

AIICO INSURANCE PLC
EARNINGS FORECAST FOR THE 2ND QUARTER ENDING 30 JUNE 2023

NOTES

This is prepared using IFRS 4 reporting format, however, the actual result will be published using IFRS 17 format. The Company is finalising its adoption of IFRS 17 and intends to run IFRS 17 in 2023. We expect the differential between the Q2 2023 IFRS 4 forecasted PAT below and the actual IFRS 17 PAT in Q2 2023 not to exceed 30%.

- Gross Written Premium projected for Q2 2023 is N50.2 billion.
- The Non-Life business represents 31.4% of the stated GWP while the Ordinary Life, Group Life and Annuity businesses represent 50.3%, 10.6% and 7.7% 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 assets, 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 11.3% of the projected Gross Written Premium.

PERIOD: 2ND QUARTER 2023
FROM JANUARY 1, 2023
TO JUNE 30, 2023

	Jun-23 N'000	Jun-22 N'000	Variance
Gross Written Premium	50,184,602	45,484,485	10%
Unexpired Risk Premium	-4,455,019	-4,910,758	-9%
Gross Premium Income	45,729,583	40,573,727	13%
Reinsurance costs	-5,667,236	-6,546,274	-13%
Net Premium Income	40,062,347	34,027,453	18%
Commission received	1,320,207	1,504,224	-12%
Total Insurance Income	41,382,554	35,531,677	16%
Net Claims incurred	-24,630,628	-21,838,493	13%
Underwriting expense (Commission and maintenance)	-6,839,640	-5,786,547	18%
Change in Life Fund	-12,176,751	-7,703,226	58%
Total Underwriting costs	-43,647,019	-35,328,266	24%
Underwriting profit	-2,264,465	203,411	-1213%
Investment Income and other income	10,658,445	8,116,972	31%
Fair value gain/(loss)	-	-556,709	-100%
Profit from Deposit Administration	92,047	66,333	39%
Total Operating Income	8,486,027	7,830,007	8%
Overhead	-6,160,444	-5,586,886	10%
Profit Before Tax	2,325,583	2,243,121	4%
Taxation	-101,528	-191,737	-47%
Profit After Tax	2,224,056	2,051,385	8%
Profit from discontinued operations	-	2,872,747	-100%
Profit After Discontinued Operations	2,224,056	4,924,132	-55%

AIICO INSURANCE PLC- CASHFLOW FORECAST FOR THE 2ND QUARTER ENDING 30 JUNE 2023

PERIOD: 2ND QUARTER, 2023
FROM JANUARY 1, 2023
TO JUNE 30, 2023

	Jun-23 N'000
Net cash flows from operating activities	6,723,531
Net cash flows from investing activities	-7,631,394
Net cash flows from financing activities	-1,339,021
Net increase in cash and cash equivalents	-2,246,885
Cash and cash equivalents - Opening	18,016,805
Included in the assets of the disposal group	
Cash and cash equivalents - Closing	15,769,920

Babatunde Fajemirokun (MD)



Date: 10 March 2023

Oladeji Oluwatola (CFO)



Date: 10 March 2023

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