

AIICO INSURANCE PLC
EARNINGS FORECAST FOR THE THIRD QUARTER ENDING 30 SEPTEMBER 2021
NOTES

- Gross Written Premium projected for the third quarter of 2021 is N53.82 billion representing 75% of 2021 full year budget.
- The Non-Life business represents 28% of the stated GWP while the Ordinary Life, Group Life and Annuity businesses represent 60%, 10% and 2% respectively.
- Investment income will be driven largely by our bond investments and our investment in other short term financial assets.
- The following non cash transactions were included in the Statement of Profit or Loss and Other comprehensive income:
 - Depreciation of Non-current asset in line with the Group's policy
 - Amortization of intangible assets
 - Net fair value gain/loss on financial assets.
- Reinsurance expenses is projected at an average of 9% of the projected Gross Written Premium.

QUARTER: THIRD QUARTER
FROM JULY 1, 2021
TO SEPTEMBER 30, 2021

	SEPTEMBER N'000
Gross Written Premium	53,823,905
Unexpired Risk Premium	(4,626,349)
Gross Premium Income	49,197,555
Reinsurance costs	(6,058,376)
Net Premium Income	43,139,179
Commission received	1,350,426
Total Insurance Income	44,489,605
Net Claims incurred	29,903,445
Underwriting expense (Commission and maintenance)	6,003,418
Change in Life Fund	9,386,080
Total Underwriting costs	45,292,943
Underwriting profit	(803,337)
Investment Income	9,594,466
Profit from Deposit Administration	85,606
Other income	654,744
Total Operating Income	9,531,479
Overhead	(6,412,822)
Profit Before Tax	3,118,657
Taxation	(66,423)
Profit After Tax	3,052,234

AIICO INSURANCE PLC- CASHFLOW FORECAST FOR THE THIRD QUARTER ENDING 30
SEPTEMBER 2021
QUARTER: THIRD QUARTER
FROM JULY 1, 2021
TO SEPTEMBER 30, 2021

	SEPTEMBER N'000
Net cash flows from operating activities	2,703,790
Net cash flows from investing activities	(40,643)
Net cash flows from financing activities	-
Net increase in cash and cash equivalents	2,663,147
Cash and cash equivalents - Opening	9,279,577
Cash and cash equivalents - Closing	11,942,724

Our business is cyclical by nature, in which profits do not accrue evenly over the months but rather accrues more in the second half than the first half. Hence, the forecast for second half is better than the first half forecast.

Babatunde Fajemirokun (MD)



Date: 10 June 2021

Oladeji Oluwatola (CFO)



Date: 10 June 2021

"AIICO Insurance Plc has a dedicated investors' portal on its corporate website which can be accessed via this link: <https://www.aicopl.com/index.php/about-us-aiico/investorrelations>. The Company's Investors' Relations Officer can also be reached through electronic mail at: ir@aicopl.com ; or telephone on: +234 (0)809 229 9108 for any investment related enquiry".