AIICO INSURANCE PLC

UNAUDITED INTERIM FINANCIAL STATEMENTS

FOR THE PERIOD ENDED 31 MARCH 2023

Table of contents Page

Corporate Information

Directors	Mr. Kundan Sainani (Indian)	Chairman
	Mr. Babatunde Fajemirokun	Group MD / CEO
	Mr. Adewale Kadri	Executive Director
	Mr. Samaila Zubairu	Director/Independent
	Mr. Ademola Adebise	Director
	Mrs. Oluwafolakemi Edun (nee Fajemirokun)	Director
	Mr. Olalekan Akinyanmi	Director
	Mr. Raimund Snyders (South African)	Director
	Mr Rotimi Okpaise	Director

Company Secretary
Mr. Donald Kanu
AIICO Insurance Plc AIICO Plaza
Plot PC 12, Churchgate Street
Victoria Island, Lagos

Registered Office
AIICO Plaza
Plot PC 12, Churchgate Street
Lagos

RC No. 7340

TIN 00401332-0001

Corporate Head Office
AIICO 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.aiicoplc.com**
E-mail: aiicontact@aiicoplc.com

Registrar
Coronation Registrars (formerly, United Securities Limited)
09, Amodu Ojikutu Street Off
Bishop Oluwole Street, Victoria Island
P.M.B. 12753
Lagos

Independent Auditor
Ernst & Young
10th & 13th Floors, UBA House
57, Marina Road
Lagos Island
Lagos
website: ***www.ey.com/ng***

Bankers
Access Bank Plc
Ecobank Plc
First Bank of Nigeria Limited
First City Monument Bank Limited
Guaranty Trust Bank Limited
Stanbic IBTC Bank
Standard Chartered Bank Nigeria Limited
Union Bank of Nigeria Plc
United Bank of Africa Plc
Wema Bank Plc

Actuary	Firm Name:	Zamara Consulting Actuaries Nigeria Limited
	Firm FRCN:	FRC/2019/00000012910
	Life Valuation	Nikhil Dhodia
	FRCN	FRC/2021/004/00000024023
	Firm Name:	Zamara Consulting Actuaries Nigeria Limited
	Non life Valuation	Jay Kosgei
	FRCN	FRC/2021/004/00000023786

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:	Niyi Fatokun & Co.
Firm FRCN:	FRC/2019/00000012894
Partner	Niyi Fatokun (Chartered Surveyors & Valuer)
FRCN	FRC/2013/NIESV/70000000/1217

Regulatory Authority National Insurance Commission (NAICOM)

Branch Networks

1. Port Harcourt
11 Ezimgbu 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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

Results at a Glance - The Group

Profit or Loss and Other Comprehensive Income *In thousands of naira*	**31-Mar-23**	**31-Mar-22**	**Increase/ (decrease) Changes**	**Increase/ (decrease) %**
Gross written premium	**31,739,824**	**24,663,743**	**7,076,081**	**29**
Insurance revenue	14,754,420	11,836,872	2,917,548	25
Insurance service expense	(10,647,405)	(9,762,418)	(884,986)	9
Net Expenses from reinsurance contracts	(2,156,138)	(1,607,717)	(548,421)	34
Insurance service result	**1,950,877**	**466,737**	**1,484,141**	**318**
Net investment income before fair value changes	5,829,009	3,198,784	2,630,224	82
Net fair value (loss)/income	(9,705,753)	1,450,998	(11,156,751)	(769)
Net insurance finance expenses	6,673,322	(590,692)	7,264,014	1230
Net insurance and investment result	**4,747,455**	**4,525,827**	**221,628**	**5**
Operating expenses	(3,376,259)	(2,962,479)	(413,780)	(14)
Profit before tax and discontinued operations	**1,371,196**	**1,563,347**	**(192,151)**	**(12)**
Taxes	8,339	(11,109)	19,448	175
Disconitnued operations	-	3,389,839	(3,389,839)	(100)
Profit for the period	**1,379,535**	**4,942,078**	**(3,562,543)**	(72)
Total other comprehensive loss	(550,250)	470,614	(1,020,864)	(217)
Total comprehensive income for the period	**829,285**	**5,412,692**	**(4,583,407)**	**(85)**
Basic and diluted earnings per share (kobo)	4	13		

Financial Position *In thousands of naira*	**31-Mar-23**	**31-Dec-22**	**Changes**	**%**
Assets				
Cash and cash equivalents	29,872,303	15,915,258	13,957,045	88
Financial assets	219,510,734	225,460,028	(5,949,294)	(3)
Trade receivables	1,072,143	866,977	205,166	24
Contracts assets	13,560,993	16,139,023	(2,578,030)	(16)
Deferred acquisition costs	1,651,146	928,558	722,588	78
Other receivables and prepayments	4,397,882	4,685,425	(287,543)	(6)
Deferred tax assets	14,334	21,501	(7,167)	(33)
Investment properties	708,000	760,000	(52,000)	(7)
Property and equipment	8,340,061	8,359,520	(19,459)	(0)
Statutory deposits	500,000	500,000	-	-
Right of use assets	47,675	60,055	(12,379)	(21)
Goodwill and other intangible assets	920,173	928,672	(8,499)	(1)
Total assets	**280,595,444**	**274,625,016**	**5,970,428**	**2**
Liabilities				
Insurance contract liabilities	190,357,359	192,579,273	(2,221,914)	(1)
Investment contract liabilities	320,674	313,373	7,301	2
Trade payables	8,744,519	6,461,628	2,282,891	35
Other payables and accruals	8,237,913	8,088,876	149,037	2
Fixed income liabilities	27,744,482	22,781,598	4,962,884	22
Current income tax payable	637,652	669,543	(31,891)	(5)
Deferred tax liabilities	498	7,666	(7,168)	(94)
Total liabilities	**236,043,097**	**230,901,956**	**5,141,141**	**2**
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	(3,304,037)	(2,796,624)	(507,413)	18
Contingency reserve	10,255,642	9,710,046	545,596	6
Retained earnings	16,060,136	15,255,837	804,299	5
Shareholders' funds	**44,143,140**	**43,300,658**	**842,482**	**2**
Non-controlling interests	409,206	422,402	(13,196)	(3)
Total equity	**44,552,346**	**43,723,060**	**829,286**	**2**
Total liabilities and equity	**280,595,444**	**274,625,016**	**5,970,427**	**2**

Results at a Glance - The Company

Profit or loss and other comprehensive income

In thousands of naira	2023	2022	Increase/ (Decrease) Changes	Increase/ (decrease) %
Gross written premium	**31,415,815**	**24,421,896**	**6,993,919**	**29**
Insurance revenue	14,482,847	11,573,711	2,909,136	25
Insurance service expense	(10,647,405)	(9,762,418)	(884,986)	9
Net Expenses from reinsurance contracts	(2,156,138)	(1,607,717)	(548,421)	34
Insurance service result	**1,679,304**	**203,576**	**1,475,728**	**725**
Net investment income before fair value changes	5,711,225	2,869,754	2,841,471	99
Net fair value (loss)/income	(9,705,753)	1,450,998	(11,156,751)	(769)
Net insurance finance expenses	6,673,322	(590,692)	7,264,014	1230
Net insurance and investment result	**4,358,098**	**3,933,635**	**424,463**	**11**
Operating expenses	(3,080,330)	(2,733,330)	(347,000)	(13)
Profit before tax and discontinued operations	**1,277,769**	**1,200,306**	**77,463**	**6**
Taxes	11,763	-	11,763	100
Disconitnued operations	-	3,389,777	(3,389,777)	(100)
Profit for the period	**1,289,532**	**4,590,082**	**(3,300,551)**	(72)
Total other comprehensive loss	(121,884)	84,498	(206,382)	(244)
Total comprehensive income for the period	**1,167,648**	**4,674,580**	**(3,506,933)**	**(75)**
Basic and diluted earnings per share (kobo)	4	13		

Financial Position

In thousands of naira	31-Mar-23	31-Dec-22	Changes	%
Assets				
Cash and cash equivalents	12,847,648	6,521,824	6,325,824	97
Financial assets	203,344,500	208,421,569	(5,077,069)	(2)
Trade receivables	961,144	852,113	109,031	13
Contracts assets	13,560,993	16,139,023	(2,578,030)	(16)
Deferred acquisition costs	1,651,146	928,558	722,588	78
Other receivables and prepayments	3,485,343	4,141,825	(656,482)	(16)
Investment in subsidiaries	1,087,317	1,087,317	-	-
Investment properties	708,000	760,000	(52,000)	(7)
Property and equipment	8,072,903	8,064,528	8,375	0
Statutory deposits	500,000	500,000	-	-
Right of use assets	47,675	60,055	(12,379)	(21)
Goodwill and other intangible assets	842,532	846,825	(4,293)	(1)
Total assets	**247,109,201**	**248,323,636**	**(1,214,435)**	**(0)**
Liabilities				
Insurance contract liabilities	190,088,557	192,263,573	(2,175,016)	(1)
Investment contract liabilities	320,674	313,373	7,301	2
Trade payables	8,744,517	6,461,628	2,282,889	35
Other payables and accruals	4,569,168	7,054,663	(2,485,495)	(35)
Current income tax payable	410,799	422,562	(11,763)	(3)
Total liabilities	**204,133,715**	**206,515,798**	**(2,382,083)**	**(1)**
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	(1,943,581)	(1,821,697)	(121,884)	7
Contingency reserve	10,255,642	9,710,046	545,596	6
Retained earnings	13,532,026	12,788,090	743,936	6
Shareholders' funds	**42,975,486**	**41,807,838**	**1,167,648**	**3**
Total liabilities and equity	**247,109,201**	**248,323,636**	**(1,214,435)**	**0**

Shareholding Structure And Free float Status

Company name	AIICO Insurance Plc
Year end	December
Reporting Period	31-Mar-23
Share Price at end of reporting period	N0.40 (31 December 2022: N0.59)

Shareholding Structure/Free Float Status

Description	31-Mar-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 Investment Inc.	3,126,876,790	8.54%	0	0.00%
AIICO Bahamas Limited	4,385,166,986	11.98%	4,385,166,986	11.98%
DF Holdings Limited	7,292,398,651	19.92%	7,292,398,651	28.46%
LeapFrog III Nigeria Insurance Holdings LTD	11,173,946,135	30.53%	11,173,946,135	30.53%
Total Substantial Shareholdings	**25,978,388,562**	70.97%	**22,851,511,772**	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%
Other Influential Shareholdings	-	-		
Free Float in Units and Percentage	10,509,718,642	28.71%	13,636,595,432	28.71%
Free Float in Value	₦ 4,203,887,456.80		₦ 8,045,591,304.88	

Declaration:

AIICO Insurance Plc with a free float percentage of 28.71% as at 31 March 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/NBA/00000002884
Plot PC 12, Churchgate Street
Victoria Island
Lagos, Nigeria
28 April 2023

Certification Pursuant to Section 60(2) of Investment and Securities Act No. 29 of 2007 and Statement of Corporate Responsibility for the Consolidated and Separate Financial Statements per the provisions of section 405 of the Companies and Allied Matters Act 2020

We the undersigned, hereby certify the following with regards to our audited financial statements for the interim period ended 31 March 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 auditors of the Group and 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
MD/CEO
FRC /2015/MULTI/00000019973

28 April 2023

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

28 April 2023

Material Accounting Policies

For the interim period ended 31 March 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 interim condensed 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 financial statements comply with the Companies and Allied Matters Act 2020, the Financial Reporting Council of Nigeria Act No 6, 2011, 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 28 April 2023.

The interim condensed consolidated financial statements do not include all the information and disclosures required in the annual financial statements, and should be read in conjunction with the Group's annual consolidated financial statements as at 31 December 2022.

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.

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	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.

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

(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;

Material Accounting Policies

For the interim period ended 31 March 2023

(iii) Section 22 (1a) requires the maintenance of a general reserve fund which shall be credited with an amount equal to the net liabilities on policies in force at the time of the actuarial valuation and an additional 25 percent of net premium for every year between valuation date;

(iv) Section 24 requires the maintenance of a margin of solvency to be calculated in accordance with the Act;

(v) Section 10(3) requires insurance companies in Nigeria to deposit 10 percent of the minimum paid up share capital with the Central Bank of Nigeria;

(vi) Section 25 (1) requires an insurance company operating in Nigeria to invest and hold invested in Nigeria assets equivalent to not less than the amount of policy holders' funds in such accounts of the insurer.

(vii) However, section 59 of the Financial Reporting Council Act, 2011 (FRC Act) provides that in matters of financial reporting, if there is any inconsistency between the FRC Act and other Acts which are listed in section 59(1) of the FRC Act, the FRC Act shall prevail. The Financial Reporting Council of Nigeria acting under the provisions of the FRC Act has promulgated IFRS as the national financial reporting framework for Nigeria. Consequently, the following provision of the National Insurance Act, 2003 which conflict with the provisions of IFRS have not been adopted based on the application of IFRS 4 on liability adequacy test

(viii) Section 20(1b) which requires the provision of 10 percent for outstanding claims in respect of claims incurred but not reported at the end of the year under review. See note 3.23(b) on accounting policy for outstanding claims.

(ix) Section 22(1a) which requires additional 25 percent of net premium to general reserve fund. See note 3.22(c) on accounting policy for unexpired risk and unearned premium.

Material Accounting Policies

For the period ended 31 March 2023

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.

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.

Material Accounting Policies

For the period ended 31 March 2023

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

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

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

- 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.

Material Accounting Policies

For the period ended 31 March 2023

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.

(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 contractual cash flows collected; and

• 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

Material Accounting Policies

For the period ended 31 March 2023

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;

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.

(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 instuments

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)).

Material Accounting Policies

For the period ended 31 March 2023

*** 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

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 POCI, 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.

3.4.4 Impairment of financial assets (Continued)

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.

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.

Material Accounting Policies

For the period ended 31 March 2023

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
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.

(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 is 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.

Material Accounting Policies

For the period ended 31 March 2023

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.

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 arising from insurance contracts represent premium receivable with determinable payments that are not quoted in an active market and the Group has no intention to sell. Premium receivables are those for which credit notes issued by brokers are within 30days, in conformity with the "NO PREMIUM NO COVER" policy. Refer to note 3.4 for basis of measurement.

3.6 Reinsurance assets

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

Material Accounting Policies

For the period ended 31 March 2023

3.7 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.

3.8 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.

3.9 Deferred expenses

(a) Deferred acquisition costs (DAC)

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.

Acquisition cost for life insurance are expensed as incurred. Subsequent to initial recognition, Acquisition cost for general insurance are amortized over the year in which the related revenues are earned. 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 and are treated as a change in an accounting estimate. DAC are derecognized when the related contracts are either settled or disposed off.

(b) Deferred expenses -Reinsurance commissions

Commissions receivable on outwards reinsurance contracts are deferred and amortized on a straight line basis over the term of the expected premiums payable.

3.10 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.

3.11 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.

(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 its 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.

Material Accounting Policies

For the period ended 31 March 2023

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.

3.12 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.

3.13 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 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.

(c) Present value of acquired in-force business (PVIF)

When a portfolio of insurance contracts is acquired, whether directly from another insurance company or as part of a business combination, the difference between the fair value of insurance rights acquired and insurance obligation assumed are measured using the Group's existing accounting policies and it is recognized as the value of the acquired in-force business.

Subsequent to initial recognition, the intangible asset is carried at cost less accumulated amortization and accumulated impairment losses. The intangible asset is amortized over the useful life of the acquired in-force policy during which future premiums are expected, which typically varies between five and fifty years. 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 and they are treated as a change in an accounting estimate. An impairment review is performed whenever there is an indication of impairment. When the recoverable amount is less than the carrying value, an impairment loss is recognized in the profit or loss. PVIF is also considered in the liability adequacy test for each reporting year.
PVIF is derecognized when the related contracts are settled or disposed off.

(d) Subsequent expenditure

Subsequent expenditure is capitalised only when it increases the future economic benefits embodied in the specific asset to which it relates.

(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.

Material Accounting Policies

For the period ended 31 March 2023

(f) Imapairment 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.

3.14 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

(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	4 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.

3.15 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 period ended 31 March 2023

3.16.1 Insurance contract liabilities

(a) Life insurance contract liabilities

At each reporting date, 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.

The interest rate applied is based on management's prudent expectation of current market interest rates. Any inadequacy is recorded in the profit or loss by establishing an additional insurance liability for the remaining loss. In subsequent years, the liability for a block of business that has failed the adequacy test is based on the assumptions that are established at the time of the loss recognition. The assumptions do not

(b) Guaranteed annuity

Guaranteed annuity is recognised as an insurance contract. Annuity premium are recognised as income when received from policy holders, payments to policy holders are recognised as an expense when due. The amount of insurance risk under contracts with guaranteed annuity is also dependent on the number of contract holders that will exercise their option ('option take-up rate'). This will depend significantly on the investment conditions that apply when the options can be exercised. The lower the current market interest rates in relation to the rates implicit in the guaranteed annuity rates, the more likely it is that contract holders will exercise their options. Continuing improvements in longevity reflected in current annuity rates will increase the likelihood of contract holders exercising their options as well as increasing the level of insurance risk borne by the Company under the annuities issued. The Group does not have sufficient historical data on which to base its estimate of the number of contract holders who exercise their option.

(c) Non-life insurance contract liabilities

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. Delays can be experienced in the notification and settlement of certain types of claims, therefore, the ultimate cost of these cannot be known with certainty at the reporting date. The liability is calculated at the reporting based on empirical data and current assumptions that may include a margin for adverse deviation. The liability is not discounted for the time value of money. No provision for equalization or catastrophe reserves is recognized. The liabilities are derecognized when the obligation to pay a claim expires, is discharged or is cancelled.

The provision for unearned premiums represents that portion of premiums received or receivable that relates to risks that have not yet expired at the reporting date. The provision is recognized when contracts are entered into and premiums are charged, and is brought to account as premium income over the term of the contract in accordance with the pattern of insurance service provided under the contract.

At each reporting date, the Group reviews its unexpired risk and a liability adequacy test is performed to determine whether there is any overall excess of expected claims and deferred acquisition costs over unearned premiums. This calculation uses current estimates of future contractual cash flows after taking account of the investment return expected to arise on assets relating to the relevant non-life insurance technical provisions. If these estimates show that the carrying amount of the unearned premiums (less related deferred acquisition costs) is inadequate, the deficiency is recognized in the profit or loss by setting up a provision for premium deficiency.

3.16.2 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 valaution. The portion allocated to the deposit component is subsequently debited to the profit or loss account as part of the actuarially determined liabilities with a corresponding credit posted to other investmnent contract liabilities account in order to track the deposit element separately from the risk element.

3.17 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 finanacial 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 laibilities are measured at amortised cost using the effective interest method.

Material Accounting Policies

For the period ended 31 March 2023

3.18 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 commencementdate, 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.

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.

3.19 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.

3.20 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

(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.

3.21 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.

Material Accounting Policies

For the period ended 31 March 2023

3.22 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.

3.23 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.

3.24 Exchange gains reserve

Exchange gain reserves comprises the cumulative net change when fair value through other comprehensive income investment in foreign

3.25 Technical reserves

These are computed in compliance with the provisions of Section 20, 21, and 22 of the Insurance Act 2003 as follows:

(a) General Insurance Contracts

Reserves for unearned premium in compliance with Section 20 (1) (a) of Insurance Act 2003, the reserve for unearned premium is calculated on a time apportionment basis in respect of the risks accepted during the year.

(b) Reserves for Outstanding Claims

The reserve for outstanding claims is maintained at the total amount of outstanding claims incurred and reported plus 10 percent from claims incurred but not reported (IBNR) as at the reporting date. The IBNR is based on the liability adequacy test.

(c) Reserves for Unexpired Risk

A provision for additional unexpired risk reserve (AURR) is recognized for an underwriting year where it is envisaged that the estimated cost of claims and expenses would exceed the unearned premium reserve (UPR)".

(d) Life Business

General Reserve Fund

This is made up of net liabilities on policies in force as computed by the actuaries at the time of the actuarial valuation and an additional 25 percent of net premium for every year between valuation date

(e) Liability Adequacy Test

At each end of the reporting year, liability adequacy tests are performed by an Actuary to ensure the adequacy of the contract liabilities net of related deferred acquisition cost (DAC) assets. In performing these tests, current best estimates of future contractual cash flows and claims handling and administration expenses, as well as investment income from the assets backing such liabilities, are used. Any deficiency is immediately recognised in profit or loss initially by writing off DAC and by subsequently establishing a provision for losses arising from liability adequacy tests "the unexpired risk provision". The provisions of the Insurance Act 2003 requires an actuarial valuation for life reserves only. However, IFRS 4 requires a liability adequacy test for both life and non-life insurance reserves. Hence, the Group carries out actuarial valuation on both life and non-life insurance businesses.

Material Accounting Policies

For the period ended 31 March 2023

3.26 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).

3.27 Retained earnings

This account accumulates profits or losses from operations and reduced by dividends declared.

Material Accounting Policies
For the interim period ended 31 March 2023

3.28 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:

· Life Business – Individual Life With-profit Policies. These are endowment plans without participating features.

The Group accounts for these policies applying the General Model.

· Life Business – Individual Life Without-profit Policies including:

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

o Whole of life assurance contracts

The Group accounts for these policies applying the General Model.

· Life Business – Annuity Policies including:

o Fixed annuity contracts providing the annuitant with a guaranteed income payout for a limited period.

o Deferred annuity contracts providing the annuitant with a guaranteed income payout for life, with the first payment due at the end of the deferment 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

The Group accounts for these policies applying the General Model.

· 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.

· Group Life Business - 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).

· Non-Life Business - 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).

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

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.

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. IFRS 17 defines investment components as the amounts that an insurance contract requires an insurer to repay to a policyholder in all circumstances, regardless of whether an insured event has occurred. Investment components which are highly interrelated with the insurance contract of which they form a part are considered non-distinct and are not separately accounted for. 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.

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.

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. As IFRS 17 does not define what "facts/circumstances" entail; the following are considered on their impact on expected cashflows and resulting profitability:

· 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.

This consideration is only required for LRC and not 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

The Group recognizes groups of insurance contracts issued from the date when the first payment from a policyholder in the group becomes due. 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.

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.

H. Measurement of insurance contracts issued.

1. General Model – 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 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 Company 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.

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 Company 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 Company did not identify any facts and circumstances indicating that the assets may be impaired.

2. General Model – Subsequent Measurement

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.

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:

o 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.
o 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.

Recognition of the CSM in profit or loss
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.

3. Premium Allocation Approach
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, will be 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 qualify 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 premium
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.
Insurance acquisition cash flows
IFRS 17 defines insurance acquisition cash flows as cash flows arising 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
- that are not directly attributable to individual contracts but, directly attributable to the portfolio of insurance contracts to which the group 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.

4. 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.
I. Measurement of Reinsurance contracts issued.

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.

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 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.

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.
1. Insurance Revenue
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:
o Amounts allocated to the loss component.
o Repayments of investment components.
o Amounts that relate to transaction-based taxes collected on behalf of third parties.
o Insurance acquisition expenses.
o Amounts relating to risk adjustment for non-financial risk.
• The change in the risk adjustment for non-financial risk, excluding:
o Changes that relate to future service that adjust the CSM.
o 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.

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.
2. 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 contract revenue.
- 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 contracts.

3. 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.

4. 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 Company 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 interim period ended 31 March 2023

3.29 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 future years.

(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.

Material Accounting Policies

For the period ended 31 March 2023

3.30 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.

3.31 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.

3.32 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.

3.33 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.

Material Accounting Policies

For the period ended 31 March 2023

3.34 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) yeare and they are amortised on a straight-line basis over the period of the lease. During the year under review, there were no consession lease incentives granted to the group on rental

Statement of Significant Accounting Policies (Continued)
For the period ended 31 March 2023

4 Critical accounting estimates and judgements

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.

(a) The ultimate liability arising from claims made under insurance contracts

The estimation of the ultimate liability arising from claims made under insurance contracts is one of the Group's most critical accounting estimate. There are several sources of uncertainty that need to be considered in the estimate of the liability that the Group will ultimately pay for such claims.

The ultimate cost of outstanding claims is estimated by using a standard actuarial claims projection techniques called the Basic Chain Ladder (BCL).

The main assumption underlying these technique is that the Group's past claims development experience can be used to project future claims development and hence ultimate claims costs. As such, this method extrapolates the development of paid and incurred losses, average costs per claim and claim numbers based on the observed development of earlier years and expected loss ratios. Historical claims development is mainly analysed by accident years and the assumptions used are those implicit in the historical claims development data on which the projections are based. Additional qualitative judgment is used to assess the extent to which past trends may not apply in future, (for example to reflect one-off occurrences, changes in external or market factors such as public attitudes to claiming, economic conditions, levels of claims, inflation, judicial decisions and legislation, as well as internal factors such as portfolio mix, policy features and claims handling procedures) in order to arrive at the estimated ultimate cost of claims that present the likely outcome from the range of possible outcomes, taking account of all the uncertainties involved.

(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

Statement of Significant Accounting Policies (Continued)
For the period ended 31 March 2023

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.

(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 hierachy. 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.

Statement of Significant Accounting Policies (Continued)
For the period ended 31 March 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 Iimitation 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.

(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.

Condensed consolidated and separate statements of financial position

As at		**Group**			**Company**		
In thousands of naira	**Notes**	**31-Mar-23**	**31-Dec-22**	**1-Jan-22**	**31-Mar-23**	**31-Dec-22**	**1-Jan-22**
Assets			*restated*	*restated*		*restated*	*restated*
Cash and cash equivalents	6	29,872,303	15,915,258	25,490,105	12,847,648	6,521,824	9,062,962
Financial assets	7	219,510,734	225,460,028	172,501,020	203,344,500	208,421,569	152,718,223
Trade receivables	8	1,072,143	866,977	728,517	961,144	852,113	689,375
Contracts assets	9	13,560,993	16,139,023	10,680,812	13,560,993	16,139,023	10,680,812
Deferred acquisition costs	10	1,651,146	928,558	699,928	1,651,146	928,558	699,928
Other receivables and prepayments	11	4,397,882	4,685,425	2,411,789	3,485,343	4,141,825	2,140,479
Deferred tax assets	13(d)	14,334	21,501	1,252	-	-	-
Investment in subsidiaries	14	-	-	-	1,087,317	1,087,317	1,087,317
Investment in associate	14(i)	-	-	705,629	-	-	705,691
Investment properties	15	708,000	760,000	806,000	708,000	760,000	806,000
Property and equipment	17	8,340,061	8,359,520	7,068,787	8,072,903	8,064,528	6,847,439
Statutory deposits	18	500,000	500,000	500,000	500,000	500,000	500,000
Right of use assets	12	47,675	60,055	105,855	47,675	60,055	105,855
Goodwill and other intangible assets	16	920,173	928,672	934,748	842,532	846,825	838,252
Total assets		**280,595,444**	**274,625,016**	**222,634,442**	**247,109,201**	**248,323,636**	**186,882,333**
Liabilities							
Insurance contract liabilities	19	190,357,359	192,579,273	144,486,591	190,088,557	192,263,573	144,275,558
Investment contract liabilities	20	320,674	313,373	2,836,752	320,674	313,373	2,836,752
Trade payables	21	8,744,519	6,461,628	3,779,049	8,744,517	6,461,628	3,748,134
Other payables and accruals	22	8,237,913	8,088,876	3,700,218	4,569,168	7,054,663	3,394,548
Fixed income liabilities	23	27,744,482	22,781,598	33,506,178	-	-	-
Current income tax payable	13(a)	637,652	669,543	407,282	410,799	422,562	307,392
Deferred tax liabilities	13(d)	498	7,666	7,666	-	-	-
Total liabilities		**236,043,097**	**230,901,956**	**188,723,736**	**204,133,715**	**206,515,798**	**154,562,384**
Equity							
Share capital	24(a)(ii)	18,302,638	18,302,638	18,302,638	18,302,638	18,302,638	18,302,638
Share premium	24(b)(i)	64,745	64,745	64,745	64,745	64,745	64,745
Revaluation reserve	24(c)	2,764,016	2,764,016	1,812,707	2,764,016	2,764,016	1,812,707
Fair value reserve	24(d)	(3,304,037)	(2,796,624)	(1,683,037)	(1,943,581)	(1,821,697)	(1,016,727)
Foreign exchange gains reserve	24(e)	-	-	175,600	-	-	175,600
Contingency reserve	24(f)	10,255,642	9,710,046	8,304,604	10,255,642	9,710,046	8,304,604
Retained earnings	24(g)	16,060,136	15,255,837	6,588,146	13,532,026	12,788,090	4,676,382
Shareholders' funds		**44,143,140**	**43,300,658**	**33,565,403**	**42,975,486**	**41,807,838**	**32,319,949**
Non-controlling interests	14(e)	409,206	422,402	345,303	-	-	-
Total equity		**44,552,346**	**43,723,060**	**33,910,706**	**42,975,486**	**41,807,838**	**32,319,949**
Total liabilities and equity		**280,595,444**	**274,625,016**	**222,634,442**	**247,109,201**	**248,323,636**	**186,882,333**

These consolidated and separate financial statements were approved by the Board of Directors on 28 April 2023 and signed on its behalf by:

Mr. Kundan Sainani
Chairman
FRC/2013/IODN/00000003622

Mr. Babatunde Fajemirokun
Managing Director/ Chief Executive Officer
FRC /2015/MULTI/00000019973

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

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

Condensed consolidated and separate statements of profit or loss and other comprehensive income
For the interim period ended

In thousands of naira	Notes	Group 31-Mar-23	Group 31-Mar-22	Company 31-Mar-23	Company 31-Mar-22
			restated		*restated*
Insurance Revenue	25(a)	14,754,420	11,836,872	14,482,847	11,573,711
Insurance Service Expense	25(b)	(10,647,405)	(9,762,418)	(10,647,405)	(9,762,418)
Net Expenses from Reinsurance Contracts	25(c)	(2,156,138)	(1,607,717)	(2,156,138)	(1,607,717)
Insurance service result		**1,950,878**	**466,737**	**1,679,304**	**203,576**
Investment income	26(a)	5,960,650	3,405,783	5,864,001	3,109,066
Profit from deposit administration	26(b)	16,396	66,835	16,396	66,835
Net realised gain/(loss)	27(a)	578	(391,199)	578	(391,199)
Net fair value losses	27(b)	(9,705,753)	1,450,998	(9,705,753)	1,450,998
Other operating income	28	(148,615)	117,365	(169,749)	85,051
Net investment income		**(3,876,744)**	**4,649,782**	**(3,994,528)**	**4,320,751**
Net Finance income/(expense) from Insurance Contracts	29(a)	6,493,895	(736,264)	6,493,895	(736,264)
Net Finance Income from Reinsurance Contracts	29(b)	179,427	145,572	179,427	145,572
Net insurance finance income/(expenses)		**6,673,322**	**(590,692)**	**6,673,322**	**(590,692)**
Net insurance and investment result		**4,747,456**	**4,525,827**	**4,358,098**	**3,933,635**
Personnel expenses	30	(1,132,745)	(944,554)	(917,344)	(784,478)
Other operating expenses	31	(2,171,662)	(2,017,926)	(2,162,986)	(1,948,852)
Impairment reversal	32	(71,852)	-	-	-
Profit before income tax from continuing operations		**1,371,197**	**1,563,347**	**1,277,769**	**1,200,306**
Income tax expense	13(b)(i)	(3,424)	(11,109)	-	-
Minimum tax	13(b)(ii)	11,763	-	11,763	-
Profit after tax from continuing operations		**1,379,536**	**1,552,238**	**1,289,532**	**1,200,306**
Profit from discontinued operations (net of tax)	14(j)	-	3,389,839	-	3,389,777
Profit for the period		**1,379,536**	**4,942,078**	**1,289,532**	**4,590,082**
Attributable to owners of the parent		1,349,895	4,887,312	1,289,532	4,590,082
Attributable to non-controlling interest holders	14(f)	29,641	54,766	-	-
		1,379,536	**4,942,078**	**1,289,532**	**4,590,082**
Other comprehensive income, net of tax					
Items within OCI that may be reclassified to profit or loss in subsequent periods:					
Fair value (loss)/gain on financial assets	13(c)	(550,250)	466,804	(121,884)	84,498
Items within OCI that will not be reclassified to profit or loss in subsequent periods:					
Fair value gain on equity securities	13(c)	-	3,810	-	-
Total other comprehensive (loss)/ income		**(550,250)**	**470,614**	**(121,884)**	**84,498**
Total comprehensive income for the period		**829,286**	**5,412,692**	**1,167,648**	**4,674,580**
Attributable to owners of the parent		842,481	5,319,314	1,167,648	4,674,580
Attributable to non-controlling interests	14(f)	(13,196)	93,378	-	-
		829,286	**5,412,692**	**1,167,648**	**4,674,580**
Basic and diluted earnings per share (Kobo)	33	4	13	4	13

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

Condensed Consolidated and Separate Statements of Changes in Equity - Group

For the interim period ended 31 March 2023

In thousands of naira	Note	Issued Share Capital	Share Premium	Revaluation Reserve	Fair Value Reserve	Foreign exchange translation reserve	Contingency Reserve	Retained Earnings	Shareholders' Equity	Non Controlling Interests	Total equity
		Attributable to owners of the Group									
Balance at 1 January 2022	**24**	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**
IFRS 17 transition adjustments		-	-	-	-	-	-	(4,463,549)	**(4,463,549)**	-	**(4,463,549)**
Restated balance as at 1 Jan 2022 (restated)		18,302,638	64,745	1,812,707	- 1,683,037	175,600	8,304,604	6,588,146	**33,565,403**	345,303	**33,910,706**
Total comprehensive income for the period											
Profit for the period		-	-		-	-	-	4,887,312	**4,887,312**	54,766	**4,942,078**
Other comprehensive income		-	-	-	470,614	-	-	-	**470,614**	-	**470,614**
NCI Share of other comprehensive income		-	-	-	(38,612)	-	-	-	**(38,612)**	38,612	-
Total other comprehensive income for the period		-	-	-	432,002	-	-	4,887,312	**5,319,314**	93,378	**5,412,692**
Transfers within equity											
Transfer to contingency reserve			-	-	-	-	419,271	(419,271)	-	-	-
Transfer to/(from) retained earnings		-	-	-	(3,810)	-	-	3,810	-	-	-
Total transfers	**24(g)**	-	-	-	(3,810)	-	419,271	(415,461)	-	-	-
Transactions with owners, recorded directly in equity											
Dividend paid to ordinary shareholders	**14(f)**	-	-	-	-	-	-	-	-	-	-
Total contributions by and distributions to equity holders		-	-	-	-	-	-	-	-	-	-
Balance at 31 March 2022		**18,302,638**	**64,745**	**1,812,707**	**(1,254,845)**	**175,600**	**8,723,876**	**15,523,546**	**43,348,266**	**438,681**	**43,786,947**
Balance at 1 January 2023		18,302,638	64,745	2,764,016	(2,796,624)	-	9,710,046	16,540,784	**44,585,605**	422,402	**45,008,007**
IFRS 17 transition adjustments	**6**				-			(1,284,947)	**(1,284,947)**	-	**(1,284,947)**
Balance as at 1 Jan 2023 (restated)		18,302,638	64,745	2,764,016	(2,796,624)	-	9,710,046	15,255,837	**43,300,658**	422,402	**43,723,060**
Total comprehensive income for the period											
Profit for the period		-	-		-	-	-	1,349,895	**1,349,895**	29,641	**1,379,536**
Other comprehensive income		-	-	-	(550,250)	-	-	-	**(550,250)**	-	**(550,250)**
NCI Share of other comprehensive income		-	-	-	42,837	-	-	-	**42,837**	(42,837)	-
									-		
Total other comprehensive income for the period		-	-	-	(507,413)	-	-	1,349,895	**842,482**	(13,196)	**829,286**
Transfers within equity											
Transfer to contingency reserve			-	-	-	-	545,596	(545,596)	-	-	-
Transfer to/(from) retained earnings		-	-	-	-	-	-	-	-	-	-
Total transfers		-	-	-	-	-	545,596	(545,596)	-	-	-
Transactions with owners, recorded directly in equity											
Transfer to investment in associates	**14(i)**							-	-	-	-
Dividend paid to ordinary shareholders		-	-	-	-	-	-	-	-	-	-
Total contributions by and distributions to equity holders		-	-	-	-	-	-	-	-	-	-
Balance at 31 March 2023		**18,302,638**	**64,745**	**2,764,016**	**(3,304,037)**	**-**	**10,255,642**	**16,060,136**	**44,143,140**	**409,206**	**44,552,346**

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

Condensed Consolidated and Separate Statements of Changes in Equity - Company
For the interim period ended 31 March 2023

		Attributable to owners of the Company							
In thousands of naira	**Note**	**Issued Share Capital**	**Share Premium**	**Revaluation Reserve**	**Fair Value Reserve**	**Foreign exchange translation Reserve**	**Contingency Reserve**	**Retained Earnings**	**Total shareholders' Equity**
Balance at 1 January 2022	24(a)(ii)	18,302,638	64,745	1,812,707	(1,016,727)	175,600	8,304,604	9,139,931	36,783,498
IFRS 17 transition adjustment		-	-	-	-	-	-	(4,463,549)	(4,463,549)
Balance at 1 Jan 2022 (restated)		18,302,638	64,745	1,812,707	(1,016,727)	175,600	8,304,604	4,676,382	32,319,949
Total comprehensive income for the period									
Profit for the period		-	-	-	-	-	-	4,590,082	4,590,082
Other comprehensive income		-	-	-	84,498	-	-	-	84,498
Total other comprehensive income for the period		-	-	-	84,498	-	-	4,590,082	4,674,580
Transfers within equity									
Transfer to contingency reserve		-	-	-	-	-	419,271	(419,271)	-
Transfer to retained earnings from fair value reserve		-	-	-	-	-	-	-	-
Total transfers within equity		-	-	-	-	-	419,271	(419,271)	-
Balance at 31 March 2022		**18,302,638**	**64,745**	**1,812,707**	**(932,229)**	**175,600**	**8,723,875**	**8,847,193**	**36,994,529**
Balance at 1 January 2023		18,302,638	64,745	2,764,016	(1,821,697)	-	9,710,046	14,073,037	43,092,785
IFRS 17 transition adjustment	**6**	-	-	-	-	-	-	(1,284,947)	(1,284,947)
Balance at 1 Jan 2023 (restated)		18,302,638	64,745	2,764,016	(1,821,697)	-	9,710,046	12,788,090	41,807,838
Total comprehensive income for the period									
Profit for the period		-	-	-	-	-	-	1,289,532	1,289,532
Other comprehensive income		-	-	-	(121,884)	-	-	-	(121,884)
Total other comprehensive income for the period		-	-	-	(121,884)	-	-	1,289,532	1,167,648
Transfers within equity									
Transfer to contingency reserve		-	-	-	-	-	545,596	(545,596)	-
Transfer to retained earnings from fair value reserve	**24(i)**	-	-	-	-	-	-	-	-
Dividend paid to ordinary shareholders		-	-	-	-	-	-	-	-
Total transfers within equity		-	-	-	-	-	545,596	(545,596)	-
Balance as at 31 March 2023		**18,302,638**	**64,745**	**2,764,016**	**(1,943,581)**	**-**	**10,255,642**	**13,532,026**	**42,975,485**

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

Condensed Consolidated and Separate Statements of Cash Flows
For the interim period ended
In thousands of naira

	Notes	Group		Company	
		31-Mar-23	**31-Mar-22**	**31-Mar-23**	**31-Mar-22**
Operating activities:					
Total premium received		31,534,658	24,603,681	31,306,784	24,228,886
Commission received	26	981,160	722,105	821,660	597,391
Commission paid		(3,337,968)	(2,699,679)	(3,278,820)	(2,666,322)
Premium received in advance		75,956	181,949	75,956	181,949
Unallocated premium	21	3,363,349	1,837,629	3,363,349	1,837,629
Reinsurance premium paid		(6,287,283)	(4,291,945)	(6,287,283)	(3,053,819)
Gross benefits and claims paid	20(a)(i)	(14,224,343)	(11,268,722)	(13,933,171)	(5,325,593)
Claims recoveries	27(b)	613,829	190,152	613,829	190,152
Receipt from deposit administration	21(a)	17,953	87,164	17,953	87,164
Withdrawal from deposit administration	21(a)	(13,038)	(11,195)	(13,038)	(11,195)
Other underwriting expenses paid	28	(1,233,709)	(691,294)	(1,233,709)	(691,294)
Payments to employees	30	(1,132,745)	(944,554)	(917,344)	(784,478)
Other operating cash payments		(11,659,213)	(5,884,922)	(11,867,897)	(19,241,540)
Other income received	28	288,098	199,775	266,964	167,461
Proceeds from disposal of AIICO Pension		-	4,162,304	-	4,162,304
Fixed income net (settlement)/received		4,962,884	676,741	-	-
Income tax paid	13	(23,552)	-	-	-
Net cash flows from/(used in) operating activities		**3,926,036**	**6,869,188**	**(1,064,767)**	**(321,305)**
Investing activities:					
Interest income received	26	12,655,405	1,536,259	11,051,849	1,713,682
Purchase of property and equipment	17	(170,670)	(236,204)	(166,492)	(126,426)
Purchase of intangible asset	16	(300)	(24,731)	-	(24,731)
Purchase of Investment properties		-	-	-	-
Proceeds from sale of property and equipment		578	8,505	578	8,505
Proceeds from sale of investment property		52,000	-	52,000	-
Purchase of financial assets at amortized cost	7(a)(iii)	(1,618,854)	-	(872,447)	-
Purchase of financial assets at FVTOCI	7(b)(ii)	(1,984,783)	(1,995,885)	(1,984,783)	(1,535,984)
Purchase of financial assets at FVTPL	7(c)(i)	(2,394,906)	(15,550,098)	(2,394,906)	(15,550,098)
Proceed on disposal/ redemption of financial assets		3,492,540	26,548,200	1,704,793	26,919,435
Net cash flows from/ (used in) investing activities		**10,031,010**	**10,286,046**	**7,390,591**	**11,404,384**
Net decrease/increase in cash and cash equivalents		13,957,046	17,155,234	6,325,824	11,083,079
Cash and cash equivalents at 1 January		15,915,258	25,490,105	6,521,824	9,062,962
Cash and cash equivalents as at 31 December	6	**29,872,303**	**42,645,338**	**12,847,648**	**20,146,041**

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

Notes to the Condensed Consolidated and Separate Financial Statements (Continued)
For the interim period ended 31 March 2023

5 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 follows:

- 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.
- The non-life insurance 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.
- 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 AIICO Insurance Plc on July 1, 2012.
- 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.

Notes to the Condensed Consolidated and Separate Financial Statements (Continued)
For the interim period ended 31 March 2023

5.1 Segment statement of profit or loss and other comprehensive income

In thousands of naira	Life Business	General Business	Elimination of inter-business transactions	Company	Health management services	Asset management	Elimination of inter-segment transactions	31 March 2023
GWP	**19,843,915**	**11,571,900**	**-**	**31,415,815**	**324,009**	**-**	**-**	**31,739,824**
Insurance Revenue	7,589,421	6,893,426		14,482,847	271,573			14,754,420
Insurance Service Expense	(7,161,423)	(3,485,982)		(10,647,405)				(10,647,405)
Net Expenses from Reinsurance Contracts	3,269	(2,159,407)		(2,156,138)				(2,156,138)
Insurance service result	**431,267**	**1,248,037**	**-**	**1,679,304**	**271,573**	**-**	**-**	**1,950,877**
Investment income	5,301,517	562,483		5,864,000	33,510	63,139		5,960,650
Profit from deposit administration	16,396	-		16,396				16,396
Net realised gain/(loss)	578	-		578				578
Net fair value losses	(9,705,753)	-		(9,705,753)		154,552	(154,552)	(9,705,753)
Other operating income	181,907	(351,656)		(169,749)	611	20,523		(148,616)
Net investment income	**(4,205,355)**	**210,827**	**-**	**(3,994,528)**	**34,121**	**238,213**	**(154,552)**	**(3,876,745)**
Net Finance income/(expense) from Insurance Contracts	6,779,066	(285,171)		6,493,895				6,493,895
Net Finance Income from Reinsurance Contracts	41,386	138,041		179,427				179,427
Net insurance finance income/(expenses)	**6,820,452**	**(147,130)**	**-**	**6,673,322**	**-**	**-**	**-**	**6,673,322**
Net insurance and investment	**3,046,364**	**1,311,734**	**-**	**4,358,098**	**305,694**	**238,213**	**(154,552)**	**4,747,454**
Personnel expenses	(532,059)	(385,285)		(917,344)	(131,647)	(83,754)		(1,132,745)
Other operating expenses	(1,155,731)	(1,007,253)		(2,162,984)	(81,165)	(82,063)	154,552	(2,171,660)
Impairment reversal				-			(71,852)	(71,852)
Profit before income tax from continuing operations	**1,358,574**	**(80,804)**	**-**	**1,277,770**	**92,883**	**72,396**	**(71,852)**	**1,371,196**
Income tax expense	-	-		-		(3,424)		(3,424)
Minimum tax	10,601	1,162		11,763				11,763
Profit after tax from continuing operations	**1,369,175**	**(79,642)**	**-**	**1,289,533**	**92,883**	**68,972**	**(71,852)**	**1,379,536**
Discontinued operations								
Profit from discontinued operations (net of tax)	-	-		-				-
Profit for the period	**1,369,175**	**(79,642)**	**-**	**1,289,533**	**92,883**	**68,972**	**(71,852)**	**1,379,536**
Attributable to owners of the	1,369,175	(79,642)	-	1,289,533	69,748	62,466	(71,852)	1,349,895
Attributable to non-controlling interest holders				-	23,135	6,506	-	29,641
	1,369,175	**(79,642)**	**-**	**1,289,533**	**92,883**	**68,972**	**(71,852)**	**1,379,536**
Other comprehensive income, net of tax								
Items within OCI that may be reclassified to profit or loss in subsequent periods:								
Fair value (loss)/gain on financial assets	(85,204)	(36,679)		(121,883)		(428,367)		(550,250)
Items within OCI that will not be reclassified to profit or loss in subsequent periods:								
Total other comprehensive loss	**(85,204)**	**(36,679)**	**-**	**(121,883)**	**-**	**(428,367)**	**-**	**(550,250)**
Total comprehensive income/(loss) for the period	**1,283,971**	**(116,320)**	**-**	**1,167,650**	**92,883**	**(359,395)**	**(71,852)**	**829,286**

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

Notes to the Condensed Consolidated and Separate Financial Statements (Continued)
For the interim period ended 31 March 2023

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

In thousands of naira	Life Business	General Business	Elimination of inter-business transactions	Company	Health management services	Asset management	Elimination of inter-segment transactions	31 March 2022
GWP	**15,669,285**	**8,752,611**	**-**	**24,421,896**	**241,847**	**-**	**-**	**24,663,743**
Insurance Revenue	6,212,482	5,361,229		11,573,711	263,161			11,836,872
Insurance Service Expense	(7,331,770)	(2,430,648)		(9,762,418)				(9,762,418)
Net Expenses from Reinsurance Contracts	261,726	(1,869,443)		(1,607,717)				(1,607,717)
Insurance service result	**(857,563)**	**1,061,138**		**203,576**	**263,161**	**-**	**-**	**466,737**
Investment income	2,757,191	351,875		3,109,066	20,520	276,196		3,405,782
Profit from deposit administration	66,835			66,835				66,835
Net realised gain/(loss)	(391,199)			(391,199)				(391,199)
Net fair value losses	1,450,998			1,450,998				1,450,998
Other operating income	(16,234)	101,285		85,051	906	31,408		117,365
Net investment income	**3,867,591**	**453,160**		**4,320,751**	**21,426**	**307,604**	**-**	**4,649,781**
Net Finance income/(expense) from Insurance Contracts	(515,492)	(220,772)		(736,264)				(736,264)
Net Finance Income from Reinsurance Contracts	21,341	124,231		145,572				145,572
Net insurance finance income/(expenses)	**(494,151)**	**(96,541)**		**(590,692)**	**-**	**-**	**-**	**(590,692)**
				-				
Net insurance and investment	**2,515,877**	**1,417,758**		**3,933,635**	**284,587**	**307,604**		**4,525,826**
Personnel expenses	(454,997)	(329,481)		(784,478)	(70,706)	(89,370)		(944,554)
Other operating expenses	(1,202,695)	(746,157)		(1,948,852)	(50,562)	(78,510)	60,000	(2,017,924)
Impairment reversal				-				
Profit before income tax from continuing operations	**858,185**	**342,120**		**1,200,305**	**163,319**	**139,725**	**60,000**	**1,563,348**
Income tax expense	-	-		-		(11,109)		(11,109)
Minimum tax	-	-		-				
Profit after tax from continuing operations	**858,185**	**342,120**		**1,200,305**	**163,319**	**128,615**	**60,000**	**1,552,239**
				-				
Discontinued operations				-				
Profit from discontinued operations (net of tax)	1,992,659	1,397,118		3,389,777			61	3,389,838
Profit for the period	**2,850,843**	**1,739,238**		**4,590,081**	**163,319**	**128,615**	**60,061**	**4,942,077**
				-				
Attributable to owners of the	2,850,843	1,739,238		4,590,081	129,661	107,508	60,061	4,887,312
Attributable to non-controlling interest holders	-	-		-	33,658	21,107		54,765
	2,850,843	**1,739,238**		**4,590,081**	**163,319**	**128,615**	**60,061**	**4,942,077**
Other comprehensive income, net of tax				-				
Items within OCI that may be reclassified to profit or loss in subsequent period				-				
				-				
Fair value (loss)/gain on financial assets	(13,286)	97,781		84,495		382,308		466,804
Items within OCI that will not be reclassified to profit or loss in subsequent per				-				-
Fair value gain on equity securities				-		3,810		3,810
				-				
Total other comprehensive (loss)/ income	**(13,286)**	**97,781**		**84,495**		**386,118**	**-**	**470,614**
				-				
Total comprehensive income for the period	**2,837,558**	**1,837,019**		**4,674,577**	**163,319**	**514,734**	**60,061**	**5,412,691**

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

Notes to the Condensed Consolidated and Separate Financial Statements (Continued)
For the interim period ended 31 March 2023

5.2 Segment Statement of Financial Position

In thousands of naira	Life Business	General Business	Elimination of inter-business transactions	Company	Health management services	Asset management	Elimination of inter-segment transactions	31 March 2023
Assets								
Cash and cash equivalents	11,328,801	1,518,847	-	12,847,648	44,548	16,980,107	-	29,872,303
Financial assets	179,884,636	23,459,863	-	203,344,499	1,251,466	23,653,183	(8,738,413)	219,510,735
Trade receivables	-	961,144	-	961,144	87,329	329,850	(306,179)	1,072,143
Contracts assets	3,007,716	10,553,278	-	13,560,994	-	-	-	13,560,994
Deferred acquisition costs	-	1,651,146	-	1,651,146	-	-	-	1,651,146
Other receivables and prepayments	2,954,963	935,003	(404,623)	3,485,343	27,502	926,601	(41,564)	4,397,882
Deferred tax assets	-	-	-	-	-	-	14,332	14,332
Investment in subsidiaries	837,317	250,000	-	1,087,317	-	-	(1,087,317)	(0)
Investment in associate	-	-	-	-	-	-	-	-
Investment properties	368,000	340,000	-	708,000	-	-	-	708,000
Property and equipment	5,950,304	2,122,601	(2)	8,072,903	30,404	236,754	-	8,340,061
Statutory deposits	200,000	300,000	-	500,000	-	-	-	500,000
Right of use assets	38,830	8,845	-	47,675	-	-	-	47,675
Goodwill and other intangible assets	41,669	800,863	-	842,532	17,197	60,444	-	920,173
Total assets	**204,612,236**	**42,901,590**	**(404,625)**	**247,109,201**	**1,458,445**	**42,186,940**	**(10,159,142)**	**280,595,443**
Liabilities								
Insurance contract liabilities	168,414,631	21,673,926	-	190,088,557	268,804	-	-	190,357,361
Investment contract liabilities	320,674	-	-	320,674	-	-	-	320,674
Trade payables	6,017,509	2,727,008	-	8,744,517	-	-	-	8,744,517
Other payables and accruals	3,012,568	1,961,218	(404,618)	4,569,168	177,851	3,797,074	(306,179)	8,237,913
Fixed income liabilities	-	-	-	-	-	36,482,895	(8,738,413)	27,744,482
Current income tax payable	105,441	305,358	-	410,799	79,277	147,576	-	637,652
Deferred tax liabilities	-	-	-	-	498	-	-	498
Total liabilities	**177,870,823**	**26,667,510**	**(404,618)**	**204,133,715**	**526,431**	**40,427,545**	**(9,044,593)**	**236,043,098**
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	(831,596)	(1,111,985)	-	(1,943,581)	-	(1,365,356)	4,900	(3,304,037)
Foreign exchange gains reserve	-	-	-	-	-	-	-	-
Contingency reserve	4,796,221	5,459,410	11	10,255,642	-	-	-	10,255,642
Retained earnings	12,843,247	688,797	(18)	13,532,026	284,520	1,883,413	360,177	16,060,136
Shareholders' funds	**26,741,413**	**16,234,080**	**(7)**	**42,975,486**	**932,014**	**1,759,403**	**(1,523,763)**	**44,143,141**
Non-controlling interests	-	-	-	-	-	-	409,214	409,214
Total equity	**26,741,413**	**16,234,080**	**(7)**	**42,975,486**	**932,014**	**1,759,403**	**(1,114,549)**	**44,552,354**
Total liabilities and equity	**204,612,235**	**42,901,590**	**(404,625)**	**247,109,201**	**1,458,445**	**42,186,949**	**(10,159,142)**	**280,595,453**

Notes to the Condensed Consolidated and Separate Financial Statements (Continued)
For the interim period ended 31 March 2023

In thousands of naira	Life Business	General Business	Elimination of inter-business transactions	Company	Health management services	Asset management	Elimination of inter-segment transactions	31 Dec 2022
Assets								
Cash and cash equivalents	4,846,593	1,675,231	-	6,521,824	383,408	9,010,026	-	15,915,258
Financial assets	186,032,592	22,388,977	-	208,421,569	1,207,702	25,806,846	(9,976,089)	225,460,028
Trade receivables	-	852,114	-	852,114	3,858	36,097	(25,091)	866,978
Contracts assets	7,796,916	8,342,106	-	16,139,023	-	-	-	16,139,023
Deferred acquisition costs	-	928,558	-	928,558	-	-	-	928,558
Other receivables and prepayments	3,871,555	434,280	(164,009)	4,141,826	28,032	609,933	(94,363)	4,685,428
Deferred tax assets	-	-	-	-	21,501	-	-	21,501
Investment in subsidiaries	837,317	250,000	-	1,087,317	-	-	(1,087,318)	(1)
Investment in associate	-	-	-	-	-	-	-	-
Investment properties	420,000	340,000	-	760,000	-	-	-	760,000
Property and equipment	5,942,919	2,121,609	-	8,064,528	30,799	264,196	-	8,359,523
Statutory deposits	200,000	300,000	-	500,000	-	-	-	500,000
Right of use assets	38,830	21,225	-	60,055	-	-	-	60,055
Goodwill and other intangible assets	45,962	800,863	-	846,825	16,897	64,950	-	928,671
Total assets	**210,032,684**	**38,454,963**	**(164,009)**	**248,323,638**	**1,692,197**	**35,792,048**	**(11,182,861)**	**274,625,022**
Liabilities								
Insurance contract liabilities	176,009,591	16,253,982	-	192,263,572	315,700	-	-	192,579,272
Investment contract liabilities	313,374	-	-	313,374	-	-	-	313,374
Trade payables	5,314,432	1,147,198	-	6,461,630	-	-	-	6,461,630
Other payables and accruals	2,701,726	4,516,946	(164,009)	7,054,663	421,589	778,114	(165,491)	8,088,875
Fixed income liabilities	-	-	-	-	-	32,750,212	(9,968,614)	22,781,598
Current income tax payable	173,425	249,137	-	422,562	102,253	144,728	-	669,543
Deferred tax liabilities	-	-	-	-	-	7,666	-	7,666
Total liabilities	**184,512,548**	**22,167,262**	**(164,009)**	**206,515,801**	**839,542**	**33,680,720**	**(10,134,105)**	**230,901,958**
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	1,865,147	898,869	-	2,764,016	-	-	-	2,764,016
Fair value reserve	(746,586)	(1,075,113)	-	(1,821,699)	-	(936,988)	(37,937)	(2,796,624)
Foreign exchange gains reserve	-	-	-	-	-	-	-	-
Contingency reserve	4,597,793	5,112,253	-	9,710,046	-	-	-	9,710,046
Retained earnings	11,735,387	1,052,703	-	12,788,090	205,161	1,806,970	455,617	15,255,838
Shareholders' funds	**25,520,136**	**16,287,700**	**-**	**41,807,837**	**852,655**	**2,111,328**	**(1,471,160)**	**43,300,660**
Non-controlling interests	-	-	-	-	-	-	422,402	422,402
Total equity	**25,520,136**	**16,287,700**	**-**	**41,807,837**	**852,655**	**2,111,328**	**(1,048,758)**	**43,723,062**
Total liabilities and equity	**210,032,684**	**38,454,963**	**(164,009)**	**248,323,637**	**1,692,197**	**35,792,048**	**(11,182,863)**	**274,625,020**

Notes to the Condensed Consolidated and Separate Financial Statements (Continued)
For the interim period ended 31 March 2023

6 Cash and cash equivalents

	Group			Company		
In thousands of naira	**Mar-23**	**Dec-22**	**Jan-22**	**Mar-23**	**Dec-22**	**Jan-22**
Cash on hand	45,472	1,127	2,268	44,813	470	724
Cash in banks	5,640,727	6,547,583	4,831,744	5,213,771	5,730,674	4,200,237
Short-term deposits	24,198,474	9,378,917	22,442,215	7,589,811	791,427	4,867,214
Cash at bank attributable to discontinued operations (see note 19)	-	-	(1,764,924)	-	-	-
	29,884,673	15,927,627	25,511,303	12,848,395	6,522,571	9,068,175
Allowance for impairment on short term deposits relating to disposal group	(12,370)	(12,369)	(25,500)	(747)	(747)	(5,213)
Allowance for impairment on short term deposits transferred to disposal group (see note 19)	-	-	4,303	-	-	-
	29,872,303	15,915,258	25,490,105	12,847,648	6,521,824	9,062,962
Movement in allowance for impairment on short term deposits						
At 1 January	(12,369)	(25,500)	(5,774)	(747)	(5,213)	(3,362)
(Charge)/ recovery during the period	(1)	13,131	(24,029)	-	4,466	(1,851)
Allowance for impairment on short term deposits transferred to disposal group (see note 19)	-	-	4,303	-	-	-
Balance as at	(12,370)	(12,369)	(25,500)	(747)	(747)	(5,213)
Current	29,872,303	15,915,258	25,490,105	12,847,648	6,521,824	9,062,962
Non current	-	-	-	-	-	-
	29,872,303	15,915,258	25,490,105	12,847,648	6,521,824	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.

7 Financial assets

	Group			Company		
In thousands of naira	**Mar-23**	**Dec-22**	**Jan-22**	**Mar-23**	**Dec-22**	**Jan-22**
Financial assets at amortized cost (see note (a) below)	84,445,931	83,886,914	73,506,456	73,635,215	74,070,085	63,972,911
Fair value through other comprehensive income (see note (b) below)	16,623,537	16,339,689	16,031,736	11,268,019	9,118,059	5,580,095
Fair value through profit or loss (see note (c) below)	118,441,266	125,233,425	83,165,217	118,441,266	125,233,425	83,165,217
Amortised cost financial assets transferred to disposal group	-	-	(202,389)	-	-	-
	219,510,734	225,460,028	172,501,020	203,344,500	208,421,569	152,718,223
Current	135,064,803	141,573,114	99,196,953	129,709,285	134,351,484	88,745,312
Non Current	84,445,931	83,886,914	73,304,067	73,635,215	74,070,085	63,972,911
	219,510,734	225,460,028	172,501,020	203,344,500	208,421,569	152,718,223

(a) Financial assets at amortized cost

Federal government bonds	72,295,792	73,691,883	54,049,576	55,076,686	55,424,640	53,883,240
Treasury bills	-	-	15,521,762	-	-	-
Other financial assets (see (i) below)	-	1,278,200	-	8,757,045	9,975,464	6,268,966
Corporate bond	1,590,319	1,621,544	100,493	1,590,319	1,621,544	100,493
Euro bond	5,582,377	2,602,355	-	3,516,007	2,602,355	-
Commercial Paper	129,360	123,744	-	129,360	123,744	-
Loans to policyholders	2,950,758	2,882,253	2,620,611	2,950,758	2,882,253	2,620,611
Staff loans	1,561,549	1,424,332	1,018,838	1,279,264	1,177,481	910,476
Agent loans	59,256	83,228	80,188	59,256	83,228	80,188
Other loans	368,654	271,510	134,466	368,654	271,510	134,466
	84,538,065	83,979,049	73,525,934	73,727,349	74,162,219	63,998,440
Allowance for Impairment of other loans	(3,766)	(3,767)	(1,697)	(3,766)	(3,766)	(898)
Allowance for Impairment of bonds (see (ii) below)	(69,737)	(69,737)	(17,780)	(69,737)	(69,737)	(17,780)
Allowance for Impairment of other financial assets (see (ii) below)	(18,631)	(18,631)	-	(18,631)	(18,631)	(6,850)
Total impairment allowance (see (ii) below)	*(92,134)*	*(92,135)*	*(19,478)*	*(92,134)*	*(92,134)*	*(25,528)*
	84,445,931	83,886,914	73,506,456	73,635,215	74,070,085	63,972,911
Transfer to disposal group	-	-	(202,495)	-	-	-
Allowance for impairment transferred to disposal group	-	-	106	-	-	-
	84,445,931	83,886,914	73,304,067	73,635,215	74,070,085	63,972,911

(i) Other financial aasets relates to an investment in AIICO Capital's GIN (Guaranteed income note) for investment in bonds and treasury bills at a guaranteed return of 10% 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		
	Mar-23	**Dec-22**	**Jan-22**	**Mar-23**	**Dec-22**	**Jan-22**
At 1 January	92,135	19,478	27,218	92,135	25,528	35,897
12 months ECL charge for the period - bonds	(1)	51,959	8,064	(0)	51,956	8,065
12 months ECL charge for the period - treasury bills	-	-	(1,032)	-	-	-
12 months ECL charge for the period - other loans	-	2,070	(14,879)	-	2,869	(2,244)
12 months ECL charge for the period - other financial assets	-	18,734	-	-	11,781	(16,189)
Allowance for impairment transferred to disposal group		(106)	106	-	-	-
Balance as at	92,134	92,135	19,478	92,134	92,135	25,528

Notes to the Condensed Consolidated and Separate Financial Statements (Continued)
For the interim period ended 31 March 2023

(iii) Movement in amortized cost portfolio is as follows;

In thousands of naira						
Balance at 1 January	83,979,050	73,525,830	44,079,333	74,162,221	63,998,439	37,951,504
Additions during the period	1,618,854	17,392,235	55,102,639	872,447	10,410,626	39,996,468
Asset transfer from portfolio acquisition*	-	4,435,786			4,435,786	
Disposals/Repayments	(1,704,793)	(11,860,022)	(26,039,538)	(1,704,793)	(5,123,320)	(14,894,483)
Accrued interest	644,954	485,221	383,394	397,473	440,691	944,950
Transferred to disposal group (see note 18)	-	-	-	-	-	-
	84,538,065	83,979,050	73,525,828	73,727,349	74,162,221	63,998,439
Allowance for 12 months ECL charge (see (ii) above)	(92,134)	(92,136)	(19,373)	(92,134)	(92,136)	(25,528)
Allowance for impairment transferred to disposal group	-	-	-	-	-	-
	84,445,932	83,886,914	73,506,456	73,635,215	74,070,085	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

	Group			**Company**		
In thousands of naira	**Mar-23**	**Dec-22**	**Jan-22**	**Mar-23**	**Dec-22**	**Jan-22**
Federal Government bonds	11,995,399	4,676,584	12,503,621	6,769,995	4,676,584	2,084,327
Corporate bonds	818,002	826,208	240,157	818,002	826,208	240,157
Euro Bond	265,160	279,662	-	265,160	279,662	-
Equities (see note (i) below)	3,544,976	10,557,235	3,287,958	3,414,862	3,335,605	3,255,611
	16,623,537	16,339,689	16,031,736	11,268,019	9,118,059	5,580,095

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

In thousands of naira						
Quoted equities	1,080,793	871,423	589,313	950,679	871,423	556,966
Unquoted equities	2,464,183	9,685,812	2,698,645	2,464,183	2,464,182	2,698,645
	3,544,976	10,557,235	3,287,958	3,414,862	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	1,984,783	4,910,766	2,171,083	1,984,783	4,365,710	1,043,777
Asset transfer from portfolio acquisition(see note 20 (f))	-	167,119	-	-	167,119	-
Disposals	(1,787,747)	(4,892,155)	(12,811,450)	-	(1,173,155)	(6,311,450)
Accrued interest	637,061	1,273,895	729,005	287,061	995,621	366,656
Fair value loss during the period	(552,833)	(1,139,311)	(1,330,219)	(121,884)	(804,970)	(661,167)
Impairment (ECL)	-	(12,361)	(2,583)	-	(12,361)	(2,583)
Balance as at	16,620,954	16,339,689	16,031,736	11,268,019	9,118,059	5,580,095

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

In thousands of naira						
Federal Government bonds	115,882,089	122,587,329	83,116,679	115,882,089	122,587,329	83,116,679
State Government bonds	-	-	48,538	-	-	48,538
Corporate bonds	2,559,177	2,646,096	-	2,559,177	2,646,096	-
Treasury bills	-	-	-	-	-	-
Balance as at	118,441,266	125,233,425	83,165,217	118,441,266	125,233,425	83,165,217

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

In thousands of naira						
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	2,394,906	54,633,943	98,087,827	2,394,906	54,633,943	98,087,827
Asset transfer from portfolio acquisition (see note 20 (f))	-	24,545,595	-	-	24,545,595	-
Disposals during the period	-	(35,872,977)	(102,216,810)	-	(35,872,977)	(102,216,809)
Accrued interest	518,689	4,935,707	4,978,756	518,689	4,935,707	4,978,756
Fair value loss during the period (Note 30)	(9,705,753)	(6,174,060)	(34,698,482)	(9,705,753)	(6,174,060)	(34,698,482)
Balance as at	118,441,266	125,233,425	83,165,217	118,441,266	125,233,425	83,165,217

Notes to the Condensed Consolidated and Separate Financial Statements (Continued)
For the interim period ended 31 March 2023

(d)

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

In thousands of naira	**Amortised cost**	**FVOCI**	**FVTPL**	**Total**
Balance at 1 January	83,979,050	16,339,689	125,233,425	**225,552,164**
Additions during the period	1,618,854	1,984,783	2,394,906	5,998,544
Disposals/Repayments during the period	(1,704,793)	(1,787,747)	-	(3,492,540)
Accrued interest	644,954	637,061	518,689	1,800,704
Fair value (loss)/ gain	-	(552,833)	(9,705,753)	(10,258,586)
Impairment loss	(92,134)	-	-	(92,134)
	84,445,932	**16,620,954**	**118,441,266**	**219,508,152**

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

In thousands of naira	**Amortised cost**	**FVOCI**	**FVTPL**	**Total**
Balance at 1 January	73,525,830	16,031,736	83,165,217	**172,722,783**
Additions during the period	17,392,235	4,910,765	54,633,942	76,936,943
Asset transfer from portfolio acquisition	4,435,786	167,119	24,545,595	29,148,500
Disposals/Repayments during the period	(11,860,022)	(4,892,155)	(35,872,976)	(52,625,153)
Accrued interest	485,221	1,273,895	4,935,707	6,694,823
Fair value loss	-	(1,139,311)	(6,174,060)	(7,313,371)
Impairment loss	(92,136)	(12,361)	-	(104,497)
	83,886,914	**16,339,689**	**125,233,425**	**225,460,029**

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

In thousands of naira	**Amortised cost**	**FVOCI**	**FVTPL**	**Total**
Balance at 1 January	74,162,221	9,118,059	125,233,425	208,513,705
Additions during the period	872,447	1,984,783	2,394,906	5,252,137
Disposals/Repayments during the period	(1,704,793)	-	-	(1,704,793)
Accrued interest	397,473	287,061	518,689	1,203,223
Fair value (loss)/ gain	-	(121,884)	(9,705,753)	(9,827,637)
Impairment loss	(92,134)	-	-	(92,134)
	73,635,215	**11,268,019**	**118,441,266**	**203,344,500**

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

In thousands of naira	**Amortised cost**	**FVOCI**	**FVTPL**	**Total**
Balance at 1 January	63,998,439	5,580,094	83,165,217	152,743,750
Additions during the period	10,410,626	4,365,711	54,633,942	69,410,280
Disposals/Repayments during the period	(5,123,320)	(1,173,155)	(35,872,976)	(42,169,451)
Asset transfer from portfolio acquisition	4,435,786	167,119	24,545,595	29,148,500
Accrued interest	440,690	995,621	4,935,707	6,372,018
Fair value (loss)/ gain	-	(804,970)	(6,174,060)	(6,979,030)
Impairment loss	(92,136)	(12,361)	-	(104,497)
	74,070,085	**9,118,059**	**125,233,425**	**208,421,569**

(e)(i) 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.

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

(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 March 2023

In thousands of naira	**Level 1**	**Level 2**	**Level 3**	**Total**
Financial assets at fair value through profit or loss (FVTPL)				
-Federal Government bonds	-	115,882,089	-	115,882,089
-State Government bonds	-	-	-	-
-Corporate bonds	-	2,559,177	-	2,559,177
Group Financial Assets at FVTPL as at 31 March 2023	-	118,441,266	-	118,441,266
Financial assets at fair value through OCI (FVOCI)				
-Federal Government bonds	-	12,260,559	-	12,260,559
-Corporate bonds	-	818,002	-	818,002
-Quoted equities	1,080,793		-	1,080,793
-Unquoted equities	-	-	2,464,183	2,464,183
Group Financial Assets at FVOCI as at 31 March 2023	1,080,793	13,078,561	2,464,183	16,623,537

Notes to the Condensed Consolidated and Separate Financial Statements (Continued)
For the interim period ended 31 March 2023

Fair value measurements At 31 December 2022

In thousands of naira	Level 1	Level 2	Level 3	Total
Financial assets at fair value through profit or loss (FVPL)				
-Federal Government bonds	-	122,587,329	-	122,587,329
-Corporate bonds	-	2,646,096	-	2,646,096
Group Financial Assets at Fair value 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
-Treasury bills	-	279,662	-	279,662
-Quoted equities	871,423		-	871,423
-Unquoted equities	-	-	9,685,812	9,685,812
Group Financial Assets at Fair value as at 31 December 2022	871,423	5,782,454	9,685,812	16,339,689

Fair value measurements At 31 March 2023
Company

In thousands of naira	Level 1	Level 2	Level 3	Total
Financial assets at fair value through profit or loss (FVPL)				
-Federal Government bonds	-	115,882,089	-	115,882,089
-Corporate bonds	-	2,559,177	-	2,559,177
Company Financial Assets at Fair value as at 31 March 2023	-	118,441,266	-	118,441,266
Financial assets at fair value through other comprehensive income				
-Federal Government bonds	-	7,035,155	-	7,035,155
-Corporate bonds	-	818,002	-	818,002
-Quoted equities	950,679	-	-	950,679
-Unquoted equities	-	-	2,464,183	2,464,183
Company Financial Assets at Fair value as at 31 March 2023	950,679	7,853,157	2,464,183	11,268,019

Fair value measurements At 31 December 2022
Company

In thousands of naira	Level 1	Level 2	Level 3	Total
Financial assets at fair value through profit or loss (FVPL)				
-Federal Government bonds	-	122,587,329	-	122,587,329
-Corporate bonds	-	2,646,096	-	2,646,096
Company Financial Assets at Fair value as at 31 December 2022	-	125,233,425	-	125,233,425
Financial assets at fair value through other comprehensive income				
-Federal Government bonds	-	4,956,246	-	4,956,246
-Corporate bonds	-	826,208	-	826,208
-Quoted equities	871,423	-	-	871,423
-Unquoted equities	-	-	2,464,182	2,464,182
Company Financial Assets at Fair value as at 31 December 2022	871,423	5,782,454	2,464,182	9,118,059

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..

Notes to the Condensed Consolidated and Separate Financial Statements (Continued)
For the interim period ended 31 March 2023

8 Trade receivables

(a) Trade receivables comprise:

	Group			Company		
In thousands of naira	**Mar-23**	**Dec-22**	**Jan-22**	**Mar-23**	**Dec-22**	**Jan-22**
Due from brokers	961,143	852,113	689,374	961,144	852,113	689,375
Due from direct clients (see note (i) below)	253,060	156,924	285,625	-	-	-
Trade receivables attributable to discontinued operations (see note 19)	-	-	(154,771)	-	-	-
	1,214,203	1,009,037	820,228	961,144	852,113	689,375
Allowance for impairment on trade receivables (see note (ii) below)	(142,060)	(142,060)	(107,384)	-	-	-
Allowance for impairment on trade receivables ttributable to discontinued operations (see note (19) below)	-	-	15,673	-	-	-
	1,072,143	866,977	728,517	961,144	852,113	689,375

Age Analysis of trade receivables:	Group			Company		
In thousands of naira	**Mar-23**	**Dec-22**	**Jan-22**	**Mar-23**	**Dec-22**	**Jan-22**
Within 30 days	961,143	788,343	689,374	961,144	852,113	689,375
Above 30 days	111,000	78,634	39,143	-	-	-
Balance as at	1,072,143	866,977	728,517	961,144	852,113	689,375

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

In thousands of naira					
At 1 January	142,060	107,384	134,724	-	-
Charge/(Reversal) for the year (Note 35 a)	-	34,676	(43,013)	-	-
	142,060	142,060	91,711	-	-

9 Contract assets

This represents reinsurance assets and is broken down as follows:

	Group			Company		
	Mar-23	**Dec-22**	**Jan-22**	**Mar-23**	**Dec-22**	**Jan-22**
Reinsurance Recoverable on IBNR	11,860,216	10,292,643	6,811,676	11,860,215.55	10,292,642.78	6,811,676
Reinsurance Receivable on Paid Claims	1,700,777	5,846,380	3,869,137	1,700,777.42	5,846,379.78	3,869,137
Reinsurance Assets	13,560,993	16,139,023	10,680,812	13,560,993	16,139,023	10,680,812

Notes to the Condensed Consolidated and Separate Financial Statements (Continued)
For the interim period ended 31 March 2023

10 Deferred acqusition costs

The analysis of deferred acquisition costs (DAC), which represents commission paid during the period on unearned premium received on different classes of business is shown below:

	Group			Company		
In thousands of naira	**Mar-23**	**Dec-22**	**Jan-22**	**Mar-23**	**Dec-22**	**Jan-22**
Fire	412,787	232,140	174,982	412,787	232,139.50	174,982
Motor	561,390	315,710	237,976	561,390	315,709.72	237,976
Workmen Compensation	66,046	37,142	27,997	66,046	37,142.32	27,997
Marine	247,672	139,284	104,989	247,672	139,283.70	104,989
Personal accident	115,580	64,999	48,995	115,580	64,999.06	48,995
Casualty accident	165,115	92,856	69,993	165,115	92,855.80	69,993
Oil and Gas	82,557	46,428	34,996	82,557	46,427.90	34,996
	1,651,146	928,558	699,928	1,651,146	928,558	699,928

The movement in deferred acquisition costs is as follows:

Balance at 1 January	928,558	699,928	582,265	928,558	699,928	582,265
Acquisition during the period	3,180,186	228,630	117,663	3,121,040	228,630	117,663
Balance as at	1,651,146	928,558	699,928	1,651,146	928,558	699,928

11 Other receivables and prepayments

	Group			Company		
Other receivables and prepayments	**Mar-23**	**Dec-22**	**Jan-22**	**Mar-23**	**Dec-22**	**Jan-22**
Short term lease payment	250,333	110,031	156,613	11,436	25,483	25,483
Prepaid minimum deposit	-	112,809	52,415	-	112,809	52,415
Receivable from agents	74,523	67,347	76,768	74,523	67,347	76,768
WHT Receivable-Dividend	116,971	139,450	90,701	116,971	94,450	90,701
Receivable on recoveries	1,425,191	1,496,223	-	1,425,191	1,496,223	-
Sundry receivables (see note (ii) below)	1,228,273	2,483,764	1,152,136	554,632	2,018,912	1,011,956
Receivable from part disposal of subsidiary (see note (iii) below)	-	-	153,046	-	-	153,046
Doubtful receivables (see note (iv) below)	-	-	68,588	-	-	68,588
	4,397,882	4,804,813	2,480,377	3,485,343	4,210,413	2,209,067
Less allowance for impairment	-	(119,388)	(68,588)	-	(68,588)	(68,588)
	4,397,882	4,685,425	2,411,789	3,485,343	4,141,825	2,140,479

	Group			Company		
In thousands of naira	**Mar-23**	**Dec-22**	**Jan-22**	**Mar-23**	**Dec-22**	**Jan-22**
Current	4,397,882	4,685,425	2,411,790	3,485,343	4,141,825	2,140,480
Non Current	-	-	-	-	-	-
Balance as at	4,397,882	4,685,425	2,411,790	3,485,343	4,141,825	2,140,480

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

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

(iii) Receivable from part disposal of subsidiary relates to the proceeds from disposal of 33.91% of the shares of AIICO pensions which represents 48.1% of the company's total investment in the company. The funds were subsequently received.

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

12 Right of use assets

	Group			Company		
In thousands of naira	**Mar-23**	**Dec-22**	**Jan-22**	**Mar-23**	**Dec-22**	**Jan-22**
Balance at 1 January	60,055	105,855	21,987	60,055	105,855	21,987
Additions	10,771	50,694	188,166	10,771	50,694	188,166
Amortization during the period	(23,151)	(96,495)	(104,297)	(23,151)	(96,495)	(104,297)
Balance as at	47,675	60,055	105,855	47,675	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 year ranging from 12months and above and there were no lease incentives granted to the group.

Current	-	-	-	-	-	
Non Current	47,675	60,055	105,855	47,675	60,055	105,855
	47,675	60,055	105,855	47,675	60,055	105,855

13 Income taxes

(a) Current income tax payable

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

	Group			Company		
In thousands of naira	**Mar-23**	**Dec-22**	**Jan-22**	**Mar-23**	**Dec-22**	**Jan-22**
Balance at 1 January	669,543	407,282	358,099	422,562	307,392	307,621
Charge for the period	(8,339)	425,255	257,905	(11,763)	198,370	120,548
Payments made during the period	(23,552)	(162,994)	(201,791)	-	(83,200)	(120,777)
Transferred to disposal group (see note 19(b))	-	-	(6,931)	-	-	-
Balance as at	637,652	669,543	407,282	410,799	422,562	307,392

Notes to the Condensed Consolidated and Separate Financial Statements (Continued)
For the interim period ended 31 March 2023

(b) Amounts recognised in profit or loss
(i) Current Income tax expense

	Group		Company	
In thousands of naira	**Mar-23**	**Mar-22**	**Mar-23**	**Mar-22**
Minimum tax (see note (ii) below)	(11,763)	-	(11,763)	-
Corporate tax (see note (ii) below)	3,424	11,109	-	-
Deferred tax (benefit)/expense (see note (iv) below)	-		-	-
Current income tax expense	**(8,339)**	**11,109**	**(11,763)**	**-**

* 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.

(ii)

In thousands of naira	**Mar-23**	**Mar-22**	**Mar-23**	**Mar-22**
Minimum tax	(11,763)	-	(11,763)	-
	(11,763)	-	(11,763)	-

	Group		Company		
In thousands of naira	**Mar-23**	**Mar-22**	**Mar-23**	**Mar-22**	
(iii) Income tax expense					
Current income tax expense	3,424	10,967	-	-	
Police Trust Fund Levy	-	143	-	-	-
Current income tax expense	3,424	11,109	-	-	
(iv) Deferred tax expense					
Origination of temporary differences	-		-	-	
Total income taxes	**3,424**	**11,109**	-	-	

(c) Amounts recognised in OCI

Group		**Mar-23**	
In thousands of naira	**Before tax**	**Tax (expense)**	**Net of tax**
Exchange gains on fair value financial assets	-	-	-
Fair value gain on fair value financial assets (see note 24 d)	(550,250)	-	(550,250)
Balance as at	(550,250)	-	(550,250)

Company		**Mar-23**	
In thousands of naira	**Before tax**	**Tax (expense)**	**Net of tax**
Exchange gains on fair value financial assets (see note 24 e)	-	-	-
Fair value gain on fair value financial assets (see note 24 d)	(121,884)	-	(121,884)
Balance as at	(121,884)	-	(121,884)

Group		**Mar-22**	
In thousands of naira	**Before tax**	**Tax (expense)**	**Net of tax**
Exchange gains on fair value financial assets	-	-	-
Fair value gain on bonds (see note 24 d)	466,804	-	466,804
Fair value gain on equiy securities	3,810	-	3,810
Balance as at	470,614	-	470,614

Company		**Mar-22**	
In thousands of naira	**Before tax**	**Tax (expense)**	**Net of tax**
Exchange gains on fair value financial assets (see note 24 e)	-	-	-
Fair value gain on fair value financial assets (see note 24 d)	84,498	-	84,498
Balance as at	84,498	-	84,498

Notes to the Condensed Consolidated and Separate Financial Statements (Continued)
For the interim period ended 31 March 2023

(d) Movement in deferred tax balances

2023
Group

In thousands of naira	Net balance at 1 January	Recognised in profit or loss	Recognised in OCI	Balance at 31 March Net	Deferred tax assets	Deferred tax liabilities
Property and Equipment	(13,008)	-	-	(13,008)	(12,510)	(498)
Unrelieved losses	-	-	-	-	-	-
Impairment of trade and other receivables	27,513	-	-	27,513	27,513	-
Unrealised exchange gain on financial assets	(670)	-	-	(670)	(670)	-
	13,835	**-**	**-**	**13,835**	**14,333**	**(498)**

2022
Group

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

(e) Unrecognised deferred tax on unrelieved losses

	Group			Company		
In thousands of naira	**Mar-23**	**Dec-22**	**Jan-22**	**Mar-23**	**Dec-22**	**Jan-22**
Unrecognised deferred tax	11,870,014	19,254,551	11,870,014	11,870,014	19,254,551	11,870,014
	11,870,014	19,254,551	11,870,014	11,870,014	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

14 Investment in subsidiaries

(a) The Group is made up of three entities, as follows:

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

	Group			Company		
In thousands of naira	**Mar-23**	**Dec-22**	**Jan-22**	**Mar-23**	**Dec-22**	**Jan-22**
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	-	-	-	1,087,317	1,087,317	1,087,317

In thousands of naira	**Mar-23**	**Dec-22**	**Jan-22**	**Mar-23**	**Dec-22**	**Jan-22**
Balance at 1 January	-	-	-	1,087,317	1,087,317	1,087,317
	-	-	-	-	-	-
Balance as at	-	-	-	1,087,317	1,087,317	1,087,317

Notes to the Condensed Consolidated and Separate Financial Statements (Continued)
For the interim period ended 31 March 2023

(c) AIICO Multishield Limited

	Group			Company		
In thousands of naira	Mar-23	Dec-22	Jan-22	Mar-23	Dec-22	Jan-22
Balance at 1 January	-	-		587,317	587,317	587,317
Balance as at	-	-		587,317	587,317	587,317

(ii) The Company has 76.10% interest in AIICO Multishield Limited (2021: 76.10%). AIICO Multishield Limited is involved in health management insurance.

(d) AIICO Capital Limited

	Group			Company		
In thousands of naira	Mar-23	Dec-22	Jan-22	Mar-23	Dec-22	Jan-22
Balance at 1 January	-	-	-	500,000	500,000	500,000
Balance as at	-	-	-	500,000	500,000	500,000

This represents the Company's 90% (2021: 90%) investment in AIICO Capital Limited. AIICO Capital is involved in providing portfolio and fund management services.

(e) Non-controlling interests

In thousands of naira	NCI Percentage Holding	Mar-23	Dec-22	Jan-22
AIICO Multishield HMO	23.9%	212,427	211,269	146,797
AIICO Capital	10.0%	196,779	211,133	198,506
		409,206	422,402	345,303

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

In thousands of naira	Mar-23	Dec-22	Mar-22
Balance at 1 January	422,402	345,303	345,303
Share of profit	29,641	112,104	54,766
Realized gain/ (loss) on equities	-	1,024	381
Fair value reserves	(42,837)	(36,029)	38,231
Balance as at	409,206	422,402	438,681

(i) Investment in associate

AIICO Pension Managers Limited

	Group			Company		
In thousands of naira	Mar-23	Dec-22	Jan-22	Mar-23	Dec-22	Jan-22
Balance as at 1 January	-	705,629	-	-	705,691	-
Reclassifed from assets held for sale (see note 19.1(b))			740,532		-	705,691
Share of associate profit (see Note 19.2)			(34,902)	-	-	-
Disposed during the period	-	(705,629)	-	-	(705,691)	-
Balance as at	-	-	705,629	-	-	705,691

(j) Profit on disposal of investment in associate

AIICO Pension Managers Limited

In thousands of naira	Mar-23	Dec-22	Jan-22	Mar-23	Dec-22	Jan-22
Consideration	-	4,061,856	-		4,061,856	-
Interest on sales proceed	-	100,448	-		100,448	-
Less:						
Cost to sale	-	(66,836)	-		(66,836)	-
Disposal of investment in associate		(705,629)			(705,691)	-
Profit on disposal of associate	-	3,389,839		-	3,389,777	-
Capital gains tax	-	-			-	-
Profit after tax on disposal of associate	-	3,389,839		-	3,389,777	-

Notes to the Condensed Consolidated and Separate Financial Statements (Continued)
For the interim period ended 31 March 2023

15 Investment properties

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

	Group			Company		
In thousands of naira	**Mar-23**	**Dec-22**	**Jan-22**	**Mar-23**	**Dec-22**	**Jan-22**
Balance at 1 January	760,000	806,000	758,000	760,000	806,000	758,000
Disposals	(52,000)	(184,000)	-	(52,000)	(184,000)	-
Changes in fair value (Note 31)	-	138,000	48,000	-	138,000	48,000
Balance as at	**708,000**	**760,000**	**806,000**	**708,000**	**760,000**	**806,000**
Current	-	-		-	-	
Non Current	708,000	760,000	806,000	708,000	760,000	806,000
Balance as at	**708,000**	**760,000**	**806,000**	**708,000**	**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

31 March 2023	**Opening bal**	**Additions**	**Disposal**	**Fair value gain/(loss)**	**Closing bal**	**Status**
Safecourt Apartment Towers (6 flats). Ojulari road, off Lekki-Express Way, Lagos	100,000	-	(52,000)	-	48,000	Deed of lease
3 Terrace Houses. 36 Ladoke Akintola street, GRA, Ikeja,	240,000	-	-	-	240,000	Deed of Assigment
1 Unit Terrace Houses GRA	240,000	-	-	-	240,000	Deed of Assigment
Awolowo Towers	180,000	-	-	-	180,000	Deed of Assigment
	760,000	**-**	**(52,000)**	**-**	**708,000**	

Company

31 March 2023	**Opening bal**	**Additions**	**Disposal**	**Fair value gain/(loss)**	**Closing bal**	**Title**
Safecourt Apartment Towers (6 flats). Ojulari road, off Lekki-Express Way, Lagos	100,000	-	(52,000)	-	48,000	Deed of lease
3 Terrace Houses. 36 Ladoke Akintola street, GRA, Ikeja,	240,000	-	-	-	240,000	Deed of Assigment
1 Unit Terrace Houses GRA	240,000	-	-	-	240,000	Deed of Assigment
Awolowo Towers	180,000	-	-	-	180,000	Deed of Assigment
	760,000	**-**	**(52,000)**	**-**	**708,000**	

Profit on disposal of Investment property

	Group		Company	
In thousands of naira	**Mar-23**	**Mar-22**	**Mar-23**	**Mar-22**
Disposal Proceeds	52,000	-	52,000	-
Cost of Investment properties disposed	(52,000)	-	(52,000)	-
	-	-	-	-

(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 of Niyi Fatokun & Co. (Estate Surveyors and Valuers, FRC/2013/NIESV/70000000/1217) valued the properties on the basis of open market value as at 31 December 2022.

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	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	Estimated rent per annum is between N4.5m - N5m and capitalization rate of 5%

Notes to the Condensed Consolidated and Separate Financial Statements (Continued)
For the interim period ended 31 March 2023

16 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	-	300	300
Balance at 31 March 2023	800,863	701,718	1,502,582
Accumulated amortization			
Balance at 1 January 2023	-	573,608	573,608
Amortization	-	8,799	8,799
Balance at 31 March 2023	-	582,407	582,407
Carrying amounts			
Balance at 31 March 2023	800,863	119,311	920,173
Cost			
Balance at 1 January 2022	800,863	667,774	1,468,637
Acquisitions	-	33,644	33,644
Transfer to disposal group			
Balance at 31 December 2022	800,863	701,418	1,502,281

	Goodwill	Computer Software	Total
Accumulated amortization			
Balance at 1 January 2022	-	533,889	533,889
Amortization	-	39,719	39,719
Adjustments			
Transfer to disposal group	-		
Balance at 31 December 2022	-	573,608	573,608
Carrying amounts			
Balance at 31 December 2022	800,863	127,810	928,672
Balance at 1 January 2022	800,863	133,886	934,748

COMPANY

In thousands of naira	Goodwill	Computer Software	Total
Cost			
Balance at 1 January 2023	800,863	568,045	1,368,908
Acquisitions	-	-	-
Balance at 31 March 2023	800,863	568,045	1,368,908
Accumulated amortization			
Balance at 1 January 2023	-	522,083	522,083
Amortization	-	4,293	4,293
Balance at 31 March 2023	-	526,376	526,376
Carrying amounts			
Balance at 31 March 2023	800,863	41,669	842,532
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
Adjustments	-	-	-
Balance at 31 December 2022	-	522,083	522,083
Carrying amounts			
Balance at 31 December 2022	800,863	45,963	846,825
Balance at 1 January 2022	800,863	37,389	838,252

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. The recoverable amount was calculated using the free cashflow method (FCFF) with the the assumption that managemnet would continue to pay out 40% of PAT as dividend over the next five years at a long term growth rate of 10%. These variabes are discounted using the prevailing average FGN Bond rate as at each review date having considered inflation and tax. The recoverable amount is viewed from three scenarios, which are the best case, base case and the worse case. By virtue of the techniques adopted in assessing impairment on goodwill, the carrying amount is below the recoverable amount, as such no impairment. The goodwill was as a result of the merger with Nigeria-French Insurance company (NFI) and LAMDA in 2007.

Notes to the Condensed Consolidated and Separate Financial Statements (Continued)
For the interim period ended 31 March 2023

17 Property and equipment

(a) Group

In thousands of naira	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	-	-	-	124,444	46,226	170,670
At 31 December 2023	**2,064,500**	**4,566,125**	**9,858**	**3,846,084**	**2,020,237**	**12,506,804**
Accumulated depreciation						
At 1 January 2023	-	7,076	-	2,647,315	1,322,223	3,976,614
Depreciation for the year	-	7,610	-	98,706	83,813	190,129
At 31 December 2023	**-**	**14,686**	**-**	**2,746,021**	**1,406,036**	**4,166,743**
Net book value						
At 31 December 2023	**2,064,500**	**4,551,439**	**9,858**	**1,100,062**	**614,202**	**8,340,061**

In thousands of naira	Land	Buildings	Capital work in progress	Furniture & equipment	Motor vehicles	Total
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
Reclassification	349,500.00	313,397	-	-	-	662,897
Disposals	-	-	(2,795)	(57,059)	(72,065)	(131,918)
Opening balance adjustment	-	-	(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	-	204,509	-	2,089,348	730,942	3,024,799
Depreciation for the period	-	90,980	-	326,875	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	**-**	**7,076**	**-**	**2,647,315**	**1,322,222**	**3,976,614**
Net book value						
At 31 December 2022	**2,064,500**	**4,559,049**	**9,858**	**1,074,325**	**651,788**	**8,359,520**
At 1 January 2022	**1,715,000**	**3,890,383**	**22,415**	**977,655**	**463,335**	**7,068,787**

(b) Company

In thousands of naira	Land	Buildings	Capital work in progress	Furniture & equipment	Motor vehicles	Total
Cost						
At 1 January 2023	2,064,499	4,566,126	9,858	3,451,449	1,570,423	11,662,355
Additions	-	-	-	120,266	46,226	166,492
At 31 December 2023	**2,064,499**	**4,566,126**	**9,858**	**3,571,715**	**1,616,649**	**11,828,847**
Accumulated depreciation						
At 1 January 2023	-		-	2,573,142	1,024,686	3,597,828
Depreciation for the period	-	7,611	-	87,055	63,450	158,116
At 31 December 2023	**-**	**7,611**	**-**	**2,660,197**	**1,088,136**	**3,755,944**
Net book value						
At 31 December 2023	**2,064,499**	**4,558,515**	**9,858**	**911,518**	**528,514**	**8,072,902**

In thousands of naira	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	**-**	**-**	**-**	**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**
At 1 January 2022	**1,715,000**	**3,890,383**	**9,858**	**854,337**	**377,860**	**6,847,439**

Notes to the Condensed Consolidated and Separate Financial Statements (Continued)
For the interim period ended 31 March 2023

17 Property and equipment - continued

i. The Group had no capital commitments as at the reporting date. (2022: Nill)
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.

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	Pefected
Plot 2 Oba Akran Avenue Ikeja.	Deed of Assignment	Perfected
12 Moshood Abiola Way, Liberty road Ibadan	Receipt of purchase	Acquired via acquisition
AIICO House, 36-38 Ilupeju Industrial Avenue, Ilupeju, Lagos State	Deed of Assignment	Perfected

18 Statutory deposits

This represents the amount deposited with the Central Bank of Nigeria as at 31 March 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.

	Group			Company		
In thousands of naira	**Mar-23**	**Dec-22**	**Jan-22**	**Mar-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**

In thousands of naira	**Mar-23**	**Dec-22**	**Jan-22**	**Mar-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**

19 **Insurance contract liabilities**

	Group			Company		
	Mar-23	**Dec-22**	**Jan-22**	**Mar-23**	**Dec-22**	**Jan-22**
Provision for Unearned Premium - LRC	187,979,562	183,953,863	137,327,777	187,714,138	183,652,334	137,127,227
Unpaid Fund Balances for Exited Policies	898,972	872,211	1,167,629	897,703	870,782	1,165,924
Hospital Cash	13,995	21,170	37,036	13,975	21,135	36,982
Expense Overrun Reserves	112,635	112,661	112,641	112,476	112,476	112,476
Unpaid Partial Maturity Benefits	999,852	816,177	736,135	998,440	814,840	735,060
Outstanding Maturity Benefit	3,762,687	3,680,251	2,575,826	3,757,375	3,674,218	2,572,064
Unpaid Benefit	1,451,782	1,992,432	1,590,888	1,449,732	1,989,166	1,588,564
Outstanding Claims	629,603	1,022,704	771,752	628,714	1,021,027	770,625
IBNR	(5,588,319)	-	-	(5,580,428)	-	-
Credit Life	96,590	107,804	166,907	96,432	107,596	166,635
	190,357,359	**192,579,273**	**144,486,591**	**190,088,557**	**192,263,573**	**144,275,558**

20 Investment contract liabilities

	Group			Company		
	Mar-23	**Dec-22**	**Jan-22**	**Mar-23**	**Dec-22**	**Jan-22**
Investment Contract Liabilities: Group Deposit Administration	320,674	313,373	2,836,752	320,674	313,373	2,836,752

(a) Movement in deposit administration is shown below:

	Group			Company		
	Mar-23	**Dec-22**	**Jan-22**	**Mar-23**	**Dec-22**	**Jan-22**
At 1 January	313,373	2,836,752	2,906,733	313,373	2,836,752	2,906,733
Deposits	17,953	575,854	380,955	17,953	575,854	380,955
Withdrawals	(13,038)	(472,789)	(91,692)	(13,038)	(472,789)	(91,692)
Transfer of Agent NPF portfolio	-	(2,731,965)	-	-	(2,731,965)	-
Credit of interest and other income	1,762	107,743	99,030	1,762	107,743	99,030
Impact of actuarial valuation	623	(2,223)	(458,274)	623	(2,223)	(458,274)
Balance as at	**320,674**	**313,373**	**2,836,752**	**320,674**	**313,373**	**2,836,752**

Notes to the Condensed Consolidated and Separate Financial Statements (Continued)
For the interim period ended 31 March 2023

21 Trade payables

Trade payables represent amounts payable to reinsurers, co-insurers, agents and brokers at the end of the year. The carrying amounts disclosed below approximate the fair values at the reporting date

	Group			Company		
In thousands of naira	Mar-23	Dec-22	Jan-22	Mar-23	Dec-22	Jan-22
Reinsurance and co-insurance payable	5,220,885	3,180,819	2,082,373	5,220,885	3,180,819	2,082,373
Premium paid in advance	75,956	118,405	150,302	75,956	118,405	150,302
Unallocated premium (see (a) below)	3,363,349	2,983,257	1,434,866	3,363,349	2,983,257	1,434,866
Refund to policyholders (see (b) below)	57,759	47,935	33,025	57,759	47,935	33,025
Commission payable	26,570	131,212	47,568	26,568	131,212	47,568
Others (see (c) below)	-	-	62,507	-	-	-
Transfer to held for sale	-	-	(31,592)	-	-	-
	8,744,519	**6,461,628**	**3,779,049**	**8,744,517**	**6,461,628**	**3,748,134**

(a) This relates to premiums yet to be matched to policies due to various reasons.

(b) This relates to premiums refundable to policyholders on policies cancelled during the grace period.

(c) This relates to trade payables of subsidiaries.

22 (a) Other payables and accruals

	Group			Company		
In thousands of naira	Mar-23	Dec-22	Jan-22	Mar-23	Dec-22	Jan-22
Accrued expenses	2,113,101	1,355,361	1,023,137	2,003,738	1,328,709	781,460.81
NAICOM levy	315,650	877,441	710,024	315,650	877,440	710,024.19
Agent provident fund	383,385	289,741	229,454	383,385	289,741	229,453.70
Gratuity payable (see note (i) below)	11,693	10,380	11,549	11,693	10,380	11,549.00
Deferred income (fees & Commission)	874,718	652,174	552,047	874,718	652,174	552,048.00
Sundry payables	4,626,113	1,924,488	544,778	760,550	751,439	93,041.00
Sundry credit balances (see note (ii) below)	(86,746)	2,979,291	869,819	(86,746)	2,993,850	869,819.00
Other payable on Tangerine (see note 20 (f))	-	-	-	-	-	
Payable to subsidiaries	-	-	-	306,180	150,930	147,151.00
Transferred to disposal group (see note 19(b))	-	-	(240,589)	-	-	-
	8,237,913	**8,088,876**	**3,700,218**	**4,569,168**	**7,054,663**	**3,394,548**

(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.

23 Fixed income liabilities

	Group			Company		
In thousands of naira	Mar-23	Dec-22	Jan-22	Mar-23	Dec-22	Jan-22
Guaranteed income notes (see note (i))	27,744,482	22,781,598	33,506,178	-	-	
	27,744,482	22,781,598	33,506,178	-	-	

(i) AIICO 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 AIICO Capital Limited and the underlying risks are retained by the Company.

(ii) These fixed income liabilities are invested as follows:

	Group			Company		
In thousands of naira	Mar-23	Dec-22	Jan-22	Mar-23	Dec-22	Jan-22
Cash and cash equivalents	655,183	541,485	791,245	-	-	-
Financial assets	27,089,299	22,240,113	32,714,933	-	-	-
	27,744,482	22,781,598	33,506,178	-	-	-

Notes to the Condensed Consolidated and Separate Financial Statements (Continued)
For the interim period ended 31 March 2023

24 Capital and reserves

(a) Share capital

	Group			Company		
In thousands of naira	**Mar-23**	**Dec-22**	**Jan-22**	**Mar-23**	**Dec-22**	**Jan-22**
(a)(i) Authorised:						
At 1 January 2023: 36,605,276,013 (31 Dec 2022: 37,600,000,000) shares of 50k each	18,302,639	18,800,000	18,800,000	18,302,639	18,800,000	18,800,000
Increase during the period: Nil	-	-	-	-	-	-
Cancelled during the period: NIL (31 Dec 2022: 994,723,987 units of 50k each)	(1)	(497,361)	-	(1)	(497,361)	-
At 31 March 2023: 36,605,276,013 shares of 50k each	**18,302,638**	**18,302,639**	**18,800,000**	**18,302,638**	**18,302,639**	**18,800,000**

(a)(ii) Ordinary shares issued and fully paid:

	Group			Company		
In thousands of naira	**Mar-23**	**Dec-22**	**Jan-22**	**Mar-23**	**Dec-22**	**Jan-22**
At 1 January 2022: 36,605,275,996 (2021:15,687,975,434) shares of 50k e	18,302,639	18,302,639	7,843,988	18,302,639	18,302,639	7,843,988
Increase: Nil (2021: Bonus issue of 20,917,299,080 shares at 50k each)	(1)	-	10,458,651	(1)	-	10,458,651
At 31 March 2023: 36,605,276,013 shares of 50k each	**18,302,638**	**18,302,639**	**18,302,639**	**18,302,638**	**18,302,639**	**18,302,639**

(a)(iii) Ordinary shares issued and fully paid can be further analysed as follows:

	Group			Company		
In thousands of naira	**Mar-23**	**Dec-22**	**Jan-22**	**Mar-23**	**Dec-22**	**Jan-22**
General business -20,597,975,711 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 - 16,007,300,302 ordinary shares at 50 kobo each	8,003,650	8,003,650	8,003,650	8,003,650	8,003,650	8,003,650
Company - 36,605,276,013 shares of 50k each	**18,302,638**	**18,302,638**	**18,302,638**	**18,302,638**	**18,302,638**	**18,302,638**

(b)(i) Share premium

	Group			Company		
In thousands of naira	**Mar-23**	**Dec-22**	**Jan-22**	**Mar-23**	**Dec-22**	**Jan-22**
At 1 January	64,745	64,745	7,037,181	64,745	64,745	7,037,181
Bonus issue (transfer to share capital)	-	-	(6,972,436)	-	-	(6,972,436)
Balance as at	**64,745**	**64,745**	**64,745**	**64,745**	**64,745**	**64,745**

(b)(ii) Share premium can be further analysed as follows:

	Group			Company		
In thousands of naira	**Mar-23**	**Dec-22**	**Jan-22**	**Mar-23**	**Dec-22**	**Jan-22**
General business	-	-	-	-	-	-
Life business - Nil (2021:129,489,292) 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:

	Group			Company		
In thousands of naira	**Mar-23**	**Dec-22**	**Jan-22**	**Mar-23**	**Dec-22**	**Jan-22**
At 1 January	2,764,016	1,812,707	1,812,707	1,812,707	1,812,707	1,812,707
Revaluation gain	-	951,309	-	951,309	-	-
Transfer to retained earnings	-	-	-	-	-	-
Balance as at	**2,764,016**	**2,764,016**	**1,812,707**	**2,764,016**	**1,812,707**	**1,812,707**

Notes to the Condensed Consolidated and Separate Financial Statements (Continued)
For the interim period ended 31 March 2023

(d) Fair value reserve

	Group			Company		
	Mar-23	**Dec-22**	**Jan-22**	**Mar-23**	**Dec-22**	**Jan-22**
At 1 January	(2,796,625)	(1,683,037)	(507,416)	(1,821,697)	(1,016,727)	(438,588)
Reclassification from fair value reserves	-	(10,304)	91,081	-	-	85,611
Net fair value gain/(loss)	(550,250)	(1,139,312)	(1,330,219)	(121,884)	(804,970)	(661,167)
Impairment adjustment	-		(2,583)	-	-	(2,583)
Transfer to NCI	42,837	36,029	66,100	-	-	-
Balance as at	**(3,304,040)**	**(2,796,625)**	**(1,683,038)**	**(1,943,581)**	**(1,821,697)**	**(1,016,727)**

(e) Foreign exchange gains reserve

	Group			Company		
In thousands of naira	**Mar-23**	**Dec-22**	**Jan-22**	**Mar-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**

(f) Contingency reserve

	Group			Company		
In thousands of naira	**Mar-23**	**Dec-22**	**Jan-22**	**Mar-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	545,596	1,405,442	1,091,010	545,596	1,405,442	1,091,010
Balance as at	**10,255,642**	**9,710,046**	**8,304,604**	**10,255,642**	**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 year or 20% of the net profits in accordance with Section 21(2) of Insurance Act, 2003.

(g) Retained earnings

The movement in retained earnings can be analysed as follows:

	Group			Company		
In thousands of naira	**Mar-23**	**Dec-22**	**Jan-22**	**Mar-23**	**Dec-22**	**Jan-22**
At 1 January	16,540,784	11,051,695	9,924,143	14,073,037	9,139,931	8,834,102
IFRS 17 Adjustment	(1,284,947)	(4,463,549)	(4,463,549)	(1,284,947)	(4,463,549)	(4,463,549)
At 1 January (restated)	*15,255,837*	*6,588,146*	*5,460,594*	*12,788,090*	*4,676,382*	*4,370,553*
Transfer from statement of profit or loss and other comprehensive income	1,349,895	10,619,333	4,853,284	1,289,532	10,073,655	4,968,665
Transfer from/(to) contingency reserve	(545,596)	(1,405,441)	(1,091,010)	(545,596)	(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***	-	(732,105)	-	-	(732,105)	-
Realised (loss)/gain on equities	-	10,304	(91,081)	-	-	(85,611)
Transfer to share capital	-	-	(3,486,215)	-	-	(3,486,215)
Balance as at	**16,060,136**	**15,255,837**	**6,588,146**	**13,532,026**	**12,788,090**	**4,676,382**

Notes to the Condensed Consolidated and Separate Financial Statements (Continued)
For the interim period ended 31 March 2023

25 Insurance result

(a) Insurance revenue

Amounts relating to the changes in the liability for remaining coverage

	Group		Company	
In thousands of naira	**Mar-23**	**Mar-22**	**Mar-23**	**Mar-22**
Expected insurance service expenses incurred in the period	4,229,497	3,393,154	4,229,503	3,379,933
Change in the risk adjustment for non-financial risk	(42,283)	(33,922)	(42,283)	(33,790)
Amount of CSM recognised in profit or loss	396,986	318,486	396,986	317,245
Acquisition Expenses Recovered from Premiums	829,145	665,189	829,145	662,597
Misc insurance revenue adjustment	271,579	217,877	-	-
PAA Premium Reserve Release	9,069,495	7,276,088	9,069,495	7,247,727
Total - Insurance revenue	**14,754,420**	**11,836,872**	**14,482,847**	**11,573,711**

(b) Insurance service expenses:

	Group		Company	
In thousands of naira	**Mar-23**	**Mar-22**	**Mar-23**	**Mar-22**
Incurred claims and other expenses	13,578,318	12,449,721	13,578,318	12,449,721
Amortisation of insurance acquisition cash flows	1,756,756	1,610,739	1,756,756	1,610,739
Losses on onerous contracts and reversals of those losses	3,030,960	2,779,034	3,030,960	2,779,034
Changes to liabilities for incurred claims	(7,718,629)	(7,077,076)	(7,718,629)	(7,077,076)
	10,647,405	**9,762,418**	**10,647,405**	**9,762,418**

(c) Net expense from reinsurance contracts held

(i)

	Group		Company	
In thousands of naira	**Mar-23**	**Mar-22**	**Mar-23**	**Mar-22**
Amounts relating to the changes in the assets for remaining coverage	(3,589,724)	(2,676,665)	(3,589,724)	(2,676,665)
Misc reinsurance premiums adjustment	(326,900)	(243,752)	(326,900)	(243,752)
Allocation of reinsurance premiums	**(3,916,624)**	**(2,920,417)**	**(3,916,624)**	**(2,920,417)**
Amounts recoverable for claims and other expenses incurred in the period	1,336,630	996,653	1,336,630	996,653
Changes in amounts recoverable arising from changes in liability for incurred claims	424,048	316,190	424,048	316,190
Changes in fulfilment cash flows which relate to onerous underlying contracts	(192)	(143)	(192)	(143)
Amounts recoverable from reinsurers	**1,760,486**	**1,312,700**	**1,760,486**	**1,312,700**
Net expense from reinsurance contracts held	**(2,156,138)**	**(1,607,717)**	**(2,156,138)**	**(1,607,717)**

26 (a) Investment income

	Group		Company	
In thousands of naira	**Mar-23**	**Mar-22**	**Mar-23**	**Mar-22**
Policyholders' funds (see note (i) below)	2,768,874	1,639,912	2,768,874	1,639,912
Annuity funds (see note (ii) below)	2,532,643	1,218,564	2,532,643	1,218,564
Shareholders' funds (see note (iii) below)	659,133	547,307	562,484	250,590
	5,960,650	**3,405,783**	**5,864,001**	**3,109,066**

*** Included in investment income is the accrued interest on all the classes of financial asset.

(i) Investment income attributable to policyholders' funds

	Group		Company	
In thousands of naira	**Mar-23**	**Mar-22**	**Mar-23**	**Mar-22**
Interest income on loans to policyholders	-		-	-
Interest income on financial assets	2,566,155	1,452,620	2,566,155	1,452,620
Interest income on cash and cash equivalents	122,871	134,962	122,871	134,962
Income on policy loan	50,197	44,323	50,197	44,323
Dividend income	29,650	8,006	29,650	8,006
	2,768,874	**1,639,912**	**2,768,874**	**1,639,912**

(ii) Investment income attributable to annuity funds

Interest income on financial assets	2,532,643	1,218,565	2,532,643	1,218,565
	2,532,643	**1,218,565**	**2,532,643**	**1,218,565**

(iii) Investment income attributable to shareholders' funds

Income from investment property	-			
Interest income on financial assets	344,679	374,851	281,540	98,655
Interest income on cash and cash equivalents	282,398	172,456	248,888	151,935
Dividend income	32,056	-	32,056	-
	659,133	**547,307**	**562,484**	**250,590**

(iv) Investment income

Interest revenue calculated using the effective interest method	3,981,372	3,981,372	3,524,662	3,524,662
Other interest and similar income	1,979,278	9,804,024	2,339,338	7,886,786
Trading gains on equities	248,888	387,919	248,888	387,919
	5,960,650	**3,405,783**	**5,864,001**	**3,109,066**

(b) Profit on deposit administration

	Group		**Company**	
Investment income on deposit administration can be analysed as follows:	**Mar-23**	**Mar-22**	**Mar-23**	**Mar-22**
Investment income on deposit	19,052	65,549	19,052	65,549
Guaranteed interest to policyholders	(1,762)	(1,342)	(1,762)	(1,342)
Acquisition expense	(271)	(113)	(271)	(113)
Impact of actuarial valuation	(623)	2,740	(623)	2,740
Profit from deposit administration	**16,396**	**66,835**	**16,396**	**66,835**

27 (a)(i) Net realised gains

	Group		**Company**	
In thousands of naira	**Mar-23**	**Mar-22**	**Mar-23**	**Mar-22**
Net realised gains are attributable to the following:				
Property and equipment	578	6,870	578	6,870
Realised loss on Fair value financial instruments (see (b) below)	-	(398,069)	-	(398,069)
	578	**(391,199)**	**578**	**(391,199)**

(ii) Net realised gains on fair value financial instrument can be analysed as follows:

Realised loss on FGN Bonds	-	(398,069)	-	(398,069)
	-	**(398,069)**	**-**	**(398,069)**

27 (b) Net fair value (losses)/ gains

	Group		**Company**	
In thousands of naira	**Mar-23**	**Mar-22**	**Mar-23**	**Mar-22**
Financial assets	(9,705,753)	1,450,998	(9,705,753)	1,450,998
	(9,705,753)	**1,450,998**	**(9,705,753)**	**1,450,998**

The Company obtained a loan of US$7million (N1.39billion) from the International Finance Corporation (IFC) on 30 June 2015 at an interest rate of 6.5% plus 6-month LIBOR for a year of 7 years with moratorium year of 4 years on the principal. The loan had an embedded derivative (a conversion option) whereby IFC has the right to convert all or a portion of the outstanding principal amount into the equivalent number of shares of the Company. (see note 22 for current status and treatment of the loan)

28 Other operating income

	Group		**Company**	
In thousands of naira	**Mar-23**	**Mar-22**	**Mar-23**	**Mar-22**
Sundry income	288,098	199,775	266,964	167,461
Exchange (loss)	(436,713)	(82,410)	(436,713)	(82,410)
	(148,615)	**117,365**	**(169,749)**	**85,051**

(a) Sundry income is analysed as follows:

	Group		**Company**	
In thousands of naira	**Mar-23**	**Mar-22**	**Mar-23**	**Mar-22**
Recoveries on written-off assets	9,552	9,552	9,552	9,552
Income from statutory deposit	-	9,210	-	9,210
Administrative charges	39,594	(73,843)	39,594	(73,843)
Rental income	59,560	14,801	59,560	14,801
Others (see (i) below)	179,391	240,054	158,258	207,740
	288,098	**199,775**	**266,964**	**167,461**

(i) Amount represents sundry income from charges on lost documents, income on bank balances and service charges.

29 **Net Insurance finance income/(expenses) for insurance contracts issued**

(a) Net Finance Income/(expenses) from Insurance Contracts

	Group		Company	
	Mar-23	**Mar-22**	**Mar-23**	**Mar-22**
Interest accreted to insurance contracts using current financial assumptions	(5,564,269)	630,865	(5,564,269)	630,865
Interest accreted to insurance contracts using locked-in rate	(397,274)	45,042	(397,274)	45,042
Due to changes between current rates and locked-in rates when measuring changes in estimates	154,491,561	(17,515,933)	154,491,561	(17,515,933)
Due to changes in interest rates and other financial assumptions	(142,036,122)	16,103,761	(142,036,122)	16,103,761
Net foreign exchange income / (expense)				
Total Net Insurance Finance Expense	**6,493,895**	**(736,264)**	**6,493,895**	**(736,264)**
Net Finance Expense to P&L	**6,493,895**	**(736,264)**	**6,493,895**	**(736,264)**
Net Finance Expense to OCI	**-**	**-**	**-**	**-**

(b) Net Finance Income from Reinsurance Contracts issued

	Group		Company	
	Mar-23	**Mar-22**	**Mar-23**	**Mar-22**
Interest accreted to reinsurance contracts using current financial assumptions	179,427	145,572	179,427	145,572
Total Net Reinsurance Finance Expense	**179,427**	**145,572**	**179,427**	**145,572**
Net Finance Expense to P&L	**179,427**	**145,572**	**179,427**	**145,572**
Net Finance Expense to OCI	**-**	**-**	**-**	**-**

30 Personnel expenses

	Group		Company	
In thousands of naira	**Mar-23**	**Mar-22**	**Mar-23**	**Mar-22**
Salaries	451,324	779,166	315,726	670,517
Allowances and other benefits	681,421	165,388	601,618	113,961
	1,132,745	**944,554**	**917,344**	**784,478**

31 Other operating expenses

	Group		Company	
In thousands of naira	**Mar-23**	**Mar-22**	**Mar-23**	**Mar-22**
Travel and representation	141,661	54,137	117,672	50,505
Marketing and administration	374,985	363,220	367,142	357,652
Advertising	12,579	-	12,579	-
Occupancy	175,439	116,679	168,726	110,134
Amortization of Right of Use Assets	23,151	27,485	23,151	27,485
Communication and postages	254,328	188,725	243,527	181,448
Dues and subscriptions	34,033	38,617	26,086	26,269
Office supply and stationery	37,241	50,251	31,781	29,410
Fees and assessments	235,376	658,263	364,827	693,643
NAICOM levy	315,650	229,639	315,650	229,639
Regulatory fees & expenses (local licensing and filing)	82,036	-	82,036	-
Legal fees	64,734	-	64,734	-
Consulting fees (IT, contract staff related)	180,311	-	180,311	-
Depreciation and amortisation	198,930	176,728	162,410	145,975
Auditor's fees (see note (a) below)	1,686	1,124	-	-
Miscellaneous expenses (see note (b) below)	39,522	113,059	2,354	96,693
	2,171,662	**2,017,926**	**2,162,986**	**1,948,852**

(b) Miscellaneous expenses relate to local taxes including tenement rates, land use charges, parking fees, etc payable to local tax authorities.
(c) Included in the fees assessment is ITF contribution which is a percentage of the personnel expenses as required.

32 Impairment reversal

	Group		Company	
In thousands of naira	Mar-23	Mar-22	Mar-23	Mar-22
Reversal of Impairment loss on financial instruments and others	71,852	-	-	-
	71,852	**-**	**-**	**-**

33 Earnings per share

(a) Earnings per share from continued operation

Basic earnings per share amounts is calculated by dividing the net profit for the period attributable to ordinary shareholders by the weighted average number of ordinary shares outstanding at the reporting date.

	Group		Company	
In thousands of naira	Mar-23	Mar-22	Mar-23	Mar-22
Net profit from operations	1,379,536	1,552,238	1,289,532	1,200,306
Less: NCI share of Net profit from operations	(29,641)	(54,766)	-	-
Net profit attributable to ordinary shareholders from operation	1,349,895	1,497,472	1,289,532	1,200,306
Net profit attributable to ordinary shareholders from discontinued operation	-	3,389,839	-	3,389,777
	1,349,895	**4,887,312**	**1,289,532**	**4,590,082**
Number of shares in issue	**36,605,276**	**36,605,276**	**36,605,276**	**36,605,276**
Dilutive effect of preference shares	-	-	-	-
Dilutive effect of the IFC loan conversion option	-	-		-
Net	**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)	4	4	4	3
Basic and diluted earnings per share from discontinued operation (kobo)	-	9	-	9
Basic and diluted earnings per share (kobo)	**4**	**13**	**4**	**13**

There have been no other transactions involving ordinary shares or potential ordinary shares between the reporting date and the date of completion of these financial statements.

34 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

Company			Transaction values ('000)		Balance outstanding ('000)	
Name of related party	**Relationship**	**Nature of**	**Mar-23**	**Mar-22**	**Mar-23**	**Mar-22**
AIICO Multishield Limited	Subsidiary	Health Premium	23,134	23,134	-	-
		Insurance Premium	5,289	5,289	-	-
AIICO Capital Limited*	Subsidiary	Portfolio	154,552	432,009	154,552	150,930
		Insurance Premium	59,295	59,295	-	-
		Rent	24,632	24,632	-	-
Magnartis Finance and Investment Limited**	Common Director	Stockbrokers	-	-	54,919	54,919
			266,902	544,360	209,471	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 management fees.

**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.

34 Related party disclosures - continued

(b) (iii) Key management personnel compensation for the year

In thousands of naira	Group 2023	Group 2022	Company 2023	Company 2022
Wages and salaries	527,130	490,600	515,130	490,600
Post employment benefits	37,511	34,449	36,171	34,449
	564,641	525,049	551,301	525,049

(b) (iii) Directors remuneration

Directors remuneration excluding pension contributions and certain benefits was provided as follows:

In thousands of naira	Group 2023	Group 2022	Company 2023	Company 2022
Fees as Directors	-	-	-	-
Other allowances	42,334	16,119	31,434	9,019
	42,334	16,119	31,434	9,019
Executive compensation	49,084	48,269	41,587	40,772
	91,418	64,388	73,021	49,791
Chairman	1,500	1,500	1,500	1,500
Highest paid director	1,028	1,028	1,028	1,028

The number of directors, including the Chairman, whose emoluments were within the following range were:

	Group 2023	Group 2022	Company 2023	Company 2022
1,000,001 - 2,000,000	5	5	-	-
2,000,001 and above	12	12	6	6
	17	17	6	6

35 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 28 (2021:25) outstanding cases at the end of 31 March 2023 with a total claim of N2.3b (2022: N2.3b). 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 provision has been made in the financial statements

(ii) There was no court judgement against the company as at the period ended 31st of March 2023.

(iii) 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:

In thousands of naira	Group 2023	Group 2022	Company 2023	Company 2022
AIICO Money Market Fund (AMMF) (see note (i) below)	1,021,923	1,311,047	-	-
AIICO Balance Mutual Fund (ABF) (see note (ii) below)	162,493	166,596	-	-
Portfolio management - others (see note (iii) below)	3,221,272	2,261,020	-	-
Total funds	4,405,688	3,738,663	-	-

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.
Fees earned from the management of these funds are as follows:

In thousands of naira	Group 2023	Group 2022	Company 2023	Company 2022
AMMF	3,018	2,988	-	-
ABF	580	575	-	-
Portfolio management - others	-	-	-	-
Total funds	3,598	3,563	-	-

(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 ₦100 per unit as at 31 March 2023 (2022: ₦100)

(ii) **AIICO Balanced Fund (ABF)**

On 1 of June 2018, AIICO Capital Limited effectively took over an authorised collective investment scheme and renamed it AIICO Balanced Fund (ABF). AIICO Capital is the Fund Manager to this Fund and as at the reporting date, had 51.39% (2021: 51.44%) holding in the fund. The Fund was set up to invest in a balanced portfolio of equities, money market instruments and fixed-income securities. AIICO Capital earns 1.5% of the net asset value of the Fund, on a quarterly basis. AIICO Capital is also entitled to earn an incentive fee where the annual return on the Fund for any year ended 31 December, exceeds the benchmark index of the Fund's Net Asset Value. United Capital Trustees Limited is the trustee to the Fund while United Bank for Africa PLC (Global Investor Services) is the custodian to the Fund.

The Fund has 31 December as its year end and is regulated by the Nigerian Securities and Exchange Commission (SEC).

(iii) Portfolio management - others

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.

(d) Pension Funds

This comprise the AIICO Pensions Retirement Savings Account (RSA) Fund, Retiree Fund, Institutional Fund and Transitional Contribution Fund which is managed by AIICO Pension Managers Limited.

AIICO Pensions Retirement Savings Account and Retiree Funds are open pension funds, while the remaining funds are closed.

(e) Unclaimed dividend

The Company has unclaimed dividend of ₦887 million as at 31 March 2023 (2021: ₦896 million). 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.

36 Contraventions and penalties

NIL

37 Personnel

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

	Group		**Company**	
Number	**2023**	**2022**	**2023**	**2022**
Managerial	81	81	58	58
Senior staff	271	268	244	242
Junior staff	78	78	6	6
	430	427	308	306

(a) The personnel expenses for the above persons were:

In thousands of naira				
Wages and salaries	451,324	259,971	315,726	113,961
Other staff costs	681,421	684,583	601,618	670,517
	1,132,745	944,554	917,344	784,478

(b) The number of employees paid emoluments, excluding pension and allowances, above ₦100,000 for the year were:

	Group		**Company**	
Number	**2023**	**2022**	**2023**	**2022**
100,000 - 600,000	330	334	257	257
600,001 - 1,200,000	39	39	21	21
1,200,001 - 2,400,000	14	14	6	6
2,400,001 and above	47	40	24	22
	430	427	308	306

Notes to the Condensed Consolidated and Separate Financial Statements (Continued)
For the interim period ended 31 March 2023

38 Hypothecation of assets

2023

	Policyholder's fund						
	Life Fund	**Annuity**	**Investment Contract Liabilities**	**Non-life Insurance Contract Liabilities**	**Total Policyholders fund**	**Shareholders' fund**	**Total**
Cash and cash equivalents	7,504,909	817,680	943,326	1,518,847	10,784,762	2,062,886	12,847,648
Financial assets:							
Bonds and treasury bills	59,408,305	74,091,571	21,364,166	9,140,835	164,004,876	31,266,831	195,271,706
Quoted equities	5,132		211,749	681,158	898,039	52,637	950,676
Unquoted equities	1,076,006	-	155,830	643,999	1,875,835	588,348	2,464,183
Loans & receivables	2,950,758	-	-	-	2,950,758	1,707,174	4,657,932
Investment in subsidiaries	-	-	-	-	-	1,087,317	1,087,317
Investment properties	368,000	-	-	340,000	708,000	-	708,000
Property and equipment	-	-	-	-	-	8,072,903	8,072,903
Statutory deposits	-	-	-	-	-	500,000	500,000
Other assets (see note (a) below)	3,703,101	-	-	10,819,036	14,522,137	6,026,697	20,548,834
Total assets (A)	75,016,211	74,909,251	22,675,070	23,143,875	195,744,407	51,364,792	247,109,201
Policyholders liabilities (B)	73,159,231	73,330,180	20,965,451	22,571,571	190,026,433	57,082,768	247,109,201
Excess/ (shortfall) of assets over liabilities (A-B)	**1,856,980**	**1,579,071**	**1,709,619**	**572,304**	**5,717,974**	**(5,717,976)**	**(2)**
(a) Other Assets							
Trade receivables	-	-	-	961,144	961,144	-	961,144
Contract assets	3,703,101	-	-	9,857,892	13,560,993	-	13,560,993
Deferred acquisition costs	-	-	-	-	-	1,651,146	1,651,146
Other receivables and prepayments	-	-	-	-	-	3,533,019	3,533,019
Goodwill and other intangible assets	-	-	-	-	-	842,532	842,532
	3,703,101	-	-	10,819,036	14,522,137	6,026,697	20,548,834

2022

	Policyholder's fund						
	Life Fund	**Annuity**	**Investment Contract Liabilities**	**Non-life Insurance Contract Liabilities**	**Total Policyholders fund**	**Shareholders' fund**	**Total**
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	64,408,305	76,645,833	23,394,099	5,959,748	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
Loans & receivables	2,882,193	-	-	-	2,882,193	1,652,258	4,534,451
Investment in subsidiaries	-	-	-	-	-	1,087,317	1,087,317
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)	2,938,057	-	-	14,053,078	16,991,135	5,917,210	22,908,345
Total assets (a)	74,786,325	76,904,251	24,699,639	23,541,060	199,931,277	48,392,361	248,323,638
Policyholders liabilities (b)	73,278,923	74,493,564	21,907,727	17,316,287	186,996,501	61,327,135	248,323,636
Excess/ (shortfall) of assets over liabilities (a-b)	**1,507,402**	**2,410,687**	**2,791,912**	**6,224,773**	**12,934,776**	**(12,934,775)**	**1**
Other Assets							
Trade receivables	-	-	-	852,113	852,113	-	852,113
Contract assets	2,938,057	-	-	13,200,965	16,139,022	-	16,139,022
Deferred acquisition costs	-	-	-	-	-	858,307	858,307
Other receivables and prepayments	-	-	-	-	-	4,212,078	4,212,078
Goodwill and other intangible assets	-	-	-	-	-	846,825	846,825
	2,938,057	-	-	14,053,078	16,991,135	5,917,210	22,908,345

Notes to the Condensed Consolidated and Separate Financial Statements (Continued)
For the interim period ended 31 March 2023

39 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 yearly 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 Condensed Consolidated and Separate Financial Statements (Continued)
For the interim period ended 31 March 2023

40 IFRS 17 Transition adjustments

The Group adopted IFRS 17 effective 1 January 2023. This affected the measurement and presentation of insurance and reinsurance contracts and related expenses and income. In line with the transition requirements of IFRS, the Group has presented below the structure of its SOFP and SOCI pre and post the adoption of IFRS 17, higlighting the transition adjustments for the periods presented:

(a) Opening Balance sheet - 1 January 2022

OPENING BALANCE SHEET							
As at 1 Jan 2022		**Group**			**Company**		
		IFRS 4	**Adj**	**IFRS 17**	**IFRS 4**	**Adj**	**IFRS 17**
In thousands of naira	**Notes**	**31-Dec-21**		**31-Dec-21**	**31-Dec-21**		**31-Dec-21**
Assets							
Cash and cash equivalents		25,490,105	-	25,490,105	9,062,962	-	9,062,962
Financial assets		172,501,020	-	172,501,020	152,718,223	-	152,718,223
Trade receivables		728,517	-	728,517	689,375	-	689,375
Reinsurance assets		10,387,924	(10,387,924)	-	10,387,924	(10,387,924)	-
Contracts assets			10,680,812	10,680,812	-	10,680,812	10,680,812
Deferred acquisition costs		739,222	(39,294)	699,928	739,222	(39,294)	699,928
Other receivables and prepayments		2,411,790	(1)	2,411,789	2,140,480	(1)	2,140,479
Deferred tax assets		1,252	-	1,252	-	-	-
Investment in subsidiaries		-	-	-	1,087,317	-	1,087,317
Investment in associate		705,629	-	705,629	705,691	-	705,691
Investment properties		806,000	-	806,000	806,000	-	806,000
Property and equipment		7,068,787	-	7,068,787	6,847,439	-	6,847,439
Statutory deposits		500,000	-	500,000	500,000	-	500,000
Right of use assets		105,855	-	105,855	105,855	-	105,855
Goodwill and other intangible assets		934,748	-	934,748	838,253	(1)	838,252
Total assets		**222,380,849**	**253,593**	**222,634,442**	**186,628,741**	**253,592**	**186,882,333**
Liabilities							
Insurance contract liabilities		119,776,331	24,710,260	144,486,591	119,565,299	24,710,259	144,275,558
Investment contract liabilities		22,829,871	(19,993,119)	2,836,752	22,829,871	(19,993,119)	2,836,752
Trade payables		3,779,049	-	3,779,049	3,748,134	-	3,748,134
Other payables and accruals		3,700,218	-	3,700,218	3,394,548	-	3,394,548
Fixed income liabilities		33,506,178	-	33,506,178	-	-	-
Current income tax payable		407,282	-	407,282	307,392	-	307,392
Deferred tax liabilities		7,666	-	7,666	-	-	-
Total liabilities		**184,006,595**	**4,717,141**	**188,723,736**	**149,845,244**	**4,717,140**	**154,562,384**
Equity							
Share capital		18,302,638	-	18,302,638	18,302,638	-	18,302,638
Share premium		64,745	-	64,745	64,745	-	64,745
Revaluation reserve		1,812,707	-	1,812,707	1,812,707	-	1,812,707
Fair value reserve		(1,683,037)	-	(1,683,037)	(1,016,727)	-	(1,016,727)
Foreign exchange gains reserve		175,600	-	175,600	175,600	-	175,600
Contingency reserve		8,304,604	-	8,304,604	8,304,604	-	8,304,604
Retained earnings		11,051,694	(4,463,548)	6,588,146	9,139,930	(4,463,548)	4,676,382
Shareholders' funds		**38,028,951**	**(4,463,548)**	**33,565,403**	**36,783,497**	**(4,463,548)**	**32,319,949**
Non-controlling interests		345,303	-	345,303	-	-	-
Total equity		**38,374,254**	**(4,463,548)**	**33,910,706**	**36,783,497**	**(4,463,548)**	**32,319,949**
Total liabilities and equity		**222,380,849**	**253,593**	**222,634,442**	**186,628,741**	**253,592**	**186,882,333**

(b) Comparative period (SOFP) - 31 December 2022

COMPARATIVE - SOFP							
As at 31 Dec 2022		**Group**			**Company**		
		IFRS 4	**Adj**	**IFRS 17**	**IFRS 4**	**Adj**	**IFRS 17**
In thousands of naira	**Notes**	**31-Dec-22**		**31-Dec-22**	**31-Dec-22**		**31-Dec-22**
Assets							
Cash and cash equivalents		15,915,258	-	15,915,258	6,521,824	-	6,521,824
Financial assets		225,460,028	-	225,460,028	208,421,569	-	208,421,569
Trade receivables		866,977	-	866,977	852,113	-	852,113
Reinsurance assets		11,913,776	(11,913,776)	-	11,913,776	(11,913,776)	-
Contracts assets		-	16,139,023	16,139,023	-	16,139,023	16,139,023
Deferred acquisition costs		858,307	70,251	928,558	858,307	70,251	928,558
Other receivables and prepayments		4,685,426	(1)	4,685,425	4,141,826	(1)	4,141,825
Deferred tax assets		21,501	-	21,501	-	-	-
Investment in subsidiaries		-	-	-	1,087,317	-	1,087,317
Investment properties		760,000	-	760,000	760,000	-	760,000
Property and equipment		8,359,520	-	8,359,520	8,064,528	-	8,064,528
Statutory deposits		500,000	-	500,000	500,000	-	500,000
Right of use assets		60,055	-	60,055	60,055	-	60,055
Goodwill and other intangible assets		928,672	-	928,672	846,825	-	846,825
Total assets		**270,329,520**	**4,295,497**	**274,625,016**	**244,028,140**	**4,295,497**	**248,323,636**
Liabilities							
Insurance contract liabilities		165,404,474	27,174,799	192,579,273	165,088,774	27,174,799	192,263,573
Investment contract liabilities		21,907,727	(21,594,354)	313,373	21,907,727	(21,594,354)	313,373
Trade payables		6,461,628	-	6,461,628	6,461,628	-	6,461,628
Other payables and accruals		8,088,876	-	8,088,876	7,054,663	-	7,054,663
Fixed income liabilities		22,781,598	-	22,781,598	-	-	-
Current income tax payable		669,543	-	669,543	422,562	-	422,562
Deferred tax liabilities		7,666	-	7,666	-	-	-
Total liabilities		**225,321,512**	**5,580,445**	**230,901,956**	**200,935,354**	**5,580,445**	**206,515,798**
Equity							
Share capital		18,302,639	(1)	18,302,638	18,302,639	(1)	18,302,638
Share premium		64,745	-	64,745	64,745	-	64,745
Revaluation reserve		2,764,016	-	2,764,016	2,764,016	-	2,764,016
Fair value reserve		(2,796,624)	-	(2,796,624)	(1,821,697)	-	(1,821,697)
Contingency reserve		9,710,046	-	9,710,046	9,710,046	-	9,710,046
Retained earnings		16,540,784	(1,284,947)	15,255,837	14,073,037	(1,284,947)	12,788,090
Shareholders' funds		**44,585,606**	**(1,284,948)**	**43,300,658**	**43,092,786**	**(1,284,948)**	**41,807,838**
Non-controlling interests		422,402	-	422,402	-	-	-
Total equity		**45,008,008**	**(1,284,948)**	**43,723,060**	**43,092,786**	**(1,284,948)**	**41,807,838**
Total liabilities and equity		**270,329,520**	**4,295,497**	**274,625,016**	**244,028,140**	**4,295,497**	**248,323,636**

Notes to the Condensed Consolidated and Separate Financial Statements (Continued)
For the interim period ended 31 March 2023

(c) Comparative period (SOCI) - 31 March 2022

		COMPARATIVE PERIOD					
		Group			Company		
In thousands of naira	**Notes**	**31-Mar-22 IFRS 4**	**Adj**	**31-Mar-22 IFRS 17**	**31-Mar-22 IFRS 4**	**Adj**	**31-Mar-22 IFRS 17**
Gross premium written		**24,663,743**	**(24,663,743)**	**-**	**24,421,896**	**(24,421,896)**	**-**
Gross premium income		20,224,307	(20,224,307)	-	20,035,668	(20,035,668)	-
Reinsurance expenses		(3,355,398)	3,355,398	-	(3,355,398)	3,355,398	-
Net premium income		**16,868,909**	**(16,868,909)**	**-**	**16,680,270**	**(16,680,270)**	**-**
Fee and commission income							
Insurance contracts		597,391	(597,391)	-	597,391	(597,391)	-
Pension and other contracts		124,714	(124,714)	-	-	-	-
Net underwriting income		**17,591,014**	**(17,591,014)**	**-**	**17,277,661**	**(17,277,661)**	**-**
Claims expenses:						-	
Claims expenses (Gross)		(12,087,229)	12,087,229	-	(12,070,395)	12,070,395	-
Claims expenses recovered from reinsurers		1,009,031	(1,009,031)	-	1,009,031	(1,009,031)	-
Claims expenses (Net)		**(11,078,198)**	**11,078,198**	**-**	**(11,061,364)**	**11,061,364**	**-**
Underwriting expenses		(2,867,079)	2,867,079	-	(2,833,722)	2,833,722	-
Change in life fund		(2,115,317)	2,115,317	-	(2,115,317)	2,115,317	-
Change in annuity fund		(1,115,987)	1,115,987	-	(1,115,988)	1,115,988	-
Change in other investment contracts		(701,589)	701,589	-	(701,589)	701,589	-
Total underwriting expenses		**(17,878,171)**	**17,878,171**	**-**	**(17,827,980)**	**17,827,980**	**-**
Insurance Service Result							
Insurance Revenue		-	11,836,872	11,836,872	-	11,573,711	11,573,711
Insurance Service Expense		-	(9,762,418)	(9,762,418)	-	(9,762,418)	(9,762,418)
Net Expenses from Reinsurance Contracts		-	(1,607,717)	(1,607,717)	-	(1,607,717)	(1,607,717)
Insurance service result		**-**	**466,737**	**466,737**	**-**	**203,576**	**203,576**
Investment income		3,697,341	(291,558)	3,405,783	3,400,624	(291,558)	3,109,066
Profit from deposit administration		37,427	29,408	66,835	37,427	29,408	66,835
Net realised (loss)/gain		(391,199)	-	(391,199)	(391,199)	0	(391,199)
Net fair value losses		1,144,899	306,099	1,450,998	1,144,899	306,099	1,450,998
Other operating income		117,365	-	117,365	85,051	-	85,051
Net investment income		**4,605,833**	**43,949**	**4,649,782**	**4,276,802**	**43,949**	**4,320,751**
Net Finance Expenses from Insurance Contracts		-	(736,264)	(736,264)	-	(736,264)	(736,264)
Net Finance Income from Reinsurance Contracts		-	145,572	145,572	-	145,572	145,572
Net insurance finance expenses		**-**	**(590,692)**	**(590,692)**	**-**	**(590,692)**	**(590,692)**
Net insurance and investment result		**4,318,675**	**207,151**	**4,525,827**	**3,726,483**	**207,152**	**3,933,635**
Personnel expenses		(944,554)	-	(944,554)	(784,478)	-	(784,478)
Other operating expenses		(2,017,926)	-	(2,017,926)	(1,948,853)	1	(1,948,852)
Impairment (charges)/reversal		-	-	-	-	-	-
Profit before income tax from continuing operations		**1,356,196**	**207,151**	**1,563,347**	**993,152**	**207,153**	**1,200,306**
Income tax expense		(11,109)	-	(11,109)	-	-	-
Minimum tax		-	-	-	-	-	-
Profit after tax from continuing operations		**1,345,087**	**207,152**	**1,552,238**	**993,152**	**207,153**	**1,200,306**
Discontinued operations							
Profit from discontinued operations (net of tax)		3,389,838	1	3,389,839	3,389,777	-	3,389,777
Profit for the period		**4,734,925**	**207,153**	**4,942,078**	**4,382,929**	**207,153**	**4,590,082**
Attributable to owners of the parent		4,680,159	207,153	4,887,312	4,382,929	207,153	4,590,082
Attributable to non-controlling interest holders		54,766	-	54,766	-	-	-
		4,734,925	**207,153**	**4,942,078**	**4,382,929**	**207,153**	**4,590,082**
Other comprehensive income, net of tax							
Fair value loss on financial assets		466,804	-	466,804	84,498	-	84,498
Fair value loss on equity securities		3,810	-	3,810	-	-	-
Total other comprehensive (loss)/ income		**470,614**	**-**	**470,614**	**84,498**	**-**	**84,498**
						-	
Total comprehensive income for the period		**5,205,539**	**207,153**	**5,412,692**	**4,467,427**	**207,153**	**4,674,580**
			-			-	
Attributable to owners of the parent		5,112,161	207,153	5,319,314	4,467,427	207,153	4,674,580
Attributable to non-controlling interests		93,378	-	93,378	-	-	-
		5,205,539	**207,153**	**5,412,692**	**4,467,427**	**207,153**	**4,674,580**

OTHER NATIONAL DISCLOSURES

Revenue Account of General Business

In thousands of naira	**Fire**	**Motor**	**Casualty**	**Employer's Liabilty**	**Marine**	**Personal Accident**	**Special Oil**	**Agriculture**	**Total 31-Mar-23**	**Total 31-Mar-22**
Direct Premium	1,890,010	1,280,126	1,535,217	135,261	2,029,218	414,152	4,236,367	7,885	**11,528,235**	8,711,530
Inward Premium	20,255	9,318	11,044	771	1,514	763	-	-	**43,665**	41,080
Gross Written Premium	1,910,264	1,289,444	1,546,262	136,031	2,030,732	414,915	4,236,367	7,885	**11,571,900**	8,752,611
Changes in unexpired risk premuim	(599,016)	(585,496)	(652,754)	(84,203)	(725,770)	(81,826)	(1,570,790)	245	**(4,299,610)**	(3,391,449)
Gross Premium Income	1,311,248	703,948	893,508	51,828	1,304,962	333,088	2,665,577	8,130	**7,272,291**	5,361,161
Reinsurance Cost	(939,217)	(16,070)	(522,276)	(9,551)	(545,807)	(73,972)	(1,896,525)	(7,149)	**(4,010,566)**	(2,681,737)
Net Premium Income	372,031	687,879	371,231	42,277	759,155	259,117	769,052	981	**3,261,724**	2,679,424
Commission received	222,999	3,121	134,687	4,927	114,060	27,317	1,023	1,296	**509,430**	460,541
Total Underwriting Income	**595,030**	**690,999**	**505,919**	**47,204**	**873,215**	**286,433**	**770,075**	**2,278**	**3,771,154**	**3,139,966**
Expense										
Claims	1,435,908	187,721	145,115	8,818 -	249,747	419	162,728	-	**1,690,962**	1,110,480
Increase in claims incurred but not reported (IBNR)	182,690	-	40,897	-	-	8,516	-	-	**232,103**	425,410
Gross Claims Incurred	1,618,598	187,721	186,012	8,818	(249,747)	8,935	162,728	-	**1,923,065**	1,535,889
Reinsurance claims Recovery	(1,142,251)	(18,534)	(34,750)	(6,935)	264,093	66	(194,788)	(44)	**(1,133,144)**	(385,648)
Net Claims Incurred	**476,347**	**169,187**	**151,262**	**1,883**	**14,345**	**9,001**	**(32,061)**	**(44)**	**789,921**	**1,150,241**
Commission	232,663	68,045	150,648	7,946	156,036	44,239	260,811	918	**921,306**	845,862
Maintenance costs	105,086	48,710	50,309	6,406	30,735	390,524	129,830	364	**761,965**	301,797
Total Underwriting expenses	814,096	285,942	352,218	16,236	201,117	443,764	358,580	1,238	**2,473,193**	2,297,900
Underwriting profit / (loss)	**(219,067)**	**405,057**	**153,700**	**30,968**	**672,098**	**(157,331)**	**411,495**	**1,039**	**1,297,961**	**842,066**

Revenue Account of Life Business

In thousands of naira	ORDINARY LIFE	ANNUITY	GROUP LIFE	Total 31-Mar-23	Total 31-Mar-22
Income					
Gross Premium Written	11,320,822	4,339,654	4,183,439	19,843,915	15,669,285
Changes in Unearned premium	-	-	(1,885,601)	(1,885,601)	(994,779)
Gross Premium Income	**11,320,822**	**4,339,654**	**2,297,838**	**17,958,314**	**14,674,507**
Less: Reinsurance Costs	(553)	-	(468,887)	(469,440)	(673,661)
Net Premium Income	11,320,269	4,339,654	1,828,951	17,488,874	14,000,846
Commission Received	143	-	312,088	312,230	136,850
Total underwriting Income	**11,320,412**	**4,339,654**	**2,141,038**	**17,801,105**	**14,137,696**
Expenses					
Claims Expenses					
Direct Claims	85,973	82,697	678,980	847,650	1,754,957
Withdrawals	307,577	2,933,425	-	3,241,002	1,778,766
Maturity	6,566,494	-	-	6,566,494	4,858,731
Surrender	1,192,642	-	-	1,192,642	1,448,687
Increase/Decrease in Outstanding Claims/IBNR	(392,313)	-	377,895	(14,418)	693,364
Gross Claims Incurred	**7,760,374**	**3,016,122**	**1,056,875**	**11,833,371**	**10,534,506**
Recoveries on claims paid	**-**	**-**	(211,571)	(211,571)	(623,383)
Net Claims Incurred	**7,760,374**	**3,016,122**	**845,304**	**11,621,801**	**9,911,124**
Underwriting Expenses:					
Acquisition	953,373	184,596	339,177	1,477,146	1,296,566
Maintenance	127,788	614	343,341	471,744	389,497
Change in Life Fund	(1,822,461)	(1,163,384)	-	(2,985,846)	3,932,893
Total Underwriting Expenses	**7,019,074**	**2,037,948**	**1,527,823**	**10,584,844**	**15,530,080**
Underwriting (loss)/Profit	**4,301,338**	**2,301,706**	**613,216**	**7,216,260**	**(1,392,384)**