

# AIICO INSURANCE PLC 2021 1ST QUARTER UNAUDITED FINANCIAL REPORT

## CONSOLIDATED & SEPARATE STATEMENT OF FINANCIAL POSITION FOR THE PERIOD ENDED 31 MARCH 2021

	Group		Parent	
<i>In thousands of naira</i>	31-Mar-21	31-Dec-20	31-Mar-21	31-Dec-20
<b>Assets</b>				
Cash and cash equivalents	19,710,558	31,913,335	6,508,560	9,279,385
Financial assets	170,809,733	188,342,047	144,080,470	166,074,396
Trade receivables	1,615,706	937,078	1,194,406	897,596
Reinsurance assets	8,794,622	7,496,395	8,794,622	7,496,395
Deferred acquisition costs	1,104,547	582,265	1,104,547	582,265
Other receivables and prepayments	2,686,582	2,426,871	1,370,932	726,262
Deferred tax assets	6,168	6,168	-	-
Investment in subsidiaries	-	-	1,087,317	1,087,317
Investment properties	758,000	758,000	758,000	758,000
Goodwill and other intangible assets	879,360	889,082	855,390	862,379
Property and equipment	6,980,610	7,009,404	6,639,179	6,705,570
Statutory deposits	500,000	500,000	500,000	500,000
Assets classified as held for sale	2,384,913	2,237,780	1,365,042	1,365,042
<b>Total assets</b>	<b>216,230,799</b>	<b>243,098,424</b>	<b>174,258,464</b>	<b>196,334,608</b>
<b>Liabilities</b>				
Insurance contract liabilities	114,454,987	136,078,388	114,254,039	135,856,973
Investment contract liabilities	21,254,874	21,835,376	21,254,874	21,835,376
Trade payables	2,223,117	2,020,724	2,017,920	1,963,893
Other payables and accruals	2,873,692	4,774,609	2,028,772	3,892,160
Fixed income liabilities	38,954,506	43,046,848	-	-
Current income tax payable	415,767	358,099	379,597	307,621
Deferred tax liabilities	8,837	8,837	-	-
Liabilities attributable to assets held for sale	423,942	316,462	-	-
<b>Total liabilities</b>	<b>180,609,720</b>	<b>208,439,343</b>	<b>139,935,202</b>	<b>163,856,023</b>
<b>Equity</b>				
Issued share capital	7,843,988	7,843,988	7,843,988	7,843,988
Share premium	7,037,181	7,037,181	7,037,181	7,037,181
Revaluation reserve	1,812,707	1,812,707	1,812,707	1,812,707
Fair value reserve	(985,300)	(507,416)	38,560	(438,588)
Foreign exchange gains reserve	175,600	175,600	175,600	175,600
Contingency reserve	7,671,840	7,213,594	7,671,840	7,213,594
Retained earnings	10,974,426	9,924,143	9,743,387	8,834,102
Statutory reserve of disposal assets classified as held for sale	202,042	202,042	-	-
<b>Shareholders' funds</b>	<b>34,732,482</b>	<b>33,701,838</b>	<b>34,323,263</b>	<b>32,478,584</b>
Non-controlling interests	888,596	957,243	-	-
<b>Total equity</b>	<b>35,621,078</b>	<b>34,659,081</b>	<b>34,323,263</b>	<b>32,478,584</b>
<b>Total liabilities and equity</b>	<b>216,230,799</b>	<b>243,098,424</b>	<b>174,258,464</b>	<b>196,334,608</b>

These consolidated and separate financial statements were approved by the Board of Directors on 29 April 2021 and signed on its behalf by:



**Mr. Oladeji Oluwatola**  
Chief Financial Officer

FRC/2013/ICAN/0000004910



**Mr. Babatunde Fajemirokun**  
Managing Director/ Chief Executive Officer

FRC/2015/MULTI/00000019973



**Mr. Kundan Sainani**  
Chairman

FRC/2013/IODN/00000003622

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Authorized and Regulated by the National Insurance Commission. RIC No. 004

## CONSOLIDATED & SEPARATE STATEMENTS OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME FOR THE PERIOD ENDED 31 MARCH 2021

	Group		Parent	
<i>In thousands of naira</i>	31-Mar-21	31-Mar-20	31-Mar-21	31-Mar-20
<b>Gross premium written</b>	<b>19,690,579</b>	<b>17,550,885</b>	<b>19,396,246</b>	<b>17,264,762</b>
Gross premium income	17,349,920	15,193,853	17,169,322	15,047,570
Reinsurance expenses	(3,164,082)	(1,886,233)	(3,164,082)	(1,886,233)
Net premium income	<b>14,185,838</b>	<b>13,307,620</b>	<b>14,005,240</b>	<b>13,161,337</b>
<b>Fee and commission income</b>				
Insurance contracts	483,073	469,997	483,073	469,997
Pension and other contracts	390,265	258,300	-	-
<b>Net underwriting income</b>	<b>15,059,177</b>	<b>14,035,916</b>	<b>14,488,313</b>	<b>13,631,334</b>
<b>Claims expenses:</b>				
Claims expenses (Gross)	(12,608,013)	(9,960,280)	(12,587,124)	(9,921,811)
Claims expenses recovered from reinsurers	1,631,541	2,241,503	1,631,541	2,241,503
<b>Claims expenses (Net)</b>	<b>(10,976,472)</b>	<b>(7,718,777)</b>	<b>(10,955,583)</b>	<b>(7,680,308)</b>
Underwriting expenses	(2,196,786)	(1,743,231)	(2,176,781)	(1,736,260)
Change in life fund	10,797,784	(2,624,877)	10,797,784	(2,624,877)
Change in annuity fund	14,394,834	(1,104,465)	14,394,834	(1,104,465)
Change in other investment contracts	618,889	(975,592)	618,889	(975,592)
<b>Total underwriting expenses</b>	<b>12,638,250</b>	<b>(14,166,942)</b>	<b>12,679,143</b>	<b>(14,121,502)</b>
<b>Underwriting (loss)</b>	<b>27,697,427</b>	<b>(131,026)</b>	<b>27,167,456</b>	<b>(490,168)</b>
Investment income	2,728,661	3,766,223	2,894,671	2,465,308
Profit from deposit administration	29,592	24,349	29,592	24,349
Net realised gains	4,868,591	286,215	4,868,591	286,215
Net fair value gains	(31,708,606)	642,116	(31,708,606)	642,116
Other operating income	267,183	168,297	29,271	109,797
Personnel expenses	(874,485)	(947,988)	(694,863)	(751,431)
Other operating expenses	(1,429,192)	(1,364,320)	(1,146,604)	(1,070,956)
Finance cost	-	(1,024,685)	-	(47,489)
<b>Profit before income tax from continuing operations</b>	<b>1,579,170</b>	<b>1,419,181</b>	<b>1,439,508</b>	<b>1,167,741</b>
Income tax expense	(72,826)	435,661	(71,976)	441,415
Minimum tax	-	-	-	-
<b>Profit after tax from continuing operations</b>	<b>1,506,344</b>	<b>1,854,841</b>	<b>1,367,532</b>	<b>1,609,156</b>
<b>Discontinued operations</b>				
Profit after tax from discontinued operations	39,653	22,308	-	-
<b>Profit for the year</b>	<b>1,545,997</b>	<b>1,877,149</b>	<b>1,367,532</b>	<b>1,609,156</b>
<b>Attributable to shareholders</b>	<b>1,508,529</b>	<b>1,837,999</b>	<b>1,367,532</b>	<b>1,609,156</b>
<b>Attributable to non-controlling interest holders</b>	<b>37,468</b>	<b>39,150</b>	<b>-</b>	<b>-</b>
<b>Other comprehensive income, net of tax</b>	<b>1,545,997</b>	<b>1,877,149</b>	<b>1,367,532</b>	<b>1,609,156</b>
<b>Items within OCI that may be reclassified to profit or loss in subsequent periods:</b>				
Net (loss) / gain on financial assets	(583,999)	(1,847,698)	477,148	(1,185,593)
Impairment reversal on FVTOCI	-	-	-	-
<b>Items within OCI that will not be reclassified to profit or loss in subsequent periods:</b>				
Fair value (loss) on equity securities	-	(12,097)	-	-
<b>Total other comprehensive (loss)/ income</b>	<b>(583,999)</b>	<b>(1,859,796)</b>	<b>477,148</b>	<b>(1,185,593)</b>
<b>Total comprehensive profit for the year</b>	<b>961,999</b>	<b>17,353</b>	<b>1,844,680</b>	<b>423,563</b>
<b>Attributable to shareholders</b>	<b>1,068,113</b>	<b>67,375</b>	<b>1,844,680</b>	<b>423,563</b>
<b>Attributable to non-controlling interests</b>	<b>(106,115)</b>	<b>(50,022)</b>	<b>-</b>	<b>-</b>
<b>Basic earnings per share (Kobo)</b>	<b>961,999</b>	<b>17,353</b>	<b>1,844,680</b>	<b>423,563</b>
Diluted earnings per share (Kobo)	10	27	9	23
	10	27	9	23

## CONSOLIDATED & SEPARATE STATEMENTS OF CASH FLOWS FOR THE PERIOD ENDED 31 MARCH 2021

	Group		Parent	
	2021	2020	2021	2020
<b>Operating activities:</b>				
Total premium received	19,696,843	16,276,323	19,099,436	16,518,717
Commission received	873,339	1,229,778	829,769	316,912
Commission paid	(2,244,135)	(1,974,228)	(2,163,107)	(1,921,471)
Premium paid in advance	897,083	(296,394)	897,083	(296,394)
Unallocated premium	684,892	-	684,892	-
Reinsurance premium paid	(4,584,017)	(3,215,821)	(4,584,017)	(3,215,821)
Gross benefits and claims paid	(11,339,345)	(9,134,477)	(11,224,365)	(9,020,246)
Claims recoveries	1,949,695	3,399,168	1,949,695	3,399,168
Receipt from deposit administration	46,585	29,870	46,585	29,870
Withdrawal from deposit administration	(29,964)	(25,167)	(29,964)	(25,167)
Other underwriting expenses paid	(517,437)	(234,737)	(517,437)	(234,737)
Payments to employees	(874,485)	(1,133,914)	(694,863)	(751,431)
Other operating cash payments	(3,299,954)	1,581,302	(2,975,503)	160,935
Other income received	312,792	170,047	74,590	111,547
Fixed income received	(4,092,342)	9,648,912	-	-
Income tax paid	(15,158)	(67,080)	-	-
<b>Net cash flows from/ (used in) operating activities</b>	<b>(2,535,609)</b>	<b>16,253,582</b>	<b>1,392,793</b>	<b>5,071,881</b>
<b>Investing activities:</b>				
Interest income received	(5,220,815)	1,080,261	(5,404,805)	(2,804)
Purchase of property and equipment	(140,223)	(340,562)	(65,459)	(327,695)
Purchase of intangibles	1,958	(12,505)	-	-
Proceeds from sale of property and equipment	322,528	1,407	-	1,407
Purchase of financial assets at amortized cost	(29,925,339)	(9,138,411)	(24,824,047)	(4,956,064)
Purchase of financial assets at FVTOCI	(28,764,759)	(31,021,175)	(4,648,793)	(13,122,578)
Purchase of financial assets at FVTPL	(18,739,484)	(107,685,241)	(18,739,484)	(107,685,241)
Proceed on disposal/ redemption of financial assets	74,617,805	138,895,273	49,518,972	119,028,028
<b>Net cash flows from/ (used in) investing activities</b>	<b>(7,848,329)</b>	<b>(8,220,952)</b>	<b>(4,163,616)</b>	<b>(7,064,947)</b>
<b>Financing activities:</b>				
Principal & interest payment on borrowings	-	(541,390)	-	(541,390)
<b>Net cash flows (used in)/ from financing activities</b>	<b>-</b>	<b>(541,390)</b>	<b>-</b>	<b>(541,390)</b>
Net increase in cash and cash equivalents	(10,383,937)	7,491,239	(2,770,823)	(2,534,456)
Cash and cash equivalents at 1 January	31,913,335	10,080,164	9,279,385	8,166,352
Included in the assets of the disposal group	(1,818,837)	-	-	-
Cash and cash equivalents as at 31 December	<b>19,710,558</b>	<b>17,571,404</b>	<b>6,508,560</b>	<b>5,631,896</b>