid reinsurance and recoverable on outstanding claims are classified under reinsurance contract held.

(b) Recoveries on claims paid under IFRS 4 was classified as reinsurance receivable on paid claims under IFRS 17

Under IFRS 17, Reinsurance contracts held are treated as independent contracts, grouped and measured according to the IFRS 17 requirements; e.g. with General Measurement Method or Premium Allocation Approach. Recoveries on Claims paid, is thus, the only Reinsurance component that remains unchanged from IFRS 4 to IFRS 17.

40(B)(ii) Deferred acquisition costs

40(B)(ii) Deferred acquisition costs	Group				Company			
	IFRS 4	Remeasurement	Reclassification	IFRS 17	IFRS 4	Remeasurement	Reclassification	IFRS 17
Balance at 1 January	739,223	-	(739,223)	-	739,223	-	(739,223)	-
Acquisition during the year	9,182,375	-	(9,182,375)	-	9,011,635	-	(9,011,635)	-
Amortization for the year (see note 27)	(9,063,291)	-	9,063,291	-	(8,892,551)	-	8,892,551	-
Balance as at 31-Dec-2022	858,307	-	(858,307)	-	858,307	-	(858,307)	-

Under IFRS 4, this is treated as those direct and indirect costs incurred during the financial year arising from the writing or renewing of insurance contracts and are deferred to the extent that these costs are recoverable out of future premiums. All other acquisition costs are recognized as an expense when incurred.

Under IFRS 17, Deferred Acquisition Cost is included as a part of the Insurance Contract Liabilities and not as a stand-alone item, as it was under IFRS 4.

40(B)(iii) Insurance contract liabilities

40(B)(iii) Insurance contract liabilities	Group				Company			
	IFRS 4	Remeasurement	Reclassification	IFRS 17	IFRS 4	Remeasurement	Reclassification	IFRS 17
Life								
Insurance contracts issued	165,404,473	(12,727,426)	19,553,139	172,230,186	147,772,486	4,904,561	19,553,139	172,230,186
Balance as at 31-Dec-2022	165,404,473	(12,727,426)	19,553,139	172,230,186	147,772,486	4,904,561	19,553,139	172,230,186
Non-Life								
Insurance contracts issued	15,510,950	36,943	-	15,547,893	15,299,918	(610,332)	858,307	15,547,893
	(857,338)	-	-	-	(857,338)	-	-	-
Balance as at 31-Dec-2022	14,653,612	36,943	-	15,547,893	14,442,580	(610,332)	858,307	15,547,893

Under IFRS 4, an assessment is made of whether the recognized life insurance liabilities are adequate by carrying out a liability adequacy test. The liability value is adjusted to the extent that it is insufficient to meet expected future benefits and expenses. In performing the adequacy test, current best estimates of future contractual cash flows, including related cash flows such as claims handling and policy administration expenses, policyholder options and guarantees, as well as investment income from assets backing such liabilities, are used. Discounted cash flows model is used in the valuation.

Non-life insurance contract liabilities include the outstanding claims provision, the provision for unearned premium and the provision for premium deficiency. The outstanding claims provision is based on the estimated ultimate cost of all claims incurred but not settled at the reporting date, whether reported or not, together with related claims expenses.

Under IFRS 17, the Discounted Cashflow model is also used to determine adequate reserves for in-force long-term Life business contracts as at the valuation date. The results thereof are then used to ascertain adjustments necessary to reserve component balances including the Best Estimate of Liabilities, the Risk Adjustment factor and the Contractual Service Margin. This difference in treatment of the components of reserve, as well as difference in IFRS 17 prescribed methodology are responsible for the variations on IFRS 4 and IFRS 17 reserves for the Life business.

Short-term contracts (Group Life and Non-Life) liabilities are similar in components under IFRS 17 and IFRS 4. Differences observed are due to grouping requirements which may increase the provision for premium deficiency (for onerous groups), the introduction by IFRS 17 of a Risk Adjustment factor and of Discounting for Outstanding and Incurred Claims projections.

40(B)(iv) Investment contract liabilities

	Group				Company			
	IFRS 4	Remeasurement	Reclassification	IFRS 17	IFRS 4	Remeasurement	Reclassification	IFRS 17
Deposit administration	313,373	-	2,899,522	3,212,895	313,373	-	2,899,522	3,212,895
Other investment contract liabilities	21,594,354	-	(21,594,354)	-	21,594,354	-	(21,594,354)	-
Total investment contract liabilities	21,907,727	-	(18,694,832)	3,212,895	21,907,727	-	(18,694,832)	3,212,895

Investment contract liabilities are recognized when contracts are entered into and premiums are received. These liabilities are initially recognized at fair value, this being the transaction price excluding any transaction costs directly attributable to the issue of the contract. Subsequent to initial recognition investment contract liabilities are measured at amortized cost.

Under IFRS 4, we had other investment contract liabilities which were attached to insurance contracts within the ordinary life portfolio.

Under IFRS 17, the investment contract liabilities attached to the long-term contracts are treated as not being qualified to be separable from their associated insurance components, due to the inability to measure one without the other, as stated in the IFRS 17 standard, and they are thus measured and valued as part of the insurance contract liabilities.

40(B)(v) Retained earnings

	Group				Company			
	IFRS 4	Remeasurement	Reclassification	IFRS 17	IFRS 4	Remeasurement	Reclassification	IFRS 17
At 1 January	11,051,695	-	-	11,051,695	9,139,930	-	-	9,139,930
Initial Impact of IFRS 17 Implementation	-	(3,410,338)	-	(3,410,338)	-	(3,354,904)	-	(3,354,904)
At 1 January (restated)	11,051,695	(3,410,338)	-	7,641,357	9,139,930	(3,354,904)	-	5,785,026
Transfer from statement of profit or loss and OCI	7,440,732	(2,386,721)	-	5,054,011	6,895,054	(2,427,661)	-	4,467,392
Transfer from/(to) contingency reserve	(1,405,442)	-	-	(1,405,442)	(1,405,442)	-	-	(1,405,442)
Transfer from foreign exchange reserve	175,600	-	-	175,600	175,600	-	-	175,600
Dividend paid to ordinary shareholders	(732,105)	-	-	(732,105)	(732,105)	-	-	(732,105)
Realised gain / (loss) on equities	10,304	-	-	10,304	-	-	-	-
Baalance as at 31 December 2022	16,540,784	(5,797,059)	-	10,743,724	14,073,037	(5,782,565)	-	8,290,471

IFRS 4 profit for the year 2022 closed at **NGN 7.44bn** for the group and **NGN 4.47bn** for the company, the difference between this position and IFRS 17 is a reduction of NGN 2.38bn and NGN 2.43bn respectively.

This is due to the changes that have occurred from the transition to Insurance Revenue, Insurance Service Result, and the inclusion of Net Insurance/Reinsurance and Net Finance Income/(Expenses) in the IFRS 17 restated financial performance.

AIICO INSURANCE PLC

41 IFRS 17 Transition adjustments - GROUP

APPENDIX 1A

		COMPARATIVE SOFP			
		Transition adjustment as at 31 December 2022			
	Note	IFRS 4 31-Dec-2022 N'000	Reclassification & Derecognition N'000	Remeasurement N'000	IFRS 17 31-Dec-2022 N'000
Assets					
Cash and cash equivalents		15,915,376	-	-	15,915,376
Financial assets		225,459,912	-	-	225,459,912
Trade receivables		866,977	-	-	866,977
Reinsurance assets	a(c)	11,913,776	(11,913,776)	-	-
Reinsurance contract assets	c(b,h,i)	-	9,959,868	(570,609)	9,389,260
Deferred acquisition costs	b(d)	858,307	(858,307)	-	-
Other receivables and prepayments		4,685,426	(76,948)	-	4,608,478
Deferred tax assets		21,501	-	-	21,501
Investment in associate		-	-	-	-
Investment properties		760,000	-	-	760,000
Property and equipment		8,359,520	-	-	8,359,520
Statutory deposits		500,000	-	-	500,000
Right of use assets		60,055	-	-	60,055
Goodwill and other intangible assets		928,672	-	-	928,672
Total assets		270,329,522	(2,889,163)	(570,609)	266,869,750
Liabilities					
Insurance contract liabilities	d(b,e,i)	165,404,474	17,805,469	4,898,324	188,108,267
Investment contract liabilities	e(d)	21,907,727	(18,694,832)	-	3,212,895
Other insurance contract liabilities	f(g)	-	3,103,704	-	3,103,704
Trade payables	g(f)	6,461,628	(4,451,331)	-	2,010,297
Other payables and accruals	h(c)	8,088,876	(652,174)	328,129	7,764,831
Fixed income liabilities		22,781,598	-	-	22,781,598
Current income tax payable		669,543	-	-	669,543
Deferred tax liabilities		7,666	-	-	7,666
Total liabilities		225,321,512	(2,889,163)	5,226,453	227,658,801
Equity					
Share capital		18,302,639	-	-	18,302,639
Share premium		64,745	-	-	64,745
Revaluation reserve		2,764,016	-	-	2,764,016
Fair value reserve		(2,796,624)	-	-	(2,796,624)
Foreign exchange gains reserve		-	-	-	-
Contingency reserve		9,710,046	-	-	9,710,046
Retained earnings		16,540,784	-	(5,797,059)	10,743,725
Shareholders' funds		44,585,606	-	(5,797,059)	38,788,547
Non-controlling interests	j(i)	422,402	-	-	422,402
Total equity		45,008,008	-	(5,797,059)	39,210,949
Total liabilities and equity		270,329,520	(2,889,163)	(570,607)	266,869,750

		COMPARATIVE SOFP			
		Transition adjustment as at 1 January 2022			
	Note	IFRS 4 31-Dec-2021 N'000	Reclassification & derecognition N'000	Remeasurement N'000	IFRS 17 01-Jan-2022 N'000
Assets					
Cash and cash equivalents		25,490,105	-	-	25,490,105
Financial assets		172,501,020	-	-	172,501,020
Trade receivables		728,518	-	-	728,518
Reinsurance assets		10,387,924	(10,387,924)	-	-
Reinsurance contract assets		-	8,796,302	(76,952)	8,719,350
Deferred acquisition costs		739,222	(739,222)	-	-
Other receivables and prepayments		2,411,790	(15,307)	-	2,396,483
Deferred tax assets		1,252	-	-	1,252
Investment in associate		705,629	-	-	705,629
Investment properties		806,000	-	-	806,000
Property and equipment		7,068,787	-	-	7,068,787
Statutory deposits		500,000	-	-	500,000
Right of use assets		105,855	-	-	105,855
Goodwill and other intangible assets		934,748	-	-	934,748
Total assets		222,380,850	(2,346,151)	(76,952)	219,957,747
Liabilities					
Insurance contract liabilities		119,776,332	19,238,589	3,287,136	142,302,057
Investment contract liabilities		22,829,871	(19,993,119)	-	2,836,752
Other insurance contract liabilities		-	1,618,193	-	1,618,193
Trade payables		3,779,049	(2,657,768)	-	1,121,281
Other payables and accruals		3,700,218	(552,047)	-	3,148,171
Fixed income liabilities		33,506,178	-	-	33,506,178
Current income tax payable		407,282	-	-	407,282
Deferred tax liabilities		7,666	-	-	7,666
Total liabilities		184,006,596	(2,346,152)	3,287,136	184,947,580
Equity					
Share capital		18,302,638	-	-	18,302,638
Share premium		64,745	-	-	64,745
Revaluation reserve		1,812,707	-	-	1,812,707
Fair value reserve		(1,683,037)	-	-	(1,683,037)
Foreign exchange gains reserve		175,600	-	-	175,600
Contingency reserve		8,304,604	-	-	8,304,604
Retained earnings		11,051,694	-	(3,364,088)	7,687,606
Shareholders' funds		38,028,951	-	(3,364,088)	34,664,863
Non-controlling interests		345,303	-	-	345,303
Total equity		38,374,254	-	(3,364,088)	35,010,166
Total liabilities and equity		222,380,850	(2,346,152)	(76,952)	219,957,746

Reconciliation of IFRS 4 to IFRS 17 (Statement of Financial Position)

Explanatory Notes supporting restated figures

APPENDIX 1B

		Group Transition adjustment as at 31 December 2022				Group Transition adjustment as at 1 January 2022			
		IFRS 4 31-Dec-2022 N'000	Reclassification & derecognition N'000	Remeasurement N'000	IFRS 17 31-Dec-2022 N'000	IFRS 4 31-Dec-2021 N'000	Reclassification & derecognition N'000	Remeasurement N'000	IFRS 17 01-Jan-2022 N'000
Note									
	a Reinsurance assets (RA)								
	Reinsurance contract assets - Opening balance	11,913,776	(11,913,776)	-	-	10,387,924	(10,387,924)	-	-
	Remeasurement	-	-	-	-	-	-	-	-
	Closing balance	11,913,776	(11,913,776)	-	-	10,387,924	(10,387,924)	-	-
	b Deferred acquisition costs (DAC)								
	Deferred acquisition costs - Opening balance	858,307	(858,307)	-	-	739,223	(739,223)	-	-
	Remeasurement	-	-	-	-	-	-	-	-
	Closing balance	858,307	(858,307)	-	-	739,223	(739,223)	-	-
	c Reinsurance contract assets								
	Assets for Remaining Coverage (ARC):								
	Opening balance IFRS 4	-	-	-	-	-	-	-	-
	ARC reclassified from prepaid premium under IFRS 4	-	4,435,951	-	4,435,951	-	2,478,884	-	2,478,884
	Increase in unearned premium reserve	-	-	1,496,386	1,496,386	-	-	1,288,795	1,288,795
	LoC - loss on onerous contract	-	-	8,762	8,762	-	-	209,908	209,908
	Deferred commission income reclassified - DCI	-	(1,953,908)	-	(1,953,908)	-	(1,591,622)	-	(1,591,622)
	Assets for Remaining Coverage (ARC)	-	2,482,043	1,505,148	3,987,191	-	887,262	1,498,703	2,385,965
	Assets for Incurred Claims (AIC):								
	Opening balance IFRS 4	-	-	-	-	-	-	-	-
	AIC reclassified from claims recovery under IFRS 4	-	7,477,825	-	7,477,825	-	7,909,040	-	7,909,040
	AIC - impact of claims discounting	-	-	(2,740,261)	(2,740,261)	-	-	(1,909,508)	(1,909,508)
	AIC - risk adjustment recognised	-	-	324,808	324,808	-	-	333,853	333,853
	AIC - Discount unwinding	-	-	339,696	339,696	-	-	-	-
	Assets for Incurred Claims (AIC)	-	7,477,825	(2,075,757)	5,402,068	-	7,909,040	(1,575,655)	6,333,385
	Closing balance - IFRS 17	-	9,959,868	(570,609)	9,389,260	-	8,796,302	(76,952)	8,719,350
	d Insurance contract liabilities								
	Liabilities for Remaining Coverage (LRC): Opening balance IFRS 4	147,410,952	(31,056)	(147,095,252)	284,644	103,274,172	(15,306)	(103,063,139)	195,727
	Reclassified from investment contract liabilities	-	18,694,832	(18,694,832)	-	-	19,993,119	(19,993,119)	-
	Amount reported under LRC:								
	Estimates of PV of future cash flows	-	-	142,201,860	142,201,860	-	-	112,960,352	112,960,352
	Risk adjustment	-	-	2,879,641	2,879,641	-	-	2,222,901	2,222,901
	Contractual service margin	-	-	13,435,765	13,435,765	-	-	7,125,402	7,125,402
	Loss component	-	-	3,776,034	3,776,034	-	-	358,793	358,793
	Impact of claims discounting	-	-	(3,522,438)	(3,522,438)	-	-	-	-
	Discount unwinding	-	-	8,156,779	8,156,779	-	-	-	-
	Deferred acquisition cost - reclassified to LRC	-	(858,307)	-	(858,307)	-	(739,223)	-	(739,223)
	Liabilities for Remaining Coverage (LRC)	147,410,952	17,805,469	1,137,557	166,353,978	103,274,172	19,238,590	(388,810)	122,123,952
	Liabilities for Incurred Claims (LIC):								
	Opening balance (incurred claims) IFRS 4	17,993,522	-	(17,993,522)	-	16,502,159	-	(16,502,159)	-
	Amount reported under LIC:								
	Estimates of present value of future cash flows	-	-	20,938,398	20,938,398	-	-	19,385,491	19,385,491
	Risk adjustment recognised	-	-	770,347	770,347	-	-	783,430	783,430
	LIC - Impact of IFRS 17 on subsidiary	-	-	45,544	45,544	-	-	9,184	9,184
	Discount unwinding	-	-	-	-	-	-	-	-
	Liabilities for Incurred Claims (LIC)	17,993,522	-	3,760,767	21,754,289	16,502,159	-	3,675,946	20,178,105
	Total Insurance contract liabilities - IFRS 17	165,404,474	17,805,469	4,898,324	188,108,267	119,776,331	19,238,590	3,287,136	142,302,057

APPENDIX 1C

		Transition adjustment as at 31 December 2022				Transition adjustment as at 1 January 2022			
		IFRS 17				IFRS 17			
Note		IFRS 4 31-Dec-2022 N'000	Reclassification & derecognition N'000	Remeasurement N'000	IFRS 17 31-Dec-2022 N'000	IFRS 4 31-Dec-2021 N'000	Reclassification & derecognition N'000	Remeasurement N'000	IFRS 17 01-Jan-2022 N'000
e Investment contract liabilities									
		21,907,727	-	-	21,907,727	22,829,871	-	-	22,829,871
	(d)	-	(18,694,832)	-	(18,694,832)	-	(19,993,119)	-	(19,993,119)
		-	-	-	-	-	-	-	-
		21,907,727	(18,694,832)	-	3,212,895	22,829,871	(19,993,119)	-	2,836,752
f Reinsurance contract liabilities									
	(h)	-	1,347,626	-	1,347,626	-	1,039,576	-	1,039,576
		-	-	-	-	-	-	-	-
		-	1,347,626	-	1,347,626	-	1,039,576	-	1,039,576
g Other insurance contracts liabilities									
		-	-	-	-	-	-	-	-
	(g)	-	3,103,704	-	3,103,704	-	1,618,193	-	1,735,168
		-	-	-	-	-	-	-	-
		-	3,103,704	-	3,103,704	-	1,618,193	-	1,735,168
h Trade payables									
		6,461,628	-	-	6,461,628	3,779,049	-	-	3,779,049
	(f)	-	(3,103,704)	-	(3,103,704)	-	(1,618,193)	-	(1,618,193)
		-	(1,347,626)	-	(1,347,626)	-	(1,039,576)	-	(1,039,576)
		-	-	-	-	-	-	-	-
		6,461,628	(4,451,330)	-	2,010,298	3,779,049	(2,657,769)	-	1,121,280
i Other payables and accruals									
		8,088,876	-	-	8,088,876	3,700,219	-	-	3,700,219
	(c)	-	(652,174)	-	(652,174)	-	(552,047)	-	(552,047)
		-	-	328,129	328,129	-	-	-	-
		-	-	-	-	-	-	-	-
		8,088,876	(652,174)	328,129	7,764,831	3,700,219	(552,047)	-	3,148,172
j Retained earnings									
		11,051,695	-	(3,364,088)	7,687,607	9,924,143	-	-	9,924,143
		7,440,732	-	(2,386,719)	5,054,013	4,853,284	-	-	4,853,284
		(1,405,442)	-	-	(1,405,442)	(1,091,010)	-	-	(1,091,010)
		-	-	-	-	202,042	-	-	202,042
		175,600	-	-	175,600	-	-	-	-
		-	-	-	-	740,532	-	-	740,532
		(732,105)	-	-	(732,105)	-	-	-	-
		10,304	-	-	10,304	(91,081)	-	-	(91,081)
		-	-	-	-	(3,486,215)	-	-	(3,486,215)
	(c)	-	-	(570,609)	(570,609)	-	-	(76,952)	(76,952)
	(d)	-	-	524,356	524,356	-	-	(3,287,136)	(3,287,136)
	(j)	-	-	-	-	-	-	-	-
		16,540,784	-	(5,797,059)	10,743,725	11,051,695	-	(3,364,088)	7,687,607

AIICO INSURANCE PLC
IFRS 17 Transition adjustments - COMPANY
APPENDIX 2A

		COMPARATIVE SOFP				COMPARATIVE SOFP			
		Transition adjustment as at 31 December 2022				Transition adjustment as at 1 January 2022			
	Note	IFRS 4 31-Dec-2022 N'000	Reclassification & Derecognition N'000	Remeasurement N'000	IFRS 17 31-Dec-2022 N'000	IFRS 4 01-Jan-2022 N'000	Reclassification & Derecognition N'000	Remeasurement N'000	IFRS 17 01-Jan-2022 N'000
Assets									
Cash and cash equivalents		6,521,824	118	-	6,521,942	9,062,962	-	-	9,062,962
Financial assets		208,421,569	(118)	-	208,421,451	152,718,223	-	-	152,718,223
Trade receivables		852,113	-	-	852,113	689,375	-	-	689,375
Reinsurance assets	a(c)	11,913,776	(11,913,776)	-	-	10,387,924	(10,387,924)	-	-
Reinsurance contract assets	c(b,h,i)	-	9,959,868	(570,609)	9,389,259	-	8,796,302	(76,952)	8,719,350
Deferred acquisition costs	b(d)	858,307	(858,307)	-	-	739,222	(739,222)	-	-
Other receivables and prepayments		4,141,826	(76,947)	-	4,064,879	2,140,480	(15,307)	-	2,125,173
Investment in subsidiaries		1,087,317	-	-	1,087,317	1,087,317	-	-	1,087,317
Investment in associate		-	-	-	-	705,691	-	-	705,691
Investment properties		760,000	-	-	760,000	806,000	-	-	806,000
Property and equipment		8,064,528	-	-	8,064,528	6,847,439	-	-	6,847,439
Statutory deposits		500,000	-	-	500,000	500,000	-	-	500,000
Right of use assets		60,055	-	-	60,055	105,855	-	-	105,855
Goodwill and other intangible assets		846,825	-	-	846,825	838,252	-	-	838,252
Total assets		244,028,140	(2,889,162)	(570,609)	240,568,369	186,628,740	(2,346,151)	(76,952)	184,205,637
Liabilities									
Insurance contract liabilities	d(b,e,i)	165,088,774	17,836,525	4,852,780	187,778,079	119,565,299	19,238,590	3,277,952	142,081,841
Investment contract liabilities	e(d)	21,907,727	(18,694,832)	-	3,212,895	22,829,871	(19,993,119)	-	2,836,752
Other insurance contracts liabilities	f(g)	-	3,103,704	-	3,103,704	-	1,618,193	-	1,618,193
Trade payables	g(f)	6,461,628	(4,451,331)	-	2,010,297	3,748,134	(2,657,769)	-	1,090,365
Other payables and accruals	h(c)	7,054,663	(652,174)	328,126	6,730,615	3,394,547	(552,047)	-	2,842,500
Current income tax payable		422,562	-	-	422,562	307,392	-	-	307,392
Total liabilities		200,935,354	(2,858,108)	5,180,906	203,258,152	149,845,243	(2,346,151)	3,277,952	150,777,043
Equity									
Share capital		18,302,639	-	-	18,302,639	18,302,638	-	-	18,302,638
Share premium		64,745	-	-	64,745	64,745	-	-	64,745
Revaluation reserve		2,764,016	-	-	2,764,016	1,812,707	-	-	1,812,707
Fair value reserve		(1,821,697)	-	-	(1,821,697)	(1,016,727)	-	-	(1,016,727)
Foreign exchange gains reserve		-	-	-	-	175,600	-	-	175,600
Contingency reserve		9,710,046	-	-	9,710,046	8,304,604	-	-	8,304,604
Retained earnings	i(c,d,h)	14,073,037	(31,054)	(5,751,515)	8,290,468	9,139,930	-	(3,354,904)	5,785,026
Shareholders' funds		43,092,786	(31,054)	(5,751,515)	37,310,217	36,783,497	-	(3,354,904)	33,428,593
Non-controlling interests	j(i)	-	-	-	-	-	-	-	-
Total equity		43,092,786	(31,054)	(5,751,515)	37,310,217	36,783,497	-	(3,354,904)	33,428,593
Total liabilities and equity		244,028,140	(2,889,162)	(570,609)	240,568,369	186,628,740	(2,346,151)	(76,952)	184,205,637

Reconciliation of IFRS 4 to IFRS 17 (Statement of Financial Position) - Explanatory Notes supporting restated figures

APPENDIX 2B

Note	Company Transition adjustment as at 31 December 2022				Transition adjustment as at 1 January 2022			
	IFRS 17		IFRS 17		IFRS 17		IFRS 17	
	IFRS 4 31-Dec-2022 N'000	Reclassification & derecognition N'000	Remeasurement N'000	IFRS 17 31-Dec-2022 N'000	IFRS 4 31-Dec-2021 N'000	Reclassification & derecognition N'000	Remeasurement N'000	IFRS 17 01-Jan-2022 N'000
a Reinsurance assets (RA)	(c)							
Reinsurance contract assets - Opening balance	11,913,776	(11,913,776)	-	-	10,387,924	(10,387,924)	-	-
Remeasurement	-	-	-	-	-	-	-	-
Closing balance	11,913,776	(11,913,776)	-	-	10,387,924	(10,387,924)	-	-
b Deferred acquisition costs (DAC)	(d)							
Deferred acquisition costs - Opening balance	858,307	(858,307)	-	-	739,223	(739,223)	-	-
Remeasurement	-	-	-	-	-	-	-	-
Closing balance	858,307	(858,307)	-	-	739,223	(739,223)	-	-
c Reinsurance contract assets								
Assets for Remaining Coverage (ARC):								
Opening balance IFRS 4	-	-	-	-	-	-	-	-
ARC reclassified from prepaid premium under IFRS 4	-	4,435,951	-	4,435,951	-	2,478,884	-	2,478,884
Increase in unearned premium reserve	-	-	1,496,385	1,496,385	-	-	1,306,646	1,306,646
LoC - loss on onerous contract	-	-	8,762	8,762	-	-	120,244	120,244
Deferred commission income reclassified - DCI	-	(1,953,908)	-	(1,953,908)	-	(1,591,622)	-	(1,591,622)
Assets for Remaining Coverage (ARC)	-	2,482,043	1,505,147	3,987,190	-	887,262	1,426,890	2,314,152
Assets for Incurred Claims (AIC):								
Opening balance IFRS 4	-	-	-	-	-	-	-	-
AIC reclassified from claims recovery under IFRS 4	-	7,477,825	-	7,477,825	-	7,909,040	-	7,909,040
AIC - impact of claims discounting	-	-	(2,740,260)	(2,740,260)	-	-	(1,909,507)	(1,909,507)
AIC - risk adjustment recognised	-	-	324,808	324,808	-	-	405,665	405,665
AIC - Discount unwinding	-	-	339,696	339,696	-	-	-	-
Assets for Incurred Claims (AIC)	-	7,477,825	(2,075,756)	5,402,069	-	7,909,040	(1,503,842)	6,405,198
Closing balance - IFRS 17	-	9,959,868	(570,609)	9,389,259	-	8,796,302	(76,952)	8,719,350
d Insurance contract liabilities								
Liabilities for Remaining Coverage (LRC):								
Opening balance IFRS 4	147,095,252	-	(147,095,252)	-	104,265,381	-	(104,265,381)	-
Reclassified from investment contract liabilities	-	18,694,832	(18,694,832)	-	-	19,993,119	(19,993,119)	-
Amount reported under LRC:	(d)							
Estimates of PV of future cash flows	-	-	142,201,860	142,201,860	-	-	112,960,352	112,960,352
Risk adjustment	-	-	2,879,641	2,879,641	-	-	2,222,901	2,222,901
Contractual service margin	-	-	13,435,765	13,435,765	-	-	7,125,402	7,125,402
Loss component	-	-	3,776,034	3,776,034	-	-	358,793	358,793
Impact of claims discounting	-	-	(3,522,438)	(3,522,438)	-	-	-	-
Discount unwinding	-	-	8,156,779	8,156,779	-	-	-	-
Deferred acquisition cost - reclassified to LRC	-	(858,307)	-	(858,307)	-	(754,530)	-	(754,530)
Total LRC	147,095,252	17,836,525	1,137,557	166,069,334	104,265,381	19,238,589	(1,591,052)	121,912,918
Liabilities for Incurred Claims (LIC):								
Opening balance (incurred claims) IFRS 4	17,993,522	-	(17,993,522)	-	15,299,918	-	(15,299,918)	-
Amount reported under LIC:	(d)							
Estimates of present value of future cash flows	-	-	20,820,421	20,820,421	-	-	19,370,185	19,370,185
Risk adjustment recognised	-	-	770,347	770,347	-	-	783,430	783,430
LIC - impact of claims discounting	-	-	117,977	117,977	-	-	15,307	15,307
Discount unwinding	-	-	-	-	-	-	-	-
Total Insurance contract liabilities - IFRS 17	165,088,774	17,836,525	4,852,780	187,778,079	119,565,299	19,238,589	3,277,952	142,081,840

Note	Transition adjustment as at 31 December 2022				Transition adjustment as at 1 January 2022			
	IFRS 4		IFRS 17		IFRS 4		IFRS 17	
	31-Dec-2022	Reclassification & derecognition	Remeasurement	31-Dec-2022	31-Dec-2021	Reclassification & derecognition	Remeasurement	01-Jan-2022
	N'000	N'000	N'000	N'000	N'000	N'000	N'000	N'000
e Investment contract liabilities								
	21,907,727	-	-	21,907,727	22,829,871	-	-	22,829,871
(d)	-	(18,694,832)	-	(18,694,832)	-	(19,993,119)	-	(19,993,119)
	-	-	-	-	-	-	-	-
	21,907,727	(18,694,832)	-	3,212,895	22,829,871	(19,993,119)	-	2,836,752
f Reinsurance contract liabilities								
(h)	-	1,347,627	-	1,347,627	-	1,039,576	-	1,039,576
	-	-	-	-	-	-	-	-
	-	1,347,627	-	1,347,627	-	1,039,576	-	1,039,576
g Other insurance contracts liabilities								
(g)	-	-	-	-	-	-	-	-
	-	3,103,704	-	3,103,704	-	1,618,193	-	1,618,193
	-	-	-	-	-	-	-	-
	-	3,103,704	-	3,103,704	0	1,618,193	-	1,618,193
h Trade payables								
(f)	6,461,628	-	-	6,461,628	3,748,134	-	-	3,748,134
	-	(3,103,704)	-	(3,103,704)	-	(1,618,193)	-	(1,618,193)
	-	(1,347,627)	-	(1,347,627)	-	(1,039,576)	-	(1,039,576)
	-	-	-	-	-	-	-	-
	6,461,628	(4,451,331)	-	2,010,297	3,748,134	(2,657,769)	-	1,090,365
i Other payables and accruals								
(c)	7,054,663	-	-	7,054,663	3,394,547	-	-	3,394,547
	-	(652,174)	-	(652,174)	-	(552,047)	-	(552,047)
	-	-	328,126	328,126	-	-	-	-
	-	-	-	-	-	-	-	-
	7,054,663	(652,174)	328,126	6,730,615	3,394,547	(552,047)	-	2,842,500
j Retained earnings								
	9,139,930	-	(3,354,904)	5,785,026	8,834,102	-	-	8,834,102
	6,895,054	-	(2,427,665)	4,467,389	4,968,664	-	-	4,968,664
	(1,405,442)	-	-	(1,405,442)	(1,091,010)	-	-	(1,091,010)
	175,600	-	-	175,600	-	-	-	-
	(732,105)	-	-	(732,105)	-	-	-	-
	-	-	-	-	(85,611)	-	-	(85,611)
	-	-	-	-	(3,486,215)	-	-	(3,486,215)
(c)	-	-	-	-	-	-	(76,952)	(76,952)
(d)	-	-	-	-	-	-	(3,277,952)	(3,277,952)
(j)	-	-	-	-	-	-	-	-
	14,073,037	-	(5,782,569)	8,290,468	9,139,930	-	(3,354,904)	5,785,026

AIICO INSURANCE PLC
Transition disclosure of Comparative Figures as 31 December 2022
Reconciliation of statement of comprehensive income for the period ended 31 December 2022
APPENDIX 3A

		31 December 2022 - Group				31 December 2022 - Company			
		Balances as of	Reclassification	Remeasurement	Balances as of	Balances as of	Reclassification	Remeasurement	Balances as of
		31 Dec. 2022			31 Dec. 2022	31 Dec. 2022			
		IFRS 4			IFRS 17	IFRS 4			IFRS 17
	Note	N'000	N'000	N'000	N'000	N'000	N'000	N'000	N'000
Gross premium income	A(J)	86,043,096	(86,043,096)	-	-	85,292,276	(85,292,276)	-	-
Reinsurance expenses	B(L)	(15,330,978)	15,330,978	-	-	(15,330,978)	15,330,978	-	-
Net premium income		70,712,118	(70,712,118)	-	-	69,961,298	(69,961,298)	-	-
Fee and commission income:									
Insurance contracts	C(L)	2,433,101	(2,433,101)	-	-	2,433,101	(2,433,101)	-	-
Pension and other contracts	C(L)	884,291	(884,291)	-	-	-	-	-	-
Net underwriting income		74,029,510	(74,029,510)	-	-	72,394,399	(72,394,399)	-	-
Claims expenses:									
Claims expenses (Gross)	D(K)	(48,191,971)	48,191,971	-	-	(47,410,850)	47,410,850	-	-
Claims expenses recovered from reinsurers	E(L)	3,204,759	(3,204,759)	-	-	3,204,759	(3,204,759)	-	-
Underwriting expenses	F(K)	(12,195,108)	12,195,108	-	-	(12,043,561)	12,043,561	-	-
Change in life fund	G(K)	(8,417,071)	8,417,071	-	-	(8,417,071)	8,417,071	-	-
Change in annuity fund	H(K)	(2,043,994)	2,043,994	-	-	(2,043,994)	2,043,994	-	-
Change in other investment contracts	I(K)	(1,601,235)	1,601,235	-	-	(1,601,235)	1,601,235	-	-
Underwriting profit		4,784,890	(4,784,890)	-	-	4,082,447	(4,082,447)	-	-
Insurance revenue	J	-	87,376,927	32,559,029	54,817,897	-	86,626,107	33,416,510	53,209,597
Insurance service expenses	K	-	(83,947,499)	(40,147,596)	(43,799,903)	-	(83,017,919)	(40,073,578)	(42,944,342)
Net expenses from reinsurance contracts	L	-	(8,808,827)	1,984,385	(10,793,212)	-	(9,693,118)	1,100,094	(10,793,212)
Insurance service result			(5,379,400)	(5,604,182)	224,782		(6,084,931)	(5,556,974)	(527,956)
Interest revenue calculated using effective interest rate method									
Other investment income		18,746,596	-	-	23,221,549	17,731,912	-	-	17,731,912
Profit from deposit administration		199,770	-	-	199,770	199,770	-	-	199,770
Net realised (loss)/gain		(594,028)	-	-	(594,027)	(594,028)	-	-	(594,028)
Net fair value losses		(6,036,060)	-	-	(6,036,060)	(6,036,060)	-	-	(6,036,060)
Net change in investment contract liabilities		-	-	167,556	(167,556)	-	-	167,556	(167,556)
Net Impairment (charges)/reversal		(170,440)	-	-	(170,440)	(71,916)	-	-	(71,916)
Net Foreign Exchange Gain/(Loss)		-	(690,207)	-	(676,219)	-	(690,207)	-	(690,207)
Net Investment income		12,145,838	(690,207)	167,556	15,777,016	11,229,678	(690,207)	167,556	10,371,915
Insurance finance income/(expenses) from insurance contracts	J	-	-	8,163,041	(8,163,041)	-	-	8,156,779	(8,156,779)
Insurance finance income/(expenses) from reinsurance contracts	L	-	-	(339,696)	339,696	-	-	(339,696)	339,696
Net insurance and investment result		12,145,838	(690,207)	7,990,901	8,178,454	11,229,678	(690,207)	7,984,639	2,026,876

APPENDIX 3B

	31 December 2022 - Group				31 December 2022 - Company			
	Balances as of 31 Dec. 2022	Reclassification	Remeasurement	Balances as of 31 Dec. 2022	Balances as of 31 Dec. 2022	Reclassification	Remeasurement	Balances as of 31 Dec. 2022
	IFRS 4			IFRS 17	IFRS 4			IFRS 17
	N'000	N'000	N'000	N'000	N'000	N'000	N'000	N'000
Other operating income	1,526,607	(562,938)	-	951,040	1,423,983	(562,938)	-	861,045
Personnel expenses	(4,664,025)	4,664,025	-	-	(4,004,147)	4,004,147	-	-
Other operating expenses	(8,708,154)	6,753,409	-	(6,431,059)	(8,511,223)	7,416,375	-	(1,094,846)
Profit before income tax from continuing operations	5,085,156	-	2,386,719	2,698,436	4,220,738	0	2,427,665	1,793,075
Income tax expense	(257,791)	-	-	(257,791)	(51,155)	-	-	(51,155)
Minimum tax	(147,215)	-	-	(147,215)	(147,215)	-	-	(147,215)
Profit after tax from continuing operations	4,680,150	-	2,386,719	2,293,429	4,022,368	0	2,427,665	1,594,705
Discontinued operations:								
Profit from discontinued operations (net of tax)	2,872,686	-	-	2,872,686	2,872,686	-	-	2,872,686
Profit for the year	7,552,836	-	2,386,719	5,166,115	6,895,054	0	2,427,665	4,467,391
Attributable to owners of the parent	7,440,732	-	(2,386,721)	5,054,011	6,895,054	0	2,427,665	4,467,391
Attributable to non-controlling interest holders	112,104	-	-	112,104	-	-	-	-
	7,552,836	-	2,386,719	5,166,115	6,895,054	0	2,427,665	4,467,391
Other comprehensive income, net of tax								
Fair value loss on financial assets	(743,419)	-	-	(743,419)	(393,613)	-	-	(393,613)
Items within OCI that will not be reclassified to profit or loss in subsequent periods:								
Fair value loss on equity securities	(395,892)	-	-	(394,868)	(411,357)	-	-	(411,357)
Revaluation loss on property and equipment	951,309	-	-	951,309	951,309	-	-	951,309
Total other comprehensive (loss)/ income	(188,002)	-	-	(186,978)	146,339	-	-	146,339
	-	-	-	-	-	-	-	-
Total comprehensive income for the year	7,364,834	-	2,386,719	4,979,137	7,041,393	0	2,427,665	4,613,730
Attributable to owners of the parent	7,287,735	-	-	4,902,039	6,895,054	-	-	4,613,730
Attributable to non-controlling interest holders	77,099	-	-	77,099	-	-	-	-
	7,364,834	-	-	4,979,137	7,041,393	-	-	4,613,730

		31 December 2022 - Group				31 December 2022 - Company			
		Balances as at 31 Dec. 2022	Reclassification & Derecognition	Remeasurement	Balances as at 31 Dec. 2022	Balances as at 31 Dec. 2022	Reclassification & Derecognition	Remeasurement	Balances as at 31 Dec. 2022
		IFRS 4			IFRS 17	IFRS 4			IFRS 17
Note		N'000	N'000	N'000	N'000				
A Gross Premium Income									
		86,043,096	-	-	86,043,096	85,292,276	-	-	85,292,276
	(J)	-	(86,043,096)	-	(86,043,096)	-	(85,292,276)	-	(85,292,276)
		86,043,096	(86,043,096)	-	-	85,292,276	(85,292,276)	-	-
B Reinsurance expenses									
		(15,330,978)	-	-	(15,330,978)	(15,330,978)	-	-	(15,330,978)
	(L)	-	15,330,978	-	15,330,978	-	15,330,978	-	15,330,978
		(15,330,978)	15,330,978	-	-	(15,330,978)	15,330,978	-	-
C Fee and Commission Received									
		3,317,392	-	-	3,317,392	2,433,101	-	-	2,433,101
	(L)	-	(3,317,392)	-	(3,317,392)	-	(2,433,101)	-	(2,433,101)
		3,317,392	(3,317,392)	-	-	2,433,101	(2,433,101)	-	-
D Claims expenses (Gross)									
		(48,191,971)	-	-	(48,191,971)	(47,410,850)	-	-	(47,410,850)
	(D)	-	48,191,971	-	48,191,971	-	47,410,850	-	47,410,850
		(48,191,971)	48,191,971	-	-	(47,410,850)	47,410,850	-	-
E Claims expenses recovered from reinsurers									
		3,204,759	-	-	3,204,759	3,204,759	-	-	3,204,759
	(E,L)	-	(3,204,759)	-	(3,204,759)	-	(3,204,759)	-	(3,204,759)
		-	-	-	-	-	-	-	-
		3,204,759	(3,204,759)	-	-	3,204,759	(3,204,759)	-	-
F Underwriting Expenses									
		(12,195,108)	-	-	(12,195,108)	(12,043,561)	-	-	(12,043,561)
	(F)	-	12,195,108	-	12,195,108	-	12,043,561	-	12,043,561
		(12,195,108)	12,195,108	-	-	(12,043,561)	12,043,561	-	-
G Changes in life									
		(8,417,071)	-	-	(8,417,071)	(8,417,071)	-	-	(8,417,071)
	(G)	-	8,417,071	-	8,417,071	-	8,417,071	-	8,417,071
		(8,417,071)	8,417,071	-	-	(8,417,071)	8,417,071	-	-

		31 December 2022 - Group				31 December 2022 - Company				
		Balances as at 31 Dec. 2022	Reclassification & Derecognition	Remeasurement	Balances as at 31 Dec. 2022	Balances as at 31 Dec. 2022	Reclassification & Derecognition	Remeasurement	Balances as at 31 Dec. 2022	
		IFRS 4			IFRS 17	IFRS 4			IFRS 17	
H Changes in annuity fund										
		(2,043,994)	-	-	(2,043,994)	(2,043,994)	-	-	(2,043,994)	
	(H,M)	-	2,043,994	-	2,043,994	-	2,043,994	-	2,043,994	
		(2,043,994)	2,043,994	-	-	(2,043,994)	2,043,994	-	-	
I Changes in other investment contracts										
		(1,601,235)	-	-	(1,601,235)	(1,601,235)	-	-	(1,601,235)	
	(I)	-	1,601,235	-	1,601,235	-	1,601,235	-	1,601,235	
		(1,601,235)	1,601,235	-	-	(1,601,235)	1,601,235	-	-	
J Insurance revenue										
	(A)	-	86,043,096	(56,316,443)	29,726,653	-	85,292,276	(55,565,623)	29,726,653	
	(O)	-	1,333,831	(1,333,831)	-	-	1,333,831	(1,333,831)	-	
		-	-	16,270,023	16,270,023	-	-	16,270,023	16,270,023	
		-	-	40,606	40,606	-	-	40,606	40,606	
		-	-	3,683,031	3,683,031	-	-	3,683,031	3,683,031	
		-	-	1,470,295	1,470,295	-	-	1,470,295	1,470,295	
		-	-	2,018,988	2,018,988	-	-	2,018,988	2,018,988	
		-	-	1,608,300	1,608,300	-	-	-	-	
		-	87,376,927	(32,559,029)	54,817,897	-	86,626,107	(33,416,510)	53,209,597	
K Insurance service expenses										
	(D)	-	(48,191,971)	-	(48,191,971)	-	(47,410,850)	-	(47,410,850)	
	(F)	-	(12,195,108)	-	(12,195,108)	-	(12,043,561)	-	(12,043,561)	
	(G)	-	(8,417,071)	-	(8,417,071)	-	(8,417,071)	-	(8,417,071)	
	(H)	-	(2,043,994)	-	(2,043,994)	-	(2,043,994)	-	(2,043,994)	
	(I)	-	(1,601,235)	-	(1,601,235)	-	(1,601,235)	-	(1,601,235)	
	(O)	-	(80,686)	-	(80,686)	-	(80,686)	-	(80,686)	
	(P)	-	(6,753,409)	-	(6,753,409)	-	(7,416,375)	-	(7,416,375)	
	(K)	-	(4,664,025)	-	(4,664,025)	-	(4,004,147)	-	(4,004,147)	
		-	-	32,321,389	32,321,389	-	-	31,596,629	31,596,629	
		-	-	(4,037,746)	(4,037,746)	-	-	(4,037,746)	(4,037,746)	
		-	-	7,462,954	7,462,954	-	-	7,462,954	7,462,954	
		-	-	5,051,741	5,051,741	-	-	5,051,741	5,051,741	
		-	-	(650,742)	(650,742)	-	-	-	-	
		-	(83,947,499)	40,147,596	(43,799,903)	-	(83,017,919)	40,073,578	(42,944,342)	

APPENDIX 3C

		31 December 2022 - Group				31 December 2022 - Company			
		Balances as at 31 Dec. 2022	Reclassification & Derecognition	Remeasurement	Balances as at 31 Dec. 2022	Balances as at 31 Dec. 2022	Reclassification & Derecognition	Remeasurement	Balances as at 31 Dec. 2022
		IFRS 4			IFRS 17	IFRS 4			IFRS 17
L Net expenses from reinsurance contracts					-				
Reclassified from Reinsurance expenses	(B)	-	(15,330,978)	-	(15,330,978)	-	(15,330,978)	-	(15,330,978)
Reclassified from Fee and commission income:	(C)	-	3,317,392	-	3,317,392	-	2,433,101	-	2,433,101
Reclassified from Claims expenses recovered from reinsurance	(E)	-	3,204,759	-	3,204,759	-	3,204,759	-	3,204,759
IFRS 17 impact - Recovery on Loss component		-	-	8,762	8,762	-	-	8,762	8,762
IFRS 17 Impact - Recovery from risk adjustment		-	-	(2,810,547)	(2,810,547)	-	-	(2,810,547)	(2,810,547)
IFRS 17 Impact - Recoverable for claims and other expenses		-	-	1,857,873	1,857,873	-	-	1,857,873	1,857,873
IFRS 17 Impact - Reinsurance premiums adjustment		-	-	(1,040,473)	(1,040,473)	-	-	(156,182)	(156,182)
		-	(8,808,827)	(1,984,385)	(10,793,212)	-	(9,693,118)	(1,100,094)	(10,793,212)
M Investment Income and Other Income									
Investment income from effective interest rate		23,221,549	-	-	23,221,549	17,731,913	-	-	17,731,913
Profit from deposit administration		199,770	-	-	199,770	199,770	-	-	199,770
Net realised (loss)/gain		(594,028)	-	-	(594,028)	(594,027)	-	-	(594,027)
Net fair value losses		(6,036,060)	-	-	(6,036,060)	(6,036,060)	-	-	(6,036,060)
Net Impairment (charges)/reversal		(170,440)	-	-	(170,440)	(71,916)	-	-	(71,916)
Net change in investment contract liabilities		-	-	(167,556)	(167,556)	-	-	(167,556)	(167,556)
Net foreign exchange gain/(loss) - Reclassed from Other Income		-	(770,893)	-	(770,893)	-	(770,893)	-	(770,893)
Reclassified to Insurance Service Expense (Net FX Loss on Incurred Claims)	(K)	-	80,686	-	80,686	-	80,686	-	80,686
		16,620,791	(690,207)	(167,556)	15,763,028	11,229,679	(690,207)	(167,556)	10,371,917
N Insurance finance income/(expenses)									
Insurance finance income/(expenses)	(H)	-	-	(8,163,041)	(8,163,041)	-	-	(8,156,779)	(8,156,779)
O Reinsurance finance income/(expenses)									
Reinsurance finance income/(expenses)	(I)	-	-	339,696	339,696	-	-	339,696	339,696
P Other Income									
Other Income		2,297,500	-	-	2,297,500	2,194,876	-	-	2,194,876
Reclassified from other income to Insurance Revenue (Gain on Tangerine Acquisition)	(J)	-	(1,333,831)	-	(1,333,831)	-	(1,333,831)	-	(1,333,831)
Net foreign exchange gain/(loss) - Reclassed to Investment Income		(770,893)	770,893	-	-	(770,893)	770,893	-	-
		1,526,607	(562,938)	-	963,669	1,423,983	(562,938)	-	861,045
Q Other Expenses									
Other Operating Expenses		(8,708,154)	-	-	(8,708,154)	(8,511,223)	-	-	(8,511,223)
Personnel Expenses		(4,664,025)	-	-	(4,664,025)	(4,004,147)	-	-	(4,004,147)
Reclassified to Insurance Service Expense	(K)	-	6,753,409	-	6,753,409	-	7,416,375	-	7,416,375
Reclassified to Insurance Service Expense	(K)	-	4,664,025	-	4,664,025	-	4,004,147	-	4,004,147
		(13,372,179)	11,417,434	-	(1,954,745)	(12,515,370)	11,420,522	-	(1,094,848)
Profit Before Tax		9,560,109	-	(2,386,719)	7,173,389	4,220,739	-	(2,427,665)	1,793,075

Extra Notes

(a) Changes in life fund, PRA fund and investment contracts represent changes in technical provisions. Under IFSR 17 changes in technical provisions are no longer presented explicitly as a single P&L item. Part of the change in technical provisions is included in the insurance service revenue (as releases of expenses claims, risk adjustment and CSM) and insurance finance expenses. The remaining part of the changes in technical provisions adjust the CSM.

(b) In the restated SOCI for 31 December 2022, the effect of changes in foreign exchange rates on incurred claims, which arose as a result of net revaluation of foreign denominated outstanding claims and expected recoveries, was factored into the computation for Insurance Service Expense in the PorL. See attached schedule showing the amounts for YE2022. To effectively show the foreign exchange revaluation gain on the assets, we have complied with IFSR 17 presentation recommendation to show FX gains/(loss) as part of the investment income section displayed in the PorL as against netting off all FX changes in Other Income as previously done under IFSR 4.

OTHER NATIONAL DISCLOSURES

Value Added Statement

<i>In thousands of Naira</i>	Group				Company			
	2023		2022		2023		2022	
		%		%		%		%
Gross Premium Written:								
Local	93,271,453		72,330,351		92,531,181		71,619,057	
Foreign	16,847,929		15,945,569		16,847,929		15,943,194	
Investment and other income	23,855,378		13,842,885		18,479,061		12,725,577	
	133,974,761		102,118,805		127,858,171		100,287,828	
Impairment (charge)/reversal on financial assets	(165,784)		(170,440)		(38,115)		(71,916)	
	133,808,977		101,948,365		127,820,056		100,215,912	
Bought in materials and services:								
Local	(96,390,396)		(87,206,840)		(91,653,338)		(87,218,048)	
Foreign	(17,613,596)		(3,713,549)		(17,750,474)		(3,713,549)	
Value Added	19,804,984	100%	11,027,976	100%	18,416,244	100%	9,284,315	100%
Distribution								
Employees								
Salaries and other employees benefits	6,437,895	33%	4,664,025	42%	5,689,247	31%	4,004,147	43%
Government								
Income tax	512,849	3%	405,006	4%	460,112	2%	198,370	2%
Retained in the Group								
Replacement of property and equipment	798,559	4%	753,112	7%	679,560	4%	592,713	6%
Replacement of intangible assets	39,392	0%	39,719	0%	16,270	0%	21,694	0%
Contingency reserve	2,045,429	10%	1,405,442	13%	2,045,429	11%	1,405,442	15%
To Non controlling interest	25,217	0%	112,104	1%	-	-	-	-
To pay proposed dividend	-	0%	1,098,158	10%	-	0%	1,098,158	12%
Retained profits for the year	9,945,643	50%	2,550,410	23%	9,525,626	52%	1,963,791	21%
Value Added	19,804,984	100%	11,027,976	100%	18,416,244	100%	9,284,315	100%

Five-year Financial Summary - Group

Statement of Financial Position

<i>In thousands of naira</i>	2023**	2022** (restated)	2021** (restated)	2020*	2019*
Assets					
Cash and cash equivalents	18,422,728	15,915,376	25,490,105	31,913,335	10,080,164
Financial assets:					
- Debt instruments at amortised cost	105,064,665	83,886,798	73,304,067	44,052,220	43,570,967
- Fair value through other comprehensive income	20,244,350	16,339,689	16,031,736	27,275,901	31,712,734
- Fair value through profit or loss	141,438,059	125,233,425	83,165,217	117,013,926	51,543,372
Trade receivables	980,752	866,977	728,518	937,078	386,749
Reinsurance assets	17,116,370	10,690,993	9,758,925	7,496,395	5,460,569
Deferred acquisition costs	-	-	-	582,265	488,884
Other receivables and prepayments	3,667,351	4,608,478	2,396,483	2,426,871	6,227,700
Deferred tax assets	-	21,501	1,252	6,168	149,379
Investment in associate	-	-	705,629	-	-
Investment property	707,500	760,000	806,000	758,000	772,000
Property and equipment	8,913,645	8,359,520	7,068,787	7,009,404	7,597,843
Statutory deposits	500,000	500,000	500,000	500,000	500,000
Assets classified as held for sale	-	-	-	2,237,780	-
Right of use asset	132,512	60,055	105,855	-	-
Goodwill and other intangible assets	907,630	928,672	934,748	889,082	985,862
Total Assets	318,095,562	268,171,484	220,997,322	243,098,425	159,476,223
Liabilities					
Insurance contract liabilities	218,023,682	188,108,267	142,302,057	136,078,388	84,986,351
Investment contract liabilities	3,855,324	3,212,895	2,836,752	21,835,376	16,201,367
Reinsurance contract liabilities	930,616	1,301,734	1,039,575	-	-
Other insurance contract liabilities	2,423,168	3,103,704	1,618,193	-	-
Trade payables	1,612,909	2,010,298	1,121,281	2,020,724	1,839,238
Fixed income liabilities	30,241,800	22,781,598	33,506,178	43,046,848	20,143,047
Other payables and accruals	8,332,139	7,764,833	3,148,171	4,774,609	3,650,286
Current income tax payable	845,061	669,543	407,282	358,099	487,112
Deferred tax liabilities	498	7,666	7,666	8,837	629,282
Long term borrowing	-	-	-	-	2,629,477
Liabilities attributable to assets held for sale	-	-	-	316,462	-
Total liabilities	266,265,197	228,960,537	185,987,155	208,439,343	130,566,159
Net assets	51,830,365	39,210,947	35,010,166	34,659,082	28,910,064
Equity					
Issued share capital	18,302,638	18,302,638	18,302,638	7,843,988	3,465,102
Share premium	64,745	64,745	64,745	7,037,181	2,824,389
Revaluation reserves	2,764,016	2,764,016	1,812,707	1,812,707	1,812,707
Fair value reserve	(1,107,650)	(2,796,624)	(1,683,038)	(507,416)	1,995,336
Foreign exchange gains reserve	-	-	175,600	175,600	159,677
Statutory reserve	-	-	-	-	167,874
Contingency reserve	11,755,475	9,710,046	8,304,604	7,213,594	6,320,410
Retained earnings	19,615,891	10,743,724	7,687,606	9,924,143	5,888,970
Deposit for shares	-	-	-	-	5,280,000
Statutory reserve of disposed assets classified as held for sale	-	-	-	202,042	-
Shareholders' fund	51,395,114	38,788,545	34,664,863	33,701,839	27,914,465
Non-controlling interests	435,252	422,402	345,303	957,243	995,599
Total equity	51,830,366	39,210,947	35,010,166	34,659,082	28,910,064

** years presented in compliance with IFRS 17

* years presented in compliance with IFRS 4

Statement of Profit or Loss & Other Comprehensive Income

<i>In thousands of naira</i>	2023**	2022**	2021*	2020*	2019*
Gross premium written	-	-	71,625,943	61,979,667	50,138,467
Gross premium income	-	-	70,655,049	60,680,800	50,008,831
Net premium income	-	-	58,521,828	52,779,760	43,776,021
Other revenue	-	-	(13,995,285)	54,470,988	27,026,130
Total revenue	-	-	44,526,543	107,250,748	70,802,151
Net benefits and claims	-	-	(39,914,664)	(31,656,713)	(25,380,608)
Underwriting expenses	-	-	9,155,941	(59,357,718)	(27,992,987)
Operating expenses	-	-	(10,960,820)	(11,604,244)	(11,443,311)
Profit before income tax expense	-	-	2,807,000	4,632,074	5,985,244
Company income tax	-	-	(257,905)	348,262	(266,836)
Profit after tax	-	-	2,549,095	4,980,336	5,718,408
Profit from discontinued operation	-	-	2,366,914	269,490	191,931
Other comprehensive (loss)/ income net of tax	-	-	(1,332,802)	(2,701,346)	2,863,291
Total comprehensive income/(loss), for the year	-	-	3,583,207	2,548,480	8,773,630
Basic earnings per share (kobo)	-	-	13	14	83
Diluted earnings per share (kobo)	-	-	13	14	83

<i>In thousands of naira</i>	2023**	2022**	2021*	2020*	2019*
Insurance revenue	72,633,374	54,817,897	-	-	-
Insurance service expense	(65,497,784)	(43,799,903)	-	-	-
Net Expenses from reinsurance contracts	(8,753,832)	(10,793,212)	-	-	-
Insurance service result	(1,618,242)	224,782	-	-	-
Net investment income before fair value changes	32,032,701	22,827,291	-	-	-
Net fair value income / (loss)	(10,772,433)	(6,036,060)	-	-	-
Net change in investment contract liabilities	(639,957)	(167,556)	-	-	-
Net impairment reversal / (loss)	(165,784)	(170,440)	-	-	-
Net foreign exchange income/(expense)	6,422,939	(676,219)	-	-	-
Net insurance/reinsurance finance expenses	(8,722,355)	(7,823,345)	-	-	-
Net insurance and investment result	16,536,870	8,178,454	-	-	-
Other Income	2,760,894	951,040	-	-	-
Other Expenses	(6,768,625)	(6,431,059)	-	-	-
Profit before tax from continuing operations	12,529,139	2,698,436	-	-	-
Taxes	(512,849)	(405,006)	-	-	-
Discontinued operations	-	2,872,686	-	-	-
Profit for the year	12,016,290	5,166,115	-	-	-
Total other comprehensive income/(loss)	1,701,288	(186,978)	-	-	-
Total comprehensive income for the year	13,717,578	4,979,137	-	-	-
Basic earnings per share (kobo)	33	14	-	-	-
Diluted earnings per share (kobo)	33	14	-	-	-

** years presented in compliance with IFRS 17

* years presented in compliance with IFRS 4

Five-year Financial Summary - Company
Statement of Financial Position

<i>In thousands of naira</i>	2023**	2022** (restated)	2021** (restated)	2020*	2019*
Assets					
Cash and cash equivalents	7,921,257	6,521,942	9,062,962	9,279,385	8,166,352
Financial assets:					
- Debt instruments at amortised cost	88,136,208	74,069,969	63,972,911	37,915,608	42,226,927
- Fair value through other comprehensive income	14,112,335	9,118,059	5,580,095	11,144,862	9,698,351
- Fair value through profit or loss	141,438,059	125,233,425	83,165,217	117,013,926	51,489,251
Trade receivables	909,559	852,113	689,375	897,596	303,106
Reinsurance assets	17,116,370	10,690,993	9,758,925	7,496,395	5,460,569
Deferred acquisition costs	-	-	-	582,265	488,884
Other receivables and prepayments	2,838,437	4,064,879	2,125,173	726,263	5,762,765
Investment in subsidiaries	1,087,317	1,087,317	1,087,317	1,087,317	2,452,359
Investment in associate	-	-	705,691	-	772,000
Investment property	707,500	760,000	806,000	758,000	906,680
Property and equipment	8,708,397	8,064,528	6,847,439	6,705,570	7,036,211
Statutory deposits	500,000	500,000	500,000	500,000	500,000
Assets classified as held for sale	-	-	-	1,365,042	-
Right of use asset	132,512	60,055	105,855	-	-
Goodwill and other intangible assets	840,555	846,825	838,252	862,379	-
Total Assets	284,448,506	241,870,104	185,245,211	196,334,608	135,263,455
Liabilities					
Insurance contract liabilities	217,701,608	187,778,079	142,081,841	135,856,973	84,766,122
Investment contract liabilities	3,855,323	3,212,895	2,836,752	21,835,376	16,201,367
Reinsurance contract liabilities	930,616	1,301,734	1,039,575	-	-
Other insurance contract liabilities	2,423,168	3,103,704	1,618,193	-	-
Trade payables	1,612,909	2,010,297	1,090,366	1,963,893	1,512,394
Other payables and accruals	7,570,588	6,730,616	2,842,499	3,892,160	3,406,751
Current income tax payable	763,026	422,562	307,392	307,621	361,505
Deferred tax liabilities	-	-	-	-	441,416
Long term borrowing	-	-	-	-	2,629,477
Total liabilities	234,857,238	204,559,886	151,816,618	163,856,023	109,319,031
Net assets	49,591,268	37,310,218	33,428,593	32,478,585	25,944,424
Equity					
Issued share capital	18,302,638	18,302,638	18,302,638	7,843,988	3,465,102
Share premium	64,745	64,745	64,745	7,037,181	2,824,389
Revaluation reserves	2,764,016	2,764,016	1,812,707	1,812,707	1,812,707
Fair value reserve	(13,544)	(1,821,697)	(1,016,727)	(438,586)	828,179
Foreign exchange gains reserve	-	-	175,600	175,600	159,677
Contingency reserve	11,755,475	9,710,046	8,304,604	7,213,594	6,320,410
Retained earnings	16,717,938	8,290,471	5,785,026	8,834,100	5,253,959
Deposit for shares	-	-	-	-	5,280,000
Shareholders' fund	49,591,268	37,310,218	33,428,593	32,478,585	25,944,424

** years presented in compliance with IFRS 17

* years presented in compliance with IFRS 4

<i>In thousands of naira</i>	2023**	2022**	2021*	2020*	2019*
Gross premium written	-	-	71,001,519	61,318,398	49,440,231
Gross premium income	-	-	70,009,673	60,038,913	49,376,338
Net premium income	-	-	57,876,452	52,137,873	43,143,528
Other revenue	-	-	(15,834,927)	52,207,519	24,978,643
Total revenue	-	-	42,041,525	104,345,392	68,122,171
Net benefits and claims	-	-	(39,397,775)	(31,211,819)	(24,923,539)
Underwriting expenses	-	-	9,207,262	(59,316,770)	(27,921,472)
Operating expenses	-	-	(9,769,234)	(9,441,077)	(10,053,205)
Profit before income tax	-	-	2,081,778	4,375,726	5,223,956
Company income tax	-	-	(120,548)	388,869	(66,696)
Profit after income tax	-	-	1,961,230	4,764,595	5,157,260
Profit after tax from discontinued operation	-	-	3,007,434	-	-
Other comprehensive (loss)/ income, net of tax	-	-	(663,750)	(1,542,113)	1,575,663
Total comprehensive (loss)/ income for the year	-	-	4,304,914	3,222,482	6,732,923

<i>In thousands of naira</i>	2023**	2022**	2021*	2020*	2019*
Insurance revenue	71,628,478	53,209,597	-	-	-
Insurance service expense	(64,847,043)	(42,944,342)	-	-	-
Net Expenses from reinsurance contracts	(8,753,832)	(10,793,212)	-	-	-
Insurance service result	(1,972,397)	(527,956)	-	-	-
Net investment income before fair value changes	26,648,443	17,337,655	-	-	-
Net fair value (loss)/income	(10,772,433)	(6,036,060)	-	-	-
Net change in investment contract liabilities	(639,957)	(167,556)	-	-	-
Net impairment reversal / (loss)	38,115	(71,916)	-	-	-
Net foreign exchange income/(expense)	6,322,481	(690,207)	-	-	-
Net insurance/reinsurance finance expenses	(8,702,172)	(7,817,083)	-	-	-
Net insurance and investment result	10,922,080	2,026,877	-	-	-
Other Income	2,641,166	861,045	-	-	-
Other Expenses	(1,532,079)	(1,094,846)	-	-	-
Profit before tax from continuing operations	12,031,167	1,793,076	-	-	-
Taxes	(460,112)	(198,370)	-	-	-
Discontinued operations	-	2,872,686	-	-	-
Profit for the year	11,571,055	4,467,391	-	-	-
Total other comprehensive income/(loss)	1,808,153	146,339	-	-	-
Total comprehensive income for the year	13,379,208	4,613,730	-	-	-

** years presented in compliance with IFRS 17

* years presented in compliance with IFRS 4

AIICO Insurance Plc				
Revenue Account - Life Business				
	ORDINARY LIFE	ANNUITY	GROUP LIFE	31-Dec-23
For the year ended 31 December 2023	N'000	N'000	N'000	N'000
Insurance Contract Revenue	18,170,502	13,311,922	8,398,123	39,880,548
Insurance Service Expense	(17,447,747)	(13,670,173)	(6,822,433)	(37,940,353)
Insurance Service Result	722,755	(358,251)	1,575,690	1,940,194
Net Expenses from Reinsurance Contracts	(56,045)	-	(933,307)	(989,352)
Net Insurance Service Result	666,710	(358,251)	642,383	950,842
Net Investment Income	4,932,852	6,404,978	938,220	12,276,050
Net foreign exchange gain	957,007	174,001	609,005	1,740,013
Insurance Finance Expense	(4,242,980)	(3,810,321)	(300,023)	(8,353,323)
Reinsurance Finance Income	-	-	98,982	98,982
Net Investment Result	1,646,879	2,768,659	1,346,183	5,761,721
Other Income	1,021,328	200,242	700,845	1,922,415
Other Expenses	(601,071)	(325,918)	(182,385)	(1,109,374)
Profit Before Tax	2,733,846	2,284,731	2,507,027	7,525,604
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	ORDINARY LIFE	ANNUITY	GROUP LIFE	31-Dec-22
For the period ended 31 December 2022	N'000	N'000	N'000	N'000
Insurance Contract Revenue	12,940,455	8,523,501	7,749,379	29,213,335
Insurance Service Expense	(13,328,416)	(8,833,073)	(7,401,759)	(29,563,248)
Insurance Service Result	(387,961)	(309,573)	347,620	(349,913)
Net Expenses from Reinsurance Contracts	(1,647)	-	323,986	322,339
Net Insurance Service Result	(389,608)	(309,573)	671,606	(27,574)
Net Investment Income	5,325,158	3,237,780	688,223	9,251,161
Net foreign exchange loss	(159,408)	(28,983)	(101,441)	(289,832)
Insurance Finance Expense	(4,501,584)	(3,025,090)	(135,534)	(7,662,208)
Reinsurance Finance Income	-	-	46,632	46,632
Net Investment Result	664,166	183,707	497,879	1,345,752
Other Income	127,576	23,196	81,184	231,956
Other Expenses	(443,997)	(221,331)	(134,768)	(800,096)
Profit Before Tax	(41,863)	(324,001)	1,115,902	750,038

AIICO Insurance Plc

Revenue Account - General Business

For the year ended 31 December 2023	Agric N'000	Casualty N'000	Fire N'000	Marine N'000	Motor N'000	Personal Accident N'000	Special Oil N'000	Workmen Compensation N'000	31-Dec-23 N'000
Insurance Contract Revenue	18,948	3,903,020	5,992,977	4,141,173	3,838,188	1,636,244	11,988,423	228,958	31,747,930
Insurance Service Expense	(4,450)	(2,943,786)	(11,858,659)	(2,038,375)	(2,780,760)	(705,676)	(6,396,863)	(178,121)	(26,906,690)
Insurance Service Result	14,498	959,234	(5,865,683)	2,102,798	1,057,428	930,567	5,591,560	50,837	4,841,241
Net Expenses from Reinsurance Contracts	(12,918)	(904,741)	4,732,157	(1,945,514)	34,269	(181,364)	(9,476,326)	(10,042)	(7,764,479)
Net Insurance Service Result	1,580	54,493	(1,133,526)	157,285	1,091,697	749,204	(3,884,766)	40,795	(2,923,239)
Net Investment Income	-	359,760	749,500	449,700	1,019,320	149,900	149,900	119,920	2,997,999
Net Foreign Exchange Gain	-	-	-	916,494	-	-	3,665,974	-	4,582,468
Insurance Finance Expense	(2,450)	(179,842)	(191,080)	(92,500)	(53,961)	(17,576)	(236,918)	(10,895)	(785,222)
Reinsurance Finance Income	1,451	86,261	116,829	50,957	5,401	1,665	70,092	4,736	337,391
Net Investment Result	(999)	266,179	675,249	1,324,651	970,760	133,988	3,649,048	113,761	7,132,637
Other Income	-	86,250	179,688	107,813	244,376	35,938	35,938	28,750	718,752
Other Expenses	-	(84,517)	(71,840)	(63,388)	(92,969)	(21,129)	(76,066)	(12,678)	(422,587)
Profit Before Tax	581	322,405	(350,429)	1,526,360	2,213,863	898,000	(275,846)	170,629	4,505,563

For the year ended 31 December 2022	Agric N'000	Casualty N'000	Fire N'000	Marine N'000	Motor N'000	Personal Accident N'000	Special Oil N'000	Workmen Compensation N'000	31-Dec-22 N'000
Insurance Contract Revenue	51,311	3,276,254	4,342,381	4,703,374	2,730,358	1,305,355	7,351,227	236,002	23,996,262
Insurance Service Expense	8,210	(2,791,844)	(1,783,471)	(1,842,509)	(2,181,883)	(1,007,213)	(3,545,736)	(236,649)	(13,381,093)
Insurance Service Result	59,521	484,410	2,558,911	2,860,865	548,475	298,142	3,805,491	(646)	10,615,169
Net Expenses from Reinsurance Contracts	(31,372)	(1,065,995)	(2,427,772)	(2,366,606)	(156)	(166,691)	(4,673,370)	(383,590)	(11,115,551)
Net Insurance Service Result	28,148	(581,585)	131,139	494,260	548,320	131,451	(867,878)	(384,236)	(500,383)
Investment Income	-	316,307	175,756	316,236	217,087	66,495	685,474	33,606	1,810,961
Net Foreign Exchange Gain	-	-	-	(80,075)	-	-	(320,300)	-	(400,374)
Insurance Finance Expense	(3,244)	(99,334)	(234,372)	(45,775)	(32,250)	(7,891)	(67,815)	(3,891)	(494,572)
Reinsurance Finance Income	2,658	72,213	153,207	37,825	6,964	1,974	16,303	1,921	293,065
Net Investment Result	27,562	(292,399)	225,730	722,470	740,121	192,029	(554,216)	(352,600)	1,209,080
Other Income	-	75,491	157,272	94,363	213,891	31,454	31,454	25,164	629,090
Other Expenses	-	(58,950)	(50,108)	(44,213)	(64,845)	(14,738)	(53,055)	(8,843)	(294,751)
Profit Before Tax	55,710	(857,443)	464,034	1,266,881	1,437,486	340,197	(1,443,695)	(720,515)	1,043,036