

SUMMARY CONSOLIDATED AND SEPARATE FINANCIAL INFORMATION  
FOR THE YEAR ENDED 31 DECEMBER 2021

The Directors present the summary consolidated and separate financial information of AIICO Insurance Plc for the year ended 31 December 2021. These summary consolidated and separate financial information are derived from the full financial statements for the year ended 31 December 2021 and are not the full financial statements of the Group and Company. The Company's Independent Auditor issued an unqualified audit opinion on the full statements for the year ended 31 December 2021 from which these summary consolidated and separate financial information were derived.



CONSOLIDATED & SEPARATE STATEMENTS OF FINANCIAL POSITION AS AT 31 DECEMBER 2021				
As at 31 December 2021 <i>In thousands of naira</i>	Group		Parent	
	31-Dec-21	31-Dec-20	31-Dec-21	31-Dec-20
<b>Assets</b>				
Cash and cash equivalents	25,490,105	31,913,335	9,062,962	9,279,385
Financial assets	172,501,020	188,342,047	152,718,223	166,074,396
Trade receivables	728,518	937,078	689,375	897,596
Reinsurance assets	10,387,924	7,496,395	10,387,924	7,496,395
Deferred acquisition costs	739,223	582,265	739,223	582,265
Other receivables and prepayments	2,411,790	2,404,884	2,140,480	704,275
Assets classified as held for sale	-	2,237,780	-	1,365,042
Right of use assets	105,855	21,987	105,855	21,987
Deferred tax assets	1,252	6,168	-	-
Investment in subsidiaries	-	-	1,087,317	1,087,317
Investment in associate	705,629	-	705,691	-
Investment properties	806,000	758,000	806,000	758,000
Goodwill and other intangible assets	934,748	889,082	838,252	862,379
Property and equipment	7,068,787	7,009,404	6,847,439	6,705,570
Statutory deposits	500,000	500,000	500,000	500,000
<b>Total assets</b>	<b>222,380,851</b>	<b>243,098,425</b>	<b>186,628,741</b>	<b>196,334,607</b>
<b>Liabilities</b>				
Insurance contract liabilities	119,776,331	136,078,388	119,565,299	135,856,973
Investment contract liabilities	22,829,871	21,835,376	22,829,871	21,835,376
Trade payables	3,779,049	2,020,724	3,748,134	1,963,893
Other payables and accruals	3,700,219	4,774,609	3,394,547	3,892,160
Fixed income liabilities	33,506,178	43,046,848	-	-
Current income tax payable	407,282	358,099	307,392	307,621
Liabilities attributable to assets held for sale	-	316,462	-	-
Deferred tax liabilities	7,666	8,837	-	-
<b>Total liabilities</b>	<b>184,006,596</b>	<b>208,439,343</b>	<b>149,845,243</b>	<b>163,856,023</b>
<b>Equity</b>				
Share capital	18,302,638	7,843,988	18,302,638	7,843,988
Share premium	64,745	7,037,181	64,745	7,037,181
Revaluation reserve	1,812,707	1,812,707	1,812,707	1,812,707
Fair value reserve	(1,683,037)	(507,416)	(1,016,727)	(438,586)
Foreign exchange gains reserve	175,600	175,600	175,600	175,600
Contingency reserve	8,304,604	7,213,594	8,304,604	7,213,594
Retained earnings	11,051,695	9,924,143	9,139,931	8,834,100
Statutory reserve of disposal assets classified as held for sale	-	202,042	-	-
<b>Shareholders' funds</b>	<b>38,028,952</b>	<b>33,701,839</b>	<b>36,783,498</b>	<b>32,478,584</b>
Non-controlling interests	345,303	957,243	-	-
<b>Total equity</b>	<b>38,374,255</b>	<b>34,659,082</b>	<b>36,783,498</b>	<b>32,478,584</b>
<b>Total liabilities and equity</b>	<b>222,380,851</b>	<b>243,098,425</b>	<b>186,628,741</b>	<b>196,334,607</b>

These consolidated and separate financial statements were approved by the Board of Directors on 25 February 2022 and signed on its behalf by:

**Mr. Oladeji Oluwatola**  
Chief Financial Officer  
FRC/2013/ICAN/0000004910

**Mr. Babatunde Fajemirokun**  
Managing Director/ Chief Executive Officer  
FRC/2015/MULTI/0000019973

**Mr. Kundan Sainani**  
Chairman  
FRC/2013/IODN/0000003622

INDEPENDENT AUDITOR'S REPORT

To the Members of AIICO Insurance Plc.

Report on the Summary Consolidated and Separate Financial Information

The summary consolidated and separate financial information of AIICO Insurance Plc ("the Company") and its subsidiaries (together "the Group"), which comprise the consolidated and separate statements of financial position as at 31 December 2021, the consolidated and separate statements of profit and loss and other comprehensive income for the year then ended and the consolidated and separate statement of cash flows, are derived from the audited consolidated and separate financial statements of AIICO Insurance Plc and its subsidiaries ("the Group") for the year ended 31 December 2021.

In our opinion, the accompanying summary consolidated and separate financial information are consistent, in all material respects, with the audited consolidated and separate financial statements, in accordance with International Financial Reporting Standards and the relevant provisions of the Companies and Allied Matters Act, 2020, the Insurance Act 2003, the National Insurance Commission (NAICOM) and the Financial Reporting Council of Nigeria Act No. 6, 2011.

Summary Consolidated and Separate Financial Information

The summary consolidated and separate financial information do not contain all the disclosures required by the International Financial Reporting Standards, the provisions of the Companies and Allied Matters Act, 2020, the Insurance Act 2003, relevant policy guidelines issued by the National Insurance Commission (NAICOM) and the Financial Reporting Council of Nigeria Act No. 6, 2011. Reading the summary consolidated and separate financial information and the auditor's report thereon, therefore, is not a substitute for reading the audited consolidated and separate financial statements and the auditor's report thereon. The summary consolidated and separate financial information do not reflect the effects of events that occurred subsequent to the date of our report on the audited consolidated and separate financial statements.

The Audited Consolidated and Separate financial information and Our Report Thereon

We expressed an unqualified opinion on the audited consolidated and separate financial statements in our report dated 30 March 2022. That report also includes the communication of key audit matters which discussed the adequacy of the valuation of insurance contract liabilities.

Directors' Responsibility for the Summary Consolidated and Separate Financial Information

The Directors are responsible for the preparation of the summary consolidated and separate financial information in accordance with the provisions of the Companies and Allied Matters Act, 2020 and the Insurance Act 2003.

Auditor's Responsibility for the Summary Consolidated and Separate Financial Information

Our responsibility is to express an opinion on whether the summary consolidated and separate financial information are consistent, in all material respects, with the audited consolidated and separate financial information based on our procedures, which were conducted in accordance with International Standards on Auditing (ISA) 810 (Revised) Engagement to Report on Summary Financial Statements.

Report on Other Legal and Regulatory Requirements

Compliance with the requirements of the Companies and Allied Matters Act 2020

In our opinion, proper books of account have been kept by the Company and the Group, so far as appears from our examination of those books and 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.

Penalty

The Company and Group did not incur any penalty or fine in respect of any contraventions during the financial year.

**Sayo Elumaro, FCA**  
FRC/2012/ICAN/00000000139  
For: Ernst & Young  
Lagos, Nigeria  
Date: 30 March 2022

CONSOLIDATED & SEPARATE STATEMENTS OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME FOR THE YEAR ENDED 31 DECEMBER 2021				
<i>In thousands of naira</i>	Group		Parent	
	2021	2020	2021	2020
<b>Gross premium written</b>	<b>71,646,427</b>	<b>61,979,667</b>	<b>71,001,519</b>	<b>61,318,398</b>
Gross premium income	70,655,049	60,680,800	70,009,673	60,038,913
Reinsurance expenses	(12,133,221)	(7,901,040)	(12,133,221)	(7,901,040)
<b>Net premium income</b>	<b>58,521,828</b>	<b>52,779,760</b>	<b>57,876,452</b>	<b>52,137,873</b>
<b>Fee and commission income</b>				
Insurance contracts	2,284,681	1,556,537	2,284,681	1,556,537
Pension and other contracts	297,068	406,077	-	-
<b>Net underwriting income</b>	<b>61,103,577</b>	<b>54,742,374</b>	<b>60,161,133</b>	<b>53,694,410</b>
<b>Claims expenses:</b>				
Claims expenses (Gross)	(47,326,391)	(39,746,511)	(46,809,502)	(39,301,617)
Claims expenses recovered from reinsurers	7,411,727	8,089,798	7,411,727	8,089,798
<b>Claims expenses (Net)</b>	<b>(39,914,664)</b>	<b>(31,656,713)</b>	<b>(39,397,775)</b>	<b>(31,211,819)</b>
Underwriting expenses	(10,578,863)	(7,774,553)	(10,527,542)	(7,733,605)
Change in life fund	8,805,967	(29,641,976)	8,805,967	(29,641,976)
Change in annuity fund	11,993,313	(16,736,767)	11,993,313	(16,736,768)
Change in other investment contracts	(1,064,476)	(5,204,421)	(1,064,476)	(5,204,421)
<b>Total underwriting expenses</b>	<b>(30,758,723)</b>	<b>(91,014,430)</b>	<b>(30,190,513)</b>	<b>(90,528,590)</b>
<b>Underwriting profit/(loss)</b>	<b>30,344,854</b>	<b>(36,272,056)</b>	<b>29,970,620</b>	<b>(36,834,180)</b>
Investment income	13,378,709	11,712,513	12,812,157	11,811,450
Profit from deposit administration	473,630	54,485	473,630	54,485
Net realised gains	2,399,693	7,399,596	2,470,263	7,399,596
Net fair value (losses)/gains	(34,650,482)	30,623,376	(34,650,482)	30,623,376
Other operating income	1,821,416	2,718,404	774,824	762,075
Personnel expenses	(3,524,470)	(3,917,598)	(2,844,463)	(3,217,429)
Other operating expenses	(7,435,720)	(7,552,932)	(6,935,871)	(6,158,019)
Finance cost	-	(96,743)	-	(96,743)
Impairment reversal /(losses)	34,272	(36,971)	11,100	31,114
Share of Associate Loss	(34,902)	-	-	-
<b>Profit before income tax from continuing operations</b>	<b>2,807,000</b>	<b>4,632,074</b>	<b>2,081,778</b>	<b>4,375,725</b>
Income tax (expense)/credit	(166,012)	393,865	(28,655)	388,870
Minimum tax	(91,893)	(45,604)	(91,893)	-
<b>Profit after tax from continuing operations</b>	<b>2,549,095</b>	<b>4,980,335</b>	<b>1,961,230</b>	<b>4,764,595</b>
<b>Discontinued operations</b>				
Profit after tax from discontinued operations	2,366,914	269,490	3,007,434	-
<b>Profit for the year</b>	<b>4,916,009</b>	<b>5,249,825</b>	<b>4,968,664</b>	<b>4,764,595</b>
<b>Attributable to owners of the parent</b>	<b>4,853,284</b>	<b>5,061,120</b>	<b>4,968,664</b>	<b>4,764,595</b>
<b>Attributable to non-controlling interest holders</b>	<b>62,725</b>	<b>188,707</b>	<b>-</b>	<b>-</b>
	<b>4,916,009</b>	<b>5,249,827</b>	<b>4,968,664</b>	<b>4,764,595</b>
<b>Other comprehensive income, net of tax</b>				
<b>Items within OCI that may be reclassified to profit or loss in subsequent periods:</b>				
Fair value loss on financial assets	(1,239,138)	(2,526,278)	(575,556)	(1,220,212)
Impairment reversal/(charge) on FVTOCI	(2,583)	36,338	(2,583)	(30,632)
<b>Items within OCI that will not be reclassified to profit or loss in subsequent periods:</b>				
Fair value loss on equity securities	(91,081)	(56,406)	(85,611)	(136,269)
Revaluation loss on property and equipment	-	(155,000)	-	(155,000)
<b>Total other comprehensive loss</b>	<b>(1,332,802)</b>	<b>(2,701,346)</b>	<b>(663,750)</b>	<b>(1,542,113)</b>
<b>Total comprehensive income for the year</b>	<b>3,583,207</b>	<b>2,548,479</b>	<b>4,304,914</b>	<b>3,222,482</b>
<b>Attributable to owners of the parent</b>	<b>3,587,128</b>	<b>2,475,697</b>	<b>4,304,914</b>	<b>3,222,482</b>
<b>Attributable to non-controlling interests</b>	<b>(3,921)</b>	<b>72,782</b>	<b>-</b>	<b>-</b>
	<b>3,583,207</b>	<b>2,548,479</b>	<b>4,304,914</b>	<b>3,222,482</b>
Basic and diluted earnings per share (Kobo)	13	44	14	13

CONSOLIDATED & SEPARATE STATEMENTS OF CASH FLOWS FOR THE YEAR ENDED 31 DECEMBER 2021				
	Group		Parent	
	31-Dec-21	31-Dec-20	31-Dec-21	31-Dec-20
<b>Operating activities:</b>				
Total premium received	71,854,987	61,429,338	71,209,740	60,723,908
Commission received	2,300,971	1,682,202	2,300,971	1,682,202
Commission paid	(7,584,543)	(6,854,647)	(7,533,222)	(6,813,699)
Premium received in advance	300,302	428,665	300,302	428,665
Unallocated premium	1,434,866	501,073	1,434,866	501,073
Reinsurance premium paid	(12,036,375)	(7,966,699)	(11,539,927)	(7,966,699)
Prepaid minimum deposit	(52,415)	(46,805)	(52,415)	(46,805)
Gross benefits and claims paid	(43,817,001)	(36,285,521)	(43,293,433)	(35,867,444)
Claims recoveries	5,063,451	9,632,236	5,063,451	9,632,236
Receipt from deposit administration	380,955	357,998	380,955	357,998
Withdrawal from deposit administration	(91,692)	(59,747)	(91,692)	(59,747)
Other underwriting expenses paid	(3,060,839)	(1,427,216)	(3,060,839)	(1,427,216)
Payments to employees	(3,524,470)	(3,010,537)	(2,844,463)	(2,310,368)
Other operating cash payments	(15,195,058)	(11,786,972)	(16,810,554)	(9,862,491)
Other income received	2,102,316	2,685,985	1,055,724	671,961
Proceeds from disposal of AIICO Pension	3,672,726	-	3,672,726	-
Fixed income (settlement)/received	(9,540,670)	22,903,801	-	-
Income tax paid	(201,791)	(222,166)	(120,777)	(106,430)
<b>Net cash flows (used in)/ from operating activities</b>	<b>(7,994,280)</b>	<b>31,960,987</b>	<b>71,413</b>	<b>9,537,144</b>
<b>Investing activities:</b>				
Interest income received	16,090,097	8,768,582	13,594,000	10,347,668
Purchase of property and equipment	(859,035)	(682,657)	(646,772)	(632,611)
Purchase of intangible asset	(75,903)	(44,812)	-	(23,461)
Proceeds from sale of property and equipment	11,217	335,189	11,217	327,480
Purchase of financial assets at amortized cost	(55,102,639)	(23,257,157)	(39,996,468)	(10,577,821)
Purchase of financial assets at FVTOCI	(2,171,083)	(22,802,094)	(1,043,776)	(15,072,250)
Purchase of financial assets at FVTPL	(98,087,827)	(132,926,739)	(98,087,827)	(132,926,739)
Proceed on disposal/ redemption of financial assets	143,526,844	161,679,299	125,881,788	139,469,968
<b>Net cash flows from/ (used in) investing activities</b>	<b>3,331,672</b>	<b>(8,930,389)</b>	<b>(287,836)</b>	<b>(9,087,765)</b>
<b>Financing activities:</b>				
Principal payment on borrowings	-	(2,442,929)	-	(2,442,929)
Interest payment on borrowings	-	(283,291)	-	(283,291)
Receipt of right issue proceeds	-	3,389,874	-	3,389,874
Dividend paid to non controlling interest	-	(111,140)	-	-
<b>Net cash flows (used in)/ from financing activities</b>	<b>-</b>	<b>552,514</b>	<b>-</b>	<b>663,654</b>
Net decrease/increase in cash and cash equivalents	(4,662,608)	23,583,112	(216,423)	1,113,033
Cash and cash equivalents at 1 January	31,913,335	10,080,164	9,279,385	8,166,352
Included in the assets of the disposal group	(1,760,622)	(1,749,941)	-	-
<b>Cash and cash equivalents as at 31 December</b>	<b>25,490,105</b>	<b>31,913,335</b>	<b>9,062,962</b>	<b>9,279,385</b>

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Kindly visit: [www.aiicopl.com/index.php/about-us/investor-relations](http://www.aiicopl.com/index.php/about-us/investor-relations)

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