



2024

**Annual Report
& Accounts**

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NAICOM/CA/ADV/2025/5413

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NOTICE OF ANNUAL GENERAL MEETING

NOTICE IS HEREBY GIVEN that the Forty-Eight (48th) Annual General Meeting (“AGM”) of the members of VERITAS CAPITAL ASSURANCE PLC (“the Company”) will be held on Friday, the 31st of October 2025, at Shehu Musa Yar’Adua Centre, One Memorial Drive, Central Business District, Abuja-FCT, at 11:00 am to transact the following:

ORDINARY BUSINESS

1. To lay before the members, the Audited Financial Statements of the Company for the year ended December 31, 2024, together with the Reports of the Directors, Auditors, and Audit Committee thereon.
2. To ratify the appointment of the following Directors:
 - a. Dr. Adaobi Nwakuche - Executive Director
 - b. Mr. Babatunde Irukera - Non-Executive Director

The National Insurance Commission has approved the appointment of the Directors. The profiles of the aforementioned Directors are available in the Annual Report and also on the Company’s website www.veritaskapital.com
3. To authorize the Directors to fix the remuneration of the External Auditors, Messrs Ernst and Young.
4. To elect members of the Statutory Audit Committee.
5. To re-elect the following Directors retiring by rotation and who, being eligible, have offered themselves for re-election:
 - a. Dr. Oluwafunsho Obasanjo
 - b. Mrs. Priya Heal
 - c. Hajia Yabawa Lawan Wabi mni
6. To disclose the remuneration of Managers of the Company.

SPECIAL BUSINESS

7.
 - a. That the Board of Directors of the Company be and is hereby authorised to raise capital of up to ₦15,000,000,000 (fifteen billion Naira) or such other amount as it may determine by way of a Private Placement (“Equity Issue”), on such terms and conditions, including price, and on dates and time, as may be determined by the Board of Directors (the “Board”) of the Company, subject to obtaining all relevant regulatory approvals (the “Transaction”).
 - b. That the share capital of the Company be and is hereby increased to such amount as may be determined by the Board of Directors ranking pari passu in all respects with the existing ordinary shares of the Company and that the new shares thus created be allotted pursuant to the Equity Issue and registered with the Securities & Exchange Commission, the Corporate Affairs commission and the Nigerian Exchange Limited and consequently that the Memorandum and Articles of Association of the Company be amended accordingly to reflect the Company’s new share capital and any applicable amendment in line with the Companies and Allied Matters Act (CAMA 2020) there to.
 - c. That the Board of Directors be and is hereby authorised to approve, sign and/or execute all documents, appoint such professional parties and advisers, as may be necessary to give effect to the above resolutions, including, without limitation, complying with the directives of any regulatory authority.
 - d. That all acts carried out by the Board of Directors and/or Management of the Company in connection with the above be and are hereby approved and ratified.
 - e. That the Board of Directors be and are hereby authorised to perform other acts, take other steps or do all such other things as may be necessary for or incidental to, or as they deem appropriate to give effect to the spirit and intendments of the above resolutions.
8. To approve the remuneration of the Non-Executive Directors of the Company for the year ending December 31, 2025.
9. To appoint Planet Governance Advisory Limited as Board Evaluation Consultant.

Dated this 25th day of September 2025

BY THE ORDER OF THE BOARD



SARATU UMAR GARBA
Company Secretary
FRC/2019/PRO/NBA/004/00000019159

NOTES	
1.	PROXY A member of the Company entitled to attend and vote at the Annual General Meeting (AGM) is entitled to appoint a proxy in his/her stead. A proxy need not be a member of the Company. A proxy form is attached at the end of the Annual Report. For the appointment to be valid, all valid instruments of proxy should be completed, duly stamped at the Stamp Duties Office, and deposited at the registered office of the Company, or office of the Registrars, Unity Registrars Limited, No 25 Ogunlana Drive, Surulere, Lagos not more than 48 hours before the time of the meeting, or through the following email address: info@unityregistrarsng.com.
2.	STAMPING OF PROXY FORM The Company has made arrangements at its cost for the stamping of the duly completed and signed proxy forms submitted to the Company's Registrars within the stipulated time.
3.	AUDIT COMMITTEE In accordance with Section 404(3) of the Companies and Allied Matters Act 2020, the Audit Committee shall consist of five members comprising three Shareholders and two Non-Executive Directors. Section 404(6) of the Act also provides that any member may nominate a shareholder as a member of the Audit Committee by giving notice in writing of such nomination to the Company Secretary at least twenty-one days before the Annual General Meeting. The Financial Reporting Council's Nigeria Code of Corporate Governance provides that all members of the Audit Committee should be financially literate and be able to read and understand financial statements. Consequently, a detailed curriculum vitae confirming the nominee's qualifications should be submitted with each nomination. We, therefore, request that nominations be accompanied by a copy of the nominee's curriculum vitae.
4.	APPOINTMENT OF DIRECTORS Dr. Adaobi Nwakuche and Mr. Babatunde Irukera have been appointed as Managing Director/CEO and a Non-Executive Director, respectively, to fill existing vacancies. Their profiles have been provided in the Annual Report.
5.	RE-ELECTION OF DIRECTORS In accordance with Section 285(1) of the Companies and Allied Matters Act, 2020, the Directors to retire by rotation are Dr. Oluwafunsho Obasanjo, Mrs. Priya Heal and Hajia Yabawa Lawan Wabi and who, being eligible, have offered themselves for re-election: Their profiles alongside the other Directors are contained in this Annual Report and available on the Company's website at www.veritaskapital.com.
6.	SHAREHOLDERS' RIGHT TO ASK QUESTIONS Any member attending the meeting reserves the right to ask questions not only at the meeting but also, in writing, before the meeting. Any question, observation, or comment should be forwarded to the Company Secretariat, Veritas Kapital Assurance Plc, Plot 497 Abogo Largema Street, Off Constitutional Avenue, CBD, Abuja, not later than 7 days before the time fixed for the meeting.
7.	E-DIVIDEND MANDATE Shareholders who are yet to complete the E-Dividend Form or who need to update their records and relevant bank accounts are urged to complete the e-dividend Form which can be detached/downloaded from the Annual Report and Accounts as well as from the website of the Company www.veritaskapital.com or that of the Registrar, www.unityregistrarsng.com. The duly completed form should be returned to Unity Registrars Limited, 25 Ogunlana Drive, Surulere, Lagos, or via email info@unityregistrarsng.com.
8.	UNCLAIMED DIVIDEND AND SHARE CERTIFICATES Shareholders are hereby informed that some Dividends have remained unclaimed and returned to the Registrars, Unity Registrars Limited, No. 25 Ogunlana Drive, Surulere, Lagos, or via email to info@unityregistrarsng.com.
9.	CLOSURE OF REGISTER OF MEMBERS The Register of Members will be closed from 28th October - 29th October 2025 (both days inclusive).
10.	ELECTRONIC ANNUAL REPORT The electronic version of the Annual Report is available at www.veritaskapital.com. Shareholders who have provided their email addresses to the Registrars will receive the electronic version of the Annual Report via email. Furthermore, shareholders who are interested in receiving the electronic version of the Annual Report are kindly required to request it via e-mail to info@unityregistrarsng.com.
11.	WEBSITE A copy of this notice and other information relating to the meeting can be found at www.veritaskapital.com.
12.	LIVE STREAMING OF THE AGM In addition to the onsite participation, the meeting will be streamed live to enable shareholders, representatives of regulatory bodies, and other stakeholders to follow the proceedings in real time. The link for the live streaming of the meeting is https://veritaskapital.com/48thAGM/livestream.html also found on the Company's website at www.veritaskapital.com and will be streamed on all the Company's social media channels.

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CORPORATE INFORMATION

Membership of the Board of Directors during the year ended 31 December, 2024

1	Mr. Nahim Abe Ibraheem	Non Executive Director/ CHAIRMAN <i>Resigned from the Board on 2nd May, 2025</i>
2.	Hajia. Yabawa Lawan Wabi (mni)	Non-Executive Director
3.	Mr. Aminu Babangida	Non-Executive Director
4.	Mrs. Priya Heal	Non-Executive Director
5.	Mr. Paul Oki	Independent Non-Executive Director
6.	Mr. Emmanuel Etuh	Non-Executive Director
7.	Dr. Oluwafunsho A. Obasanjo	Non-Executive Director
8.	Sen. Maj. Gen. M. Magoro (OFR)	Non-Executive Director <i>Tenure expired on 22nd May, 2024</i>
9.	Dr. Adaobi Nwakuche	Managing Director/CEO
10.	Mr. Sunkanmi Adekeye	Executive Director, Operations

COMPANY SECRETARY Ms. Saratu Umar Garba FRC/2019/PRO/NBA/004/00000019159			
REGISTERED OFFICE Plot 497, Abogo Largema Street Off Constitution Avenue Central Business District Abuja - FCT		FRC REGISTRATION NO FRC/2013/0000000000717 RC NO 11785 www.veritaskapital.com	
RE-INSURERS African Reinsurance Corporation Continental Reinsurance Corporation WAICA Reinsurance Corporation Nigerian Reinsurance Corporation CK Reinsurance Ltd London Score Reinsurance Ltd CICA Reinsurance Ltd		BANKERS Providus Bank Limited Guarantee Trust Bank Limited First Bank of Nigeria Limited Fidelity Bank Plc Keystone Bank Limited Sterling Bank Plc Access Bank Plc Unity Bank Plc	EXTERNAL AUDITORS Ernst & Young Nigeria (Chartered Accountants) 10th & 13th Floor, UBA House 57 Marina, Lagos, Nigeria
ACTUARIES O & A Hedge Actuarial Consulting (Consulting Actuaries & Chartered Insurers) FRC/2016/NAS/00000015764 Suite 28, Motorways Centre (Opposite 7UP Bottling Plant) - No. 1 Motorways Avenue, Alausa Ikeja - Lagos, Nigeria		PROPERTY VALUERS Jide Taiwo & Co No 70 Abidjan Street Wuse Zone 3, Abuja Lagos Abuja -FCT	TAX CONSULTANTS Kreston Pedabo Professional Services 67 Norman Williams Street, Ikoyi, Lagos
REGISTRARS Unity Registrars Limited 25 Ogunlana Drive Surulere Lagos.		TAX IDENTIFICATION NUMBER 01129230-0001	
REGULATORY AUTHORITY National Insurance Commission			

BRIEF HISTORY

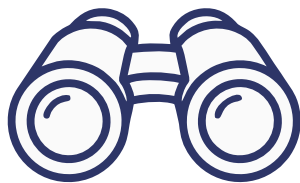
Veritas Kapital Assurance Plc, formerly known as UnityKapital Assurance was incorporated in 1973 as a Private Limited Liability Company, under the name, Kano State Insurance Company Limited with Registration Number RC11785. It started business in 1974 at its Head Office in Kano State. The name was changed to Kapital Insurance Company Limited in 1981.

Following the Insurance Regulation of September 2005, which required Insurance Companies to recapitalize to the level of N3billion for Non-Life Companies and N2billion for Life Companies, three Companies that had over the years shared a similar vision and mission, met and decided to merge and consolidate. The Companies were, Kapital Insurance Company Limited, Intercontinental Assurance Company Limited, and Global Commerce & General Assurance Company Limited.

The Company was registered as a general business company; this move was endorsed and approved by the National Insurance Commission (NAICOM) and offers non-life insurance products and services to individuals and institutions across Nigeria under the following categorization: Insurance of Automobile, Property, Casualty, Transportation, Suretiship, Engineering Services, and Equipments and Energy Insurance.

UnityKapital Assurance Plc rebranded to Veritas Kapital Assurance Plc and currently prides itself as one of the leading insurance companies in Nigeria.





OUR VISION

To be one of the top Insurance Companies of choice in Africa.



OUR MISSION

To help our stakeholders have peace of mind



OUR CORE VALUES

Team-Work
Responsibility
Respect
Integrity
Professionalism
Proactiveness
Shareholder Value
Service Excellence



LIFE CAN BE TOUGH,
BUT **VKA** WILL
HELP YOU
TAKE SHAPE



Website: www.veritaskapital.com

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RESULT AT A GLANCE (GROUP)

Figure in thousands of naira	2024	2023	Changes	
Gross premium	23,694,266	7,563,210	16,131,056	213%
Insurance revenue	23,310,885	7,103,516	16,207,369	228%
Insurance service expense	(18,590,142)	(5,488,154)	(13,101,988)	239%
Insurance service result before reinsurance contracts held	4,720,743	1,615,362	3,105,381	192%
Net expenses from reinsurance contracts held	(8,923,025)	(1,833,101)	(7,089,924)	387%
(Loss)/profit before income tax	(627,549)	2,982,272	(3,609,821)	-121%
Income Tax	(465,319)	(231,985)	(233,334)	101%
(Loss)/profit after income tax	(1,092,868)	2,750,288	(3,843,156)	-140%

RESULT AT A GLANCE (COMPANY)

Figure in thousands of naira	2024	2023	Changes	
Gross premium	23,694,266	7,298,401	16,395,865	225%
Insurance revenue	23,330,242	7,103,516	16,226,726	228%
Insurance service expense	(18,590,142)	(5,488,154)	(13,101,988)	239%
Insurance service result before reinsurance contracts held	4,740,100	1,615,362	3,124,738	193%
Net expenses from reinsurance contracts held	(8,923,025)	(1,833,101)	(7,089,924)	387%
(Loss)/profit before income tax	(1,485,504)	2,417,104	(3,902,608)	-161%
Income Tax	(149,092)	(87,788)	(61,304)	70%
(Loss)/profit after income tax	(1,634,596)	2,329,317	(3,963,913)	-170%



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CHAIRMAN'S STATEMENT

CHAIRMAN'S STATEMENT AT THE 48th ANNUAL GENERAL MEETING OF VERITAS CAPITAL ASSURANCE PLC

Distinguished Shareholders, esteemed members of the Board of Directors, respected Management team, and all our stakeholders here present, good morning, and thank you for joining us today at Veritas Kapital Assurance Plc. 48th Annual General Meeting.

It is with great honor that I stand before you today, as we review our company's performance and achievements over the past year, while also discussing the way forward in what continues to be an ever-changing economic environment.

Global Economy in 2024

2024 saw global economic growth deviating amidst raised uncertainty; almost half of the world's population went to their respective country polls, igniting debates around policy; inflation eased across major economies, with policymakers seemingly successful in engineering a "soft landing"; and risk assets performed well, though the distribution of returns across asset classes expanded.

From the perspective of the world's largest economy (The U.S), agreed estimates projected U.S. growth to regularize. Instead, the U.S. surprised economic watchers with increased uptakes, stirred primarily by robust consumer spending as well as AI-driven private investment. Initial estimations suggested that the U.S. economy expanded by 2.8% in 2024, more than double initial estimates and driving the gap between the U.S. and other developed economies. Amongst emerging economies, the Indian economy topped the league tables, with China managing to achieve its 5% growth target thanks to year-end stimulus.

In 2024, 'Safe-haven' assets, e.g. Gold, thrived. The precious metal climbed 27% amidst record central bank purchases while the U.S. dollar appreciated around 7% as a result of macro conditions, like strong U.S. growth and high U.S. yields, and geopolitical concerns. As a result, the historical negative link between gold and the dollar was tested.

Outside the U.S., European equities struggled alongside a weakening economy, while other emerging markets fared better. Meanwhile, the value of Bitcoin more than doubled, following regulatory approval of spot Exchange-Traded Funds (ETFs), and increased optimism around potential policy changes.

All being said, the year 2024 defied expectations - sometimes for the better, sometimes for the worse.

Domestic Economy

In 2024, the Nigerian economy contended with inflationary burdens, local currency depreciation, and fiscal shortages amidst transformative policy reforms like fuel subsidy removal and foreign exchange unification.

Despite these challenges, GDP growth averaged 3.09%, in the first 3 quarters of 2024, driven by a robust services sector and improved trade balances. However, structural weaknesses in agriculture, manufacturing, and infrastructure remained key hurdles to economic diversification and resilience. Headline inflation averaged 32.92%, and exchange rate volatility significantly strained household incomes and business operations.

Despite economic downturns, the most recent bulletin published by the National Insurance Commission (NAICOM) shows that the Nigerian insurance sector's gross premium maintained its growth trajectory in Q3 2024, reaching N1.1732trn. This implies significant Quarter-on-quarter (QoQ) and year-on-year (YoY) growth of 44% and 61%, respectively; And, as highlighted by the commission, the sustained revenue expansion was primarily driven by increased market penetration, thus enhancing the accessibility of insurance products.

In terms of market size, the industry's total assets amounted to N3.8trn as of the end of September 2024, with non-life business accounting for N2.3trn and life business comprising N1.5trn of the industry's total assets.

Performance Review

The year under review has presented both challenges and opportunities for our company, as we navigated through a turbulent economic landscape characterized by fluctuating market conditions and global uncertainties. However, despite these challenges, Veritas Kapital Assurance demonstrated resilience and strength in its core business areas.

Our financial performance has been robust, with a 225% increase in Gross Premium to N23.694b from N7.298b in 2023. Significant expansion in Insurance Revenue was also recorded, with a 228% growth to N23.330b in 2024 from N7.103b prior year.

Total assets grew organically by 60% from N20.654b in 2023 to N33.061b in 2024, as Shareholders' equity dipped slightly by 10% from N13.173b in 2023 to N11.918b in 2024.

On the flipside, the Company's Profit before Tax (PBT) dropped to - N1.486b in 2024 from N2.417b in 2023; a dip of 161%. A 170% decline was also recorded in terms of Profit after Tax (PAT) from N2.329b in the prior year to -N1.634b in 2024.

Expectations for 2025

Ladies and gentlemen, the Board and management remain committed to providing reasonable returns to shareholders in the short to medium term. We also remain resolute in our goals to promote and increase perception and awareness of the corporate brand that is pitched towards greater market/business penetration.

In the year under review, we embarked on quite a few strategic initiatives aimed at enhancing our market share; which we remain confident will continue to set Veritas Kapital Assurance Plc on a stronger footing in the future e.g. improvement in our operational efficiency; partnership expansion; and a refocus on customer service; all geared towards capitalizing on new growth opportunities in the insurance sector.

Overall, and from a revenue perspective, the Board and Management remain confident that 2025 will remain a going concern for the Company.

Appreciation/Conclusion

As I conclude, I would like to take this opportunity to express my deepest appreciation to you, our esteemed shareholders, for your unwavering support and trust in Veritas Kapital Assurance. To our dedicated management team, employees, and partners, thank you for your hard work, loyalty, and commitment to achieving our shared vision.

I would also like to extend my gratitude to my fellow Board members for their invaluable contributions. Together, we will continue to steer Veritas Kapital Assurance towards even greater success in the coming years.

The future holds immense potential, and as we look ahead, we remain focused on driving growth, innovation, and profitability for the company. I am confident that, with your continued support, Veritas Kapital Assurance will continue to build on its solid foundation and achieve new heights of success.

Thank you.



Aminu Babangida

For: Chairman Board of Directors

MEET THE BOARD OF DIRECTORS



MR. NAHIM ABÉ IBRAHEEM - Chairman

Nahim Abe' Ibraheem holds a B.A History from the University of Lagos obtained in the year 1989. He joined Orbit Communications as a manager in 1990, after which in 1995 he established Soveran Nigeria Limited a specialty procurement and petroleum product distribution company based in Lagos, a company he currently chairs. He is also the Chief Executive of Euronat Nigeria Limited a major indigenous oil product exporting company with principal products such as crude oil, condensate, and fuel oil through the Nigerian National Petroleum Corporation and Nigeria LNG. He has over 25 years of cognitive experience in various fields of business ranging from finance, upstream and downstream oil trade sector, as well as procurement and manufacturing.

He has represented V.Ships Monaco S.A the largest ship management company in the world in Nigeria and was part of the team that provided ship management and manpower services to Shell Bonga, Caverton Marine, and Nigeria LNG. He was the country adviser for Africa Merchant Bank (A Banque Belgoise S.A/Fortis Bank Group Subsidiary) from 2000-2006 who were the financial advisers and co- financial arrangers for the funding of Obajana Cement Project for the Dangote Group of Nigeria.

He has also been a mandated adviser for Société Générale Bank France in Nigeria, he currently sits on the boards of Morris Nigeria Limited and Super-phosphate Fertilizers & Chemicals Limited, Veritas Glanvills Pensions Limited and Lighthouse Capital Limited.

He's attended many training courses and programs both in Nigeria and abroad while he also sits on various board committees in the aforementioned organizations. He's a Member of the Institute Of Directors (Nigeria), Petroleum Equipment Suppliers of America (PESA) as well as the Lagos Polo Club amongst a host of others.



HAJIA YABAWA LAWAN WABI *mni* - Non-Executive Director

Hajia Wabi is an accomplished and versatile individual with deep knowledge and experience in the Nigerian Public Sector. She has held various senior positions in different Nigerian Ministries and Parastatals and has served with distinction as Minister of Finance from 2010 - 2011.

She has demonstrated her sterling leadership attributes while serving as Permanent Secretary at the Ministry of Local Government & Chieftaincy Affairs Borno State, (2009 - 2010); Permanent Secretary, Ministry of Health, Borno State, (2007 - 2008); The Accountant General of Borno State (2003 - 2007), Director of Finance and Accounts at the Ministry of Works & Housing, Borno State, (2002 - 2003) just to name a few.

Hajia Yabawa Wabi is a Member of the Infrastructure Concession Regulatory Commission, and a Non-Executive Director at Unity Bank Plc. She is also a Member of the Institute of Certified Public Accountants of Nigeria, the Chartered Institute of Taxation of Nigeria, the Institute of Directors, and a Fellow of the Association of National Accountants of Nigeria.

Hajia Yabawa Wabi is a graduate of the Ahmadu Bello University, Zaria.



MR. AMINU BABANGIDA - Non-Executive Director

Aminu is the Co-founder and Chief Executive Officer of Phoenix Energy; an energy distribution company that pioneered diesel home delivery services in the North. He is a member of both the Institute of Directors (IoD) and the Bank Directors Association of Nigeria (BDAN).

Aminu served as Chairman at Unity Bank Plc, and has also served in various capacities on a number of committees at the bank such as Chairman, Board Credit Committee; Chairman, Board Governance and Nominations Committee; Member, Board Audit Committee; Member, Board Finance and General Purpose Committee to name a few. He holds an MA from the Westminster Business School, London, and a BA from Regents Business School, London. He also attended the College Du Lemman and the Gstaad International School both in Switzerland, and the College of Petroleum and Energy Studies, Oxford, UK.

Aminu has attended many local and international training and workshops such as a Directors Training on Anti-Money Laundering & Combating of Financing of Terrorism - AML/CFT, facilitated by the CBN, an International Program on effective Enterprise Risk Management Oversight held in London, a workshop on capacity building programme on the Nigerian Sustainable banking principles facilitated by UNEP-FI to name a few.



MR. PAUL OKI - Independent Non-Executive Director

Paul T. Oki combines over twenty-three (23) years of hands-on experience and expertise from strategic business partnerships, company law, compliance, and public policy; acquired from providing advisory services to various Nigerian, U.S., and European clients on significant cross-border transactions and business partnerships in Company Law, Telecommunications, Aviation, Energy and other areas of Commercial Law.

He is a seasoned local and international bureaucrat, who remains a valued consultant to international risk management establishments providing due diligence and compliance advice on Nigerian businesses.

Earning his LLB from the prominent University of Benin in 1997 and being called to the Nigerian Bar in 1998, Paul is also a member of the Nigerian Bar Association (NBA), the Nigerian Corporate Counsel Forum (CCF), a pioneer member of the Governing Council of the Section on Business Law (SBL) a member of the International Bar Association, (IBA) and the Commonwealth Lawyers Association (CLA).

He is also the former Legal Adviser of the Nigerian Gas Association (NGA) and a former Director and Company Secretary of the Nigerian Airspace Management Agency (NAMA). Mr. Oki has distinguished himself in various high-level advisory roles for the Federal and State government(s) of Nigeria; serving diligently as a member on several ministerial committees.



MRS. PRIYA HEAL - Non-Executive Director

Priya is a target-oriented individual whose range of experience over the years has seen her covering various sectors in the business/financial world, establishing a presence in Europe, The Middle East, and Africa.

She is co-founder and Managing Director of CHRONOS Asset Management, an Op-Co with expertise in advising, structuring, financing, managing, and executing large-scale projects. The Company has been tasked with a mandate to manage 5,000

properties within Germany.

Priya has served as Managing Director at FILTERINVEST, Holland; as Restructuring Consultant, Competition Authority (OFT), London, UK; she was a Member of the legal team at GEC Marconi, Surrey, UK; and has also established a local representative office for a Pipeline Integration Company in Johannesburg, South Africa. With a primarily legal educational background and a skill set squarely in execution, Priya attended Yale University, USA; Call To Bar, Lincolns Inn, UK; Inns of Court School of Law, UK; Kings College, UK, LLB Law with German; and The University of Passau, Germany.

She is a goal-oriented achiever whose work goes beyond geographical boundaries. She has worked remarkably in multicultural environments like Dubai, Germany, London, South Africa, and Holland. Ms. Priya Heal is a member of the World Economic Forum.



DR. OLUWAFUNSHO OBASANJO - Non-Executive Director

Funsho is a member of the Institute of Director (IoD); the Chartered Institute of Banking; the Royal Society of Chemistry, and the American Chemical Society.

Dr. Funsho was awarded a Ph.D in Bio-organic Chemistry from the School of Chemistry, University of East Anglia in 2012, and an MSc in Medicinal Chemistry from University College, London (2007).

She also attended St. Edmunds College, Ware, Hertfordshire, UK. She possesses astute research, supervisory and technical experience in Bioinformatics, Chemistry, Analytical Technique and Molecular Biology/Biochemistry.

Dr. Funsho has attended a wide spectrum of regional and international trainings and workshops such as a Credit Approval Procedure organized by the Jafa Group in Ghana, a Business Strategy Retreat organized by Nextzon Business Services, an International Program on Effective Enterprise Risk Management Oversight organized by EuroMoney in London, UK, and many others.



MR. EMMANUEL ETUH - Non-Executive Director

Emmanuel is a financial adviser at TMD Capital Partners, where he specializes in building and managing client portfolios and maximizing local investment opportunities, asset structures, and tax-efficient vehicles. He has private equity experience across a variety of sectors, including information technology, consumer services, retail, media, real estate, and healthcare.

He earlier worked at Banwo & Ighodalo, where he advised on corporate and commercial law, partnerships, foreign investment, and joint venture transactions across finance, international trade, and technology. He also provided support to local and international entities on corporate governance, company secretarial, and regulatory compliance matters. Having worked at the International Bar Association (IBA) London, he developed expertise in international law and policy analytic research. He advised on notable advisory projects concerning countries, such as Ghana, Sudan, Mali, and Turkey relating to constitutional reform, insecurity, immigration control, and climate change.

He serves as a trustee of the Jennifer Etuh Foundation; a non-profit, developmental organization focused on providing free education and healthcare to women and children in low-income communities across Nigeria. Emmanuel earned his LLB from SOAS University of London and earned an LLM from Durham University. He is a member of the Nigerian Bar Association and a Fellow of the Chartered Institute of Arbitration (FCIArB).



MR. SUNKANMI ADEKEYE - Executive Director, Operations

Sunkanmi Adekeye (SA as he is popularly called), is responsible for and oversees all operational aspects of the company necessary for business success and growth. In addition, he helps set strategic goals and is responsible for the flow of operations information to the chief executive and the board, while developing and executing new growth initiatives.

A seasoned professional with over Twenty-Seven (27) years of insurance knowledge and expertise; with twelve (12) of those serving at an executive capacity; Sunkanmi combines expertise in key partnership distribution; mergers and acquisitions; project management; strategic planning; and sales and marketing; acquired across leading national organizations.

Preceding his appointment as Executive Director (Operations) at Veritas Kapital Assurance Plc, his insurance work experience cuts across reputable Insurance broking firms and Underwriters such as SCIB Nigeria Insurance Brokers, Cornerstone Insurance Plc and Custodian & Allied Insurance Plc. He was the Managing Director of Allianz Nigeria Insurance Plc up until November 2020.

A first-degree graduate of Economics from Lagos State University and Risk Management & Insurance from the University of Lagos at the Masters level; SA became an Associate Member of the Chartered Insurance Institute of Nigeria (ACII) in 1997, and a Fellow (FCII) of the same Institute in 2012. He is also an Associate member of the Certified Pension Institute of Nigeria and has continued to contribute immensely to People Development within and outside of the Insurance Industry.

MEET THE INCOMING DIRECTORS



DR. ADAOBI NWAKUCHE - Managing Director/CEO

Adaobi Nwakuche is a seasoned insurance professional, who brings to the fore, over Twenty-Five (25) years of distinguished and hands-on service encompassing; but not limited to, Execution and management of strategic partnerships and alliances; Deal structuring and contract negotiations; Channel development and marketing; and Team development and leadership. All were acquired across several leading national organizations.

Prior to joining Veritas Kapital Assurance Plc; Adaobi was the immediate past, and pioneer Managing Director/CEO of Heirs Insurance Limited, wherein she orchestrated the strategic direction of the Company. Her over two-decade career includes experience garnered as Executive Director at Heirs Holdings Group and Director (Commercial division), at Equity Assurances, as well as other high-level positions at STACO and Standard Alliance Insurance Company Limited.

A seasoned business executive with an enviable track record of achieving exceptional results, Adaobi earned her first degree in Government and Public Administration from Abia State University. She furthered her education by earning an MBA in Business Administration from ESUT Business School.

She has a Doctorate in Insurance, Risk Management, and Corporate Governance from the prestigious European American University. She is also a Member of the Chartered Insurance Institute of Nigeria (CIIN), and the Chartered Insurance Institute, UK(CII).

Adaobi is an Alumnus of Harvard Kennedy School and Lagos Business School. She has attended various national and international executive-level training programs and seminars.



MR. BABATUNDE AYOKUNLE IRUKERA Non-Executive Director

Babatunde Irukera is a respected legal and regulatory expert with over 30 years of experience driving institutional reform, market regulation, and public interest litigation in Nigeria and internationally. He brings to the Board of Veritas Kapital Assurance Plc a rare blend of legal acumen, policy insight, and strategic leadership gained from decades of service across the public and private sectors.

He is the immediate past Executive Vice Chairman/CEO of the Federal Competition and Consumer Protection Commission (FCCPC), where he led the transformation of Nigeria's consumer protection landscape and pioneered the country's first comprehensive competition law regime. Under his leadership, the FCCPC became a model for regulatory innovation, accountability, and market fairness.

Mr. Irukera has advised and represented the Federal and State Governments, regulatory agencies, and international organizations in complex, high-impact matters including major aviation accident claims, and multi-jurisdictional consumer and competition cases. He has also been instrumental in shaping national legislation and regulatory frameworks across consumer protection, aviation, digital trade, and competition law.

A former Managing Partner at Simmons Cooper Partners, his work spans commercial law, securities litigation, corporate governance, and stakeholder engagement. He is also actively engaged in Africa-wide regulatory development, currently consulting for regional bodies such as ECOWAS, COMESA, and AFCFTA on digital trade and competition enforcement.

Called to the Nigerian Bar and admitted to practice in the United States, Mr. Irukera holds a law degree from Obafemi Awolowo University. He is a member of the Nigerian Bar Association (NBA), American Bar Association (ABA), and International Bar Association (IBA). His contributions to law and regulatory reform have earned him several recognitions, including citations in *Who's Who Legal* and *The American Lawyer*.

Mr. Irukera's appointment to the Board reinforces Veritas Kapital's commitment to strong governance, regulatory excellence, and long-term value creation.

FROM THE DESK OF THE MANAGING DIRECTOR/CEO

Management Discussion and Analysis

The Insurance Industry

In 2024, the Nigerian insurance sector, like other sectors in the economy, struggled to surmount the challenges posed by a harsh operating environment that was further aggravated by soaring inflation levels and rising consumer prices that, directly or indirectly, amplified the difficulties in businesses operating profitably in the Country.

Still, the Nigerian Insurance space continued to defy the odds. According to the most recent bulletin published by the National Insurance Commission, the Nigerian insurance sector's gross premium maintained its growth trajectory in Q3 2024, reaching N1.173trn, which is a 20% from the N1.003trn generated FY 2023.

In the same vein, the sector grew its assets to N3.388trn against N2.7trn assets growth in 2023. With these achievements, the sector successfully sustained its growth trajectory at 60.9% year-on-year and 44.3% on a quarter-on-quarter basis.

Business Overview

Despite a turbulent economic landscape, Veritas Kapital Assurance Plc demonstrated resilience and strength in its core business areas.

Our top-line performance has been robust, with a 225% increase in Gross Premium to N23.694b from N7.298b in 2023. Significant growth in Insurance Revenue was also recorded, with an expansion of 228% to N23.330b in 2024 from N7.103b prior year.

Due to significant claims from the Special Risk portfolio, which severely affected its bottom line, the Company's Profit before Tax (PBT) dropped to - N1.485b in 2024 from N2.417b in 2023, a dip of 161%. A 170% decline was also recorded in terms of Profit after Tax (PAT) from N2.329b in the prior year to - N1.634b in 2024.

Nevertheless, total assets grew organically by 60% from N20.654b in 2023 to N33.061b in 2024.

Outlook

As a going concern, Veritas Kapital Assurance Plc remains dedicated and steadfast in achieving its goal of being the Underwriter of choice in the Nigerian insurance market.

In the years ahead, we will continue to count on the support and understanding of you, our shareholders, as well as other industry stakeholders, as we drive the course to value generation and profitability.

We are especially grateful to you and other business partners for your continued commitment and support of the company.



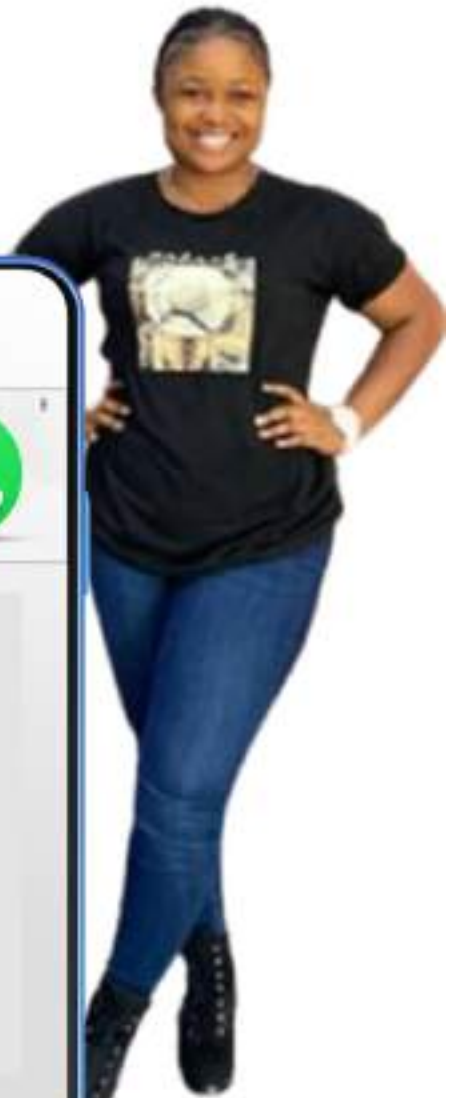
Dr Adaobi Nwaku
Managing Director/CEO

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NAICOM/CA/ADV/2025/5415

A large, dark blue speech bubble with a yellow outline. Inside the bubble, the text "ENTERPRISE RISK MANAGEMENT FRAMEWORK" is written in white, bold, uppercase letters. A smaller, yellow circle with black diagonal stripes is positioned at the bottom left of the speech bubble.

ENTERPRISE RISK MANAGEMENT FRAMEWORK

ENTERPRISE RISK MANAGEMENT FRAMEWORK

Veritas Kapital Assurance Plc has a strong and functional enterprise risk management framework tailored along the requirements of NAICOM and the Committee of Sponsoring Organization of the Treadway Commission (COSO). Priority is placed on proper risk management of the business activities of the company. The framework upholds a risk management culture where everyone is involved from the levels of the Board and Executive committees down to risk owners and respective risk units.

The Company's Enterprise Risk Management framework establishes the context, identifies, analyses, evaluates, treats, monitors, communicates, and reviews the key risks it assumes in carrying on its business. These risks include legal, compliance, underwriting, reinsurance, claims, operational, market, credit, liquidity, business, reserve, reputational and pandemic risks. Enterprise risk management includes management's approach to gross risks in the business and its appetite for these risk exposures. Under this approach, the Company constantly assesses its key risks and monitors the risk profile against the acceptable limits. The main strategies for managing and mitigating risks include policies, procedures, and tools that target specific and broad risk categories.

Enterprise Risk Management Principles

The Company's risk management principles optimize value creation and returns on investments. They assist the company in achieving its vision and delivery of business objectives. As part of the risk strategy to manage all the foreseeable key risk exposures, our guiding principles are;

- a) Uphold the Company's integrity and value system;
- b) Support compliance with regulatory requirements;
- c) Aid the understanding of the potential upside and downside of key risks;
- d) Increase the probability of success and reduce the uncertainty of achieving the organization's overall objectives;
- e) Add sustainable value to all the activities of the organization;
- f) Assure business growth with financial stability
- g) Support the culture that "managing risk is everybody's responsibilities"

Our risk management context is incorporated in our mission statement of becoming one of the top insurance companies of choice in Africa through wealth protection by a team of risk and investment managers that provide our customers and other stakeholders with effective, creative solutions, assuring their financial security with our superior strength and capacity in the Nigerian insurance market space.

The Risk Culture

- a) The responsibility for risk management in the Company is fully vested in the Board which in turn delegates such to senior management.
- b) The Board and Senior Management consciously promote a proactive approach to risk management, ensure that the sustainability and reputation of the Company are not adversely impacted while expanding its market share.
- c) The Company's management creates awareness of risk and risk management across the board.
- d) The Company continually subjects its products, distribution channels, locations, and customers to effective risk assessment and it will not engage in any business until it has objectively assessed and determined how to manage the associated risks.
- e) The Company pays adequate attention to both quantifiable and unquantifiable risks.

Risk Management Framework

Our risk management framework was structured and embedded in our culture and processes. There are clear levels of responsibilities (from the Board of Directors to the Unit Staff) assigned for adequate management of our business risks.

We operate and maintain three levels of risk governance structure for the oversight and management of risks. These are:

1st line of defense (Risk Ownership):

The Board of Directors and the Board Risk Committee are charged with the responsibility for oversight of the Enterprise Risk Management process, proposing and approving the Risk Appetite level for the business, ensuring that appropriate controls are established and maintained. It also comprises senior management, front-line management, and staff (process or the risk owners) who execute the controls to enhance the likelihood that the organization's objectives will be achieved.

2nd line of defense: Risk Control:

This comprises the risk management department of the Company.

The department is responsible for designing the risk framework methodologies and tools which support the evaluation and managing of the risks inherent within the business while ensuring that they are appropriately included in the Risk Profile. The Chief Risk Officer ensures an understanding of risk management process throughout the organization by embedding, improving continuously a risk awareness culture, working with process owners to review and update the risk and control register.

The Chief Risk Officer (CRO) is also responsible for implementing the policies and procedures contained in the risk framework. The role of the Chief Risk officer includes consulting and advising the Board, Management and staff on identification, control and mitigation of risks.

3rd line of defence: Risk Assurance:

It encompasses the internal audit which provides independent, objective assurance that the first- and second-lines' efforts are consistent with expectations as well as the effectiveness, adequacy of risk management, control and governance processes.

Risk Appetite

The company drives its business initiatives cautiously to mitigate loss of value or exposures to inherent risks. To improve the value of shareholders' wealth and remain profitable, the company designed its appetite considering risk exposures at any given situation. The risk appetite represents the amount of risk exposure or potential adverse impact from an event that the company is willing to accept/retain. The risk appetite of the Company is set by the Board of Directors annually, and it is aimed at minimizing erosion of earnings or capital due to avoidable losses in investment and underwriting records, or from frauds and operational inefficiencies. The company's risk appetite objectives include:

- a) Consistently striving to minimize the overall cost of risk exposure and its management through effective risk mitigation practices.
- b) Optimization of capital employed through enhanced returns on equity.
- c) Low appetite for operational risk. These risks are mitigated and controlled where the cost of control is equal to the marginal cost of the risk.
- d) Zero appetite for internal fraud activities.

Risk Management Policies and Procedures

The Enterprise Risk Management policies and procedures which have been strategically instituted aim at managing potential, inherent and residual risk categories in our operations.

The Board recognizes that risk management is critical to the achievement of corporate objectives and has actively encouraged a risk culture that embraces innovation and opportunity, calculated risk-taking and acceptance of risk which is inherent in all our activities, whilst reducing limitations to a successful

implementation of risk controls.

Risk Classification

The Company can be exposed to many types of risks while carrying on its business. Some of these include:

Market Risk/Investment Risk This is the risk to a Company's financial condition resulting from adverse movements in the level or volatility of market prices. The Company has a structured process and basis for measuring and calculating the probability of loss and possible impact on the Company's capital resources caused by adverse changes in the price of stocks/shares, property, exchange rates, and other relevant market conditions. The Company has established investment limits in its operational guidelines and policy of asset diversification in line with NAICOM regulations to prevent over-concentration and overexposure to any particular market. The controls on exchange rate risk are also conspicuous in the risk register. Management of Crystallized Market Risk/Investment Risk: The Head of the (Finance and Investment) department has the responsibility of liaising with all relevant departments/ stakeholders to report the exact type of risk, the magnitude of the loss, the cause of loss, remedial action to Management for necessary recovery actions and future preventive controls. Depending on the magnitude of the impact, management can escalate it to the Board before or after recovery actions.	Credit Risk This is the risk that counterparty will default on payment or fail to perform any obligation to the Company. The Company has a system for conducting due diligence on the creditworthiness of any party to which it has credit exposure. The Company does not ordinarily grant credit facilities to third parties in the course of its business but could have low credit risk associated with redeeming credit notes by Insurance Brokers following "No Premium No Cover" by NAICOM. Our placements in banks are also determined by the rating (strength) of the bank and consider NAICOM guidelines on the (single obligor) limit of exposure to a single bank. Management of Crystallized Credit Risk: The Team Lead of credit Control has the responsibility of reporting materialized risk to the Head of the (Finance and Investment) department who will further liaise with all relevant departments/ stakeholders to report the exact type of risk, the magnitude of the loss, the cause of loss, remedial action to Management for necessary recovery actions and future preventive controls. Depending on the magnitude of the impact, management can escalate it to the Board before or after recovery actions.	Operational Risk This is the risk of loss from inadequate or failed internal processes, people and systems or from external events which arises from the potential that inadequate information systems, operational problems, breaches in internal controls, fraud, or unforeseen disasters will result in unexpected losses. The company has policies that cover the risk that may arise from people, systems, and internal process failures. The policies include staff recruitment, training, retention plans, succession plans, remuneration and welfare benefits, designing standard operating procedure and policies, driving compliance culture, process automation, Information Technology (IT) support systems, data integrity, IT systems access controls, cloud storage of data etc. Management of Crystallized Operational Risk: The Head of the department where the operational risk (which could arise from system, process, or people) materialized has the responsibility of liaising with all relevant departments/ stakeholders to report the exact type of risk, the magnitude of the loss, the cause of loss, remedial action to Management for necessary recovery actions and future preventive controls. Depending on the magnitude of the impact, management can escalate it to the Board before or after recovery actions.
Liquidity Risk Liquidity risk exists when there is insufficient cash flow to meet the Company's operational and financial obligations and is usually associated with the inability to liquidate assets or obtain funding from external sources to pay claims and other liabilities when due. The company manages its liquidity risk through appropriate assets and liability management strategies through the Investment Committee. Monthly reports and reviews of liquidity gaps are conducted to assess the level of liquidity risk. Management of Crystallized Liquidity Risk: The Head of the	Reinsurance Risk This is the risk of inadequate reinsurance cover to mitigate underwriting risk. It usually occurs when there is the insolvency of a reinsurer, the discovery of exposures without current reinsurance coverage, or exhaustion of reinsurance covers through multiple losses. The company has documented reinsurance policies for adequate reinsurance arrangements and treaties for all categories of insurance business transacted. The policies include the process for Reinsurer selection, monitoring, claims recovery, etc. Management of Crystallized	Underwriting Risk Underwriting is the process by which an insurer determines the conditions necessary and suitable to accept insurance risk. The risk crystallizes when there are severe and frequent claims against the Company's projected capacity. The company has embedded internal control processes to guide its insurance business against the risk of unexpected losses and capital erosion. There is a well-documented underwriting policy and procedures which are enforced throughout the organization. Management of Crystallized Underwriting Risk: The Head of the (Technical) department has the

(Finance and Investment) department has the responsibility of liaising with all relevant departments/ stakeholders to report the exact type of risk, the magnitude of loss, the cause of loss, remedial action to Management for necessary recovery actions and future preventive controls. Depending on the magnitude of the impact, management can escalate it to Board before or after recovery actions. Reputational Risk This is the risk of events that could cause public distrust and damages to the company's integrity, brand and goodwill, especially in the eyes of the customers, regulators, competitors, and the general public. We manage reputational risk through a structured approach for defining and implementing core values and acceptable standard of behaviour which the staff are expected to follow while conducting the day-to-day business of the company. The company's risk assessment and monitoring process has embedded controls for testing reputational risk and the outcome of such exercise is communicated to the Board Risk Committee quarterly. Management of Crystallized Reputational Risk: The Head of the department where the risk materialized has the responsibility of liaising with all relevant departments/ stakeholders to report the exact type of risk, the magnitude of the loss, the cause of loss, remedial action to Management for necessary recovery actions and future preventive controls. Depending on the magnitude of the impact, management can escalate it to the Board before or after recovery actions.	Reinsurance Risk: The Head of reinsurance has the responsibility of reporting materialized risk to the Head of the Technical department who will report the exact type of risk, the magnitude of loss, the cause of loss, remedial action to Management for necessary recovery actions and future preventive controls. Depending on the magnitude of the impact, management can escalate it to Board before or after recovery actions. Business Risk The company's business risk is associated with losing market shares and becoming unprofitable. This risk is considered through a documented process for product development and launch, business segment profitability analysis, stakeholder's engagement as well as being rooted in our brand. Management of Crystallized Business Risk: The Head of the (Business Development) department has the responsibility of liaising with all relevant departments/ stakeholders to report the exact type of risk, the magnitude of the loss, the cause of loss, remedial action to Management for necessary recovery actions and future preventive controls. Depending on the magnitude of the impact, management can escalate it to the Board before or after recovery actions.	responsibility of liaising with all relevant departments/ stakeholders to report the exact type of risk, the magnitude of the loss, the cause of loss, remedial action to Management for necessary recovery actions and future preventive controls. Depending on the magnitude of the impact, management can escalate it to the Board before or after recovery actions. Legal/Compliance Risk Management The company has procedures to ensure that all statutory regulations are completely adhered to by the business unit at all times. These regulations include those set by NAICOM and other relevant agencies of government. There are internal control processes and policies that identify potential infractions to the regulations and are promptly mitigated. Some of the controls include: - Know-your-customer (KYC) procedure - Anti-money laundering/combating the financing of terrorism/combating proliferation financing (AML/CFT/CPF) policy - Anti-bribery and corruption measures - Guidelines for adherence to Corporate Governance principles - Gift policies - Whistleblowing policies - Data Protection and Privacy Policy Management of Crystallized Legal/Compliance Risk: The Head of the Legal department and Compliance unit has the responsibility of liaising with all relevant departments/ stakeholders to report the exact type of risk, the magnitude of loss, the cause of loss, remedial action to Management for necessary recovery actions and future preventive controls. Depending on the magnitude of the impact, management can escalate it to the Board before or after recovery actions.
Pandemic Risk: This emanates from the outbreak of Coronavirus disease, Ebola Virus disease, etc which can disrupt or adversely affect the operations of the company. Some of the control measures are: - Ensuring compliance by staff and customers with the Nigeria Centre for Disease Control (NCDC) Protocol during access into our business premises to stay safe and stem infections. - Rotation of staff on duty to ensure social distancing. - Application of work-from-home policy by staff that can operate online per the departmental roster. - Staff vaccination as may be required by the Ministry of Health. Management of Crystallized Pandemic Risk: The Head of the department where the pandemic risk occurred has the responsibility of liaising with all relevant departments/ stakeholders to report the exact type of risk, the magnitude of the loss, the cause of loss, remedial action to Management for necessary recovery actions and future preventive controls. Depending on the magnitude of the impact, management can escalate it to the Board before or after recovery actions.		

Anti-Money Laundering /Combating the Financing of Terrorism/Combating Proliferation Financing (AML/CFT/CPF) Risk:

It arises from being involved in the process of concealing sources of money obtained by corruption, drugs, illegally, or the proceeds of a crime; the products being utilized as a channel for terrorism or proliferation financing. Some of the control measures are:

- a. Use of Insurance Proposal Form to capture customer's data.
- b. Checking customers against internal information and the internet on known money launderers.
- c. Checking customers against external information from UN sanction lists on known or suspected money launderers and terrorists.
- d. Establishment of the source of wealth and source of funds.
- e. Checking customers against internal databases and the internet on Politically Exposed Persons (PEPs).
- f. KYC documentation including valid means of identification.
- g. First payment by non-face-to-face customers to be carried out through an account in the customer's name with a bank subject to similar CDD standards while the return premium should be in favor of the insured/policyholder and reported to NAICOM.
- h. Third-party introduction, e.g. by an intermediary such as a broker.
- i. Verification of whether the information and references provided by the employee are correct and complete to avoid internal collaboration.
- j. Cash Transaction Report (CTR) and Suspicious Transaction Report (STR) to Nigeria Financial Intelligence Unit (NFIU).
- k. Independent contact with the customer by the insurer as part of due diligence.
- l. Ongoing monitoring of the business relationship trend.
- m. Risk assessment of any new product or new business practice and implementation of adequate measures to mitigate Money Laundering, Financing of Terrorism, and Proliferation Financing.

Management of crystallized AML/CFT/CPF risk: The Chief Compliance Officer has the responsibility of liaising with all relevant departments/ stakeholders to report the exact type of risk, the magnitude of the loss, the cause of loss, remedial action to Management for necessary recovery actions and preventive future controls. Depending on the magnitude of the impact, management can escalate it to the Board before or after recovery actions.

Claims Risk Management

This is the risk that the insurer may be unable to manage the settlement process by which insurers fulfill their contractual obligation to policyholders.

It can be triggered by the delay in settlement of Claims, incomplete documentation, delay in loss adjuster's reports, repudiation of claims, etc. We manage claims settlement risk using full documentation claim management Policy, well-structured, well-trained and dedicated staff in the Unit, competent and trustworthy claim examiners/loss adjusters, by settlement of claims within 48 hours after the execution of discharge voucher and Executive Management's approval before repudiating a claim.

Management of Crystallized Claims Risk: The Head of claims has the responsibility of reporting materialized risk to the Head of Technical department who will further report the exact type of risk, the magnitude of loss, the cause of loss, remedial action to Management for necessary recovery actions and future preventive controls. Depending on the magnitude of the impact, management can escalate it to the Board before or after recovery actions.

Risk Report

Risk assessments are collated and presented in a report called the Risk Report. The risk report draws senior management's attention to the key risks as well as the adequacy of existing controls to mitigate the risks. The risk report provides a summary of the ratings of the significant risks and the probability of occurrence within a specific period. This helps to estimate and prevent potential operational and financial losses.

Risk Control Self-assessment (RCSA)

The company has a structure for risk assessment periodically and this is known as Risk Control Self-Assessment (RCSA). It involves the identification of procedures or assessments that need to be performed periodically to assure that key controls are in place and are working effectively as designed. The controls are proactively assessed through risk analysis of our processes and review of policy requirements, loss events, and audit findings. Consequently, the company updates the controls required to accomplish policy requirements, tests the processes and controls for the adequacy of capability in risk mitigation. Risk Champions are engaged in each business or risk unit to facilitate the process of risk control self-assessment in the company.

Health Safety and Environment (HSE) Management

The Health Safety and Environment Management has been instituted to provide and maintain safe healthy working conditions, work equipment, and systems for all staff. This responsibility also extends to visitors, contractors and others who may potentially be affected by our activities. The Health and Safety Policy framework strengthens the policy statements, roles, and responsibilities of the HSE officer.

Business Continuity Plan (BCP)

The Business Continuity Plan (BCP) has been designed to ensure sustainability against operational threats and promote the continuity of critical operations in the event of a disaster or disruption to our operations. The BCP outlines contingency procedures to follow in the event of emergencies including work from home and remote locations. The company's data have been duplicated in cloud storage. We aim to improve on gaps identified during any testing period.

RISK MANAGEMENT DECLARATION

The Board, Enterprise Risk Management Committee of Veritas Kapital Assurance Plc hereby declares As follows:

- a) The Company has systems in place to ensure compliance with NAICOM guidelines;
- b) The Board is satisfied with the efficacy of the processes and systems surrounding the production of financial information of the Company;
- c) The Company has in place a Risk Management Strategy, developed following the requirements of NAICOM's guideline on Enterprise Risk Management (ERM), setting out its approach to risk management; and
- d) The systems that are in place for managing and monitoring risks, and the risk management framework, are appropriate to the company, having regard to such factors as the size, business mix, and complexity of the company's operations.



Dr. Adaobi Nwakuche
MANAGING DIRECTOR/CEO
FRC/2021/003/00000023865



Mr. Nahim Abe Ibraheem
CHAIRMAN
FRC/2020/003/00000020878



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**REPORT OF THE AUDIT AND COMPLIANCE COMMITTEE TO THE MEMBERS OF
VERITAS CAPITAL ASSURANCE PLC FOR THE YEAR ENDED 31ST DECEMBER, 2024**

By the provision of Section 404 (7) of the Companies and Allied Matters Act, 2020, we confirm that we have seen the Audit Plan and Scope and the Management Letter on the audit of the books of the Group and Company and the response.

In our opinion, the plan and scope of the audit for the year ended 31 December 2024 were adequate.

We have reviewed the auditor's findings and we are satisfied with the management response thereon.

We also confirm that the accounting and reporting policies of the company are in accordance with legal requirements and ethical practices.



Mr. Emmanuel Etuh
CHAIRMAN, AUDIT AND COMPLIANCE COMMITTEE
FRC/2022/PRO/NBA/002/571378

Members of the Audit and Compliance Committee are:

Mr. Emmanuel Etuh	Non-Executive Director	Chairman
Hajia Yabawa Lawan Wabi <i>mni</i>	Non-Executive Director	Member
Mal. Muhammed B. Alhassan	Shareholders' Representative	Member
Mal. Usman Abaji	Shareholders' Representative	Member
Mr. Olusegun J. Akintunde	Shareholders' Representative	Member



DIRECTORS REPORT

The Directors have the pleasure of presenting the report on Veritas Kapital Assurance Plc's affairs, together with the audited consolidated and separate financial statements and auditors' report for the year ended 31 December 2024.

1. Legal Form

The Company was incorporated in Nigeria under the Companies and Allied Matters Act, 2020 as a private limited liability company in 1973. It started business in 1974 as Kano State Insurance Company Limited. The name was changed to Kapital Insurance Company Limited in 1981. In 2005, it merged with Global Commerce and General Assurance Company Limited and Inter-Continental Assurance Company Limited. In 2008, the name of the Company was changed to Unity Kapital Assurance Plc and subsequently Veritas Kapital Assurance Plc. The Company became quoted on the Nigerian Exchange Limited (NGX) on 17th December 2009.

Veritas Kapital Assurance Plc, as of the reporting date, has two subsidiaries namely Veritas Glanvills Pensions Limited (70%) and Veritas Healthcare Limited (94%) in addition to a 51.53% stake in Goldlink Insurance Plc.

2. Principal Activities and Business Review

The principal activity of the company is to transact general (non-life) insurance business.

3. Directors and their Interest

The direct and indirect interests of the Directors in the issued share capital of the company, as recorded in the Register of Directors' shareholding and/or as notified by the Directors for the purpose of Section 303 of the Companies and Allied Matters Act, 2020 and the listing requirements of the Nigerian Exchange Limited as at 31 December 2024, are as follows:

Names	Direct Shareholding	Indirect Shareholding	%	Interest Represented
Mr. Nahim Abe Ibraheem	-	7,321,989,662	52.80	Veritas Capital Limited
Mr. Emmanuel Etuh	-	196,600,567	1.41	Tak Asset Management Limited

4. Directors' Remuneration

The Company ensures that remuneration paid to its Directors complies with the provisions of the Codes of Corporate Governance issued by its Regulators.

In compliance with Section 34(5) of the Code of Corporate Governance for Public Companies as issued by the Securities and Exchange Commission, the Company discloses the remuneration paid to its directors as follows:

Type of package fixed	Description	Timing
Basic Salary	- Part of the gross salary package for Executive Directors only. - It reflects the industry's competitive salary package and the extent to which the Bank's objectives have been met for the financial year.	Paid monthly during the financial year.
13th-month salary	- Part of the gross salary package for Executive Directors only. - It reflects the industry's competitive salary package and the extent to which the Bank's objectives have been met for the financial year.	Paid last month of the financial year.
Director fees	Paid quarterly to Non -Executive Directors only as approved by members at the Annual General Meeting.	Paid quarterly to Non-Executive Directors only as approved by members at the Annual General Meeting.

Sitting allowances	Allowances paid to Non-Executive Directors only for attending Board and Board Committee Meetings.	Paid after each Meeting.
Reimbursable travel and hotel expenses.	This is paid to Non -Executive Directors residing outside the venue for Board/Committee meetings.	Paid after each meeting.

5. Changes on the Board

In the course of the reporting year, the following change was made on the Board:

Sen. Maj. Gen. M. Magoro (OFR)	Non-Executive Director	Maj. Gen. M. Magoro retired from the Board of Veritas Kapital Assurance Plc on May 22, 2024, after completing his maximum tenure of three terms as a Non-Executive Director.
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6. Directors

The names of the directors as of this report and those who held office during the year are as follows:

S/N	NAME	POSITION
1.	Mr. Nahim Abe Ibraheem	Non-Executive Director/Chairman <i>Resigned from the Board on 2nd May, 2025</i>
2.	Sen. Maj. Gen. M. Magoro (OFR)	Non-Executive Director Retired from the Board on the 22nd of May, 2024
3.	Dr. Oluwafunsho A. Obasanjo	Non-Executive Director
4.	Mr. Aminu Babangida	Non-Executive Director
5.	Mr. Emmanuel Etuh	Non-Executive Director
6.	Hajia. Yabawa Lawan Wabi (mni)	Non-Executive Director
7.	Mrs. Priya Heal	Non-Executive Director
8.	Mr. Paul Oki	Independent Non-Executive Director
9.	Dr. Adaobi Nwaku	Managing Director/CEO
10.	Mr. Sunkanmi Adekeye	Executive Director, Operations

7. Directors' Interest in Contracts

In compliance with Section 303 of the Companies and Allied Matters Act, 2020, none of the directors has notified the Company of any declarable interest in contracts deliberated by the Company during the year under review.

8. Acquisition of Own Shares

The Company did not acquire any of its shares during the year ended 31 December, 2024.

9. Property, Plant and Equipment

Information relating to changes in property and equipment during the year is given in Note 9 to the Financial Statements.

10. Security Trading Policy

In compliance with Rule 17.15 Disclosure of Dealings in Issuers' Share, Rulebook of the Exchange, 2015 (Issuers' Rule), the Company maintains an effective Security Trading Policy that guides Directors, members of the Audit and Compliance Committee, employees, and all individuals categorized as insiders as to their dealings in the Company shares.

The Policy is regularly reviewed and updated by the Board. Relevant persons are prohibited from dealing in the Company's shares both when they have material non-public information about the Company's activities and during their closed period.

The Company has made specific inquiries of all Directors whether they have complied with the required standards set out in the listing rules and the Company's Code of Conduct regarding securities transactions by Directors and it is not aware of any non-compliance as of the period ended, 31st December, 2024.

11. Corporate Social Responsibility (CSR) Report - 2024

At Veritas Kapital Assurance Plc, we recognize that corporate success extends beyond financial performance—it is also measured by the positive impact we create in the communities where we operate. As part of our commitment to Corporate Social Responsibility (CSR), we undertook several strategic initiatives in 2024 aimed at improving public health, supporting education, fostering industry awareness, and strengthening community engagement.

Our CSR programs were carefully designed to align with our corporate values, national development goals, and global best practices, reinforcing our role as responsible corporate citizens. Throughout the year, we actively engaged in initiatives that addressed critical societal needs while promoting sustainable social and economic development.

The following key initiatives reflect our dedication to empowering communities, enhancing knowledge, and driving impactful change:

A. Blood Donation Drive: Strengthening Healthcare Support

Date: 11th June 2024

Partners: Abuja and Lagos State Blood Transfusion Service (LSBTS) and National Blood Service Commission (NBSC)

Objective:

The availability of safe blood supply is crucial to saving lives, particularly in emergency medical situations, maternal health, and accident-related treatments. In response to the urgent need for voluntary blood donations in Nigeria, the Company organized a blood donation drive.

Key Highlights:

- Employees participated actively in the donation exercise, demonstrating their commitment to social impact.
- The initiative contributed to boosting Nigeria's blood bank reserves, ensuring life-saving resources for hospitals.
- Participants received health awareness education on the importance of voluntary blood donation.

B. Insurance Awareness Day: Promoting Industry Education

Date: 30th June 2024

Beneficiary: Actuarial Science and Insurance Students' Association, Lagos State University (ASISA, LASU)

Objective:

Financial literacy and risk management play a pivotal role in economic stability and growth. To bridge the knowledge gap in the insurance sector, we supported the Insurance Awareness Day organized by ASISA LASU.

Key Outcomes:

- Students were educated on the fundamentals of insurance, risk management, and financial security.
- Industry professionals engaged in mentorship sessions, providing insights into career opportunities in insurance.
- Panel discussions explored emerging industry trends, regulatory frameworks, and innovation in underwriting practices.

C. Sponsorship of Insurance Summit 3.0: Industry Advancement & Professional Development

Date: 6th August 2024

Beneficiary: Actuarial Science and Insurance Students' Association, Lagos State University (ASISA, LASU)

Objective:

To deepen industry knowledge and promote professional development, we sponsored the Insurance Summit 3.0, a flagship event bringing together students, educators, policymakers, and key industry stakeholders.

Summit Highlights:

- Keynote Addresses & Expert Panels: Thought leaders shared insights on insurance innovation, regulatory policies, and investment strategies.
- Workshops & Training: Students were equipped with practical skills to enhance their professional readiness.
- Networking Opportunities: The event facilitated interactions between young professionals and established industry experts.

D. Education Support: Contribution to School Infrastructure Development

Date: 20th October 2024

Project: The Assumption Hostel at Augustine University, Lagos

Objective:

Quality education is a powerful tool for social mobility, economic growth, and national development. Recognizing the critical need for improved educational infrastructure, we supported the construction of The Assumption Hostel at Augustine University, Lagos.

Key Contributions:

- Our funding helped provide modern, safe, and conducive accommodation for students, fostering an optimal learning environment.
- The project directly benefited hundreds of students, ensuring access to quality housing and enhanced campus experiences.
- This initiative aligns with our mission to support youth development and invest in Nigeria's future leaders.

Conclusion: Our Ongoing Commitment to Social Responsibility

At Veritas Kapital Assurance Plc, we believe that corporate success is deeply rooted in social impact, ethical governance, and sustainable business practices. Our 2024 CSR initiatives were designed to drive positive change in healthcare, education, and financial literacy, reinforcing our role as a socially responsible corporate entity.

Looking ahead, our CSR priorities for 2025 and beyond include:

- Expanding our community health initiatives, including broader access to healthcare services.
- Deepening our investment in education, through scholarships, digital learning support, and mentorship programs.
- Strengthening partnerships with industry regulators and academic institutions to

- promote insurance awareness and professional development.
- Enhancing our environmental sustainability commitments, aligning with global best practices in responsible business operations.

Through these initiatives, we remain dedicated to empowering communities, supporting economic development, and fostering innovation in the insurance industry.

We look forward to scaling our impact and continuing to serve as a force for good in the years ahead.

12. Complaints Management Policy

The Company has in place, a Compliant Management Policy and an investor complaints desk at the Head Office to resolve complaints arising from issues covered under the Investment and Securities Act (ISA) 2025 by the shareholders.

A copy of the Shareholder's Complaints Management Policy and Procedure can be found on the Company's Website: www.veritaskapital.com.

13. Agent and Brokers

The Company maintains a network of licensed Agents and renders services to its customers through Insurance licensed Brokers and registered Agents.

14. Human Resources

Staff Gender Analysis

The number of males and females employed as of December 31, 2024, vis-a-vis total workforce is as follows:

	MALE	FEMALE	TOTAL
EMPLOYEES	46 (Forty-Six)	39 (Thirty-Nine)	85 (Eighty-Five)

Other Human Resources matters within the year in review are as follows:

Staff Recruitment

The Company conforms with all regulatory requirements in the employment of staff, whilst also ensuring that only fit and proper persons are approved for appointment to the board and top management positions. All prescribed pre-employment screening for prospective employees and other requirements for regulatory confirmation of top management appointments are duly implemented.

Employee Involvement, Training and Development

Veritas Kapital Assurance Plc encourages the participation of employees in arriving at decisions in respect of matters affecting their well-being through various forums including town hall meetings.

The Company also places a high premium on the development of its Workforce. Consequently, employees were sponsored for various training courses in the year under review.

Employment Equity, Gender, Policies & Practices

Our resourcing and promotion policy ensures equity and is free from the discriminatory bias of gender, ethnicity, origin, age, marital status, sexual orientation, disability, religion, and other diversity issues. This is role modelled throughout our end-to-end employee life cycle process.

Employment of Physically Challenged Persons

Veritas Kapital Assurance Plc is an equal opportunity employer and does not discriminate on any ground. Thus, we provide employment opportunities to physically challenged persons. However, this goes beyond the need to ensure that there is no discrimination against such persons but is driven by a deep conviction that even with disability, there could be immense ability.

Health, Safety and Welfare of Employees

Veritas Kapital Assurance Plc maintains business premises designed to guarantee the safety and healthy living conditions of its employees and customers alike. Employees are adequately insured against occupational and other hazards. Also, the Company provides medical facilities to its employees and their immediate families at its expense.

The Company has in place several training programs, workshops, and enlightenment programs/publications designed to equip staff members with basic health management tips, first aid, fire prevention and other occupational safety skills. Fire prevention and fire-fighting equipment are installed in strategic locations within the Company's premises.

The Company also operates a Group Life and Group Personal Accident (formerly known as Workmen's Compensation) Insurance covers and Employee Compensation Act contributions for the benefit of its employees. It also operates a contributory pension plan in line with the Pension Reform Act 2014 as well as a terminal gratuity scheme for its employees

Dissemination of Information

To maintain a shared perception of our goals, we are committed to communicating information to employees in a fast and effective manner as possible.

We consider this critical to the maintenance of team spirit and high employee morale. Circulars and newsletters are published in respect of relevant corporate issues. A good communication link with the workforce is also maintained through regular meetings between the Management and Staff. Engagement is viewed as an important driver of employee performance.

15. Share Capital Information

The analysis of the distribution of the shares of the Company as of December 31, 2024, is as follows:

Share Range Analysis	Holdings	Units	%	=N=
1-500000	472	26925903	0.19	13,462,952
500001-1000000	51	32412215	0.23	16,206,108
1000001-5000000	236	1695097208	12.22	847,548,604
50000001-10000000	15	1083097208	7.82	541,984,337
100000001-500000000	14	2229532677	16.08	1,114,766,339
500000001-1000000000	1	535758596	3.86	267,879,298
1000000001-50000000000	2	8262971394	59.59	4,131,485,697
		13,865,795,201	100	6,933,333,335

According to the Register of Members as of December 31, 2024, no individual shareholder held more than 5% of the issued share capital of the Company except for the following:

Member	Share units	%
Dr. Emmanuel I. U Ojei	1,287,628,018	9.29
Veritas Capital Limited	7,321,989,662	52.80

YEAR	AUTHORIZED (₦)			ISSUED AND FULLY PAID UP			CONSIDERATION
	Increase	Cumulative	Naira Value (₦)	Increase	Cumulative	Naira Value (₦)	
1974	200,000	200,000	100,000	200,000	200,000	100,000	Cash
1977	100,000	300,000	150,000	100,000	300,000	150,000	Cash
1978	37,500	337,500	168,750	37,500	337,500	168,750	Cash
1980	162,500	500,000	250,000		337,500	168,750	
1981		500,000	250,000	151,394	488,894	244,447	Cash
1983		500,000	250,000	11,106	500,000	250,000	Cash
1990	4,500,000	5,000,000	2,500,000	900,000	1,400,000	700,000	Cash & Bonus
1991	10,000,000	15,000,000	7,500,000	2,100,000	3,500,000	1,750,000	Cash & Bonus
1992		15,000,000	7,500,000	1,800,000	5,300,000	2,650,000	Cash
1993		15,000,000	7,500,000	4,700,000	10,000,000	5,000,000	Cash
1996	85,000,000	100,000,000	50,000,000	10,000,000	20,000,000	10,000,000	Cash & Bonus
1997		100,000,000	50,000,000	20,000,000	40,000,000	20,000,000	Cash & Bonus
1998		100,000,000	50,000,000	35,685,000	75,685,000	37,842,500	Cash & Bonus
1999		100,000,000	50,000,000	14,315,000	90,000,000	45,000,000	Cash
2003	400,000,000	500,000,000	250,000,000	30,000,000	120,000,000	60,000,000	Cash & Bonus
2004		500,000,000	250,000,000	230,000,000	350,000,000	175,000,000	Cash & Bonus
2005		500,000,000	250,000,000	44,000,000	394,000,000	197,000,000	Cash & Bonus
2006	3,000,000,000	3,500,000,000	1,750,000,000		394,000,000		
2007		3,500,000,000	1,750,000,000	2,000,000,000	2,394,000,000	1,197,000,000	Cash & Bonus
2008	3,500,000,000	7,000,000,000	3,500,000,000	3,606,000,000	6,000,000,000	3,000,000,000	
2008	7,000,000,000	14,000,000,000	7,000,000,000	6,000,000,000	12,000,000,000	6,000,000,000	Split 50k per share
2008		14,000,000,000	7,000,000,000	350,000,000	12,350,000,000	6,175,000,000	Cash
2009		14,000,000,000	7,000,000,000	650,000,000	13,000,000,000	6,500,000,000	Bonus
2011		14,000,000,000	7,000,000,000	866,666,666	13,866,666,666	6,933,333,333	Bonus

16. Unclaimed Dividends Account

These are maintained in a fixed deposit account with Unity Bank Plc. The amount is jointly managed by both Veritas Kapital Assurance Plc and Unity Registrars Limited. The total amount in the account as of December 31, 2024, was **N13,606,464 (Thirteen Million Six Hundred and Six Thousand Four Hundred and Sixty-Four Naira only)**.

17. Audit and Compliance Committee

By section 404(3) of the Companies and Allied Matters Act, 2020, the Audit Committee members of the Company elected and re-elected at the last Annual General Meeting were as follows:

Mr. Emmanuel Etuh	Non-Executive Director	Chairman
Hajia Yabawa Lawan Wabi <i>mni</i>	Non-Executive Director	Member
Mr. Olusegun J. Akintunde	Shareholders' representative	Member
Mal. Usman Abaji	Shareholders' representative	Member
Mal. Mohammed B. Alhassan	Shareholders' representative	Member

18. Post Balance Sheet Events

There are no significant post-balance sheet events that have not been provided for in these Financial Statements.

19. **External Auditors**

Messrs Ernst & Young was appointed on 3rd August 2023 as auditors of the Company in accordance with Section 401(1) of the Companies and Allied Matters Act of Nigeria, 2020, and have indicated their willingness to continue in office as the Company's auditors.

A resolution will be proposed at the Annual General Meeting to authorize the Directors to determine the remuneration of the External Auditors.

BY THE ORDER OF THE BOARD



SARATU UMAR GARBA
Company Secretary

FRC/2019/PRO/NBA/004/00000019159



VERITAS HEALTHCARE LIMITED

Was licensed and accredited by the National Health Insurance Scheme in 2005 as a Health Maintenance Organization (HMO), a major stakeholder in the implementation of the National Health Insurance Scheme in Nigeria.



OUR OBJECTIVE

To deliver unparalleled and enviable healthcare services that will exceed the expectations of our clients while maintaining the highest ethical standards.

Contact us



OUR HEALTH PLANS

Our Packages include:
Executive Plan, Standard Plan,
Budget Plus & Budget Plan.
All these categories provides individuals and their family access to prompt healthcare services every time they need one.



OUR SERVICES

- EMERGENCY SERVICES
- SURGICAL SERVICES
- OUT-PATIENT SERVICES
- RADIOLOGY SERVICES
- IN-PATIENT SERVICES
- EYE AND EAR CARE
- MATERNITY SERVICES
- DENTAL CARE
- CHILD HEALTH SERVICES
- MEDICAL CHECK-UP

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A large, dark blue speech bubble with a yellow outline. Inside the bubble, the text "CORPORATE GOVERNANCE REPORT" is written in white, bold, uppercase letters. A smaller, yellow circle with dark blue diagonal stripes is positioned at the bottom left of the speech bubble. The entire graphic is set against a white background with a subtle shadow beneath the bubble.

CORPORATE GOVERNANCE REPORT



TO: The Shareholders, Veritas Kapital Assurance Plc

Dear Shareholders,

REPORT ON THE BOARD AND CORPORATE GOVERNANCE EVALUATION FOR THE YEAR ENDED DECEMBER 31, 2024

Planet Governance Advisory Limited, a leading corporate governance consulting firm in Nigeria, was engaged by Veritas Kapital Plc ("the Company") to conduct an independent evaluation of the effectiveness of its Board of Directors and the overall corporate governance framework for the financial year ended December 31, 2024. This evaluation was undertaken in accordance with the provisions of the National Insurance Commission (NAICOM) Corporate Governance Guidelines for Insurance and Reinsurance Companies, the Securities and Exchange Commission (SEC) Corporate Governance Guidelines 2020, and the Nigerian Code of Corporate Governance (NCCG) 2018, as well as established global corporate governance best practices.

Scope of the Evaluation

The evaluation covered an in-depth review of the Company's corporate governance architecture and Board effectiveness. This included an assessment of Board performance, Committee performance, and individual Directors' peer evaluations.

Our methodology comprised a review of key governance documents—including Board and Committee charters, minutes of meetings, policies, and strategic reports—alongside the administration of structured questionnaires and interviews with Directors and key management personnel. The process was guided by relevant regulatory provisions and governance standards.

Key Focus Areas

The assessment encompassed, but was not limited to, Board composition, structure, and diversity, Board and Committee effectiveness, Strategic oversight and risk management, Quality of decision-making and board processes, Financial reporting and internal control oversight, Succession planning and leadership development, Ethics, integrity, and corporate, culture, Governance of sustainability and ESG matters, Technology and information governance, Board-Management relationship and communication flow

Findings and Observations

Our independent evaluation confirms that the Board of Veritas Kapital Plc continues to demonstrate a strong commitment to upholding sound corporate governance standards in line with regulatory expectations and international best practices. The Board and its Committees have discharged their oversight responsibilities, particularly in the areas of strategic direction, risk management, and financial integrity.

We commend the Company for maintaining a governance culture characterised by transparency, accountability, and regulatory compliance. Nonetheless, certain areas for enhancement were identified during the review, and practical recommendations have been provided to further strengthen Board effectiveness and overall governance processes. The Board has acknowledged these recommendations and expressed its readiness to implement them.

A detailed presentation of the findings and recommendations has been submitted to the Board for implementation and monitoring.

Thank you.

Yours faithfully,

For: Planet Governance Advisory Limited

Emmanuel Otaigbe

Director

FRC/2022/PRO/CIBN/002/504271

Dr. Nosike Agokei

Director

FRC/2014/ICAN/00000008525

Planet Governance Advisory Limited RC 14031047

3rd & 4th Floors, St. Peter's House

3 Ajele Street, Lagos, Nigeria.

Tel: +234 1 2702296

Email: planetgovernance@planetcapitaltd.com

Website: www.planetcapitaltd.com

Directors: Dr. Nosike Agokei (Chairman)

Mrs. Aderonke Adediji

Mrs. Aisha Abraham

Dr. Abdul Buhari

Mr. Chidi Agbogu

Mr. Efe Akhigbe

Dr. Tony Anonyai (Managing)

Introduction

At Veritas Kapital Assurance Plc, we are committed to upholding the creed and principles of good Corporate Governance in all our operations. Our good corporate governance is the bedrock of strong public trust and confidence reposed in us by shareholders, business partners, employees, and the financial markets and the key to our continued long-term success.

In the pursuit of delivering greater shareholder value, we continue to subject our operations to the highest standards of corporate governance, which is an essential foundation for sustainable corporate success.

Our Code of Corporate Governance provides a robust framework for the governance of the Board and the Company. The Company also ensures compliance with the Nigeria Code of Corporate Governance (NCCG), 2018, and the Corporate Governance Guidelines as issued by the various Regulators.

Furthermore, the Company's Code of Corporate Governance ("the Code") is continuously reviewed to align with additional legal and regulatory requirements and global best practices, to remain a pacesetter in the area of good corporate governance practices. In addition to the Code, the Company aggressively promotes its core values to its employees through its Code of Professional Conduct; as well as its Communications Policy, which regulates employee relations with internal and external parties. This is a strong indicator of the Company's determination to ensure that its employees remain professional at all times in their business practices.

The Company also conducts an Annual Board and Directors' Evaluation covering all aspects of the Board's structure, composition, responsibilities, processes, and relationships, in compliance with the requirements of the relevant Codes. To conduct the Annual Board Appraisal for the financial year ended December 31, 2024, the Board engaged the firm of Messrs Planet Governance Advisory Limited. The independent consultant carried out a comprehensive review of the effectiveness of the Board by evaluating the performance of the Board, the Board Committees, and the Directors.

The Board Evaluation report for the financial year ended December 31, 2024, by the independent consultant to the Board revealed that the Company was in substantial compliance with the provisions of the NCCG Code.

During the 2024 financial year, the Company executed various governance initiatives/activities which included; the review of its Corporate Governance Code and other Corporate Governance Policies to align with additional regulatory requirements and global best practices, to remain a pacesetter in the area of good corporate governance practices. The Board and its Committees also carried out annual self-assessments to evaluate compliance with the terms of reference as contained in their respective Charters.

THE CORPORATE GOVERNANCE STRUCTURE

The Board

The governance of the Company resides with the Board of Directors which is accountable to shareholders for creating and delivering sustainable value through the management of the Company's business. The Board of Directors are responsible for the efficient operation of the Company and to ensure the Company fully discharges its legal, financial, and regulatory responsibilities.

The Board is committed to the highest standards of business integrity, ethical values, and governance; it ensures that an appropriate level of checks and balances is maintained. Members of the Board possess the right balance of expertise, skills, and experience, which translates to an effective Board and an executive management team capable of steering the affairs of the Company in an ever-changing and challenging environment.

Furthermore, the Board also reviews corporate performance, monitors the implementation of corporate strategy, and sets the Company's performance objectives. The Board monitors the effectiveness of its governance practices, manages potential conflict, and provides general direction to management.

Members of the Board of Directors are seasoned professionals, who have excelled in various sectors including; Banking, Accounting, Oil and Gas, Insurance, Private Business, Politics, Legal Profession, etc. They possess the requisite, skills, and experience to bring to bear independent judgment on the deliberations and decisions of the Board. The Directors have a good understanding of the Company's businesses and affairs to enable them to properly evaluate information and responses provided by Management and to provide an objective challenge to Management.

In addition to the Board's direct oversight, the Board exercises its oversight responsibilities through its various committees namely:

- a. Statutory Audit and Compliance Committee
- b. Finance, Investment, and General-Purpose Committee
- c. Establishment and Governance Committee
- d. Enterprise Risk Management Committee

The Board and its various Committees convene quarterly, with additional meetings scheduled as necessary to address critical matters. The Board is structured to ensure a balanced mix of leadership, consisting of both Executive and Non-Executive Directors, all of whom are accountable to the shareholders.

The Board comprises a total of nine (9) members, including seven (7) Non-Executive Directors—comprising the Chairman, an Independent Director, and other Non-Executive Directors—as well as two (2) Executive Directors. This composition is designed to foster effective governance, strategic oversight, and sound decision-making.

Composition of the Board of Directors as of 31st December, 2024

S/N	NAMES OF DIRECTORS	DESIGNATION	STATUS
NON-EXECUTIVE DIRECTORS			
1.	Mr. Nahim Abe Ibraheem	Chairman	Resigned on the 2nd of May, 2025
2.	Hajia Yabawa Lawan Wabi <i>mni</i>	Non-Executive Director	Existing Director
3.	Mr. Emmanuel Etuh	Non-Executive Director	Existing Director
4.	Mr. Paul Oki	Independent Non-Executive Director	Existing Director
5.	Mrs. Priya Heal	Non-Executive Director	Existing Director
6.	Mr. Aminu Babangida	Non-Executive Director	Existing Director
7.	Dr. Oluwafunsho A. Obasanjo	Non-Executive Director	Existing Director
EXECUTIVE DIRECTORS			
8.	Dr. Adaobi Nwakuche	Managing Director/CEO	Existing Director
9.	Mr. Sunkanmi Adekeye	Executive Director, Operations	Existing Director

Responsibilities of the Board

The Board determines the strategic objectives of the Company in delivering long-term growth and short-term goals. In fulfilling its primary responsibilities, it is aware of the importance of achieving a balance between conformance to governance principles and economic importance.

The power reserved for the Board includes the following:

- a. Determination of Board structure, size, and composition, including appointment and removal of Directors, succession planning for the Board, Senior Management, and Board Committee members.
- b. Approval of mergers and acquisitions, branch expansion/reduction, the establishment of subsidiaries, approval of remuneration policy and packages of the Board members.
- c. Approval of policy documents on significant issues including Enterprise-wide Risk Management, Human Resources, Corporate Governance, and Anti-money laundering.
- d. Approval of resources and corresponding documentation for shareholders in general meeting(s), shareholders circulars, prospectus, and principal regulatory filings with regulators.
- e. Approval of major changes to the Company's corporate structure, and changes relating to the Company's capital structure or its status as a public liability company.
- f. Approval of quarterly, half-yearly, and full-year financial statements (whether audited or unaudited) and any significant change in accounting policies and/or practices.
- g. Approval of the Company's strategy, medium and short-term plans, and its annual operating and capital expenditure budget.
- h. Recommendation to shareholders of the appointment or removal of auditors and the remuneration of auditors.

The Chairman

The roles of the Chairman and Chief Executive Officer are separate and no one individual combines the two positions. The Chairman is responsible for providing overall leadership of the Company and the Board and eliciting the constructive participation of all Directors to ensure that it operates effectively and fully discharges its legal and regulatory responsibilities. The Chairman is responsible for ensuring that Directors receive accurate, timely, and clear information to enable the Board to make informed decisions and provide advice to promote the success of the Company. The Chairman also facilitates the contribution of Directors and promotes effective relationships and open communications between Executive and Non-Executive Directors, both inside and outside the Boardroom.

The Chief Executive Officer

The Board has delegated the responsibility for the day-to-day management of the Company to the Managing Director/Chief Executive Officer, who is supported by Executive Management. The Managing Director executes the powers delegated to him/her following the guidelines approved by the Board of Directors. Executive Management is accountable to the Board for the development and implementation of strategies and policies. The Chief Executive Officer is charged with the supervisory role over the management of the Company. The Board regularly reviews group performance, matters of strategic concern, and any other matter it regards as material.

The Independent Non - Executive Director

The Independent Non - Executive Director (INED) is responsible for the protection of shareholder's rights and interest in the Company and brings a high degree of objectivity to the Board for sustaining stakeholder trust and confidence. The INED does not have a significant shareholding interest or special business relationship with the Company.

The Company Secretary

The Company Secretary is a point of reference and support for the Directors. The Company Secretary performs both functional and administrative responsibilities to the Board and Management, respectively by assisting in the formulation of an annual Board plan, organization of Board meetings, ensuring that the minutes of each meeting highlight the resolutions of the Board, and ensuring that the decisions are implemented.

Director's Nomination and Appointment Process

The Board Establishment and Governance Committee is charged with the responsibility of leading the process for Board appointments and for identifying, interviewing, and nominating suitable candidates for the approval of the Board. In identifying suitable candidates, the Committee considers candidates on merit against objective criteria and with due regard for the benefits of diversity on the Board, including gender as well as the balance and mix of appropriate skills and experience.

Shareholding in the Company is not considered a criterion for the nomination or appointment of a Director. The appointment of Directors is subject to the approval of the National Insurance Commission and the Shareholders at the Annual General Meeting.

Separation of the Positions of Chairman and Managing Director

The positions of the Managing Director and that of the Chairman of the Board are occupied by different persons and the Managing Director is responsible for the implementation of the Company's business strategy and the day-to-day management of the business.

Induction and Continuous Training

Upon appointment to the Board and Board Committees, all Directors receive an induction upon appointment and continuous training tailored to meet their requirements.

The induction, which is arranged by the Company Secretary, may include meetings with senior management staff and key external advisors, to assist Directors in acquiring a detailed understanding of the Bank's operations, its strategic plan, its business environment, the key issues the Company faces, and to introduce Directors to their fiduciary duties and responsibilities.

The Company Secretary is in charge of evolving a continuing education program to ensure existing Directors stay current with the Company's business and objectives as well as relevant industry information and other external factors such as corporate governance requirements and best practices. As part of the program, Directors are encouraged to periodically attend appropriate continuing education seminars or programs that would be beneficial to the Company and the Directors' service on the Board.

The Company attaches great importance to training its Directors and for this purpose, continuously offers training and education from onshore and offshore institutions to its Directors, to enhance their performance on the Board and the various Committees to which they belong.

Non-Executive Director's (NED) Remuneration

The Company's policy on remuneration of Non-Executive Directors is guided by the provisions of the NAICOM Code and the NCCG Code 2018, which stipulates that Non-Executive Directors' remuneration should be limited to sitting allowances, Directors' fees, and reimbursable travel and hotel expenses.

Attendance to Board and Board Committee Meetings

The primary mission of the Board of Directors is to advance the interests of shareholders by creating a valuable long-term business. The Board believes that this mission is best served by establishing a corporate culture of accountability and ethical responsibility through the careful selection and evaluation of Directors and Senior Management Team and carrying out the Board's responsibilities with integrity and honesty.

The Board carries out its responsibilities through its committees, namely: Statutory Audit and Compliance Committee, Establishment and Governance Committee, Finance, Investment, and General-Purpose Committee, and Enterprise Risk Management Committee.

Through these Committees, the Board can more effectively deal with complex and specialized issues and fully utilize its expertise to formulate strategies for the Company. The Committees make recommendations to the Board which retains responsibility for final decision-making.

All Committees in the exercise of their powers as delegated, conform to the regulations laid down by the Board, with well-defined terms of reference contained in the charter of each committee. The Committees render reports on their meetings and recommendations to the Board at the Board's quarterly meetings.

Below are the Board Committees:

a. Establishment and Governance Committee:

The Establishment and Governance Committee is charged with instituting a transparent procedure for the appointment of new Directors to the Board and making recommendations to the Board regarding the tenures and the re-appointment of Non-Executive Directors on the Board and also reviewing and submitting it to the Board for approval, staff qualified for Senior Management positions, bi-annually reviews the description of the Executive Directors and establish objectives to assess performance, etc.

b. Finance, Investment, and General-Purpose Committee:

The Finance, Investment, and General-Purpose Committee is responsible for monitoring the integrity of the financial statements of the Company and also considering and approval of investments above the Management limit among others. The Committee comprises members selected to provide a wide range of financial, commercial, and international experience.

c. Statutory Audit and Compliance Committee:

The Company has an Audit Committee set up by the provisions of the Companies and Allied Matters Act. It comprises a mixture of Non-Executive Directors and shareholders elected at the Annual General Meeting. It evaluates annually, the independence and performance of external auditors, receives the interim and final audit presentation from the external auditors, and also reviews with management and the external auditors, the annual audited financial statements before their submission to the Board. During the year, the Committee approved the audit plan and scope of the external auditors' work for the financial year and reviewed quarterly and half-yearly financial results before they were presented to the Board. The Committee also received reports from management on the accounting system and internal controls framework of the Company.

d. Enterprise Risk Management Committee:

The primary purpose of the Enterprise Risk Management Committee is to assist the Board and the Audit Committee in supervising, reviewing, and assessing the overall adequacy and integrity of the risk management framework of the Company. The coverage of supervision includes the following: Credit Risk, Reputational Risk, Operations Risk, Technology Risk, Market Risk, Liquidity Risk, and other pervasive risks as may be posed by the events in the industry at any point in time.

BOARD AND COMMITTEE MEETING ATTENDANCE FOR THE YEAR ENDED 31 DECEMBER, 2024

PRESENT	
ABSENT WITH APOLOGY	
LEFT THE COMMITTEE/BOARD	
NOT YET A MEMBER	
STILL A MEMBER OF THE BOARD BUT LEFT THE COMMITTEE	

BOARD OF DIRECTORS MEETING

S/N	NAME OF MEMBERS	POSITION	01-02-24	03-05-24	02-08-24	07-11-24
1.	Mr. Nahim Abe Ibraheem	Chairman/Non - Executive Director				
2.	Dr. Adaobi Nwakuche	Managing Director/CEO				
3.	Sen. Maj. Gen. M. Magoro OFR	Non - Executive Director				
4.	Mr. Aminu Babangida	Non - Executive Director				
5.	Dr. Oluwafunsho Obasanjo	Non - Executive Director				
6.	Mrs. Priya Heal	Non - Executive Director				
7.	Hajia Yabawa L. Wabi mni	Non - Executive Director				
8.	Mr. Paul Oki	Independent Non - Executive Director				
9.	Mr. Emmanuel Etuh	Non - Executive Director				
10.	Mr. Sunkanmi Adekeye	Executive Director				

AUDIT AND COMPLIANCE COMMITTEE MEETING

S/N	NAME OF MEMBERS	POSITION	29-01-24	30-04-24	30-07-24	04-11-24
1.	Mr. Emmanuel Etuh	Non - Executive Director/Chairman	NYM	NYM		
2.	Hajia Yabawa L. Wabi	Non - Executive Director				
3.	Mr. Usman Abaji	Shareholder Representative				
4.	Mr. Akintunde J. Olusegun	Shareholder Representative				
5.	Mr. Mohammed B. Alhassan	Shareholder Representative				
6.	Mr. Paul Oki	Independent Non-Executive Director				

ENTERPRISE RISK MANAGEMENT COMMITTEE MEETING

S/N	NAME OF MEMBERS	POSITION	29-01-24	01-05-24	31-07-24	04-11-24
1.	Hajia Yabawa L. Wabi mni	Chairman/Non - Executive Director				
2.	Mr. Aminu Babangida	Non - Executive Director				
3.	Dr. Oluwafunsho Obasanjo	Non - Executive Director				
4.	Mrs. Priya Heal	Non - Executive Director				
5.	Mr. Kenneth Egbaran	Managing Director/CEO				
6.	Mr. Paul Oki	Independent Non-Executive Director				
7.	Sen. Maj. Gen. M. Magoro OFR	Non-Executive Director				
8.	Mr. Sunkanmi Adekeye	Executive Director				

FINANCE, INVESTMENT AND GENERAL-PURPOSE COMMITTEE MEETING

S/N	NAME OF MEMBERS	POSITION	30-01-24	01-05-24	30-07-24	05-11-24
1.	Mrs. Priya Heal	Chairman/Non - Executive Director				
2.	Hajia Yabawa L. Wabi mni	Non- Executive Director				
3.	Dr. Oluwafunsho Obasanjo	Non- Executive Director				
4.	Dr. Adaobi Nwakuche	Managing Director/CEO				
5.	Mr. Emmanuel Etuh	Non- Executive Director				
6.	Mr. Sunkanmi Adekeye	Executive Director				

ESTABLISHMENT AND GOVERNANCE COMMITTEE MEETING

S/N	NAME OF MEMBERS	POSITION	30-01-24	30-04-24	31-07-24	05-11-24
1.	Mr. Aminu Babangida	Chairman/Non-Executive Director				
2.	Mrs. Priya Heal	Non-Executive Director				
3.	Dr. Oluwafunsho Obasanjo	Non-Executive Director				
4.	Mr. Paul Oki	Independent Non-Executive Director				
5.	Hajia Yabawa L. Wabi mni	Non-Executive Director				
6.	Mr. Emmanuel Etuh	Non-Executive Director				
7.	Sen. Maj. Gen. M. Magoro OFR	Non-Executive Director				

NOTE:

Sen. Maj. Gen. M. Magoro left the Board after his 3 Terms of 3-Years service on the Board in compliance with the NAICOM Guideline. Consequently, Mr. Aminu Babangida was appointed Chairman of the Establishment and Governance Committee.

Annual Board Evaluation and Appraisal

The Company recognizes that a good corporate governance framework must be anchored on an effective and accountable Board of Directors whose performance is assessed periodically. The Annual Board Appraisal for the financial year ended December 31, 2024, was conducted by Messrs Planet Governance Advisory Limited. The annual appraisal covered all aspects of the Board's structure, composition, responsibilities, processes, relationships, individual members' competencies, and respective roles in the Board performance, as well as the Company's compliance status with the provisions of the various Codes.

Code of Business Conduct and Ethics

The Company has a Code of Business Conduct which is based on our purpose and values as an organization. The Code sets out collective and individual commitments to ethical business practices in line with the Company's global Policies, relevant laws, regulations, and industry standards. The Code applies to all employees, Directors, and business partners of the Company, and employees are trained and annually certified on the salient provisions of the Code.

In addition to the Code of Business Ethics, we have policies that inspire and guide how we work every day and everywhere. These key policies govern our conduct in all facets of the Company's operations and include policies on Anti-Corruption, Anti-Money Laundering etc. We apply the principles of fairness, integrity, and transparency in all our business dealings as entrenched in our Code of Business Ethics and in line with international best practices. Training, communication programs, and compliance monitoring mechanisms are in place to ensure that all relevant stakeholders remain aware of and comply with the provisions of the Code and policies.

Shareholders

The General Meeting of the Company is the highest decision-making body. The General Meetings are conducted transparently and fairly. Shareholders have the opportunity to express their opinions on the Company's financial results and other issues affecting it. The Annual General Meetings are attended by representatives of regulators such as the National Insurance Commission, the Securities and Exchange Commission, the Nigerian Exchange, the Corporate Affairs Commission as well as representatives of Shareholders' Associations.

The Company has an Investor Relations Unit, which deals directly with inquiries from shareholders and ensures that Shareholders' views are escalated to Management and the Board. Also, quarterly, half-yearly, and annual financial results are published in widely-read national newspapers. The Company also dispatches its annual reports, providing the highlight of all the Company's activities to its Shareholders.

Protection of Shareholder's Right

The Board ensures the protection of statutory and general rights of shareholders at all times, particularly their right to attend and vote at general meetings. All Shareholders are equally treated regardless of the volume of Shareholding or social status.

Communication Policy

The Board and Management of the Company ensure that communication and dissemination of information regarding the operations and management of the Company to shareholders, stakeholders, and the public is timely, accurate, and continuous, to give a balanced and fair view of the Company's financial and non-financial matters. Such information, which is in plain language, readable and understandable, is available on the Company's website: <http://www.veritaskapital.com>. The website is constantly updated with information as events occur.

The website also has an investor relations portal where the Company's Financial Reports and other relevant information are published and made accessible to its shareholders, stakeholders, and the public. The main objective of the Company's Communication Policy is to support the Company in achieving the overall goals described in its core values which strengthens the Company's culture of transparency in pursuit of best corporate governance practices.

Insider Trading and Price Sensitive Information

The Company has in place a policy regarding trading in its shares by its Directors and employees on the terms and conditions similar to the standards set out by the Nigerian Exchange. The policy is periodically circulated on the Company's internal communication network ("Intranet") to serve as a reminder to staff of their obligations.

Directors, insiders, and their related persons in possession of confidential price-sensitive information ("insider information") are prohibited from dealing with the securities of the Company where such would amount to insider trading. Directors, insiders, and related parties are prohibited from disposing of, selling, buying, or transferring their shares in the Company for a "lock-up" period commencing from the date of receipt of such insider information until such a period when the information is released to the public or any other period as defined by the Company from time to time.

Monitoring Compliance with Corporate Governance

- a. The Chief Compliance Officer monitors compliance with money laundering requirements and implementation of the Code of Corporate Governance of the Company. The Chief Compliance Officer together with the Chief Executive Officer certifies each year to the National Insurance Commission (NAICOM) and Securities Exchange Commission (SEC) that they are not aware of any other violation of the corporate governance code other than as disclosed during the year.
- b. Whistle Blowing Procedures: In line with the company's commitment to instilling the best corporate governance practice, a whistleblowing procedure was established that ensures anonymity on any reported incidence(s). The Company has a dedicated e-mail address for whistleblowing procedures. The whistleblowing policy can be obtained from the Company's website: www.veritaskapital.com

Unclaimed Dividends

The list of unclaimed dividends has been provided by the Registrars in a separate document.

Compliance with Regulatory Requirements

The Company continued to maintain its commitment to achieving 100% compliance with Statutory and other Regulatory requirements. It complied substantially with the Nigeria Code of Corporate Governance (NCCG), 2018, the Corporate Governance Guidelines as issued by the various Regulators, and the post-listing requirements of the Nigerian Exchange Limited (NGX).

To ensure the effectiveness of the Company's compliance system, the level of compliance is monitored regularly by the Internal Audit weekly and by the Audit Committee and the Board through quarterly compliance reports detailing the Company's level of compliance and sanctions imposed (if any) prepared by the Chief Compliance Officer.

Management Committees

Management Committees are set up for a smooth and effective running of the Company. The Committees are risk-driven as they are set up to identify, analyze, synthesize, and make recommendations on risks arising from the day-to-day activities of the Company. They also ensure that risk limits as contained in the Board and Regulatory policies are complied with at all times. They provide inputs for the respective Board Committees and also ensure that the recommendations of the Board Committees are effectively and efficiently implemented. They meet as frequently as necessary to immediately take action and decisions within the confines of their powers.

The Committees are as follows:

1.	Executive Management Committee	7.	IT Steering Committee
2.	Product Development Committee	8.	Appraisal Committee
3.	Claims Committee	9.	Salvage Committee
4.	Asset Disposal Committee	10.	Disciplinary Committee
5.	Performance Management Committee	11.	BID Committee
6.	Cost Optimization Committee		

CERTIFICATION BY COMPANY SECRETARY

In my capacity as Company Secretary, I hereby certify, in terms of the Companies and Allied Matters Act, that for the year ended 31 December 2024, the company has lodged all such returns as are required of a Company in terms of this Act, and that all such returns are, to the best of my knowledge and belief, true, correct and up to date.



SARATU UMAR GARBA
Company Secretary
FRC/2019/PRO/NBA/004/00000019159



SUSTAINABILITY REPORT

At Veritas Kapital Assurance Plc (“the Company”), sustainability is deeply embedded in our corporate strategy, reflecting our commitment to responsible resource management and long-term value creation. We recognize that true business success extends beyond financial performance—it requires a balanced approach that integrates environmental stewardship, social responsibility, and strong governance (ESG principles). Our sustainability efforts are driven by a vision to preserve natural resources, promote inclusive growth, and contribute to the well-being of future generations.

Our decision-making framework incorporates both financial and non-financial considerations, ensuring that our operations align with global best practices in sustainability. We actively assess the potential impact of our business activities on sustainability goals, fostering an approach that enhances resilience, strengthens stakeholder trust, and drives positive change.

This report provides insights into our **sustainability strategy, achievements, and ongoing initiatives**, covering key focus areas such as:

- **Social Responsibility** - Employee engagement, training and development, workplace health, safety, and well-being.
- **Customer Relations** - Enhancing customer experience through ethical service delivery and responsible business practices.
- **Economic Impact** - Contributing to economic development through sustainable business practices and innovation.
- **Governance & Ethics** - Upholding high standards of corporate governance, transparency, and ethical conduct.
- **Environmental Considerations** - Minimizing our ecological footprint through resource efficiency and climate-conscious policies.

At Veritas Kapital Assurance Plc, we remain dedicated to sustainable business practices, ensuring that our operations contribute positively to the communities we serve while fostering long-term corporate growth and resilience.

1.0 SOCIAL RESPONSIBILITY

At Veritas Kapital Assurance Plc, we recognize that our people are at the heart of our success. Our commitment to fostering a safe, inclusive, and empowering work environment remains unwavering. We adhere to the highest standards of occupational health and safety, human rights, fair labour practices, and workplace diversity, ensuring that our employees and stakeholders thrive in a respectful, equitable, and conducive environment.

a) Occupational Health and Safety (OHS)

The health, safety, and well-being of our workforce remain a top priority, as we continue to comply with all applicable regulations and best practices. Our premises are designed and maintained to ensure a secure and hazard-free working environment, fostering a culture of workplace safety and employee wellness.

Key Occupational Health & Safety Initiatives:

- **First Aid & Emergency Response:** First aid stations and emergency response mechanisms are available in all office locations, ensuring immediate medical attention when required.
- **Health Management Organization (HMO) Support:** Our partnership with a reliable Health Management Organization (HMO) ensures that employees and their families receive free medical services, counselling, and wellness programs to enhance their well-being.
- **Fitness & Wellness Programs:** Employees have access to gymnasium facilities, promoting physical fitness and healthy living.

- **Health Awareness Campaigns:** Periodic health education programs and medical screenings are organized to raise awareness about preventative healthcare and lifestyle management.
- **Compliance with HSE Policies:** The degree of adherence to our Health, Safety, and Environment (HSE) Policy remains high, ensuring a zero-fatality and injury-free record in 2024.

By prioritizing employee safety and well-being, we reinforce our commitment to maintaining a resilient and thriving workforce while ensuring compliance with industry safety regulations.

b) Human Rights Protection

At Veritas Kapital Assurance Plc, we operate in strict alignment with global human rights principles, ensuring that every individual is treated with fairness, dignity, and respect. Our policies emphasize non-discrimination, ethical labour practices, and employee rights, reinforcing our corporate culture of integrity and accountability.

Key Human Rights Initiatives:

- **Fair and Ethical Business Practices:** Our operations are guided by international human rights frameworks, ensuring that all stakeholders—including employees, suppliers, contractors, and customers—are treated equitably.
- **Whistleblowing & Grievance Mechanisms:** We provide confidential and accessible channels for employees and stakeholders to report concerns about unethical behavior, discrimination, or rights violations. Reports are thoroughly investigated, and necessary corrective measures are implemented.
- **Zero-tolerance policy on Workplace Harassment:** We maintain a zero-tolerance stance on harassment, intimidation, or discrimination, fostering a work environment that is free from prejudice or undue influence.
- **Human Rights Due Diligence:** We conduct periodic human rights risk assessments to ensure compliance with international labour standards and ethical governance frameworks.

Performance Review: In 2024, no reported cases of human rights violations were recorded across our business operations, a testament to the effectiveness of our policies and employee awareness programs.

c) Fair Labor Practices & Employee Engagement

As a responsible employer, Veritas Kapital Assurance Plc is dedicated to fostering a fair, equitable, and growth-oriented workplace. We provide competitive remuneration, skills development programs, and career advancement opportunities to empower our employees.

Key Labor Practices & Employee Initiatives:

- **Equal Opportunity & Fair Remuneration:** We ensure that employees are compensated fairly and equitably, with salaries and benefits aligned to industry benchmarks and regulatory requirements.
- **Talent Development & Career Growth:** Employees are encouraged to participate in upskilling programs, leadership training, and mentorship initiatives to enhance their professional competencies.

- **Staff Incentive & Recognition Programs:** Our performance-driven incentive schemes include:
 - i. Salary reviews & bonuses based on performance evaluations.
 - ii. Promotion and career progression opportunities for high-performing employees.
 - iii. Staff retirement benefit plans, ensuring long-term financial security for our workforce.
- **Employee Satisfaction & Feedback Mechanisms:** We conduct **regular job satisfaction surveys** and **leadership assessments**, ensuring that employees' perspectives and concerns are integrated into management decisions.

Performance Review:

- In 2024, the company maintained a healthy employee retention rate, with staff turnover remaining within acceptable limits.
- 42.40% of our workforce comprises women, reinforcing our commitment to workplace diversity and gender balance.

By prioritizing employee welfare, engagement, and professional growth, we continue to strengthen our reputation as a top employer in the Nigerian insurance industry.

d) Workplace Diversity & Inclusion

Diversity and inclusion are core pillars of our corporate culture. We are committed to fostering a workplace where employees of all backgrounds feel valued, respected, and empowered to contribute meaningfully.

Key Diversity & Inclusion Policies:

- **Non-Discrimination & Equal Opportunity:** Our employment policies strictly prohibit discrimination based on: Gender, Age, Religion, Ethnicity, Physical ability, Economic background and Political affiliation
- **Workforce Representation & Inclusion:** We actively promote gender diversity, inclusion of persons with disabilities, and representation of diverse ethnic groups within our workforce.
- **Cultural Sensitivity & Awareness Programs:** Training sessions are periodically held to promote awareness and appreciation of workplace diversity, ensuring that all employees feel included and respected.
- **Flexible Work Arrangements:** We recognize the varied needs of employees and provide flexible work options, particularly for parents and employees with special circumstances.

Conclusion

At Veritas Kapital Assurance Plc, we believe that sustainability is only possible when businesses prioritize people—their employees, customers, and communities. Our Occupational Health & Safety, Human Rights, Labor Practices, and Diversity & Inclusion policies reflect our unwavering commitment to social responsibility.

We will continue to enhance our workplace culture by:

- Strengthening health and safety initiatives to maintain a zero-fatality and injury-free record.

- Expanding employee training and development programs to nurture future leaders.
- Reinforcing whistleblowing and grievance mechanisms to uphold ethical conduct.
- Advancing gender and diversity targets to create a more inclusive workplace.

By investing in our people, we reaffirm our dedication to sustainable business practices that create long-term value for all stakeholders.

2.0 ECONOMIC RESPONSIBILITY

At Veritas Kapital Assurance Plc, our commitment to sustainable economic growth is reflected in the way we design and deliver quality products, manage relationships with stakeholders, and contribute to social development. In 2024, we continued to integrate economic, social, and ethical considerations into our business operations to drive positive outcomes for our customers, partners, and communities.

a) Quality Products and Services: Excellence in Underwriting

As a leading underwriting firm, we remained committed to customer-centric innovation, ensuring that our products and services met local regulatory requirements, international best practices, and evolving market demands. Our approach emphasized:

- **Compliance & Risk Management:** Strengthening adherence to industry standards, reducing underwriting risks, and ensuring product sustainability.
- **Customer Satisfaction & Experience:** Regular feedback mechanisms were implemented to enhance service delivery and improve policyholder engagement.
- **Sustainability Considerations:** We evaluated the economic and environmental impact of our services to ensure responsible risk assessment and sustainable product offerings.

Through these efforts, we reinforced our reputation as a reliable, customer-focused insurance provider, enhancing consumer confidence in the Nigerian insurance industry.

b) Supplier Relationship Management & Ethical Procurement

We maintained a transparent, ethical, and inclusive supply chain management system, ensuring that our business relationships upheld fairness, integrity, and sustainability.

Key principles guiding our supplier engagement included:

- **Transparent Procurement Practices:** Strict adherence to policies that promote fair competition and eliminate corruption risks.
- **Supplier Code of Conduct:** Upholding standards of confidentiality, ethical business conduct, and anti-corruption measures.
- **Conflict of Interest Management:** Ensuring arm's length transactions and minimizing risks associated with insider dealings.
- **Support for Small and Medium Enterprises (SMEs):** Encouraging local sourcing and vendor development to promote economic empowerment and strengthen Nigeria's business ecosystem.
- **Annual Vendor Reviews:** Conduct regular performance evaluations of service providers to ensure compliance with **service-level agreements** and industry benchmarks.

By upholding ethical procurement standards, we fostered long-term partnerships, built trust with stakeholders, and contributed to a more resilient, transparent, and competitive business environment.

c) Corporate Social Responsibility (CSR): Investing in Communities

Our Corporate Social Responsibility (CSR) initiatives remained a key pillar of our sustainability strategy, focusing on education, healthcare, public safety, and economic empowerment. The CSR initiatives are geared towards fostering social development, education, healthcare, and economic empowerment in the communities where we operate. In 2024, our CSR contributions included:

- **Healthcare Support:** We actively supported **blood donation drives**, encouraging employees to contribute towards increasing Nigeria's **safe blood supply**. Our partnerships with:
 - i. National Blood Service Centre (NBSC), Abuja
 - ii. Blood Transfusion Service (BTS), Lagos ensured that life-saving resources were available for medical emergencies.
- **Education & Financial Literacy:** To promote industry awareness and capacity-building, we provided financial and logistical support to the Actuarial Science and Insurance Students' Association (ASISA) LASU during:
 - i. "Insurance Awareness Day 2024" - A platform for students and industry leaders to discuss trends, career pathways, and risk management strategies.
 - ii. "Insurance Summit 3.0" - A knowledge-sharing event aimed at equipping students with practical industry insights and fostering future insurance professionals.
- **Public Safety & Community Engagement:**
 - i. **Periodic Road Traffic Control:** Selected staff members **volunteered** to assist in managing road safety initiatives, reinforcing our commitment to community service.
 - ii. **Media Awareness Campaigns:** We leveraged digital and traditional media platforms to educate the public on the importance of insurance, improving financial literacy and industry participation.

3.0 GOVERNANCE RESPONSIBILITY

Strong governance is fundamental to our sustainability strategy. Our governance framework ensures accountability, integrity, and regulatory compliance.

a) Anti-Corruption and Ethical Governance

At Veritas Kapital Assurance Plc, we uphold the highest standards of corporate governance, integrity, and ethical conduct in all our operations. Our zero-tolerance policy towards corruption, bribery, money laundering, and abuse of office ensures that we foster a transparent and accountable business environment.

To strengthen our anti-corruption framework, we have implemented robust policies and mechanisms and also Key Anti-Corruption Measures, including:

- **Whistleblowing Policy & Reporting Mechanism:** A secure, confidential, and independent whistleblowing platform was in place to enable employees, stakeholders, and external parties to report unethical activities without fear of retaliation.
- **Anti-Corruption Policies & Compliance Framework:** The Company's anti-bribery, anti-money laundering (AML), and fraud prevention policies were made easily accessible to all employees through our intranet portal, ensuring continuous awareness and adherence.
- **Regular Training & Sensitization:** Employees across all levels received anti-corruption and ethical compliance training, reinforcing a culture of integrity and responsible corporate behaviour.

- **Strict Enforcement & Monitoring:** The Company actively monitored transactions, procurement processes, and engagements with third parties to identify and prevent potential misconduct.

Performance & Compliance in 2024:

◆	No reported incidents of bribery, corruption, or financial misconduct between January 1 and December 31, 2024.
◆	No fines, penalties, or legal exposures related to anti-corruption violations.
◆	Strengthened collaboration with regulatory bodies, auditors, and compliance agencies to ensure strict adherence to ethical and governance standards.

b) Corporate Governance Structure

Our governance structure is aligned with the Nigerian Code of Corporate Governance (NCCG) 2018 and includes:

- ◆ A diverse and experienced Board of Directors overseeing corporate strategy.
- ◆ Independent Non-Executive Directors ensuring impartial oversight.
- ◆ A robust risk management framework to identify and mitigate operational risks.

c) Ethical Business Practices

- ◆ Zero-tolerance policy on corruption and unethical behaviour.
- ◆ Regular anti-money laundering (AML) and anti-corruption (CFT) training for employees.
- ◆ Strict compliance with regulatory requirements, including NAICOM, SEC, and the Nigerian Financial Intelligence Unit (NFIU).

d) Data Protection & Cybersecurity

Given the increasing risk of cyber threats, we have implemented strong data governance policies, ensuring:

- ◆ Compliance with the Nigeria Data Protection Act, 2023.
- ◆ Secure customer data management and encryption protocols.
- ◆ Regular cybersecurity audits and employee awareness training.

Commitment to Strong Governance

As a responsible corporate entity, Veritas Kapital Assurance Plc remains dedicated to:

- ☒ Upholding integrity, fairness, and transparency in all business dealings.
- ☒ Enforcing robust internal controls and risk management systems to prevent unethical conduct.
- ☒ Engaging employees, partners, and stakeholders in fostering a culture of compliance and ethical leadership.

Moving forward, we will continue refining our governance practices, implementing advanced compliance mechanisms, and reinforcing stakeholder trust through ethical business leadership.

4.0 ENVIRONMENTAL RESPONSIBILITY

At Veritas Kapital Assurance Plc, we are dedicated to fostering environmental sustainability by implementing responsible business practices that minimize our ecological footprint. As a financial services provider, we recognize our role in climate risk management, resource efficiency, and sustainable business operations. Our environmental strategy integrates eco-conscious product and

service delivery, responsible waste management, energy efficiency, and emissions reduction to contribute to a greener and more sustainable future.

We acknowledge that sustainability is not just a corporate responsibility but a fundamental part of our long-term business strategy, ensuring resilience in the face of climate change and environmental challenges. Our commitment is aligned with global best practices, regulatory requirements, and industry standards, positioning us as a responsible corporate citizen.

Through proactive environmental stewardship, we aim to:

- ✓ Mitigate environmental risks associated with our operations and investments.
- ✓ Promote sustainable resource utilization across all business activities.
- ✓ Enhance operational efficiencies through green innovations.
- ✓ Encourage eco-friendly behaviours among employees, clients, and stakeholders.

Key strategic initiatives by Veritas Kapital Assurance Plc were as follows:

a) Product & Service Responsibility

We ensure that our insurance products and services have minimal adverse environmental impact throughout their development and distribution. Our policies are designed to support businesses in managing environmental risks while adhering to the principles of indemnity and sustainability.

- ◆ **Eco-Conscious Product Innovation:** We continuously assess our product portfolio to integrate sustainability elements where possible.
- ◆ **Sustainable Underwriting Practices:** The Company ensures that underwriting processes align with best environmental practices to mitigate risks associated with pollution, climate change, and resource depletion.
- ◆ **Environmental Risk Advisory:** We educate our clients, particularly in industries with potential environmental impacts, on sustainable risk management strategies.

b) Waste Management & Paper Reduction

As part of our green initiative, we actively promote waste reduction, digital transformation, and eco-friendly operations to lower our carbon footprint.

Digitalization & Paperless Processes:

- ◆ Over 80% of customer policy renewal notices were delivered electronically, reducing reliance on printed materials.
- ◆ Internal communications, leave approvals, performance appraisals, training materials, and regulatory reports were transitioned to paperless digital systems.
- ◆ Automated workflows and cloud-based document storage were implemented to eliminate paper dependency.

Adoption of the '3R' Principle - Reduce, Reuse, Recycle:

- ◆ Employees were sensitized to eco-friendly work practices, including responsible printing and reusing office supplies.
- ◆ Waste recycling measures were strengthened to manage non-biodegradable materials effectively.
- ◆ Review of additional operational areas for automation to further reduce paper consumption.

c) Energy Efficiency & Greenhouse Gas Emissions Reduction

To combat climate change and improve energy sustainability, we have invested in clean energy solutions, energy-efficient appliances, and infrastructure upgrades.

Key Initiatives & Impact:

- ♦ **Solar Power Expansion:**
Hybrid solar system has been upgraded in our major locations for enhanced renewable energy utilization in conformity with our green energy initiatives.
- ♦ **Energy-Efficient Systems:**
 - i. Replaced old, high-energy-consuming air conditioners with low-energy, eco-friendly models at our Abuja and Lagos branches.
 - ii. Installed modern energy-efficient LED lighting systems, reducing energy consumption by 58%, with longer-lasting performance than traditional incandescent lights.
- ♦ **Green Spaces & Air Quality Improvement:**
 - i. Maintained green landscapes and floral installations at the Head Office, acting as natural air filters, absorbing carbon dioxide and particulate matter, thereby enhancing air quality and contributing to a healthier work environment.
 - ii. Improved building insulation and promoted responsible energy consumption behaviours among staff.

Commitment to a Sustainable Future

At Veritas Kapital Assurance Plc, we remain dedicated to sustainable business practices, continuously exploring innovative environmental solutions that align with global sustainability goals. Moving forward, we will:

☒	Further, expand renewable energy investments across our operations.
☒	Strengthen digital transformation efforts to achieve near-complete paperless operations.
☒	Enhance collaborations with green organizations to support environmental initiatives.
☒	Continuously evaluate and improve our sustainability impact, ensuring a balance between business growth and environmental responsibility.

Through these strategic initiatives, we reaffirm our commitment to protecting the planet, reducing environmental risks, and building a resilient and eco-friendly business ecosystem.

Conclusion

At Veritas Kapital Assurance Plc, we remain steadfast in our commitment to sustainable excellence and responsible growth. Our business strategy prioritizes the well-being of employees, customers, stakeholders, and the communities we serve, ensuring that our operations create lasting social, economic, and environmental value.

Beyond mere compliance, we strive to be a positive force for change, actively engaging in initiatives that support social development, promote financial inclusion, drive environmental sustainability, and strengthen corporate governance. By continuously innovating and aligning with global best practices, we are committed to protecting the environment, empowering communities, and fostering long-term business resilience.

As we move forward, we will remain dedicated to embedding sustainability into every aspect of our business, ensuring that Veritas Kapital Assurance Plc is not only a leader in the insurance industry but also a responsible corporate citizen contributing to a better, more sustainable world.

“

Sustainability isn't just about preserving our planet for tomorrow; — It's about thriving today to protect lives, livelihoods, and the environment and ensuring a prosperous future for generations to come

”



COMPLAINTS AND FEEDBACK MANAGEMENT

Introduction

At Veritas Kapital Assurance Plc, client satisfaction is at the heart of everything we do. We are dedicated to providing an exceptional customer experience at every touchpoint, ensuring that our clients receive seamless, reliable, and responsive service.

Our unwavering commitment to excellence has been a key driver of our sustained growth, reinforcing our belief that our clients' needs should always come first. We recognize that trust is earned through consistency, and we continually strive to exceed expectations by delivering innovative solutions and personalized support.

To uphold this promise, we have established multiple communication channels, making it easier than ever for clients and prospective policyholders to connect with us. Whether seeking guidance, exploring insurance options, or requiring prompt assistance, we remain committed to providing a service experience that is not just satisfactory but truly exceptional.

COMPLAINTS CHANNELS

At VKA, we are committed to delivering prompt, efficient, and effective responses to inquiries, requests, and concerns, ensuring smooth interactions and fostering strong, mutually beneficial relationships with our valued clients.

As part of our customer-centric approach, we provide multiple communication channels to enhance accessibility and engagement. Our goal is to build and sustain professional, trust-based relationships that prioritize customer satisfaction, reinforce loyalty, and elevate the overall client experience.

These channels include:

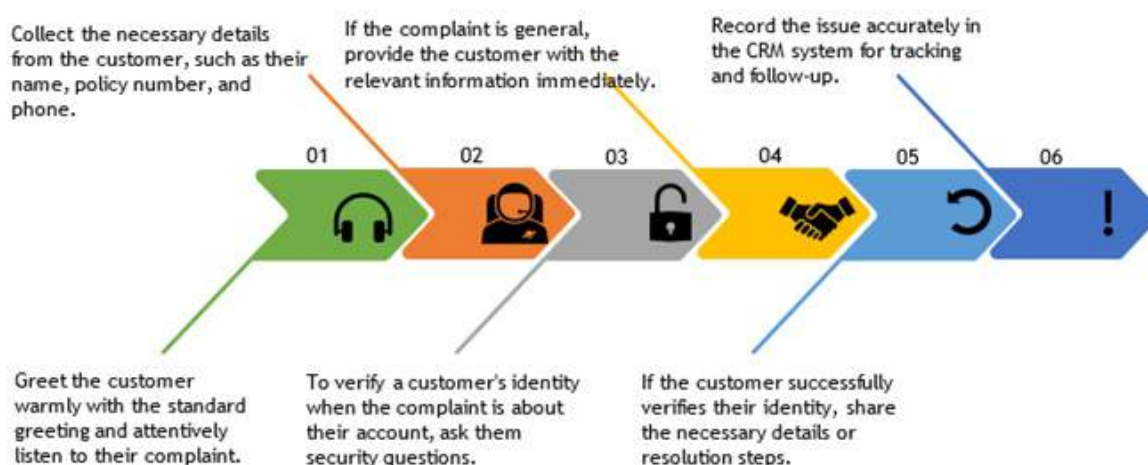
1.	VKA CIC (Customer Interaction Center: • cic@veritaskapital.com • 07001000500, 234-702 500 6273 +234 9 461 9999 •  08166804784
2.	www.veritaskapital.com LiveChat and Tell us
4.	VKA Social media handles (X, Instagram, Facebook and LinkedIn) https://x.com/veritaskapital https://www.instagram.com/veritaskapital https://facebook.com/veritaskapital https://www.linkedin.com/company/veritas-kapital-assurance-plc

Our organization has established branches throughout all six geopolitical zones, ensuring that our clients and the general public have access to convenient and personalized in-person services. For easy reference, you can find the addresses of all our branches listed on our website at www.veritaskapital.com.

OUR RESOLUTION ROADMAP

At VKA, customer satisfaction is at the heart of everything we do, and our robust complaints management policy reflects this commitment. We don't just resolve concerns—we proactively investigate and address them to prevent future occurrences, ensuring a seamless customer experience.

Our dedicated team of experts works swiftly and efficiently, collaborating closely with product and process owners to guarantee that every issue is handled with precision and care. By fostering a culture of responsiveness and continuous improvement, we aim to not only meet but exceed customer expectations, delivering the highest level of service and unwavering support.



CUSTOMERS' PRODUCT PERSPECTIVES:

To continuously enhance and refine our product offerings, we actively engage in the following initiatives:

- ❖ **Customer Forums** - Creating open platforms for valuable feedback and engagement.
- ❖ **Customer Journey Mapping** - Analyzing customer interactions to improve experiences.
- ❖ **Top Customer Visitations** - Strengthening relationships and understanding key client needs.
- ❖ **Product Satisfaction Surveys** - Gathering insights to refine and optimize our services.
- ❖ **Claims Experience Feedback** - Identifying areas for improvement in claims processing.
- ❖ **Product & Safety Tips** - Educating customers for better risk management and policy utilization.

These proactive evaluations provide us with deeper insights into customer perceptions, allowing us to tailor our solutions and deliver an exceptional customer experience.

Comprehensive reports regarding the handling of customer complaints are systematically channelled to relevant departments within the company for further scrutiny. This process serves the critical purpose of guaranteeing that all loopholes are identified and rectified while ensuring the maintenance of best practices. The overarching objective of this procedure is to enhance our overall performance and to ensure maximum customer satisfaction.

FEEDBACK ON CUSTOMERS' COMPLAINTS

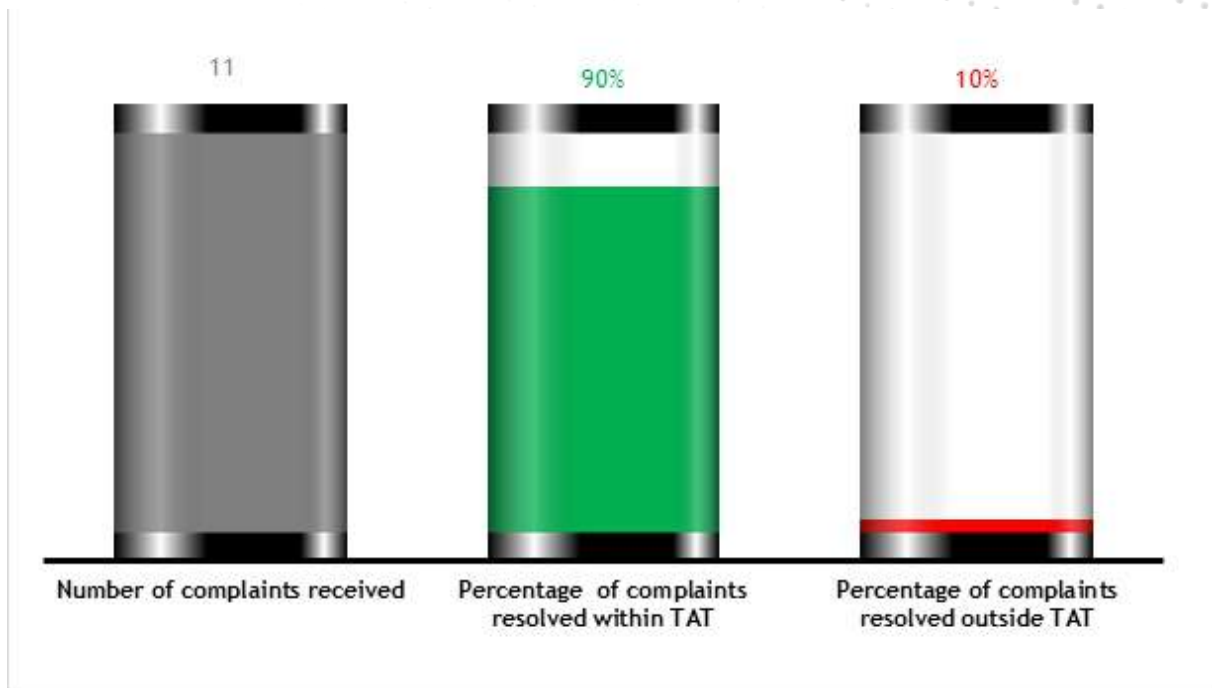


Number of Complaints Received and Resolved

At Veritas Kapital Assurance Plc (VKA), we are unwavering in our commitment to delivering an exceptional customer experience at every interaction. We recognize that seamless communication and efficient resolution of concerns are pivotal in building trust and long-term client relationships.

As part of our continuous improvement efforts, we are actively enhancing the accessibility and functionality of our client touchpoints, ensuring that customers can easily reach us through multiple convenient channels.

In 2024, every grievance reported was handled with urgency and professionalism, ensuring that issues were promptly investigated and resolved to the complete satisfaction of our customers. Beyond resolution, we have taken proactive steps to analyze the root causes of complaints, leading to systemic improvements that prevent recurrence and enhance overall service delivery.



The graph above illustrates the percentage of complaints received and successfully resolved over the course of the year.

Looking ahead to 2025, our goal is to elevate our customers' experience by implementing strategic initiatives that not only address concerns swiftly but also proactively strengthen client satisfaction and loyalty.



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STATEMENT OF DIRECTOR'S RESPONSIBILITIES IN RELATION TO THE PREPARATION OF THE CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2024

The Directors of Veritas Kapital Plc accept responsibility for the preparation of the consolidated and separate financial statements that give a true and fair view of the financial position of the Group and Company as at 31 December 2024, and the results of its operations, cash flows and changes in equity for the year then ended, in compliance with IFRS Accounting Standards as issued by the International Accounting Standards Board and in the manner required by the Companies and Allied Matters Act of Nigeria, Insurance Act 2003, circulars and guidelines issued by the National Insurance Commission (NAICOM) and the Financial Reporting Council of Nigeria (Amendment Act), 2023.

In preparing the financial statements, the Directors are responsible for:

- properly selecting and applying accounting policies;
- presenting information, including accounting policies, in a manner that provides relevant, reliable, comparable and understandable information;
- providing additional disclosures when compliance with the specific requirements in IFRS Accounting Standards are insufficient to enable users to understand the impact of particular transactions, other events and conditions on the Group's financial position and financial performance.

Going Concern:

The Directors have made an assessment of the Group's and Company's ability to continue as a going concern and have no reason to believe the Group will not remain a going concern in the year ahead.

The financial statements of the Group and Company for the year ended 31 December 2024 were approved by the directors on 21 March 2025.



Adaobi Nwakuche
Managing Director/CEO
FRC/2021/003/00000023865



Mr. Nahim Abe Ibraheem
Chairman
FRC/2020/003/00000020878

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STATEMENT OF CORPORATE RESPONSIBILITY FOR THE CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2024

In compliance with section 405 of Companies and Allied Matters Act (CAMA) 2020, we have reviewed the audited Consolidated and Separate financial statements of the Group/Company for the year ended 31 December 2024 and based on our knowledge confirm as follows:

1. The audited Consolidated and Separate financial statements do not contain any untrue statement of material fact or omit to state a material fact, which would make the statements misleading;
2. The audited Consolidated and Separate financial statements and all other financial information included in the statements fairly present, in all material respects, the financial condition and results of operation of the Company as of and for the year ended 31 December 2024;
3. The Group's internal controls have been designed to ensure that all material information relating to the Company and its subsidiaries is received and provided to the Auditors in the course of the audit;
4. The Group's internal controls were evaluated within 90 days of the financial reporting date and are effective as of 31 December 2024;
5. That we have disclosed to the Auditors and the Audit committee the following information:
 - (a). There are no significant deficiencies in the design or operation of the Company's internal controls which could
 - (b). There is no fraud involving management or other employees which could have any significant role in the Group's
6. There are no significant changes in internal controls or in other factors that could significantly affect internal controls subsequent to the date of this audit, including any corrective actions with regard to any observed deficiencies and material weaknesses.

Signed:


.....
Mojeed Somorin
Chief Financial Officer
FRC/2017/PRO/ICAN/001/00000016849
21 March 2025


.....
Dr Adaobi Nwaku
Managing Director
FRC/2021/003/00000023865
21 March 2025

Annual Report and Financial Statements for the year ended 31 December 2024
Management's Annual Assessment of, and Report on, VERITAS KAPITAL ASSURANCE PLC
Internal Control over Financial Reporting

To comply with the provisions of Section 1.3 of SEC Guidance on Implementation of Sections 60-63 of the Investments and Securities Act 2007, we hereby make the following statements regarding the Internal Controls of VERITAS KAPITAL ASSURANCE PLC for the year ended 31 December 2024:

- i. **VERITAS KAPITAL ASSURANCE PLC** management is responsible for establishing and maintaining a system of internal control over financial reporting ("ICFR") that provides reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with International Financial Reporting Standards.
- ii. **VERITAS KAPITAL ASSURANCE PLC** management used the Committee of Sponsoring Organization of the Treadway Commission (COSO) Internal Control-Integrated Framework to conduct the required evaluation of the effectiveness of the entity's ICFR;
- iii. **VERITAS KAPITAL ASSURANCE PLC** management has assessed that the entity's ICFR as of the end of 31 December 2024 is **effective**.
- iv. **VERITAS KAPITAL ASSURANCE PLC** external auditor **Ernst & Young**, which audited the financial statements included in the annual report, has issued an attestation report on management's assessment of the entity's internal control over financial reporting. The attestation report of **Ernst & Young** that audited its financial statements will be filed as part of the **VERITAS KAPITAL ASSURANCE PLC** annual report.



Adaobi Nwaku
Managing Director
FRC/2021/003/00000023865



Nahim Abe Ibraheem
Chairman
FRC/2020/003/00000020878

Annual Report and Financial Statements for the year ended 31 December 2024
Certification of Management's Assessment on Internal Control Over Financial Reporting

To comply with the provisions of Section 1.1 of SEC Guidance on Implementation of Sections 60-63 of the Investments and Securities Act 2007, I hereby make the following statements regarding the Internal Controls of **VERITAS KAPITAL ASSURANCE PLC** for the year ended 31 December 2024.

I Adaobi Nwakuche certify that:

- a) I have reviewed this management assessment on internal control over the financial reporting of **VERITAS KAPITAL ASSURANCE PLC**.
- b) Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, considering the circumstances under which such statements were made, not misleading with respect to the period covered by this report.
- c) Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations, and cash flows of the entity as of, and for, the periods presented in this report.
- d) The entity's other certifying officer and I:
 1. Are responsible for establishing and maintaining internal controls.
 2. Have designed such internal controls and procedures, or caused such internal controls and procedures to be designed under our supervision, to ensure that material information relating to the entity is also made known to us by others within the entity, particularly during period in which this report is being prepared.
 3. Have designed such internal control system or caused such internal control system to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles.
 4. Have evaluated the effectiveness of the entity's internal controls and procedures as of a date within 90 days prior to the report and presented in this report our conclusions about the effectiveness of the internal controls and procedures, as of the end of the period covered by this report based on such evaluation.
- e) The entity's other certifying officer and I have disclosed, based on our most recent evaluation of the internal control system, to the entity's auditors and the audit committee of the entity's board of directors (or persons performing the equivalent functions):
 1. All significant deficiencies and material weaknesses in the design or operation of the internal control system which are reasonably likely to adversely affect the entity's ability to record, process, summarize and report financial information; and

2. Any fraud, whether or not material, that involves management or other employees who have a significant role in the entity's internal control system.
- f) The entity's other certifying officer(s) and I have identified in the report whether or not there were significant changes in internal controls or other facts that could significantly affect internal controls subsequent to the date of their evaluation, including any corrective actions with regard to significant deficiencies and material weaknesses.

Name: Adaobi Nwakuche

FRC No: FRC/2021/003/00000023865

Designation: Managing Director

Signature:



Date: 21 March, 2025

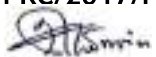
Annual Report and Financial Statements for the year ended 31 December 2024.
Certification of Management Assessment on Internal Control Over Financial Reporting.

To comply with the provisions of Section 1.1 of SEC Guidance on Implementation of Sections 60-63 of Investments and Securities Act 2007, I hereby make the following statements regarding the Internal Controls of **VERITAS KAPITAL ASSURANCE PLC** for the year ended 31 December 2024.

I Mojeed Somorin, certify that:

- a) I have reviewed this Management assessment on Internal Control Over Financial Reporting of **VERITAS KAPITAL ASSURANCE PLC**.
- b) Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, considering the circumstances under which such statements were made, not misleading with respect to the period covered by this report;
- c) Based on my knowledge the financial statements and other financial institutions included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the entity as of, and for, the periods presented in this report;
- d) The entity's certifying officer and I:
 - 1. Are responsible for establishing and maintaining internal controls;
 - 2. Have designed such internal controls and procedures, or caused such internal controls and procedures to be designed under our supervision, to ensure that material information relating to the entity is also made known to us by others within the entity, particularly during period in which this report is being prepared;
 - 3. Have designed such internal control system to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;
 - 4. Have evaluated the effectiveness of the internal controls and procedures as of a date within 90 days prior to the report our conclusions about the effectiveness of the internal controls and procedures, as of the end of the period covered by this report based on such evaluation.

5. The entity's other certifying officer and i have disclosed, based on our most recent
- e) Evaluation of internal control system, to the entity's auditors and the audit committee of the entity's board of directors (or persons performing the equivalent functions):
1. All significant deficiencies and material weaknesses in the design or operation of the internal control system which are reasonably likely to adversely affect the entity's ability to record, process, summarize and report financial information; and
 2. Any fraud, whether or not material, that involves management or other employees who have a significant role in the entity's internal control system.
- f) The entity's other certifying officer(s) and I have identified ,in the report whether or not there were significant changes in internal controls or other facts that could significantly affect internal controls subsequent to the date of their evaluation including any corrective actions with regard to significant deficiencies and material weaknesses.

Name: Mojeed Somorin
Designation: CFO
FRC No: FRC/2017/PRO/ICAN/001/00000016849
Signature: 
Date: 28-03-2025



Ernst & Young
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INDEPENDENT AUDITOR'S ATTESTATION REPORT ON MANAGEMENT'S ASSESSMENT OF INTERNAL CONTROL OVER FINANCIAL REPORTING

TO THE MEMBERS OF VERITAS KAPITAL ASSURANCE PLC

Scope

We have been engaged by Veritas Kapital Assurance Plc ('the Company') to perform a 'limited assurance engagement', based on International Standards on Assurance Engagements Other Than Audits or Reviews of Historical Financial Information ('ISAE 3000 (Revised)') and FRC Guidance on Assurance Engagement Report on Internal Control over Financial Reporting, herein referred to as the engagement, to report on Veritas Kapital Assurance Plc Internal Control over Financial Reporting (ICFR) (the "Subject Matter") contained in the company's Management's Assessment on Internal Control over Financial Reporting as of 31 December 2024 (the "Report").

A company's internal control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal control over financial reporting includes those policies and procedures that:

- (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company.
- (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and
- (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Because of its inherent limitations, internal control over financial reporting may not prevent or detect all misstatements. Also, projections of any evaluation of effectiveness to future periods are subject to the risk that controls may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Criteria applied by Veritas Kapital Assurance Plc

In designing, establishing and operating the Internal Control over Financial Reporting (ICFR) and preparing the Management's assessment of the Internal Control over Financial Reporting (ICFR), Veritas Kapital Assurance Plc applied the requirements of Internal Control-Integrated Framework (2013) of the Committee of Sponsoring Organizations of the Treadway Commission (COSO) Framework and SEC Guidance on Management Report on Internal Control Over Financial Reporting (Criteria). Such Criteria were specifically designed to enable organizations effectively and efficiently develop systems of internal control that adapt to changing business and operating environments, mitigate risks to acceptable levels, and support sound decision making and governance of the organization; As a result, the subject matter information may not be suitable for another purpose.



INDEPENDENT AUDITOR'S ATTESTATION REPORT ON MANAGEMENT'S ASSESSMENT OF INTERNAL CONTROL OVER FINANCIAL REPORTING

TO THE MEMBERS OF VERITAS KAPITAL ASSURANCE PLC-Continued

Veritas Kapital Assurance Plc's responsibilities

Veritas Kapital Assurance Plc's management is responsible for maintaining effective internal control over financial reporting, and for its assessment of the effectiveness of internal control over financial reporting, included in the accompanying Veritas Kapital Assurance Plc's *management's assessment of the Internal Control over Financial reporting as of 31 December 2024* in accordance with the criteria.

Our responsibilities

Our responsibility is to express a conclusion on the design and operating effectiveness of the Internal Control over Financial Reporting based on our Assurance engagement.

We conducted our engagement in accordance with the *International Standard for Assurance Engagements Other Than Audits or Reviews of Historical Financial Information* ('ISAE 3000 (Revised)') and FRC Guidance on Assurance Engagement Report on Internal Control over Financial Reporting, those standards require that we plan and perform our engagement to obtain limited assurance on the entity's internal control over financial reporting based on our assurance engagement.

Our independence and quality management

We have maintained our independence and confirm that we have met the requirements of the International Code of Ethics for Professional Accountants issued by the International Ethics Standards Board for Accountants (IESBA Code) and have the required competencies and experience to conduct this assurance engagement.

We also apply International Standard on Quality Management 1, *Quality Management for Firms that Perform Audits or Reviews of Financial Statements, or Other Assurance or Related Services engagements*, which requires that we design, implement, and operate a system of quality management including policies or procedures regarding compliance with ethical requirements, professional standards and applicable legal and regulatory requirements.

Description of procedures performed.

The procedures we performed included obtaining an understanding of internal control over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk.

Our engagement also included performing such other procedures as we considered necessary in the circumstances. We believe the procedures performed provides a basis for our report on the internal control put in place by management over financial reporting



INDEPENDENT AUDITOR'S ATTESTATION REPORT ON MANAGEMENT'S ASSESSMENT OF INTERNAL CONTROL OVER FINANCIAL REPORTING

TO THE MEMBERS OF VERITAS CAPITAL ASSURANCE PLC-Continued

Conclusion

In conclusion, nothing has come to our attention to indicate that the internal control over financial reporting put in place by management is not adequate as of 31 December 2024, based on the requirements of Committee of Sponsoring Organizations of the Treadway Commission (COSO) Framework and SEC Guidance on Management Report on Internal Control Over Financial Reporting.

Other Matter

We also have audited, in accordance with the International Standards on Auditing, the annual report for the year ended 31 December 2024 of Veritas Kapital Assurance Plc and we expressed an unmodified opinion in our Auditor's report dated 23 June 2025. Our conclusion is not modified in respect of this matter.

Oluwasayo Elumaro

FRC/2012/PRO/ICAN/004/00000000139

For: Ernst & Young

Lagos, Nigeria.

23 June 2025





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**INDEPENDENT AUDITOR'S REPORT
TO THE MEMBERS OF VERITAS CAPITAL ASSURANCE PLC
Report on the Audit of the Consolidated and Separate Financial Statements**

Opinion

We have audited the consolidated and separate financial statements of Veritas Kapital Assurance Plc ("the Company") and its subsidiaries (together "the Group"), which comprise the consolidated and separate statements of financial position as at 31 December 2024, and the consolidated and separate statements of profit or loss and other comprehensive income, the consolidated and separate statements of changes in equity and the consolidated and separate statements of cash flows for the year then ended, and notes to the consolidated and separate financial statements, including material accounting policy information.

In our opinion, the accompanying consolidated and separate financial statements give a true and fair view of the consolidated and separate financial position of the Group and the Company as at 31 December 2024, and its consolidated and separate financial performance and consolidated and separate cash flows for the year then ended in accordance with IFRS Accounting Standards as issued by the International Accounting Standards Board, the provisions of the Companies and Allied Matters Act, 2020, the Insurance Act, 2003, the Pension Reforms Act, 2014, the relevant guidelines and circulars issued by the National Insurance Commission (NAICOM) and in compliance with the Financial Reporting Council of Nigeria (Amendment) Act, 2023.

Basis for Opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs). Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Consolidated and Separate Financial Statements* section of our report. We are independent of the Group and the Company in accordance with the International Ethics Standards Board for Accountants' International Code of Ethics for Professional Accountants (including International Independence Standards) (IESBA Code) together with the ethical requirements that are relevant to our audit of the consolidated and separate financial statements in Nigeria, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the IESBA Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key Audit Matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the consolidated and separate financial statements of the current period. These matters were addressed in the context of our audit of the consolidated and separate financial statements as a whole, and in forming our opinion thereon, we do not provide a separate opinion on these matters. For each matter below, our description of how our audit addressed the matter is provided in that context.

We have fulfilled the responsibilities described in the *Auditor's Responsibilities for the Audit of the Consolidated and Separate Financial Statements* section of our report, including in relation to these matters. Accordingly, our audit included the performance of procedures designed to respond to our assessment of the risks of material misstatement of the consolidated and separate financial statements. The results of our audit procedures, including the procedures performed to address the matters below, provide the basis for our audit opinion on the accompanying consolidated and separate financial statements.

**INDEPENDENT AUDITOR'S REPORT
TO THE MEMBERS OF VERITAS KAPITAL ASSURANCE PLC-Continued**

The Key Audit Matters apply equally to the audit of the consolidated and separate financial statements.

Key Audit Matter	How the matter was addressed in the audit
Valuation of Insurance Contract Liabilities The valuation of insurance contract liabilities is a significant area of judgment for entity. As at 31 December 2024, insurance contract liabilities amounted to ₦ 16.3 billion as at 31 December 2024 (2023: ₦4.54billion), and this amount represents a significant portion of its total liabilities for the respective period. The Company currently adopts only the Premium Allocation Approach in measuring a group of contracts which is the total of: a) the premiums received at initial recognition b) minus any insurance acquisition cashflows at that date c) plus or minus arising from the derecognition of any asset for insurance acquisition cashflows and any other asset or liability previously recognized for cashflows related to the group of contracts. When projecting future cashflows for these insurance contract liabilities, the Company primarily uses deterministic projections using best estimate assumptions. Key assumptions are subjective including the evenly occurrence of risk, sustained future claims payment pattern, large loss increase rate, directly attributable expenses, taxes etc. Auditing the valuation of insurance contract liabilities was complex and required the application of significant audit judgement due to the complexity of the cashflow models, the selection and use of assumptions and the interrelationship of these variables in measuring insurance contract liabilities. The audit also required specialized skills and knowledge in evaluating the audit evidence obtained. Refer to the note 17 ("Summary of Insurance Contract Issued and Re-insurance contract held") to the consolidated and separate financial statements.	Our audit procedures were amongst included but were not limited to the following. We: Obtained an understanding of the insurance contract liabilities valuation process. For this process, we focussed on understanding the Company's IFRS 17 implementation process including the approach for classification of insurance contracts for the purpose of measuring insurance contract liabilities. Also, we focussed on management's consistent application of the accounting policies and an inquiry into the actuarial models as well as management's process to ensure integrity of data used. - Involved our actuarial specialists in assessing the methodology and assumptions used in valuation of the insurance contract liabilities in respect to compliance with the Company's policies and IFRS. - Tested underlying support documentation for the inputs into the valuation of insurance contract liabilities, including reviewing a sample of experience studies supporting specific assumptions, evaluating the nature, timing and completeness of changes recorded, and assessing whether individual changes were errors or refinements of estimates. Assessed the adequacy of the disclosures related to the valuation of the insurance contract liabilities.



INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF VERITAS CAPITAL ASSURANCE PLC-Continued

Other Information

The Directors are responsible for the other information. The other information comprises the information included in the document titled "Veritas Kapital Assurance Plc Annual Report and Consolidated and Separate Financial Statements for the year ended 31 December 2024", which includes the Report of the Directors, Audit Committee's Report, Statement of Corporate Responsibility for the Consolidated and Separate Financial Statements, Statement of Directors' Responsibilities in Relation to the preparation of the Consolidated and Separate Financial Statements, and Other National Disclosures. The other information does not include the consolidated and separate financial statements and our auditor's report thereon.

Our opinion on the consolidated and separate financial statements does not cover the other information and we do not express an audit opinion or any form of assurance conclusion thereon.

In connection with our audit of the consolidated and separate financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the consolidated and separate financial statements, or our knowledge obtained in the audit, or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of the Directors for the Consolidated and Separate Financial Statements

The Directors are responsible for the preparation and fair presentation of the consolidated and separate financial statements in accordance with IFRS Accounting Standards as issued by the International Accounting Standards Board, the provisions of the Companies and Allied Matters Act, 2020, the Insurance Act, 2003, the Pension Reforms Act, 2014, the relevant guidelines and circulars issued by the National Insurance Commission (NAICOM) and in compliance with the Financial Reporting Council of Nigeria (Amendment) Act, 2023, and for such internal control as the Directors determine is necessary to enable the preparation of consolidated and separate financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated and separate financial statements, the Directors are responsible for assessing the Group's and the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Directors either intend to liquidate the Group and/or the Company or to cease operations, or have no realistic alternative but to do so.

Auditor's Responsibilities for the Audit of the Consolidated and Separate Financial Statements

Our objectives are to obtain reasonable assurance about whether the consolidated and separate financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with ISAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the

INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF VERITAS CAPITAL ASSURANCE PLC-Continued

aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated and separate financial statements.

As part of an audit in accordance with ISAs, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the consolidated and separate financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's and the Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Directors.
- Conclude on the appropriateness of the Directors' use of the going concern basis of accounting and based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's and the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated and separate financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group and/or the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated and separate financial statements, including the disclosures, and whether the consolidated and separate financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Plan and perform the group audit to obtain sufficient appropriate audit evidence regarding the financial information of the entities or business units within the Group as a basis for forming an opinion on the Group financial statements. We are responsible for the direction, supervision and review of the audit work performed for purposes of the Group audit. We remain solely responsible for our audit opinion.

We communicate with the Directors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide the Directors with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, actions taken to eliminate threats or safeguards applied.

INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF VERITAS KAPITAL ASSURANCE PLC-Continued

From the matters communicated with the Directors, we determine those matters that were of most significance in the audit of the consolidated and separate financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on Other Legal and Regulatory Requirements

In accordance with the requirement of the Fifth Schedule of the Companies and Allied Matters Act, 2020, we confirm that:

- We have obtained all the information and explanations which, to the best of our knowledge and belief, were necessary for the purpose of our audit;
- In our opinion, proper books of account have been kept by the Group and Company, in so far as it appears from our examination of those books;
- The consolidated and separate statements of financial position and the consolidated and separate statements of profit or loss and other comprehensive income are in agreement with the books of account; and
- In our opinion, the consolidated and separate financial statements have been prepared in accordance with the provisions of the Companies and Allied Matters Act, 2020 so as to give a true and fair view of the state of affairs and financial performance of the Company and its subsidiaries.

In accordance with the requirements of the Financial Reporting Council of Nigeria (FRC) Guidance on Assurance Engagement Report on Internal Control over Financial Reporting:

We performed a limited assurance engagement and reported on management's assessment of the Company's internal control over financial reporting as of 31 December, 2024. The work performed was done in accordance with the International Standard for Assurance Engagements Other Than Audits or Reviews of Historical Financial Information ('ISAE 3000 (Revised)') and FRC Guidance on Assurance Engagement Report on Internal Control over Financial Reporting, and we have issued an unmodified conclusion in our report dated 23 June 2025. The report is included on page 40-42 of the financial statements



Oluwasayo Elumaro
FRC/2012/PRO/ICAN/004/00000000139

For Ernst & Young
Lagos, Nigeria
Date: 23 June 2025

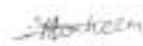


**CONSOLIDATED AND SEPARATE STATEMENTS OF FINANCIAL POSITION
AS AT 31 DECEMBER 2024**

		2024	2023	2024	2023
	Notes	Group N'000	Group N'000	Company N'000	Company N'000
Assets					
Cash and cash equivalents	3	11,196,743	6,564,667	9,830,861	4,718,745
Investment securities:					
Fair value through profit or loss	4	138,264	113,615	138,264	113,615
Amortised cost	4	10,197,218	7,472,050	5,084,068	3,161,226
Fair value through OCI	4	492,056	433,485	492,056	433,485
Premium receivables	5	1,545,616	1,029,780	1,545,616	1,029,780
Reinsurance contract assets	17	5,841,670	1,647,856	5,841,670	1,647,856
Other receivables and prepayments	6	884,867	826,508	174,054	352,854
Investment in subsidiaries	7	-	-	4,026,300	4,026,300
Property and equipment	9	6,020,334	5,436,389	5,033,899	4,391,555
Goodwill	10	316,884	316,884	-	-
Intangible assets	11	551,789	422,753	539,166	401,541
Statutory deposits	12	355,000	355,000	355,000	355,000
Deferred tax asset	16.1	-	60,854	-	21,745
Total assets		37,540,441	24,679,842	33,060,954	20,653,702
Liabilities:					
Insurance contract liabilities	17	16,303,627	4,539,202	16,303,627	4,539,202
Other contract liabilities	25	8,899	15,539	-	-
Other technical liabilities	13	2,785,405	2,105,972	2,785,404	2,105,972
Employees retirement benefit obligations	14	27,710	23,933	-	-
Provision and other payables	15	2,351,635	1,254,607	1,690,510	597,587
Income tax liabilities	16	404,691	187,033	173,210	80,876
Deferred tax liabilities	16.2	372,737	184,753	190,671	157,143
Total liabilities		22,254,704	8,311,039	21,143,422	7,480,780
Share capital & reserves:					
Share capital	18	6,933,333	6,933,333	6,933,333	6,933,333
Share premium	19	663,600	663,600	663,600	663,600
Statutory contingency reserves	20	2,611,284	1,900,456	2,611,284	1,900,456
(Accumulated losses)/retained earnings	21	(1,189,506)	1,008,862	(2,305,749)	39,675
Other components of equity:					
Asset revaluation reserve	22	3,974,282	3,634,971	3,735,496	3,396,185
Fair value reserve	23	275,880	235,984	279,569	239,673
Equity attributable to equity holders of the parent		13,268,874	14,377,205	11,917,532	13,172,922
Non Controlling interest (NCI)	37	2,016,863	1,991,597	-	-
Total equity		15,285,737	16,368,802	11,917,532	13,172,922
Total equity & liabilities		37,540,441	24,679,842	33,060,954	20,653,702

These financial statements were approved by the Board on 21 March 2025 and signed on its behalf by:


 Mojeed Somorin
 Chief Financial Officer
 FRC/2017/PRO/ICAN/001/00000016849


 Mr Nahim Abe Ibraheem
 Chairman
 FRC/2020/003/00000020878


 Dr. Adaobi Nwaku
 Managing Director
 FRC/2021/003/00000023865

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

CONSOLIDATED AND SEPARATE STATEMENTS OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME
FOR THE YEAR ENDED 31 DECEMBER 2024

		2024	2023	2024	2023
		Group	Group	Company	Company
	Notes	N'000	N'000	N'000	N'000
Insurance revenue	26	23,310,885	7,103,516	23,330,242	7,103,516
Insurance service expenses	27	(18,590,142)	(5,488,154)	(18,590,142)	(5,488,154)
Insurance service result before reinsurance contracts held		4,720,743	1,615,362	4,740,100	1,615,362
Net expenses from reinsurance contracts held	28	(8,923,025)	(1,833,100)	(8,923,025)	(1,833,100)
Insurance service result		(4,202,282)	(217,738)	(4,182,925)	(217,738)
Interest income calculated using the effective interest method	31a	1,243,847	704,698	450,343	216,068
Net fair value gains on financial assets at fair value through profit or loss	31c	25,754	45,525	25,754	45,525
Net foreign exchange gain	32	5,087,119	3,501,928	5,087,119	3,501,928
Credit loss expense on financial assets	34	(28,824)	(23,834)	(57,730)	(5,686)
Other investment income	31b	2,801,394	1,876,790	899,447	455,292
Net investment income		9,129,290	6,105,107	6,404,933	4,213,127
Finance expenses from insurance contracts issued	29	(956,336)	(239,390)	(956,336)	(239,390)
Finance income from reinsurance contracts held	30	250,922	83,531	250,922	83,531
Net insurance finance Expense		(705,414)	(155,859)	(705,414)	(155,859)
Net insurance and investment result		4,221,594	5,731,509	1,516,594	3,839,530
Other operating income	33	368,002	838,082	47,441	115,782
Other operating expenses	35	(5,217,145)	(3,587,319)	(3,049,539)	(1,538,207)
(Loss)/profit before income tax		(627,549)	2,982,273	(1,485,504)	2,417,105
Income tax expense	36	(465,319)	(231,985)	(149,092)	(87,788)
(Loss)/profit for the year		(1,092,868)	2,750,289	(1,634,596)	2,329,317
Other comprehensive income:					
<i>Items that will not be reclassified subsequently to profit or loss(net of tax):</i>					
Net actuarial (loss)/gains on retirement benefit obligation	50a	(15,114)	1,364	-	-
Gain on revaluation of property, plant and equipment (net of tax)	50b	339,311	1,127,346	339,311	1,127,346
Fair value gain on financial asset at FVOCI(net of tax)	50c	39,896	286,937	39,896	286,937
Other comprehensive income, Net of tax		364,093	1,415,648	379,206	1,414,283
Total comprehensive (loss)/income for the year		(728,775)	4,165,936	(1,255,390)	3,743,600
(Loss)/profit for the period, attributable to:					
* Non-controlling interests		131,530	174,916	-	-
* Owners' of the Parent		(1,224,398)	2,575,372	-	-
		(1,092,868)	2,750,289	-	-
Total Comprehensive (loss)/ Income, attributable to:					
* Non-controlling interests		130,547	175,015	-	-
* Owners' of the Parent		(859,323)	3,990,921	-	-
		(728,775)	4,165,936	-	-
Basic (loss)/earnings per Share	24	(0.16)	0.40	(0.24)	0.34

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

CONSOLIDATED AND SEPARATE STATEMENTS OF CHANGES IN EQUITY
FOR THE YEAR ENDED 31 DECEMBER 2024

Group

	Share Capital N'000	Share Premium N'000	Asset revaluation reserve N'000	Fair value reserve N'000	Contingency Reserve N'000	(Accumulated losses)/retained earnings N'000	Total attributable to equity holders of Parent N'000	Non-controlling Interest N'000	Total Equity N'000
At 1 January 2024	6,933,333	663,600	3,634,971	235,984	1,900,456	1,008,862	14,377,206	1,991,597	16,368,802
(Loss)/Profit for the year	-	-	-	-	-	(1,224,398)	(1,224,398)	131,530	(1,092,868)
Other Comprehensive Income:									
Gain on revaluation of properties, plant and equipment	-	-	339,311	-	-	-	339,311	-	339,311
Fair value gain on financial asset at FVOCI	-	-	-	39,896	-	-	39,896	-	39,896
Transfer of revaluation gain on disposal of PPE	-	-	-	-	-	-	-	-	-
Actuarial gain on retirement benefit obligation	-	-	-	-	-	(14,131)	(14,131)	(982)	(15,114)
Total Comprehensive Loss	-	-	339,311	39,896	-	(1,238,529)	(859,323)	130,547	(728,775)
Transfer to Contingency Reserve (Note 20)	-	-	-	-	710,828	(710,828)	-	-	-
Transactions with owners of equity									
Dividends to equity holders (Note 21)	-	-	-	-	-	(249,010)	(249,010)	(105,280)	(354,290)
At 31 December 2024	6,933,333	663,600	3,974,282	275,880	2,611,284	(1,189,506)	13,268,873	2,016,863	15,285,736

	Share Capital N'000	Share Premium N'000	Asset revaluation reserve N'000	Fair value reserve N'000	Contingency Reserve N'000	Retained Earnings N'000	Total attributable to equity holders of Parent N'000	Non-controlling Interest N'000	Total Equity N'000
At 1 January 2023	6,933,333	663,600	2,572,253	(50,953)	1,434,593	(985,525)	10,567,302	1,892,000	12,459,302
Profit for the year	-	-	-	-	-	2,575,372	2,575,372	174,916	2,750,288
Other Comprehensive Income:									
Gain on revaluation of properties, plant and equipment	-	-	1,127,346	-	-	-	1,127,346	-	1,127,346
Fair value gain on financial asset at FVOCI	-	-	-	286,937	-	-	286,937	-	286,937
Transfer of revaluation gain on disposal of PPE	-	-	(64,629)	-	-	64,629	-	-	-
Actuarial gain on retirement benefit obligation	-	-	-	-	-	1,266	1,266	99	1,364
Total Comprehensive Income	-	-	1,062,718	286,937	-	2,641,267	3,990,921	175,015	4,165,935
Transfer to Contingency Reserve	-	-	-	-	465,863	(465,863)	-	-	-
Transactions with owners of equity:									
Dividends to equity holders (Note 21)	-	-	-	-	-	(181,017)	(181,017)	(75,418)	(256,435)
At 31 December 2023	6,933,333	663,600	3,634,971	235,984	1,900,456	1,008,862	14,377,206	1,991,597	16,368,802

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

**CONSOLIDATED AND SEPARATE STATEMENTS OF CHANGES IN EQUITY
FOR THE YEAR ENDED 31 DECEMBER 2024**

Company	Share Capital N'000	Share Premium N'000	Asset revaluation reserve N'000	Fair value reserve N'000	Contingency Reserve N'000	(Accumulated losses)/retained N'000	Total N'000
At 1 January 2024	6,933,333	663,600	3,396,185	239,673	1,900,456	39,675	13,172,922
Loss for the year	-	-	-	-	-	(1,634,596)	(1,634,596)
Other Comprehensive Income:							
Gain on revaluation of properties, plant and equipment	-	-	339,311	-	-	-	339,311
Fair value gain on financial asset at FVOCI	-	-	-	39,896	-	-	39,896
Transfer of revaluation gain on disposal of PPE	-	-	-	-	-	-	-
Total Comprehensive Loss	-	-	339,311	39,896	-	(1,634,596)	(1,255,390)
Transfer to Contingency Reserve	-	-	-	-	710,828	(710,828)	-
At 31 December 2024	6,933,333	663,600	3,735,496	279,569	2,611,284	(2,305,749)	11,917,532

Share Capital N'000	Share Premium N'000	Asset revaluation reserve N'000	Fair value reserve N'000	Contingency Reserve N'000	Retained Earnings N'000	Total N'000	
6,933,333	663,600	2,333,468	(47,264)	1,434,593	(1,888,408)	9,429,322	
-	-	-	-	-	2,329,317	2,329,317	
Profit for the year	-	-	-	-	-	-	
Other Comprehensive Income:							
Gain on revaluation of properties, plant and equipment	-	-	1,127,346	-	-	1,127,346	
Fair value gain on financial asset at FVOCI	-	-	-	286,937	-	286,937	
Transfer of revaluation gain on disposal of PPE	-	-	(64,629)	-	-	64,629	
Total Comprehensive Income	-	-	1,062,717	286,937	-	2,393,946	
Transfer to Contingency Reserve	-	-	-	-	465,863	(465,863)	
At 31 December 2023	6,933,333	663,600	3,396,185	239,673	1,900,456	39,675	13,172,922

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

**CONSOLIDATED AND SEPARATE STATEMENTS OF CASHFLOWS
FOR THE YEAR ENDED 31 DECEMBER 2024**

		2024 Group N'000	2023 Group N'000	2024 Company N'000	2023 Company N'000
Cash flows from operating activities:	Notes				
Premium received	17	23,159,073	7,298,401	23,178,430	7,291,207
Amount received in respect of claims	17	824,834	58,110	824,834	58,110
Other operating income	33	350,797	841,077	31,565	115,782
Cash paid to and on behalf of employees	35	(2,259,134)	(1,361,580)	(1,069,303)	(415,544)
Reinsurance premium paid	17b	(14,192,596)	(2,643,475)	(14,192,596)	(2,643,475)
Insurance benefits and claims paid	17a	(2,322,812)	(3,232,155)	(2,162,686)	(3,232,155)
Acquisition costs paid	17a	(3,220,986)	(1,361,103)	(3,220,986)	(1,361,103)
Other acquisition (Maintenance expense) paid during the year	17a	(86,616)	-	(86,616)	-
Other directly attributable expenses paid	17a	(788,750)	-	(788,750)	-
realized exchange (loss)/gain	32	(39,888)	1,412,383	(39,888)	1,412,383
Cash paid to intermediaries and other suppliers		(1,204,313)	(1,186,510)	(1,060,703)	(619,153)
Company income tax paid	16	(222,145)	(145,854)	(31,242)	(33,558)
Net cash flows from operating activities		(2,536)	(320,706)	1,382,060	572,494
Cash flow from investing activities:					
Purchase of property, Plant and equipment	9	(462,806)	(157,266)	(387,443)	(61,248)
Purchase of intangible assets	11	(233,692)	(424,613)	(231,594)	(413,357)
Proceed from sale of property and equipment	49a	17,533	424,313	30,963	411,102
Proceed from disposal of investment property		-	45,000	-	45,000
Dividend income	31b	23,825	13,210	272,835	194,225
Interest received	31a&31b	4,599,632	1,967,187	2,811,208	455,782
Purchase of amortised cost investment	4v	(4,002,563)	(1,764,182)	(3,143,438)	(1,049,097)
Redemption/repayment on amortised cost investments	4v	1,912,715	412,404	1,250,176	-
Net cash flows from/(used) in investing activities		1,854,643	516,053	602,706	(417,594)
Cash flow from financing activities:					
Dividend paid	21&37	(354,290)	(256,435)	-	-
Net cash flows from/ (used) in financing activities		(354,290)	(256,435)	-	-
Net increase in cash and cash equivalents		1,497,817	(61,088)	1,984,766	154,901
Cash and cash equivalents at the 1 January		6,576,971	4,414,490	4,721,860	2,343,391
Effects of exchange rate changes on cash and cash equivalents		3,183,689	2,223,569	3,183,689	2,223,569
Cash and cash equivalents at the 31 December	3	11,258,477	6,576,971	9,890,315	4,721,860

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

NOTES TO THE CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS

1.1 Reporting Entity

Veritas Kapital Assurance Plc ("the Company") was initially incorporated under the name of Kapital Insurance Company Limited as a private limited liability Company On the 8 August, 1973. on 14 March 2007, it acquired and merged with two other insurance companies became a public limited liability group. Its shares are quoted on the Nigerian Exchange Group.

Its Head Office is located at 497 Abogo Largema Street, Off constitution Avenue, Central Business District, Abuja Nigeria.

The Company has 93.5% equity interest in Veritas Health Care Limited and 70% interest in Veritas Glanvills Pensions Limited and 51.53% in Goldlink Insurance Plc. The group comprises of two subsidiaries, an associate and the parent Company.

1.2 Principal Activities

The principal business of the group is underwriting of non-life insurance risks.

The subsidiaries activities are:

- Veritas Glanvills Pensions Limited, the administration and management of pension fund assets.
- Veritas Health Care Limited provision of health insurance.

1.3 Components of Financial Statements

The Consolidated and Separate Financial Statements comprise the Statements of Profit or Loss and Other Comprehensive Income, Consolidated and separate statements of Financial Position, Consolidated and separate Statement of Changes in Equity, Consolidated and separate Statements of Cash Flows, and the accompanying Notes.

Income and expenses (excluding the components of other comprehensive income) are recognised in the profit or loss segment of profit or loss to arrive at the profit for the year.

Other comprehensive income is recognised in the other comprehensive segment of the statement of other comprehensive income and comprises items of income and expenses that are not recognised in the statement of profit or loss as required or permitted by IFRS Accounting Standards.

The addition of the profit for the year and the other comprehensive income gives the total comprehensive income for the year.

Reclassification adjustments are amounts reclassified to profit or loss in the current period that were recognised in other comprehensive income in the current or previous periods. Transactions with the owners of the group in their capacity as owners are recognised in the statement of changes in equity.

NOTES TO THE CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS - Continued

1.4 Basis of preparation and measurement

Historical cost basis was used in preparation of the consolidated and separate financial statements as modified by the certain items of:

- Property, plant and equipment at valuation
- Investment property at fair value
- Investments at fair value
- Impaired assets at their recoverable amounts

1.5 Compliance with IFRS and NAICOM

These Consolidated and separate financial statements have been prepared in accordance with the (IFRS) Accounting Standards, IFRS Interpretations Committee (IFRIC) Interpretations applicable to companies reporting under IFRS as issued by the International Accounting Standards Board (IASB), Financial Reporting Council of Nigeria (Amendment) Act, 2023, Insurance Act, 2023 and regulatory guidelines as pronounced from time to time by National Insurance Commission (NAICOM). Additional information required by national regulations have been included where appropriate.

1.6 Going Concern status

The consolidated and separate financial statements have been prepared on the going concern basis. The group has no intention or need to reduce substantially its business operations. The management believes that the going concern assumption is appropriate for the company and group due to sufficient liquidity and based on historical experience that short-term obligations will be refinanced in the normal course of business. Liquidity ratio and continuous evaluation of current ratio of the group is carried out to ensure that there are no going concern threats to the operation of the group.

1.7 Presentation of financial statements

The group presents its consolidated and separate statements of financial position broadly in order of liquidity. An analysis regarding recovery or settlement within twelve months after the reporting date (current) and more than 12 months after the reporting date (non-current) is presented in the Notes.

1.8 Significant judgements and key sources of estimation uncertainty

In the process of applying the accounting policies adopted by the group and company, the Directors make certain judgements and estimates that may affect the carrying values of assets and liabilities in the next financial period. Such judgements and estimates are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the current circumstances. the directors evaluate these at each financial reporting date to ensure that they are still reasonable under the prevailing circumstances based on the information available.

NOTES TO THE CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS - Continued

1.8 Significant judgements and key sources of estimation uncertainty - continued

The preparation of the group's financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities and the disclosure of contingent liabilities, at the reporting date. However, uncertainty about these assumptions and estimates could result in outcomes that could require a material adjustment to the carrying amount of the asset or liability affected in the future. These factors should include:

The judgements made by the Directors in the process of applying the group's accounting policies that have the most significant effect on the amounts recognised in the financial statements include:

- **Claims arising from insurance contracts**
Liabilities for unpaid claims are estimated on a case by case basis. The liabilities recognised for claims fluctuate based on the nature and severity of the claim reported. Claims incurred but not reported are determined using statistical analyses and the group deems liabilities reported as adequate.
- **Fair value of unquoted equity financial instruments**
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 using valuation models.
- **Property, Plant and equipment**
Property, Plant and equipment represent one of the most significant proportion of the asset base of the group, accounting for about 26% of the group's total assets. Therefore, the estimates and assumptions made to determine their carrying value and related depreciation are critical to the group's financial position and performance.

The charge in respect of periodic depreciation is derived after determining an estimate of an asset's expected useful life and the expected residual value at the end of its life. Increasing an asset's expected life or its residual value would result in the reduced depreciation charge in the statement of comprehensive income.

The useful lives and residual values of the property, plant and equipment are determined by management based on historical experience as well as anticipation of future events and circumstances which may impact their useful lives.
- **Goodwill**
Goodwill is tested 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

NOTES TO THE CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS - Continued

1.8 Significant judgements and key sources of estimation uncertainty - continued

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.

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.

- **Deferred Tax Assets**

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 temporary differences can be utilised. Management judgment is required to determine the amount of deferred tax assets that can be recognized, based upon the likely timing and other factors.

1.9 Functional and presentation currency

The consolidated and separate financial statements are presented in Nigerian Naira, rounded to the nearest thousand, this is also the functional currency of the group.

2 Summary of material accounting policies

2.1 Introduction to summary of accounting policies

The material accounting policies applied in the preparation of these consolidated and separate financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

2.2 Insurance contracts

A. Key types of insurance contracts issued, reinsurance contracts held and measurement approach.

The Group issues non-life insurance to individuals and businesses. Non-life insurance products offered include motor, general accident, marine, fire bond, oil & gas, engineering and agriculture. 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 company accounts for these contracts applying the Premium Allocation Approach (PAA).

The company also holds reinsurance contracts to mitigate risk exposures. The types of reinsurance contracts held include -facultative reinsurance, treaty Reinsurance. proportional reinsurance, non-proportional reinsurance. These are also accounted for using the Premium Allocation Approach (PAA).

NOTES TO THE CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS - Continued

2 Summary of material accounting policies - continued

2.2 Insurance contracts - continued

B. Definition and Classification

Insurance products sold by the company are classified as insurance contracts when the company 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 company considers all its substantive rights and obligations, whether they arise from contract, law or regulation. The company determines whether a contract contains significant insurance risk by assessing if an insured event could cause the company 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 company does not issue any contracts with direct participating features.

The company has assessed whether its portfolio of insurance contracts needs to be treated as a single contract and if there exist any embedded derivatives investment components and goods and services components, which would have to be separated and accounted for under another standard. There is currently no product with such components.

C. Combining a set or series of contracts

Sometimes, the company enters into two or more contracts at the same time with the same or related counterparties to achieve an overall commercial effect. The company 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 company considers whether:

- i· The rights and obligations are different when looked at together compared to when looked at individually.
- ii· The company is unable to measure one contract without considering the other.

D. Separating components from insurance and reinsurance contracts

In line with the requirement of IFRS 17, the company 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 company's products do not include distinct components that require separation.

NOTES TO THE CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS - Continued

2 Summary of material accounting policies - continued

2.2 Insurance contracts - continued

E. Level of aggregation (Unit of account)

IFRS 17 requires an entity to determine the level of aggregation for applying its requirements. The company identifies portfolios by aggregating insurance contracts that are subject to similar risks and managed together. In grouping insurance contracts into portfolios, the company considers the similarity of risks rather than the specific labelling of product lines. The company 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 company 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 short term contracts accounted for applying the PAA, the company 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.
- 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 Liabilities for Remaining Claims (LRC) and not Liabilities for Incurred Claims (LIC) which is already measured at the current fulfillment value. Fulfillment 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 are loss-making does not mean the LRC will also be onerous. Judgment 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. In

NOTES TO THE CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS - Continued

2 Summary of material accounting policies - continued

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.

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 company recognizes groups of insurance contracts issued from the date when the first payment from a policyholder in the group becomes due. As the company 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 company 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 Company 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 Company 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.

NOTES TO THE CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS - Continued

2 Summary of material accounting policies - continued

2.2 Insurance contracts - continued

- 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.

H. Measurement of insurance contracts issued.

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 Company has elected the accounting policy to present the time value of money separately in profit or loss and other comprehensive income. The Company 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 Company 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. However, for the current year the company has adopted a Bottom-up approach which was adopted in setting the average discount rate for the liability valuation, having regard to the published yield curve by the Nigeria Actuarial Society (NAS) on its website or on the NAICOM website and adjusts it to reflect the illiquidity in the insurance contracts. An average spot/zero curve locked in rate of 28.20% per year was adopted to estimate the value of the future expected cashflows from the liability for incurred claims (LIC) obligations as at the valuation date. No deduction for illiquidity premium and No (additional) spread has been applied. The NAS interest curve used to discount future cash flows is derived from the published yield curve by the Nigeria Actuarial Society (NAS) on its website or on the NAICOM website and adjusts it to reflect the illiquidity in the insurance contracts with similar characteristics (in terms of timing, currency and liquidity requirements) as the future fulfillment cashflows.

NOTES TO THE CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS - Continued

2 Summary of material accounting policies - continued

Risk adjustment for non-financial risk

The Company 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 company adopts the Value at Risk approach as a measure of the risk adjustment for non-financial risks. The Confidence level used was set at 75th percentile in determining the discounted best estimate liability for incurred claims. This also applies to the reinsurance held.

A full IFRS 17 liability distribution is generated across all non-financial risks and the risk adjustment is calculated as the difference between the best estimate liability and the liability value at the chosen confidence level. This is allocated to all the group 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 Company and results in lower economic capital being necessary to absorb the residual level of uncertainty.

A bootstrap (Mack) stochastic reserving approach was used to derive the risk margin or risk adjustment in the above. The Confidence level used in the calculation of the company's technical provisions was set at an average of 75th percentile (75% confidence level) yielding 16.97% of the discounted best estimate liability for incurred claims. The risk adjustment as a proportion of the discounted liability at 99.5% confidence level using VAR method would be 252,0%. This also applies to the reinsurance held. "

Premium Allocation Approach (PAA)

This is a simplification of the general model. The Company applies the PAA to the measurement of 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 company 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 statement of financial position.

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

NOTES TO THE CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS - Continued

2 Summary of material accounting policies - continued

2.2 Insurance contracts - continued

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. The company 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 the Company).

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. Company 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 Company, 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.

Onerous contracts

The Company 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

NOTES TO THE CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS - Continued

2 Summary of material accounting policies - continued

2.2 Insurance contracts - continued

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 consist 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 Company 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 Company 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 Company 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

NOTES TO THE CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS - Continued

2 Summary of material accounting policies - continued

2.2 Insurance contracts - continued

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.

1. 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.

Non-Proportionate reinsurance coverage is 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 company'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 inception in May 2022 and cedes to the Marine Hull Surplus reinsurance treaty (which inception 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 Company 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

NOTES TO THE CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS - Continued

2 Summary of material accounting policies - continued

2.2 Insurance contracts - continued

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 Company 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
 - 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.

When the Company derecognizes an insurance contract due to modification, it derecognizes the original insurance contract and recognizes a new one. The Company adjusts the CSM of the Company from which the modified contract has been derecognized for the difference between the change in the carrying amount of the Company as a result of adjustment to fulfilment cash flows due to derecognition and the premium the Company 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 Company has presented separately in the company's 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 Company disaggregates the amounts recognized in the consolidated and separate 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 insurance finance income or expenses' sub-total. The company has voluntarily included the net insurance finance

NOTES TO THE CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS - Continued

2 Summary of material accounting policies - continued

2.2 Insurance contracts - continued

income or expenses line in another sub-total: net insurance and investment result, which also includes the income from all the assets backing the Company's insurance liabilities.

The Company 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 Company 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 Company 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, if any.
 - 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.
- 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. The company applies PAA in determine its insurance revenue. When applying the PAA, the Company recognizes insurance revenue for the period based on the passage of time by allocating expected premium receipts including

NOTES TO THE CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS - Continued

2 Summary of material accounting policies - continued

2.2 Insurance contracts - continued

premium experience adjustments to each period of service.

At the end of each reporting period, the Company 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:

- Incurred claims
- Changes in the LIC related to claims and expenses incurred in the period excluding repayment of investment components. (if any)
 - 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. The company has adopted a policy of allocating average of 40% of some specific expense items to insurance service expense. The specific expense items include technical staff, business development, customer care staff salaries, marketing & advertising expenses. All other costs are allocated to operational /administrative expenses
- Amortization of insurance acquisition cash flows, is recognized at the same amount in both insurance service expense and insurance contract revenue for products measured using the GMI Model
 - Loss component of onerous groups of contracts initially recognized in the period.

3. Income or expenses from reinsurance contracts held.

The Company 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 Company 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 Company establishes a loss recovery component of the asset for the remaining coverage for a group of

NOTES TO THE CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS - Continued

2 Summary of material accounting policies - continued

2.2 Insurance contracts - continued

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

- 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 Company 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 company examines the assets held for that portfolio and how they are accounted for.

Currently the Company present all the period's insurance finance income or expenses in the profit or loss.

The Company does not write participating contracts and does need to reassess its accounting policy choice in respect of such policies. Comparatives are not restated.

When applying the PAA, the Company does not discount the liability for remaining coverage to reflect the time value of money and financial risk for its non-life policies with a coverage period of one year or less. For those claims that the Company expects to be paid within one year or less from the date of incurrence, the Company 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.

NOTES TO THE CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS - Continued

2 Summary of material accounting policies - continued

2.3 Foreign currencies

On initial recognition, all transactions are recorded in the functional currency (the currency of the primary economic environment in which the group operates or transact business), which is Nigerian Naira. Transactions in foreign currencies during the year are converted into the functional currency using the exchange rate prevailing at the transaction date.

Monetary assets and liabilities at the statement of financial position date denominated in foreign currencies are translated into the functional currency using the exchange rate prevailing as at that date. The resulting foreign exchange gains and losses from the settlement of such transactions and from year-end translation are recognised on a net basis profit or loss in the year in which they arise, except for difference arising on translation of non-monetary available-for-sale financial assets, which are recognised in other comprehensive income.

2.3 Cash and cash equivalents

Cash and cash equivalents comprise cash on hand and demand deposits, together with other short-term, highly liquid investments that are readily convertible into known amounts of cash and which are subject to an insignificant risk of changes in value. Cash equivalents have a maturity period of less than or equal to three months.

NOTES TO THE CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS - Continued

2 Summary of material accounting policies - continued

2.3 Financial instruments

a. Initial recognition and measurement

Financial instruments are recognised initially when the group becomes a party to the contractual provisions of the instrument.

All financial instruments are measured initially at their fair value plus transaction costs, except in the case of financial assets and financial liabilities recorded at fair value through profit or loss where transaction cost is expensed in profit or loss.

The group classifies financial instruments or their components parts, on initial recognition as a financial asset, a financial liability, or an equity instrument in accordance with the substance of the contractual agreement. Classification depends on the purpose for which the financial instruments were obtained or incurred and takes place at initial recognition.

Regular-way purchases and sales of financial assets are recognised on settlement date which is the date on which the group commits to purchase or sell the asset. Financial instruments are initially measured at fair value plus transaction costs for all financial assets not carried at fair value through profit and loss. These transaction costs are expensed in profit or loss.

b. Measurement and recognition of expected credit losses

"The measurement of expected credit losses is a function of the probability of default, loss given default (i.e., the magnitude of the loss if there is a default) and the exposure at default. The assessment of the probability of default and loss given default is based on historical data adjusted by forward-looking information as described above. As for the exposure at default, for financial assets, this shall be an estimate of the exposure at a future default date; for financial guarantee contracts, the exposure includes the amount drawn down as at the reporting date, together with any additional amounts expected to be drawn down in the future by default date determined based on historical trend, the group's understanding of the specific future financing needs of the debtors, and other relevant forward-looking information.

If the group has measured the loss allowance for a financial instrument at an amount equal to lifetime ECL in the previous reporting period, but determines at the current reporting date that the conditions for lifetime ECL are no longer met, the group measures the loss allowance at an amount equal to 12-month ECL at the current reporting date, except for assets for which simplified approach was used.

The group recognises an impairment gain or loss in profit or loss for all financial instruments with a corresponding adjustment to their carrying amount through a loss allowance account, except for investments in debt instruments that are measured at FVTOCI, for which the loss allowance is recognised in other comprehensive income and accumulated in the investment revaluation reserve and does not reduce the carrying amount of the financial asset in the statement of financial position.

NOTES TO THE CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS - Continued

2 Summary of material accounting policies - continued

2.3 Financial instruments - continued

c. Derecognition of financial instruments

Previously recognised financial assets are derecognised when either the contractual rights to receive the cash flows from these assets have ceased to exist or the assets expire or the group transfers the assets such that the transfer qualifies for derecognition. The decision as to whether a transfer qualifies for derecognition is made by applying a combination of risks, rewards and control tests.

Financial assets that are transferred to a third party but do not qualify for derecognition are presented in the statement of financial position as pledged assets, if the transferee has the right to sell or repledge them.

Derecognition of a financial liability occurs only when the obligation is extinguished. A financial liability is said to be extinguished when the obligation is discharged, cancelled or expired.

d. Offsetting financial instruments

Financial assets and liabilities are offset and the net amount reported in the consolidated and separate statement of financial position when there is a legally enforceable right to offset the recognised amounts and there is an intention to settle on a net basis or realize the asset and settle the liability simultaneously.

e. Financial assets

a) Classification and subsequent measurement

For the purpose of measuring a financial asset after initial recognition, IFRS 9 classifies financial assets into the following categories: at fair value through profit or loss; at fair value through other comprehensive income and at amortised cost. The classification is based on the results of the group's business model test and the contractual cashflow characteristics of the financial assets. The category relevant to the group as at 31 December 2024 are fair value through profit or loss; at fair value through other comprehensive income and at amortised cost. At initial recognition all assets are measured at Fair Value.

i) Financial assets at fair value through profit or loss

Financial assets at fair value through profit or loss are financial assets held for trading and those designated by the group as at fair value through profit or loss upon initial recognition. Financial assets classified as held through profit or loss are those that have been acquired principally for the purpose of selling in the short term or repurchasing in the near term, or held as part of a portfolio that is managed together for short-term profit.

NOTES TO THE CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS - Continued

2 Summary of material accounting policies - continued

2.3 Financial instruments - continued

Financial instruments included in this category are recognised initially at fair value; transaction costs are taken directly to profit or loss. Gains and losses arising from changes in fair value are included directly in profit or loss and are reported as 'Net fair value gains on financial assets at fair value through profit or loss'. Interest income and expense and dividend income on financial assets held for trading are included in 'Other investment income', respectively. Fair value changes relating to financial assets designated at fair value through profit or loss are recognised in 'Net gains from financial assets held for trading'.

ii) Amortised Cost

"Except for financial assets that are designated at initial recognition as at fair value through profit or loss a financial asset is measured at amortised cost only if both of the following conditions are met:

- a. the financial asset is held within a business model whose objective is to hold financial assets in order to collect contractual cash flows (the business model test) and
- b. 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 contractual cash flows characteristics test).

If a financial asset satisfies both of these conditions, it is required to be measured at amortised cost unless it is designated as at fair value through profit or loss (FVTPL) on initial recognition"

iii) Fair Value through other comprehensive income (FVTOCI)

"Except for financial assets that are designated at initial recognition as at fair value through profit or loss, a financial asset is measured at fair value through other comprehensive income (FVTOCI) if both of the following conditions are met:

- a. the financial asset is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets (the business model test); and
- b. 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 contractual cash flows characteristics test). "

b) Impairment of financial assets

The impairment model under IFRS 9 reflects expected credit losses, as opposed to incurred credit losses under IAS 39. Under the impairment approach in IFRS 9, it is no longer necessary for a credit event to have occurred before credit losses are recognised. Instead, a group always accounts for expected credit losses and changes in those expected credit losses. The amount of expected credit losses should be updated at each reporting date to reflect changes in credit risk since initial recognition.

NOTES TO THE CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS - Continued

2 Summary of material accounting policies - continued

2.3 Financial instruments - continued

"The group recognizes loss allowances for Expected Credit Losses (ECL) on the following financial instruments that are not measured at FVTPL:

The group has recognized ECL for its debt instruments at amortised cost, cash and cash equivalents, premium receivables and other receivables. The group measures expected credit losses and recognizes interest income on risk assets based on the following stages:"

"Stage 1: Assets that are performing. If credit risk is low as of the reporting date or the credit risk has not increased significantly since initial recognition, the group recognize a loss allowance at an amount equal to 12-month expected credit losses. This amount of credit losses is intended to represent lifetime expected credit losses that will result if a default occurs in the 12 months after the reporting date, weighted by the probability of that default occurring.

Stage 2: Assets that have significant increases in credit risk. In instances where credit risk has increased significantly since initial recognition, the group measures a loss allowance at an amount equal to full lifetime expected credit losses. That is, the expected credit losses that result from all possible default events over the life of the financial instrument. For these debt instruments, interest income recognition will be based on the EIR multiplied by the gross carrying amount.

Stage 3: Credit impaired. For debt instruments that have both a significant increase in credit risk plus observable evidence of impairment.

"The group's process to assess changes in credit risk is multi-factor and has three main elements;

- I. Quantitative element, a quantitative comparison of PD at the reporting date and PD at initial recognition
- II. Qualitative elements
- III. Backstop indicators

For individually significant exposures such as corporate and commercial risk assets, the assessment is driven by the internal credit rating of the exposure and a combination of forward-looking information that is specific to the individual borrower and forward-looking information on the macro economy, commercial sector (to the extent such information has not been already reflected in the rating process).

For other exposures, significant increases in credit risk are made on a collective basis that incorporates all relevant credit information, including forward-looking macroeconomic information. For this purpose, the group groups its exposures on the basis of shared credit risk characteristics."

Significant increase in credit risk: "The group decision on whether expected credit losses are based on 12-month expected credit losses or lifetime expected credit losses depends on whether there has been a significant increase in credit risk since initial recognition. An assessment of whether credit risk has increased significantly is made at each reporting date. When making the assessment, the group uses the change in the risk of a default occurring over the expected life of the financial instrument instead of the change in the amount of expected credit losses. This forms the basis of stage 1, 2 and 3 classification and subsequent migration.

The group applies qualitative and quantitative criteria for stage classification and for its forward and backward migration.

NOTES TO THE CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS - Continued

2 Summary of material accounting policies - continued

2.3 Financial instruments - continued

i) Assets carried at amortised cost

The amount of the loss is measured as the difference between the asset's carrying amount and the present value of estimated future cash flows (excluding future credit losses that have not been incurred) discounted at the financial asset's original effective interest rate. The carrying amount of the asset is reduced through the use of an allowance account and the amount of the loss is recognised in profit or loss. If a financial instrument has a variable interest rate, the discount rate for measuring any impairment loss is the current effective interest rate determined under the contract.

The calculation of the present value of the estimated future cash flows of a collateralised financial asset reflects the cash flows that may result from disposal less costs for obtaining and selling the collateral, whether or not disposal is probable.

For the purposes of a collective evaluation of impairment, financial assets are grouped on the basis of similar credit risk characteristics (i.e., on the basis of the group's grading process that considers asset type, industry, geographical location, collateral type, past-due status and other relevant factors). Those characteristics are relevant to the estimation of future cash flows for groups of such assets by being indicative of the debtors' ability to pay all amounts due according to the contractual terms of the assets being evaluated.

Future cash flows in a group of financial assets that are collectively evaluated for impairment are estimated on the basis of the contractual cash flows of the assets in the group and historical loss experience for assets with credit risk characteristics similar to those in the group. Historical loss experience is adjusted on the basis of current observable data to reflect the effects of current conditions that did not affect the period on which the historical loss experience is based and to remove the effects of conditions in the historical period that do not currently exist.

Estimates of changes in future cash flows for groups of assets are reflected and directionally consistent with changes in related observable data from period to period (for example, changes in unemployment rates, property prices, payment status, or other factors indicative of changes in the probability of losses in the group and their magnitude). The methodology and assumptions used for estimating future cash flows are reviewed regularly by the group to reduce any differences between loss estimates and actual loss experience.

When a loan is uncollectible, it is written off against the related allowance for loan impairment. Such loans are written off after all the necessary procedures have been completed and the amount of the loss has been determined. Impairment charges relating to loans and advances to staff are classified in 'impairment charge for credit losses' whilst impairment charges relating to investment securities (loans and receivables categories) are classified in 'Net gains/(losses) on investment securities'.

If, in a subsequent period, the amount of the impairment loss decreases and the decrease can be related objectively to an event occurring after the impairment was recognised (such as an improvement in the debtor's credit rating), the previously recognised impairment loss is reversed by adjusting the allowance account. The amount of the reversal is recognised in profit or loss.

NOTES TO THE CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS - Continued

2 Summary of material accounting policies - continued

2.3 Financial instruments - continued

ii) Assets classified as fair value through other comprehensive income: The group can choose to make an irrevocable election at initial recognition for investments in equity instruments that do not meet the definition of held for trading, which would otherwise be measured at fair value through profit or loss, to present changes in fair value in other comprehensive income.

Reclassification of amounts recognised in other comprehensive income and accumulated in equity to profit or loss is not done. This applies throughout the life of the instrument and also at derecognition; such investments will not be subject to the impairment requirements.

Dividends on investments in equity instruments with gains and losses irrevocably presented in other comprehensive income are recognised in profit or loss if the dividend is not a return on investment (like dividends on any other holdings of equity instrument) when:

- a. the group's right to receive payment of the dividend is established;
- b. it is probable that the economic benefits associated with the dividend will flow to the group; and
- c. the amount of the dividend can be measured reliably.

or debt instruments measured at FVTOCI, changes in fair value are recognised in other comprehensive income, except for: interest calculated using the effective interest rate method, foreign exchange gains or losses and; impairment gains or losses until the financial asset is derecognised or reclassified.

When the financial asset is derecognised, the cumulative gain or loss previously recognised in other comprehensive income is reclassified from equity to profit or loss as a reclassification adjustment. Also, when a debt instrument asset is measured at fair value through other comprehensive income, the amounts that are recognised in profit or loss are the same as the amounts that would have been recognised in profit or loss if the financial asset had been measured at amortised cost."

c) Reclassification of financial assets: Reclassification of financial assets is determined by the group's senior management, and is done as a result of external or internal changes which are significant to the group's operations and demonstrable to external parties.

Reclassification of financial assets occurs when the group changes its business model for managing financial assets.

Investments in equity instruments that are designated as at FVTOCI at initial recognition cannot be reclassified because the election to designate as at FVTOCI is irrevocable."

Financial liabilities

Classification and subsequent measurement

The Company's holding in financial liabilities represents mainly Insurance Contract Liabilities, " and 'other liabilities'. These are all classified as financial liabilities measured at amortised cost. These financial liabilities are initially recognised at fair value and subsequently measured at amortised cost. Any difference between the proceeds net of transaction costs and the redemption value is recognised in

NOTES TO THE CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS - Continued

Profit or loss over the period of the borrowing using the effective interest rate method.

Fees paid on the establishment of the liabilities are recognised as transaction costs of the loan to the extent that it is probable that some or all of the facility will be drawn down. In this case, the fee is deferred until the draw down occurs. To the extent that there is no evidence that it is probable that some or all of the facility will be drawn down, the fee is capitalized as a pre-payment for liquidity services and amortised over the period of the facility to which it relates. The classification of the Company's financial instruments

Category		Classes as determined by The Group		Subclasses
Financial assets	Financial assets at fair value through profit or loss	Listed Securities		Quoted Equities
	Amortized cost	Cash and bank balances with Central Bank of Nigeria		Cash
				Statutory deposit with CBN
				Current account
		Loans and advances		Placements
		Investment securities		Corporate bonds
				Government bonds
				FGN reasury Bills
		Other assets		Fees receivable
	Fair value through other comprehensive income	Listed securities		Related Party receivable
				Other receivables
				Quoted Equities
		Unlisted securities		Unquoted Equities
Financial liabilities	Financial liabilities at amortised cost	Insurance contract liabilities		
		Other technical liabilities		Commission payable
				Co-insurance premium payable
		Other liabilities		
				Accruals
				Payables

has been summarised in the table below:

Measurement

All financial instruments are measured initially at their fair value plus transaction costs, except in the case of financial assets and financial liabilities recorded at fair value through profit or loss where transaction cost is expensed in the profit or loss.

NOTES TO THE CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS - Continued

2 Summary of material accounting policies - continued

2.3 Financial instruments - continued

Amortised cost measurement

The amortised cost of a financial asset or liability is the amount at which the financial asset or liability is measured at initial recognition, minus principal repayments, plus or minus the cumulative amortisation using the effective interest method of any difference between the initial amount recognised and the maturity amount, minus any reduction for impairment.

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

At initial recognition, the best evidence of the fair value of a financial instrument is the transaction price (i.e. the fair value of the consideration paid or received), unless the fair value of that instrument is evidenced by comparison with other observable current market transactions in the same instrument, without modification or repackaging, or based on valuation techniques such as discounted cash flow models and option pricing models whose variables include only data from observable markets.

Subsequent to initial recognition, for financial instruments traded in active markets, the determination of fair values of financial assets and financial liabilities is based on quoted market prices or dealer price quotations. This includes listed equity securities and quoted debt instruments on major exchanges (for example, Nigerian Stock Exchange (NSE) and Financial Markets Dealers Quotation (FMDQ)).

A financial instrument is regarded as quoted in an active market if quoted prices are readily and regularly available from an exchange, dealer, broker, industry company, pricing service or regulatory agency, and those prices represent actual and regularly occurring market transactions on an arm's length basis. If the above criteria are not met, the market is regarded as being inactive. Indications that a market is inactive are when there is a wide bid-offer spread or significant increase in the bid-offer spread or there are few recent transactions.

For all other financial instruments, fair value is determined using valuation techniques. In these techniques, fair values are estimated from observable data in respect of similar financial instruments, using models to estimate the present value of expected future cash flows or other valuation techniques, using inputs existing at the dates of the statement of financial position.

Forward-Looking Information

In the context of IFRS 9, is an enhanced information set that includes credit information pertaining to future developments (including for example macroeconomic developments). The inclusion of forward-looking information along with traditional past due (realized, historical) information is considered to produce comprehensive credit risk information.

The inclusion of forward-looking information is a distinctive feature of an IFRS 9 ECL model. Incorporating economically stressed states of the world and their potential impact on credit performance is critical for the timely recognition of credit losses." The forward looking information adopted in the computation of ECL are Gross Domestic Product and Inflation rate.

NOTES TO THE CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS - Continued

2 Summary of material accounting policies - continued

2.4 Segment reporting

A segment is a distinguishable component of the group that is engaged either in providing related products or services (business segment), or in providing products or services within a particular economic environment (geographical segment), which is subject to risks and rewards that are different from those of other segment.

An operating segment is a component of an entity:

- That engages in business activities from which it may earn revenues and incur expenses (including revenues and expenses relating to transactions with other components of the same entity).
- Whose operating results are regularly reviewed by the entity's chief operating decision maker to make decision about resources to be allocated to the segment and assess its performance of the same entity)
- For which discrete financial information is available.

An operating segment may engage in business activities for which it has yet to earn revenues for example startup operations may be operating segments before earning revenues.

The company group operates insurance and pension lines of business and entirely within a geographical region.

2.5 Premium receivables

Premium receivables are recognized when due. They premium receivables arising from insurance contracts issued and include amounts due from agents, brokers and insurance contract holders. Premium receivables are those for which credit notes issued by brokers are within 30days, in conformity with the "NO PREMIUM NO COVER" NAICOM policy.

2.6 Reinsurance

The Company cedes business to reinsurers in the normal course of business for the purpose of limiting its net loss potential through the transfer of risks on the bases of treaty and facultative agreements. Premium ceded comprise gross written premiums. Reinsurance arrangements do not relieve the Company from its direct obligations to its policyholders. In the course of ceding out business to reinsurers, the Company incurs expenses. This is recognized as reinsurance expense in the statement of profit or loss.

2.6.1 Reinsurance assets

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.

NOTES TO THE CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS - Continued

2 Summary of material accounting policies - continued

2.6.2 Reinsurance Liabilities

Reinsurance liabilities are primarily premiums payable for reinsurance contracts and are recognised as an expense when due. The company has the right to set-off re-insurance payables against amount due from re-insurance and brokers in line with the agreed arrangement between both parties.

2.7 Prepayment

Prepayments include amounts paid in advance by the Company on rent, staff benefits, vehicle repairs etc. Expenses paid in advance are amortized on a straight line basis to the profit and loss account.

2.8 Consolidation

2.8.1 Subsidiaries

The financial statements of subsidiaries are consolidated from the date the company acquires control, up to the date that such effective control ceases. For the purpose of these financial statements, subsidiaries are entities over which the company, directly or indirectly, has the power to govern the financial and operating policies so as to obtain benefits from their activities.

Changes in the company'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 company.

Inter-company transactions, balances and unrealised gains on transactions between companies within the company 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 company. Investment in subsidiaries in the separate financial statements of the parent entity is 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.

Disposal of Subsidiaries

On loss of control, the company derecognizes the assets and liabilities of the subsidiary, any controlling interest and the other components of equity related to the subsidiary. Any surplus or deficit arising on the loss of control is recognised in profit or loss. If the company retains any interest in the previous subsidiary, then such interest is measured at fair value at the date that control is lost. Subsequently, that retained

NOTES TO THE CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS - Continued

2 Summary of material accounting policies - continued

interest is accounted for as equity accounted investee or as an available-for-sale financial asset depending on the level of influence retained.

2.8.2 Investment in Associates

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.

2.8.2 Investment in Associates

The results and assets and liabilities of associates are incorporated in these consolidated financial statements using the equity method accounting, except when the investment is classified as held for sale, in which case it is accounted for in accordance with IFRS 5 - Noncurrent Asset Held for Sale and Discontinued Operations. Under the equity method, an investment in an associate is initially recognised in the consolidated statement of financial position at cost and adjusted thereafter to recognize the company's share of the profit or loss and other comprehensive income of the associate. when the company's share of losses of an associate exceeds the company's interest in that associate (which includes any long-term interest that, in substance, form part of the company's net investment in the associate), the company discontinues recognizing its share of further losses. Additional losses are recognised only to the extent that the company has incurred legal or constructive obligations or made payments on behalf of the associate.

Any excess of the cost of acquisition over the company's share of the net fair value of the identifiable assets, liabilities and contingent liabilities of an associate recognised at the date of acquisition is recognised as goodwill, which is included within the carrying amount of the investment. Any excess of the company's share of the net fair value of the identifiable assets, liabilities and contingent liabilities over the cost of acquisition, after reassessment, is recognised immediately in profit or loss.

The requirements of IAS 36 are applied to determine whether it is necessary to recognize any impairment loss with respect to the company's investment in an associate. When necessary, the entire carrying amount of the investment (including goodwill) is tested for impairment in accordance with IAS 36 Impairment of Assets as a single asset by comparing its recoverable amount (higher of value in use and fair value less costs to sell) with its carrying amount. Any impairment loss recognised forms part of the carrying amount of the investment. Any reversal of that impairment loss is recognised in accordance with IAS 36 to the extent that the recoverable amount of the investment subsequently increases.

When a company entity transacts with its associate, profits and losses resulting from the transactions with the associate are recognised in the company's consolidated financial statements only to the extent of interests in the associate that are not related to the company.

2.9 Investment Properties

Investment property is property held on earn rentals or for capital appreciation or both. Investment property includes leasehold land and building, is initially recognised at cost including the transaction costs. Subsequently, investment property is carried at fair value representing the open market value at the statement of financial position date determined by annual valuation carried out by external registered

NOTES TO THE CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS - Continued

2 Summary of material accounting policies - continued

2.9 Investment Properties- continued

valuers. gains or losses arising from changes in the fair value are included in determining the profit or loss for the year to which they relate.

Investment properties are derecognized when either they have been disposed off or when the investment property is permanently withdrawn from use and no future economic benefit is expected from its disposal. On disposal of an investment property, the difference between the disposal proceeds and the carrying amount is charged or credited to profit or loss.

Transfers are made to or from investment property only when there is a change in use. For a transfer from investment property to owner occupied property, the deemed cost for subsequent accounting is the fair value at the date of change in use. If owner occupied property becomes an investment property, the company accounts for such property in accordance with the policy stated under property and equipment up to the date of the change in use.

When the company completes the construction or development of a self-constructed investment property, any difference between the fair value of the property at that date and its previous carrying amount is recognised in the profit or loss.

2.10 Intangible Assets

Computer software that is not an integral part of the related hardware are initially recognised at cost, and subsequently carried at cost less accumulated amortization and accumulated impairment losses. Costs that are directly attributable to the production of identifiable computer software products controlled by the company are recognised as intangible assets.

Amortization is calculated using the straight line method to write down the cost of each item of software to its residual value over its estimated useful life.

Amortization begins when the asset is available for use, i.e., when it is in the location and condition necessary for it to be capable of operating in the manner intended by management, even when idle. Amortization ceases at the earlier date that the asset is classified as held for sale and the date that the asset is derecognized and ceases temporarily, while the residual value exceeds or is equal to the carrying value.

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 recognised in profit or loss when the asset is derecognized.

Intangibles recognised as assets are amortized over their useful lives, which does not exceed five years.

NOTES TO THE CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS - Continued

2 Summary of material accounting policies - continued

2.11 Goodwill

Goodwill arising on an acquisition of a business is carried at cost as established at the date of acquisition of the business less accumulated impairment losses, if any. For the purposes of impairment testing, goodwill is allocated to each of the company's cash generating units (or group of cash-generating units) that is expected to benefit from the synergies of the combination.

A cash-generating unit to which goodwill has been allocated is tested for impairment annually, or more frequently when there is indication that the unit may be impaired. If the recoverable amount of the cash-generating unit is less than its carrying amount, the impairment loss is allocated first to reduce the carrying amount of any goodwill allocated to the unit and then to the other assets of the unit pro rata based on the carrying amount of each in the unit.

Any impairment loss for goodwill is recognised directly in profit or loss in the consolidated (statement of comprehensive income/profit or loss). An impairment loss recognised for goodwill is not reversed in subsequent periods. On disposal of the relevant cash-generating unit, the attributable amount of goodwill is included in the determination of the profit or loss on disposal.

2.12 Property and Equipment

a. Recognition and measurement

All categories of property, plant and equipment are initially recognized at cost less accumulated depreciation and impairment losses. Cost includes expenditure directly attributable to the acquisition of the assets. Computer software, including the operating system that is an integral part of the related hardware is capitalized as part of the computer equipment"

Work in progress owner-occupied property that are included in property, plant and equipment are stated at cost to date and are not yet componentised as the asset has not been put into use.

b. Subsequent cost

Subsequent cost is included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the company and the cost of the item can be measured reliably. Repairs and maintenance expenses are charged to the profit or loss in the year in which they are incurred.

Increases in the carrying amount arising on revaluation are recognised in other comprehensive income and accumulated in equity under the heading of revaluation surplus. Decreases that offset previous increases of the same asset are recognised in other comprehensive income. All other decreases are charged to the profit or loss.

NOTES TO THE CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS - Continued

2 Summary of material accounting policies - continued

2.12 Property, Plant and Equipment - continued

c. Depreciation

Depreciation is calculated using the straight line method to write down the cost or the revalued amount of each asset to its residual value over its estimated useful life using the following annual rates:"

Leasehold land	0%
Buildings	2%
Office Furniture & Fittings	20%
Office Computer Equipment	20%
Motor Vehicles	25%

Leasehold land is not depreciated. Depreciation on an item of property, plant and equipment commences when it is available for use and continues to depreciate until it is derecognized, even if during that period the item is idle. Depreciation of an item ceases when the item is retired from active use and is being held for disposal. Items of Work in progress are not depreciated.

Where no parts of items of property, plant and equipment have a cost that is significant in relation to the total cost of the item, the same rate of depreciation is applied to the whole item.

The assets' residual values, depreciation method and useful lives are reviewed, and adjusted if appropriate, at each statement of financial position date.

d. Revaluation of land and building.

land and building initially recorded at cost are subsequently carried at revalued amount being the fair value at the date of revaluation less any subsequent accumulated depreciation and subsequent accumulated impairment losses. Revaluations are made with sufficient regularity such that the carrying amount does not differ materially from that which would be determined using fair value at the end of the reporting period.

When land and building are revalued, any increase in its carrying amount (as a result of revaluation) is transferred to a revaluation reserve, except to the extent that it reverses a revaluation decrease of the same property previously recognised as an expense in the profit or loss. When the value of a land or building is decreased as a result of a revaluation, the decrease is charged against any related credit balance in the revaluation reserve in respect of that land or building. However, to the extent that it exceeds any surplus, it is recognised as an expense in profit or loss.

When revalued land and building are being depreciated, part of the surplus is being realized as the asset is used. The amount of the surplus realized is the difference between the depreciation charged on the revalued amount and the lower depreciation which would be charged to revaluation reserve and accumulated losses but not through profit or loss. The revaluation of land and building is carried out every year.

e. Derecognition

An item of property, plant and equipment is derecognized upon disposal or when no future economic benefits

NOTES TO THE CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS - Continued

2 Summary of material accounting policies - continued

2.12 Property, Plant and Equipment - continued

are expected from its use or disposal. Gains and losses on disposal of property, plant and equipment are determined by reference to their carrying amounts and are taken into account in determining operating profit."

2.13 Statutory Deposits

Statutory Deposit represents 10% of the minimum paid up capital of the Company deposited with the Central Bank of Nigeria (CBN) pursuant to Section 10(3) of the Insurance Act 2003.

Statutory deposit is measured at cost.

2.14 Insurance Contract Liabilities

Contract that are classified as insurance contracts are those under which the company underwrites significant insurance risk from another party (the broker or insured) by agreeing to compensate the insured or other beneficiary if a fortuitous random event (the insured event) adversely affects the policyholder or other beneficiary.

2.14.1 Types of Insurance Contracts

Insurance contract may be non-life or life. The company issues only non-life insurance contracts. Non-life insurance contracts are motor, general accident, marine, fire bond, oil & gas, engineering and agriculture contracts.

Accident and casualty insurance contracts protect the company's customers against the risk of causing harm to third parties as result of their legitimate activities. Damages covered include both contractual and non-contractual events. The typical protection offered is designed for employers who become legally liable to pay compensation to injured employees (employers' liability) and for individual and business customers who become liable to pay compensation to a third party for bodily harm or property damage (public liability).

Property insurance contracts mainly compensate the company's customers for damage suffered to their properties or for the value of property lost. Customers who undertake commercial activities on their premises could also receive compensation for the loss of earnings caused by the inability to use the insured properties in their business activities (business interruption cover).

Non-life insurance contracts protect the company's customers from the consequences of events (such as death or disability) that would affect the ability of the customer or his/her dependents to maintain their current level of income. Guaranteed benefits paid on occurrence of the specified insurance event are either fixed or linked to the extent of the economic loss suffered by the policy holder. There is no maturity or surrender benefits.

NOTES TO THE CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS - Continued

2 Summary of material accounting policies - continued

2.14.2 Recognition and measurement of non-life insurance contracts

a. For all non-life insurance contract, premiums are recognised as revenue (earned premiums) proportionally over the period of coverage. The portion of premium received on in-force contracts that relates to unexpired risks at the reporting date is reported as the unearned premium liability. Premiums are shown before deduction of commission.

Claims and loss adjustment expenses are charged to income as incurred based on the estimated liability for compensation owed to contract holders or third parties damaged by the contract holders. They include direct and indirect claims settlement costs and arise from events that have occurred up to the end of the reporting period even if they have not yet been reported to the company. The company does not discount its liabilities for unpaid claims.

Liabilities for unpaid claims are estimated using the input of assessments for individual cases reported to the company and statistical analyses for the claims incurred but not reported, and to estimate the expected ultimate cost of more complex claims that may be affected by external factors (such as court decisions).

b. Salvages

Some non-life insurance contracts permit the company to sell (usually damaged) property acquired in the process of settling a claim. The company may also have the right to pursue third parties for payment of some or all costs of damages to its client's property (i.e., subrogation right).

Salvage recoveries are used to reduce the claim expense when the claim is settled.

c. Subrogation

Subrogation is the right for an insurer to pursue a third party that caused an insurance loss to the insured. This is done as a means of recovering the amount of the claim paid to the insured for the loss. A receivable for subrogation is recognized in other assets when the liability is settled and the company has the right to receive future cash flow from the third party.

d. Deferred Income

Deferred Income represents a proportion of commission received on reinsurance contracts which are booked during a financial year and are deferred to the extent that they are recoverable out of future revenue margins. It is calculated by applying to the reinsurance commission income the ratio of prepaid reinsurance to reinsurance cost.

e. Reinsurance Contracts held

Contracts entered into by the company with reinsurers under which the company is compensated for losses on one or more contracts issued by the company and that meet the classification requirements for insurance contracts are classified as reinsurance contracts held. Contracts that do not meet these classification requirements are classified as financial assets. Insurance contracts entered into by the company

NOTES TO THE CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS - Continued

2 Summary of material accounting policies - continued

2.14.2 Recognition and measurement of non-life insurance contracts - continued

under which the contract holder is another insurer (inwards reinsurance) are included with insurance contracts.

f. Technical Reserves

These are computed in accordance with the provisions of section 22 of the insurance Act 2003 as follows:

* Reserve for unearned premium: In compliance with Section 200 (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.

* Reserve for outstanding claims: The reserve for outstanding claims is maintained to the total amount of outstanding claims incurred and reported plus claims incurred but not reported ("IBNR") as at the reporting date. The IBNR is based on the liability adequacy test.

g. Liability Adequacy Test

At each end of the reporting period, liability adequacy tests are performed by an Actuary to ensure the adequacy of the contract liabilities net of related 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 charged to 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 require an actuarial valuation for life insurance reserves only. However, IFRS 4 requires a liability adequacy test for both life and non-life insurance reserves. The provision of section 59 of the Financial Reporting Council Act 2011 gives superiority to the provision of IFRS and since it results in a more conservative reserving than the provision of the Insurance Act 2003, it serves the company's prudential concerns well.

2.15 Other Technical Liabilities

Other technical liabilities are recognised initially at fair value and subsequently measured at amortized cost using the effective interest method. The fair value of a non-interest bearing liability is its discounted repayment amount. If the due date of the liability is less than one year discounting is omitted.

2.16a Defined Contribution Plan

Pension Cost

The company operates a defined contributory retirement benefit scheme as stipulated in the Pension Reform Act 2014. Under the defined contribution scheme, the company pays fixed contributions of 10% of emoluments as defined by the Act to Pension Fund Administrators; employees also pay a fixed percentage of 8% to the same entity. Once the contributions have been paid, the company retains no legal or constructive obligation to pay further contribution if the fund does not hold sufficient assets to finance benefits accruing under the retirement benefit plan.

NOTES TO THE CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS - Continued

2 Summary of material accounting policies - continued

2.16b Defined Benefit Obligation

The Group has a non-contributory gratuity scheme whereby on separation, staff who spent a minimum number of periods are paid a sum based on their qualifying emoluments and the number of periods spent on service of the company.

The rate used to discount post employment benefit is determined in line with IAS 19, with reference to market yields at the balance sheet date on high quality corporate bonds. In countries where there is no deep market in such bonds, the market yields on government bonds are used. The actuary is of the opinion that there is no deep market in corporate bonds in Nigeria and as such, assumptions underlying the determination of discount rates are referenced to the yield on Nigeria Government Bonds of medium duration, as compiled by the debt management office, after provision for small risk premium to be included in the discount rate assumption.

2.17 Provisions

General Provisions are recognised when the company 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 company expects some or all of a provision to be reimbursed, the reimbursement is recognised as a separate asset but only when the reimbursement is virtually certain. The expense relating to any provision is presented in 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.

2.19 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.

2.19.1 Current Income Tax

Current income tax is the amount of income tax payable on the taxable profit for the year determined in accordance with the Nigeria Company Income Tax Act(2007) as amended. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted as at the reporting date.

2.19.2 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.

NOTES TO THE CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS - Continued

2 Summary of material accounting policies - continued

2.19.3 Deferred Tax

Deferred income tax is provided in full on all temporary differences except those arising on the initial recognition of an asset or liability.

Deferred income tax is determined using the liability method on all temporary differences arising between the tax bases of assets and liabilities and their carrying values for financial reporting purposes, using tax rates and laws enacted or substantively enacted at the statement of financial position date and expected to apply when the related deferred income tax asset is realized or the deferred tax liability is settled.

Deferred income tax assets are recognised only to the extent that it is probable that future taxable profits will be available against which the temporary differences can be utilized. The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred income tax asset to be utilized. Unrecognized deferred tax assets are reassessed at each reporting date and are recognised to the extent that it has become probable that future taxable profit will allow the deferred tax asset to be recovered.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply to the year when the asset is realized or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the reporting date.

Deferred tax relating to items recognised outside profit or loss is recognised outside profit or loss. Deferred tax items are recognised in correlation to the underlying transaction either in other comprehensive income or directly in equity.

Deferred tax assets and deferred tax liabilities are offset, if a legally enforceable right exists to set off such:

- * Current tax assets against current income tax liabilities and
- * The deferred taxes relate to the same taxable entity and
- * The same taxation authority

2.20 Share Capital and Share Premium

Ordinary shares are recognized at par value and classified as 'share capital' inequity. Any amounts received over and above the par value of the shares issued are classified as 'share premium' in equity.

2.21 Statutory Contingency Reserve

The company maintains contingency reserves in accordance with the provisions of Insurance Act 2003 to cover fluctuations in securities and variations in statistical estimates at the rate equal to the higher of 3% of total premium or 20% of the net profits.

NOTES TO THE CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS - Continued

2 Summary of material accounting policies - continued

2.22 Retained Earnings

The retained earnings represent the amount available for dividend distribution to the equity shareholders of the company. See statement of changes in equities for movement in retained earnings.

2.23 Assets Revaluation Reserve

This represents the company's revaluation reserve emanating from revaluation of certain assets.

2.24 Other Income Items Recognition

2.24.1 Commission income

Fees and commission income during the year is the income the company is entitled to for ceding businesses to the reinsurers and co-insurers. In accordance with IFRS 15 (Revenue from Contracts with Customers), fees and commission income are recognized over time, covering the policy period over which services are expected to be provided, using the time apportionment basis. With the adoption of IFRS 17 these are treated as part of reinsurance service expenses to arrive at Net expenses from reinsurance contracts held.

2.24.2 Investment Income

Interest income is recognised in 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 recognised as an adjustment to the effective interest rate of the instrument.

Investment income also includes dividend income which is recognised when the right to receive the payment is established.

Rental income arising from operating leases on investment properties is accounted for on a straight line basis over the lease terms.

2.24.3 Management and Administrative Fees

Management Fee

Management fee, an asset based fee is charged as a percentage of the opening net assets value of the pension fund investments at the beginning of the year of charge for the Retirement Savings Account (RSA). It is accrued daily upon portfolio valuation while the actual charge is effected against the Fund within five working days of the month end. Fee for the Retiree Account is computed based on 5% of income earned on the fund.

Administrative Fee

Administrative fee is calculated as a flat charge payable monthly from contributions received. It is deducted before converting contributions into accounting units of pension fund assets.

NOTES TO THE CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS - Continued

2 Summary of material accounting policies - continued

2.24.6 Realized/Unrealized Gains and Losses

Realized or unrealized gains and losses recorded in profit or loss on investments include gains and losses on financial assets and investment properties. Gains and losses on the sale of investments are calculated as the difference between net sales of investments and the original carrying or amortized cost and are recorded on occurrence of the sale transaction.

2.25 Claims Expenses Recognition

2.25.1 Claims Incurred/Expense

Claims incurred in respect of Insurance contracts include the cost of all claims arising during the year including internal and external claims, handling costs that are directly related to the processing and settlement of claims as well as changes in the gross valuation of insurance. All claims paid and incurred are charged against the underwriting income as expense when incurred. With the adoption of IFRS 17 these costs are treated as part of insurance service expenses before determining insurance service result.

2.25.2 Reinsurance Claims

Reinsurance claims are recognised when the related gross insurance claim is recognised according to the terms of the relevant contract.

2.26 Interest Income

Interest income is recognised using the effective interest method for debt instruments measured subsequently at amortised cost and at FVTOCI. For financial assets other than purchased or originated credit-impaired financial assets, interest income is calculated by applying the effective interest rate to the gross carrying amount of a financial asset, except for financial assets that have subsequently become credit-impaired. For financial assets that have subsequently become credit-impaired, interest income is recognised by applying the effective interest rate to the amortised cost of the financial asset. If, in subsequent reporting periods, the credit risk on the credit-impaired financial instrument improves so that the financial asset is no longer credit-impaired, interest income is recognised by applying the effective interest rate to the gross carrying amount of the financial asset.

For purchased or originated credit-impaired financial assets, interest income is recognized by applying the credit-adjusted effective interest rate to the amortised cost of the financial asset from initial recognition. The calculation does not revert to the gross basis even if the credit risk of the financial asset subsequently improves so that the financial asset is no longer credit-impaired. Interest income is recognised in profit or loss and is included in the "investment income - interest income" line item.

NOTES TO THE CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS - Continued

2 Summary of material accounting policies - continued

2.27 Expenses

Expenses are recognised in profit or loss when a decrease in future economic benefit related to a decrease in an asset or an increase of a liability has arisen that can be measured reliably. This means, in effect, that recognition of expenses occurs simultaneously with the recognition of an increase in liabilities or a decrease in assets (for example, the accrual of employee entitlements or the depreciation of equipment)

When economic benefits are expected to arise over several accounting periods and the association with income can only be broadly or indirectly determined, expenses are recognised in profit or loss on the basis of systematic and rational allocation procedures.

This is often necessary in recognizing the equipment associated with the using up of assets such as property, plant and equipment in such cases the expense is referred to as a depreciation or amortization. These allocation procedures are intended to recognise expenses in the accounting periods in which the economic benefits associated with these items are consumed or expire. An expense is recognised immediately in profit or loss when expenditure produces no future economic benefits or when, and to the extent that future economic benefits do not qualify, or cease to qualify, for recognition in the statement of financial position as an asset.

2.27.1 Underwriting Expenses

Underwriting expenses comprise acquisition costs and other underwriting expenses. Acquisition costs comprise all direct and indirect costs arising from writing insurance contracts. These costs are charged in profit or loss in the period they are incurred. With the adoption of IFRS 17 these costs are treated as part of insurance service expenses.

2.28 Impairment of non-financial assets

The company assesses at each reporting date whether there is an indication that an asset may be impaired. If any such indication exists, or when annual impairment testing for an asset is required, the company estimates the asset's recoverable amount. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. An asset's recoverable amount is the higher of an asset's or cash generating unit's fair value less costs to sell and its value in use.

The recoverable amount is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or group of assets. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. In determining fair value less costs to sell, an appropriate valuation model is used.

NOTES TO THE CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS - Continued

3 Summary of material accounting policies - continued

Impairment losses of continuing operations are recognised in profit or loss in those expenses categories consistent with the function of the impaired asset, except for property previously revalued where the revaluation was taken to comprehensive income. In this case the impairment is also recognised in comprehensive income up to the amount of any previous revaluation.

An assessment is made at each reporting date as to whether there is any indication that previously recognised impairment losses may no longer exist or may have decreased. If such indication exists, the company makes an estimate of recoverable amount. A previous impairment loss is reversed only if there has been a change in the estimates used to determine the asset's recoverable amount since the last impairment loss was recognised. If that is the case the carrying amount of the asset is increased to its recoverable amount.

The increased amount cannot exceed the carrying amount that would have been determined, net of depreciation, had no impairment loss been recognised for the asset in prior years. Such reversal is recognised in profit or loss unless the asset is carried at revalued amount, in which case the reversal is treated as a revaluation increase.

NOTES TO THE CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS - Continued

2. Summary of material accounting policies - continued

2.29 Earnings Per Share

The company presents basic earnings per share for its ordinary shares. Basic earnings per share are calculated by dividing the profit attributable to ordinary shareholders of the company by the number of shares outstanding during the period.

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.

2.30 Dividends

Dividends on ordinary shares are recognised as a liability in the year in which they are approved by the company's shareholders. Proposed dividends are not recognised in equity until they have been declared at a general meeting. Dividends for the year that are approved after the statement of financial position date are dealt with as a non-adjusting event after the statement of financial position date.

2.31 Comparatives

Where necessary, comparative have been adjusted to conform to changes in presentation in the current year. Where changes are made and affect the statement of financial position, a third statement of financial position at the beginning of the earliest period presented is presented together with the corresponding notes.

2.32 Contingent liabilities

A contingent liability is a possible obligation that arises from past events and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the company or the company has a present obligation as a result of past events which is not recognised because it is not probable that an outflow of resources will be required to settle the obligation; or the amount cannot be reliably estimated. Contingent liabilities normally comprise of legal claims under arbitration or court process in respect of which a liability is not likely to crystallize.

2.33 Contingent assets

Contingent assets are not recognised in the financial statements but are disclosed when, as a result of the past events, it is highly likely that economic benefits will flow to the company, but this will only be confirmed by the occurrence or non-occurrence of one or more uncertain future events which are not wholly within the company's control.

NOTES TO THE CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS - Continued

2.34 Changes in accounting policies and disclosures

New and amended standards and interpretations

The Company applied for the first time certain standards and amendments, which are effective for annual periods beginning on or after 1 January 2024 (unless otherwise stated). The Company has not early adopted any other standard, interpretation or amendment that has been issued but is not yet effective.

a) Amendments to IFRS 16 - Lease Liability in a Sale and Leaseback

The amendments in IFRS 16 specify the requirements that a seller-lessee uses in measuring the lease liability arising in a sale and leaseback transaction, to ensure the seller-lessee does not recognize any amount of the gain or loss that relates to the right of use it retains.

The amendments had no impact on the Company's financial statements.

b) Amendments to IAS 1 - Classification of liabilities with covenants as current or non-current

The amendments to IAS 1 specify the requirements for classifying liabilities as current or non-current. The amendments clarify:

- ▶ What is meant by a right to defer settlement
- ▶ That a right to defer must exist at the end of the reporting period
- ▶ That classification is unaffected by the likelihood that an entity will exercise its deferral right
- ▶ That only if an embedded derivative in a convertible liability is itself an equity instrument would the terms of a liability not impact its classification

In addition, an entity is required to disclose when a liability arising from a loan agreement is classified as non-current and the entity's right to defer settlement is contingent on compliance with future covenants within twelve months.

The amendments had no impact on the Company's financial statements.

c) Supplier Finance Arrangements - Amendments to IAS 7 and IFRS 7

The amendments to IAS 7 Statement of Cash Flows and IFRS 7 Financial Instruments: Disclosures clarify the characteristics of supplier finance arrangements and require additional disclosure of such arrangements. The disclosure requirements in the amendments are intended to assist users of financial statements in understanding the effects of supplier finance arrangements on an entity's liabilities, cash flows and exposure to liquidity risk.

The amendments had no impact on the Company's financial statements.

2.35 Standards issued but not yet effective

The new and amended standards and interpretations that are issued, but not yet effective, up to the date of issuance of the Company's financial statements are disclosed below. The Company intends to adopt these new and amended standards and interpretations, if applicable, when they become effective.

a. Lack of exchangeability - Amendments to IAS 21

In August 2023, the IASB issued amendments to IAS 21 The Effects of Changes in Foreign Exchange Rates to specify how an entity should assess whether a currency is exchangeable and how it should determine a spot exchange rate when exchangeability is lacking. The amendments also require disclosure of information that enables users of its financial statements to understand how the currency not being exchangeable into the

NOTES TO THE CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS - Continued

2 Summary of material accounting policies - continued

2.35 Standards issued but not yet effective - continued

b. Lack of exchangeability - Amendments to IAS 21- Continued

other currency affects, or is expected to affect, the entity's financial performance, financial position and cash flows.

The amendments will be effective for annual reporting periods beginning on or after 1 January 2025. Early adoption is permitted, but will need to be disclosed. When applying the amendments, an entity cannot restate comparative information.

The amendments are not expected to have a material impact on the Company's financial statements.

b. IFRS 18 Presentation and Disclosure in Financial Statements

In April 2024, the IASB issued IFRS 18, which replaces IAS 1 Presentation of Financial Statements. IFRS 18 introduces new requirements for presentation within the statement of profit or loss, including specified totals and subtotals. Furthermore, entities are required to classify all income and expenses within the statement of profit or loss into one of five categories: operating, investing, financing, income taxes and discontinued operations, whereof the first three are new.

IFRS 18 also requires disclosure of newly defined management-defined performance measures, subtotals of income and expenses, and includes new requirements for aggregation and disaggregation of financial information based on the identified 'roles' of the primary financial statements (PFS) and the notes.

In addition, narrow-scope amendments have been made to IAS 7 Statement of Cash Flows, which include changing the starting point for determining cash flows from operations under the indirect method, from 'profit or loss' to 'operating profit or loss' and removing the optionality around classification of cash flows from dividends and interest. In addition, there are consequential amendments to several other standards.

IFRS 18, and the amendments to the other standards, are effective for reporting periods beginning on or after 1 January 2027, but earlier application is permitted and must be disclosed. IFRS 18 will apply retrospectively.

The Company is currently working to identify all impacts the amendments will have on the primary financial statements and notes to the financial statements.

c. IFRS 19 Subsidiaries without Public Accountability: Disclosures

In May 2024, the IASB issued IFRS 19, which allows eligible entities to elect to apply its reduced disclosure requirements while still applying the recognition, measurement and presentation requirements in other IFRS accounting standards. To be eligible, at the end of the reporting period, an entity must be a subsidiary as defined in IFRS 10, cannot have public accountability and must have a parent (ultimate or intermediate) that prepares consolidated financial statements, available for public use, which comply with IFRS accounting standards.

IFRS 19 will become effective for reporting periods beginning on or after 1 January 2027, with early application permitted.

As the Company's equity instruments are publicly traded, it is not eligible to elect to apply IFRS 19.

d. Power Purchase Agreements - Amendments to IFRS 9 and IFRS 7

On 18 December 2024, the International Accounting Standards Board (IASB) issued targeted amendments to IFRS 9 Financial Instruments and IFRS 7 Financial Instruments: Disclosures to enhance the reporting of nature-dependent electricity contracts, commonly structured as Power Purchase Agreements (PPAs).

NOTES TO THE CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS - Continued

2 Summary of material accounting policies - continued

2.35 Standards issued but not yet effective - continued

d. Power Purchase Agreements - Amendments to IFRS 9 and IFRS 7 - continued

Key aspects of the amendments include:

Clarification of 'Own-Use' Requirements: The amendments provide guidance on applying the 'own-use' exception, helping companies determine when PPAs qualify for this designation.

Hedge Accounting Eligibility: Companies can now apply hedge accounting to PPAs used as hedging instruments, aligning accounting treatments with risk management practices.

Enhanced Disclosure Requirements: New disclosures are mandated to inform investors about the impact of PPAs on financial performance and cash flows.

These amendments are effective for annual reporting periods beginning on or after 1 January 2026, with early application permitted.

The Group is currently evaluating the potential impact of these amendments on its financial reporting practices. Preliminary assessments suggest that while some adjustments may be necessary to align with the new guidance, the amendments are not expected to have a material effect on the Group's financial statements.

The Group will continue to monitor developments and provide updates as necessary to ensure compliance by the effective date.

E. Amendments to the Classification and Measurement of Financial Instruments—Amendments to IFRS 9 and IFRS 7

On 30 May 2024, the IASB issued Amendments to IFRS 9 and IFRS 7, Amendments to the Classification and Measurement of Financial Instruments (the Amendments). The Amendments include:

- ▶ A clarification that a financial liability is derecognised on the 'settlement date' and introduce an accounting policy choice (if specific conditions are met) to derecognise financial liabilities settled using an electronic payment system before the settlement date.
- ▶ Additional guidance on how the contractual cash flows for financial assets with environmental, social and corporate governance (ESG) and similar features should be assessed.
- ▶ Clarifications on what constitute 'non-recourse features' and what are the characteristics of contractually linked instruments.
- ▶ The introduction of disclosures for financial instruments with contingent features and additional disclosure requirements for equity instruments classified at fair value through other comprehensive income (OCI).

The Amendments are effective for annual periods starting on or after 1 January 2026. Early adoption is permitted, with an option to early adopt the amendments for classification of financial assets and related disclosures only. The Group is currently not intending to early adopt the Amendments.

NOTES TO THE CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS - Continued

2 Summary of material accounting policies - continued

2.35 Standards issued but not yet effective - continued

E. Amendments to the Classification and Measurement of Financial Instruments—Amendments to IFRS 9 and IFRS 7 -Continued

With respect to the amendments on the derecognition of financial liabilities that are settled through an electronic payment system, the Group is currently performing an assessment of all material electronic payment systems utilised in the various jurisdictions it operates, in order to assess whether the amendments will result in a material change with respect to current practices and whether it meets the conditions to apply the accounting policy option to derecognise such financial liabilities before the settlement date. Moreover, the Group is reviewing all its other payment systems (such as cheques, credit cards, debit cards) to ensure that the corresponding financial assets are derecognised when the right to cash flows are extinguished and that the corresponding financial liabilities are derecognised on settlement date.

In addition, the Group is assessing the impact of the Amendments on its financial assets that include environmental, social and governance (ESG)-linked features and other similar contingent features, as well as on non-recourse financing and contractually linked instruments. Based on the initial assessment performed, the amendments in these areas are not expected to have a material impact on the financial statements, however, the assessment is yet to be concluded

F. Annual Improvements to IFRS Accounting Standards– Volume 11

On 18 July 2024, the International Accounting Standards Board (IASB) issued Annual Improvements to IFRS Accounting Standards–Volume 11 to enhance clarity and consistency in financial reporting. These amendments apply to annual periods beginning on or after 1 January 2026, with earlier application permitted.

Key amendments include:

- IFRS 1: Aligns hedge accounting criteria with IFRS 9 to resolve inconsistencies.
- IFRS 7: Updates language on unobservable inputs and derecognition of financial instruments, with cross-references to IFRS 13.
- Guidance on IFRS 7 (Introduction): Clarifies that the implementation guidance does not cover all IFRS 7 requirements.
- Guidance on IFRS 7 (Fair Value vs. Transaction Price): Aligns disclosure wording with IFRS 7, IFRS 9, and IFRS 13.
- Guidance on IFRS 7 (Credit Risk Disclosures): Simplifies the explanation of unillustrated aspects of IFRS requirements.
- IFRS 9 (Lessee Derecognition of Lease Liabilities): Clarifies that gains or losses from extinguished lease liabilities must be recognized in profit or loss.
- IFRS 9 (Transaction Price Terminology): Replaces "transaction price" as defined in IFRS 15 with "amount determined by applying IFRS 15" to eliminate confusion.
- IFRS 10: Reinforces that assessing a 'de facto agent' requires judgment, with paragraph B74 providing only one example.
- IAS 7: Replaces 'cost method' with 'at cost' for consistency.

The Group is assessing the impact of these amendments but does not expect material effects on its financial statements. It will continue to monitor developments to ensure timely compliance.

NOTES TO THE CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS - Continued

FOR THE YEAR ENDED 31 DECEMBER 2024

3	Cash and cash equivalents	Group 2024 N'000	Group 2023 N'000	Company 2024 N'000	Company 2023 N'000
	This comprises of :				
	Cash on hand	790	857	551	652
	Cash at Banks	2,602,183	661,539	2,423,531	567,738
	Short term deposit (Staff gratuity fund assets)	3,823	8,044	3,823	8,044
	Short term deposit (note 3.2)	8,651,681	5,906,531	7,462,410	4,145,426
		11,258,477	6,576,971	9,890,315	4,721,860
	Adjustment for ECL on fixed deposit and bank balances (note 3.1)	(61,734)	(12,304)	(59,454)	(3,115)
	Total	11,196,743	6,564,667	9,830,861	4,718,745

*Staff gratuity fund assets relates to fund set aside for staff of the parent who were still in service when the gratuity scheme was discontinued in July 2016. The intention of management is to keep the funds and make it available to the beneficiaries on exit.

3.1	Movement in Adjustment ECL	Group 2024 N'000	Group 2023 N'000	Company 2024 N'000	Company 2023 N'000
	At 1 January	12,304	5,696	3,115	5,458
	Charge/(Write back) (Note 34)	49,430	6,608	56,339	(2,343)
	At 31 December	61,734	12,304	59,454	3,115

3.2	Financed by:	Group 2024 N'000	Group 2023 N'000	Company 2024 N'000	Company 2023 N'000
	Financed by Insurance fund	7,462,410	4,145,426	7,462,410	4,145,426
	Financed by other funds	1,189,271	1,761,105	-	-
		8,651,681	5,906,531	7,462,410	4,145,426

Short term deposits consist of placements with commercial banks with contractual maturity date of less than 3 months.

3.3 A reconciliation of gross carrying amount and corresponding allowance for ECL

Group	STAGE 1	
	Gross carrying amount N'000	ECL N'000
At 1 January 2024	6,576,114	12,304
New assets originated or purchased	11,257,687	61,734
Assets derecognized	(6,576,114)	(12,304)
At 31 December 2024	11,257,687	61,734
At 1 January 2023	3,984,471	5,696
New assets originated or purchased	6,576,114	12,304
Assets derecognized	(3,984,471)	(5,696)
At 31 December 2023	6,576,114	12,304

NOTES TO THE CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS - Continued

3.3 A reconciliation of gross carrying amount and corresponding allowance for ECL - Continued

Company	STAGE 1	
	Gross carrying amount N'000	ECL N'000
At 1 January 2024	4,721,208	3,115
New assets originated or purchased	9,889,764	59,454
Assets derecognized	(4,721,208)	(3,115)
At 31 December 2024	9,889,764	59,454
At 1 January 2023	2,064,983	5,458
New assets originated or purchased	4,721,208	3,115
Assets derecognized	(2,064,983)	(5,458)
At 31 December 2023	4,721,208	3,115

	Group 2024 N'000	Group 2023 N'000	Company 2024 N'000	Company 2023 N'000
4 Investment securities				
Equity instruments at fair value through profit or loss (Note 4a)	138,264	113,615	138,264	113,615
Debt instruments at amortised cost (Note 4b)	10,197,218	7,472,050	5,084,068	3,161,226
Fair value through OCI - equity (Note 4c)	492,056	433,485	492,056	433,485
	10,827,538	8,019,150	5,714,388	3,708,326
Current	681,221	94,609	141,879	-
Non-current	10,146,317	7,924,542	5,572,509	3,708,326
	10,827,538	8,019,150	5,714,388	3,708,326

a These are quoted equities on the Nigerian Stock Exchange. The fair value is determined by reference to the quoted closing bid price at the end of the reporting period and are derived as follows:

	Group 2024 N'000	Group 2023 N'000	Company 2024 N'000	Company 2023 N'000
Movement in FVTPL during the period				
Fair value at 1 January	113,615	68,090	113,615	68,090
Addition	-	-	-	-
Reclassification	(1,105)	-	(1,105)	-
Fair value gain	25,754	45,525	25,754	45,525
Fair value at 31 December	138,264	113,615	138,264	113,615

a(i) **Historical movement in FVTPL**

Cost at initial recognition	152,278	152,278	152,278	152,278
Accumulated fair value losses to date	(14,014)	(38,663)	(14,014)	(38,663)
Fair value at 31 December	138,264	113,615	138,264	113,615

NOTES TO THE CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS - Continued

	Group 2024 N'000	Group 2023 N'000	Company 2024 N'000	Company 2023 N'000
b Amortised Cost				
FGN treasury bills see note (i) below	681,221	94,609	141,879	-
State/FGN government bonds see note (ii) below	9,261,240	7,126,605	4,942,189	3,161,226
Corporate bond see note (iii) below	254,757	250,837	-	-
	<u>10,197,218</u>	<u>7,472,050</u>	<u>5,084,068</u>	<u>3,161,226</u>
Balance at 1 January	7,524,320	5,192,134	3,189,284	1,481,074
Additions	4,002,563	1,764,182	3,143,438	1,049,097
Disposal	(50,000)	-	(50,000)	-
Redemption/repayment during the year	(1,862,715)	(377,899)	(1,200,176)	-
Accrued interest	612,632	945,904	30,801	659,113
Balance at 31 December	<u>10,226,801</u>	<u>7,524,320</u>	<u>5,113,348</u>	<u>3,189,284</u>
Expected credit loss	<u>(29,583)</u>	<u>(52,270)</u>	<u>(29,280)</u>	<u>(28,058)</u>
	<u>10,197,218</u>	<u>7,472,050</u>	<u>5,084,068</u>	<u>3,161,226</u>
i FGN Treasury Bills				
Balance at 1 January	94,609	43,878	-	-
Additions	570,843	46,153	121,934	-
Redemption/repayment during the year	(4,176)	-	-	-
Accrued interest	20,672	4,578	20,672	-
Balance at 31 December	<u>681,948</u>	<u>94,609</u>	<u>142,606</u>	<u>-</u>
ECL	<u>(727)</u>	<u>-</u>	<u>(727)</u>	<u>-</u>
	<u>681,221</u>	<u>94,609</u>	<u>141,879</u>	<u>-</u>
ii FGN Bonds and State Bonds				
Balance at 1 January	7,164,613	4,844,847	3,189,284	1,481,074
Additions	3,431,504	1,626,132	3,021,504	1,049,097
Disposal	(50,000)	-	(50,000)	-
Redemption/repayment during the year	(1,832,080)	(237,517)	(1,200,176)	-
Accrued interest	575,756	931,151	10,129	659,113
Balance at 31 December	<u>9,289,793</u>	<u>7,164,613</u>	<u>4,970,742</u>	<u>3,189,284</u>
ECL	<u>(28,553)</u>	<u>(38,008)</u>	<u>(28,553)</u>	<u>(28,058)</u>
	<u>9,261,240</u>	<u>7,126,605</u>	<u>4,942,189</u>	<u>3,161,226</u>
iii Corporate Bonds				
Balance at 1 January	265,099	303,409	-	-
Additions	216	17,870	-	-
Redemption/repayment during the year	(26,459)	(70,934)	-	-
Accrued interest	16,204	14,754	-	-
Balance at 31 December	<u>255,060</u>	<u>265,099</u>	<u>-</u>	<u>-</u>
ECL	<u>(303)</u>	<u>(14,263)</u>	<u>-</u>	<u>-</u>
	<u>254,757</u>	<u>250,837</u>	<u>-</u>	<u>-</u>
iv Movement in expected credit losses (ECL) during the year				
Balance at 1 January	52,270	34,506	28,058	19,491
Reversal (Charge) during the year	<u>(22,687)</u>	<u>17,764</u>	<u>1,222</u>	<u>8,567</u>
Balance at 31 December	<u>29,583</u>	<u>52,270</u>	<u>29,280</u>	<u>28,058</u>

NOTES TO THE CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS - Continued

v A reconciliation of gross carrying amount and corresponding allowance for ECL

Group	STAGE 1	
	Gross carrying amount N'000	ECL N'000
At 1 January 2024	7,524,321	52,270
New assets originated or purchased	4,615,195	21,783
Assets derecognized	(1,912,715)	(44,470)
At 31 December 2024	<u>10,226,801</u>	<u>29,583</u>
At 1 January 2023	5,226,639	34,506
New assets originated or purchased	2,710,086	21,783
Assets derecognized	(412,404)	(4,019)
At 31 December 2023	<u>7,524,320</u>	<u>52,270</u>
Company		
At 1 January 2024	3,189,284	28,058
New assets originated or purchased	3,174,239	1,222
Assets derecognized	(1,250,176)	
At 31 December 2024	<u>5,113,348</u>	<u>29,280</u>
At 1 January 2023	1,500,565	19,491
New assets originated or purchased	1,688,718	8,567
Assets derecognized		
At 31 December 2023	<u>3,189,283</u>	<u>28,058</u>

c Fair value through other comprehensive income

	Group 2024 N'000	Group 2023 N'000	Company 2024 N'000	Company 2023 N'000
Fair value at 1 January	433,485	92,575	433,485	92,575
Additions	1,104	22,091	1,104	22,091
Fair value gain	57,467	318,819	57,467	318,819
Balance at 31 December	<u>492,056</u>	<u>433,485</u>	<u>492,056</u>	<u>433,485</u>

Fair value through other comprehensive income consists of equity investment in Waica RE and Systemspec.

NOTES TO THE CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS - Continued

	Group 2024 N'000	Group 2023 N'000	Company 2024 N'000	Company 2023 N'000
5 Premium Receivables				
a This comprises of:				
Due from insurance brokers	2,036,242	1,520,406	2,036,242	1,520,406
Due from insurance agents	55,270	55,270	55,270	55,270
Due from policy holders	33,158	33,158	33,158	33,158
Due From Insurance Companies	158,931	158,931	158,931	158,931
	<u>2,283,601</u>	<u>1,767,765</u>	<u>2,283,601</u>	<u>1,767,765</u>
Impairment of trade receivables	<u>(737,985)</u>	<u>(737,985)</u>	<u>(737,985)</u>	<u>(737,985)</u>
	<u>1,545,616</u>	<u>1,029,780</u>	<u>1,545,616</u>	<u>1,029,780</u>
b. Movement in impairment is as follow:				
At 1 January	737,985	737,985	737,985	737,985
Charge	-	-	-	-
At 31 December	<u>737,985</u>	<u>737,985</u>	<u>737,985</u>	<u>737,985</u>
b Age analysis of gross premium receivables are as follows:				
0 - 30 days	1,545,616	1,029,780	1,545,616	1,029,780
Above 30 days	<u>737,985</u>	<u>737,985</u>	<u>737,985</u>	<u>737,985</u>
	<u>2,283,601</u>	<u>1,767,765</u>	<u>2,283,601</u>	<u>1,767,765</u>
c Analysis of movement in impairment				
	Balance at 1 January N'000	Adjustment N'000	Provision no longer required N'000	Balance at 31 December N'000
2024				
Group				
Premium receivable from insurance brokers	490,626	-	-	490,626
Premium receivable from insurance agents	55,270	-	-	55,270
Premium receivable from policy holders	33,158	-	-	33,158
Premium receivable from insurance companies	158,931	-	-	158,931
	<u>737,985</u>	<u>-</u>	<u>-</u>	<u>737,985</u>
Company				
Premium receivable from insurance brokers	490,626	-	-	490,626
Premium receivable from insurance agents	55,270	-	-	55,270
Premium receivable from policy holders	33,158	-	-	33,158
Premium receivable from insurance companies	158,931	-	-	158,931
	<u>737,985</u>	<u>-</u>	<u>-</u>	<u>737,985</u>
2023				
Group				
Premium receivable from insurance brokers	490,626	-	-	490,626
Premium receivable from insurance agents	55,270	-	-	55,270
Premium receivable from policy holders	33,158	-	-	33,158
Premium receivable from insurance companies	158,931	-	-	158,931
	<u>737,985</u>	<u>-</u>	<u>-</u>	<u>737,985</u>
Company				
Premium receivable from insurance brokers	490,626	-	-	490,626
Premium receivable from insurance agents	55,270	-	-	55,270
Premium receivable from policy holders	33,158	-	-	33,158
Premium receivable from insurance companies	158,931	-	-	158,931
	<u>737,985</u>	<u>-</u>	<u>-</u>	<u>737,985</u>
d Movement in premium receivables				
	Group 2024 N'000	Group 2023 N'000	Company 2024 N'000	Company 2023 N'000
Opening balance	1,767,765	1,774,959	1,767,765	1,774,959
Gross written premium during the year	23,694,266	7,291,207	23,694,266	7,291,207
Premium received during the year	<u>(23,178,430)</u>	<u>(7,298,401)</u>	<u>(23,178,430)</u>	<u>(7,298,401)</u>
	<u>2,283,601</u>	<u>1,767,765</u>	<u>2,283,601</u>	<u>1,767,765</u>
Impairment during the year	<u>(737,985)</u>	<u>(737,985)</u>	<u>(737,985)</u>	<u>(737,985)</u>
Balance as at 31st Dec (IFRS 17)	<u>1,545,616</u>	<u>1,029,780</u>	<u>1,545,616</u>	<u>1,029,780</u>

NOTES TO THE CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS - Continued

	Group 2024 N'000	Group 2023 N'000	Company 2024 N'000	Company 2023 N'000
6 Other receivables and prepayments				
Receivables from staff (Note 6a)	8,332	48,047	8,331	30,082
Deposit for investment (Note 6b)	34,112	28,346	34,112	28,346
Commercial papers (Note 6c)	217,459	217,459	217,459	217,459
Prepayment	33,325	52,057	33,325	8,596
Inventory*	369	4,113	369	2,339
Receivables from Related parties (Note 6i)	62,033	62,033	62,033	62,033
Fees receivables and other receivables (Note 6d)	793,650	734,973	107,697	324,519
Prepaid recapitalisation expenses (Note 6e)	83,050	48,050	83,050	48,050
Withholding tax receivable(Note 6f)	55,389	24,856	30,529	24,856
	<u>1,287,719</u>	<u>1,219,935</u>	<u>576,905</u>	<u>746,280</u>
Impairment of other receivables and prepayment (Note	<u>(402,852)</u>	<u>(393,427)</u>	<u>(402,852)</u>	<u>(393,427)</u>
	<u>884,867</u>	<u>826,508</u>	<u>174,053</u>	<u>352,853</u>
Current	877,995	710,371	174,054	241,312
Non-current	6,874	110,081	-	92,116
	<u>884,869</u>	<u>826,508</u>	<u>174,053</u>	<u>352,853</u>

a Receivables from staff consist of amount due from staff in respect of unutilized upfront allowances.

	Group 2024 N'000	Group 2023 N'000	Company 2024 N'000	Company 2023 N'000
Balance at 1 January	48,047	65,117	30,082	53,638
Addition	414	39,284	414	32,798
Utilised during the year	<u>(40,129)</u>	<u>(56,354)</u>	<u>(22,165)</u>	<u>(56,354)</u>
	<u>8,332</u>	<u>48,047</u>	<u>8,331</u>	<u>30,082</u>

b Included in deposit for investment is the amount with Chapel Hill and Planet Capital Limited for purchase of quoted equities on the Nigerian Exchange Group and investment in other financial instruments.

c Commercial papers represents receivables from the following entities

	Group 2024 N'000	Group 2023 N'000	Company 2024 N'000	Company 2023 N'000
a) TKM Mestro Nigeria Ltd	131,649	131,649	131,649	131,649
b) Off-shore Intergrated Concession Ltd	39,711	39,711	39,711	39,711
c) Kruger Brent Global Services Ltd	46,099	46,099	46,099	46,099
	<u>217,459</u>	<u>217,459</u>	<u>217,459</u>	<u>217,459</u>

ci These commercial papers have been impaired by the company as they are in doubt of recovery.

d Fee receivables includes fees receivable on RSA assets and administrative fees as at year end.

e This represents amount paid to consultants with respect to proposed preference shares to be issued by the company. This was classified as prepaid expense pending the conclusion of the process. On completion, this will be applied against the share premium.

* Inventory relates to stationery stocks

NOTES TO THE CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS - Continued

	Group 2024 N'000	Group 2023 N'000	Company 2024 N'000	Company 2023 N'000
f Withholding tax receivables				
At 1 January	24,856	27,926	24,856	27,926
Additions	56,049	5,091	31,189	5,091
Utilised during the period(see note 16)	(25,516)	(8,161)	(25,516)	(8,161)
Balance at 31 December	55,389	24,856	30,529	24,856

	Group 2024 N'000	Group 2023 N'000	Company 2024 N'000	Company 2023 N'000
g The movement in impairment charge is as follows:				
Balance at 1 January	393,427	393,965	393,427	393,965
Impairment charge/(write-back) during the year	9,425	(538)	9,425	(538)
Balance at 31 December	402,852	393,427	402,852	393,427

	Balance at 1 Jan 2024	Addition	Provision no longer required	Adjustment	Balance at 31 December 2024
Group					
Commercial papers	217,459	-	-	-	217,459
Receivables from staff	1,369	-	-	-	1,369
Receivables from Related Party (Goldlink)	62,033	-	-	-	62,033
Fees receivable and other receivables	112,566	-	-	9,425	121,991
	393,427	-	-	9,425	402,852

Company					
Commercial papers	217,459	-	-	-	217,459
Receivables from staff	1,369	-	-	-	1,369
Receivables from Goldlink	62,033	-	-	-	62,033
Fees receivable and other receivables	112,566	-	-	9,425	121,991
	393,427	-	-	9,425	402,852

	Balance at 1 Jan 2023	Addition	Provision no longer required	Adjustment	Balance at 31 December 2023
Group					
Commercial papers	217,459	-	-	-	217,459
Receivables from staff	1,369	-	-	-	1,369
Receivables from Related Party (Goldlink)	62,033	-	-	-	62,033
Fees receivable and other receivables	113,104	-	-	(538)	112,566
	393,965	-	-	(538)	393,427

Company					
Commercial papers	217,459	-	-	-	217,459
Receivables from staff	1,369	-	-	-	1,369
Receivables from Goldlink	62,033	-	-	-	62,033
Fees receivable and other receivables	113,104	-	-	(538)	112,566
	393,965	-	-	(538)	393,427

j This relates to amount recoverable from :1.Associates- Goldlink Insurance Plc. As at 31 December 2024, the amount relates to various expenses incurred on their behalf amounting to N62.033 million (2023, N62.033 milion).

NOTES TO THE CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS - Continued

7 Investment in Subsidiaries

Veritas Kapital has 2 subsidiaries as at 31 December 2024. The details of the subsidiaries and principal activities are detailed below:

	Group 2024 N'000	Group 2023 N'000	Company 2024 N'000	Company 2023 N'000
Veritas Glanvills Pension Limited at cost(a)	-	-	3,610,000	3,610,000
Veritas Health Care Limited at cost (b)	-	-	416,300	416,300
	<u>-</u>	<u>-</u>	<u>4,026,300</u>	<u>4,026,300</u>

- a Veritas Glanvills Pension Limited has issued ordinary share capital of 5 billion units of N1 each.

Veritas Kapital holds 3.5 billion (70%): The company was incorporated on 20 April 2005, and licenced by National Pension Commission to carry on business of a Pension Fund Administrator on 19 June 2007. Its principal place of business is Lagos.

- b Veritas HealthCare Limited has issued ordinary share capital of 429,075,000 units of N1 each Veritas Kapital holds 401,000,000 units (93.5%): The company carries on the business of a health maintenance organisation, and its principal place of business is Abuja.

Management assessed investment in subsidiaries for impairment and concluded that there was no indication of impairment. Summarized financial information in respect of each of the Group's subsidiaries is set out below. The summarized financial information below represents amounts before intragroup eliminations.

	Veritas Glanvill Pension		Veritas Healthcare Limited	
	2024 N'000	2023 N'000	2024 N'000	2023 N'000
Total revenue	2,853,088	2,425,910	425,517	264,809
Profit after tax	431,650	714,293	31,301	31,888
Other comprehensive (loss)/income	-	-	(15,114)	1,364
Total comprehensive income	431,650	714,293	16,187	33,252
Total assets	7,473,800	6,975,358	707,678	743,648
Total liabilities	714,838	641,897	57,871	129,421
Shareholders fund	6,758,962	6,333,461	649,806	614,227

c Movement in Investment in Subsidiaries

	Group 2024 N'000	Group 2023 N'000	Company 2024 N'000	Company 2023 N'000
Veritas Glanvills Pensions Ltd				
Balance at 1 January	-	-	3,610,000	3,610,000
Balance at 31 December	<u>-</u>	<u>-</u>	<u>3,610,000</u>	<u>3,610,000</u>
Investment in Veritas Healthcare Ltd				
Balance at 1 January	-	-	416,300	416,300
Balance at 31 December	<u>-</u>	<u>-</u>	<u>416,300</u>	<u>416,300</u>

NOTES TO THE CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS - Continued

	Group 2024 N'000	Group 2023 N'000	Company 2024 N'000	Company 2023 N'000
8 Investment in Associates	1,010,650	1,010,650	1,010,650	1,010,650
Share of associate loss (prior period)	(1,010,650)	(1,010,650)	(1,010,650)	(1,010,650)
	-	-	-	-

GOLDLINK Insurance Plc

Veritas Kapital holds 1,268,064,351 (2023:1,268,314,351) ordinary shares representing 51.53% (2023:51.53%) holdings in Goldlink Insurance Plc as at 31 December 2024.

Goldlink Insurance Plc became associate company of Veritas Kapital in 2011 but was taken over by the regulatory authority - National Insurance Commission (NAICOM) for infraction of insurance regulations and its Board of Directors was dissolved in 2012.

Though Veritas Kapital holds majority shares in Goldlink Insurance Plc. (51.53%) the investment has been treated as an associate and accounted for using equity method at both the Company and Group level.

In arriving at the decision to treat the investment as an associate, the Board of Directors considered if Veritas Kapital has control over Goldlink Insurance Plc based on the requirements of IFRS 10. IFRS 10.5 states that an investor regardless of the nature of its involvement with an entity is required to determine whether it is a parent by assessing whether it controls the investee.

Specifically, IFRS 10 states that an investor controls an investee if and only if the investor has the following:

- Power over the investee;
- Exposure, or rights, to variable returns from its involvement with the investee; and
- The ability to use its power over the investee to affect the amount of the investor's returns.

Based on assessment carried out, Directors concluded that Veritas Kapital does not have the power over the investee because the relevant activities of Goldlink Insurance Plc are subject to direction of the NAICOM instituted Board of Directors. The Board of Directors report directly to NAICOM on all its activities and resolutions are subject to the NAICOM.

NOTES TO THE CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS - Continued

9 Property and equipment

Group	Leasehold land	Building	Office computer	Motor vehicles	Office furniture and fittings	Work in progress	Total
Cost/valuation	N'000	N'000	N'000	N'000	N'000	N'000	N'000
At 1 January	1,306,849	3,846,717	680,954	847,481	224,574	-	6,906,574
Additions	-	138,468	93,794	198,584	27,010	4,950	462,806
Revaluation adjustments	721,251	(344,239)	-	-	-	-	377,012
Disposals	-	-	(2,824)	(41,171)	(1,816)	-	(45,811)
At 31 December	2,028,100	3,640,946	771,924	1,004,894	249,768	4,950	7,700,581
Accumulated depreciation							
At 1 January	-	145,882	545,529	608,525	170,249	-	1,470,184
Depreciation	-	57,060	47,279	123,243	27,964	-	255,546
Disposals	-	-	(2,664)	(41,003)	(1,816)	-	(45,483)
At 31 December	-	202,942	590,143	690,765	196,397	-	1,680,247
Carrying amount at 31 December 2024	2,028,100	3,438,004	181,780	314,129	53,371	4,950	6,020,334
Cost/valuation	Leasehold land	Building	Office computer	Motor vehicles	Office furniture and fittings	Work in progress	Total
N'000	N'000	N'000	N'000	N'000	N'000	N'000	N'000
At 1 January	1,265,000	2,964,129	449,889	854,195	171,352	191,383	5,895,947
Additions	-	250	55,298	48,496	53,221	-	157,266
Revaluation adjustments	181,849	1,070,758	-	-	-	-	1,252,607
Transfer/ reclassification	-	5,874	185,509	-	-	(191,383)	-
Disposals	(140,000)	(194,295)	(9,743)	(55,210)	-	-	(399,247)
At 31 December 2023	1,306,849	3,846,717	680,954	847,481	224,574	-	6,906,574
Accumulated depreciation							
At 1 January	-	96,551	356,524	585,702	147,614	152,708	1,339,099
Depreciation expenses	-	60,510	43,877	78,032	22,636	-	205,055
Transfer/ reclassification	-	4,687	148,021	-	-	(152,708)	-
Disposals	-	(15,867)	(2,893)	(55,210)	-	-	(73,970)
At 31 December 2023	-	145,882	545,529	608,525	170,249	-	1,470,184
Carrying amount as at 31 December 2023	1,306,849	3,700,835	135,425	238,956	54,324	-	5,436,389

NOTES TO THE CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS - Continued

9 Property and equipment - Continued

Company

	Leasehold land	Building	Office computer equipment	Motor vehicles	Office furniture and fittings	Work in progress	Total
Cost/valuation	N'000	N'000	N'000	N'000	N'000	N'000	N'000
At 1 January	1,306,849	3,067,587	326,496	251,909	144,247	-	5,097,088
Additions	-	138,468	47,832	181,230	14,963	4,950	387,443
Revaluation adjustments	721,251	(344,239)	-	-	-	-	377,012
Disposals	-	-	(2,824)	(37,494)	(1,816)	-	(42,134)
At 31 December	2,028,100	2,861,816	371,504	395,645	157,394	4,950	5,819,409
Accumulated depreciation							
At 1 January	-	94,982	260,077	231,812	118,662	-	705,533
Depreciation expenses	-	41,435	29,598	44,189	8,228	-	123,450
Disposals	-	-	(2,664)	(22,567)	(1,816)	-	(27,047)
At 31 December	-	136,417	287,011	237,009	125,073	-	785,510
Carrying amount at 31 December 2024	2,028,100	2,725,399	84,493	158,636	32,321	4,950	5,033,899
	Leasehold land	Building	Office computer equipment	Motor vehicles	Office furniture and fittings	Work in progress	Total
Cost/valuation	N'000	N'000	N'000	N'000	N'000	N'000	N'000
At 1 January	1,265,000	2,185,000	283,981	300,320	135,455	5,874	4,175,630
Additions	-	250	45,406	6,799	8,792	-	61,248
Revaluation adjustments	181,849	1,070,758	-	-	-	-	1,252,607
Transfer/ Reclassification	-	5,874	-	-	-	(5,874)	-
Disposals	(140,000)	(194,295)	(2,892)	(55,210)	-	-	(392,397)
At 31 December	1,306,849	3,067,587	326,496	251,909	144,247	-	5,097,088
Accumulated depreciation							
At 1 January	-	60,371	240,112	267,576	112,083	-	680,141
Depreciation expenses	-	43,692	22,794	19,446	6,579	-	92,511
Disposals	-	(9,081)	(2,829)	(55,210)	-	-	(67,120)
At 31 December	-	94,982	260,077	231,812	118,662	-	705,533
Carrying amount at 31 December, 2023	1,306,849	2,972,605	66,419	20,097	25,585	-	4,391,555

NOTES TO THE CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS - Continued

9 Property and equipment - Continued

- a Land and Building were independently valued by Jide Taiwo & Co, Real Estate surveyors (FRC/2012/00000000254) and signed by Apeh Jeremiah (FRC/2019/NIESV/00000019829), in 2024 to ascertain the open market value of land and building. The open market value of land and building as at 31 December 2024 was N4,754 million (2023: N4,279 million)

b Valuation technique and significant unobservable inputs

The following table shows the valuation technique used in measuring the value of the land & building, as well as the significant unobservable inputs used.

Valuation technique	Significant Observable Input	Sensitivity
The fair values are determined by applying market value approach. This valuation model reflects the current price on actual transaction for similar properties in the neighbourhood in recent time. References were made to prices of land and comparable properties in the neighbourhood. The data obtained were analysed and adjustments was made to reflect differences in site area and the actual location, quality of construction and off-site facilities.	-Price PER square meter. -Rate of development in the area. -Location of the building. -Commercial neighbourhood. -Specialised nature of the building -Accessibility to transport links. - Physical condition	The estimated fair value would increase/ (decrease) if the rate of development in the area increases/ (decreases), quality of the building increases / (decreases), influx of people and/or business to the area increases/ (decreases)

c Leasehold land and building Comprises:

Group	2024			2023		
	Leasehold Land N'000	Building N'000	Total N'000	Leasehold Land N'000	Building N'000	Total N'000
Plot 1698 C and D Oy'in Jolayemi St. V.I. Lagos	-	712,604	712,604	-	727,317	727,317
Plot 497 Abogo Largema Street. Off Const. Ave. CBD	1,816,900	2,492,400	4,309,300	1,135,551	2,710,009	3,845,560
Plot 173 Oshodi-Gbagada express way, opp. UPS, Gbagada, Lagos.	211,200	233,000	444,200	171,298	263,509	434,807
	2,028,100	3,438,004	5,466,104	1,306,849	3,700,835	5,007,684
Company						
Plot 497 Abogo Largema Street. Off Const. Ave. CBD	1,816,900	2,492,400	4,309,300	1,135,551	2,710,009	3,845,560
Plot 173 Oshodi-Gbagada express way, opp. UPS, Gbagada, Lagos.	211,200	233,000	444,200	171,298	262,596	433,894
	2,028,100	2,725,400	4,753,500	1,306,849	2,972,605	4,279,454

NOTES TO THE CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS - Continued

9 Property and equipment - Continued

d Movement in leasehold land and building is as follows:

Group	01-Jan-24 N'000	Addition N'000	Disposals N'000	Transfer N'000	Depreciation N'000	Revaluation adjustment N'000	31-Dec-24 N'000
Property Location/Description							
Plot 1698 C and D Oyin Jolayemi St. V.I. Lagos	728,231	-	-	-	(15,625)	-	712,606
Plot 497 Abogo Largema Street. Off Const. Ave.							
CBD	3,831,860	61,724	-	-	(36,100)	451,817	4,309,301
Plot 173 Oshodi-Gbagada express way, opp. UPS, Gbagada, Lagos.	447,594	76,745	-	-	(5,335)	(74,805)	444,199
	5,007,684	138,469	-	-	(57,060)	377,012	5,466,104
Property Location/Description							
Plot 1698 C and D Oyin Jolayemi St. V.I. Lagos	745,049	-	-	-	(16,818)	-	728,231
Plot 497 Abogo Largema Street. Off Const. Ave.							
CBD	2,800,000	250	-	-	(39,148)	1,070,758	3,831,860
Plot 173 Oshodi-Gbagada express way, opp. UPS, Gbagada, Lagos.	269,102	-	-	1,187	(4,544)	181,849	447,594
Plot 116 Hadejia Road, Yankaba, Kano.	318,428	-	(318,428)	-	-	-	-
	4,132,579	250	(318,428)	1,187	(60,510)	1,252,607	5,007,684

NOTES TO THE CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS - Continued

9 Property and equipment - Continued

d Movement in leasehold land and building is as follows:

Company	01-Jan-24 N'000	Addition N'000	Disposals N'000	Transfer/Adj N'000	Depreciation N'000	Revaluation adjustment N'000	31-Dec-24 N'000
Property Location/Description							
Plot 497 Abogo Largema Street. Off Const. Ave.	3,831,860	61,723	-	-	(36,100)	451,817	4,309,300
CBD							
Plot 173 Oshodi-Gbagada Express way, opp. UPS, Gbagada, Lagos.	447,594	76,744	-	-	(5,335)	(74,805)	444,198
	4,279,454	138,468	-	-	(41,435)	377,012	4,753,498
Property Location/Description							
Plot 497 Abogo Largema Street. Off Const. Ave.							
CBD							
Plot 173 Oshodi-Gbagada Express way, opp. UPS, Gbagada, Lagos.	2,800,000	250	-	-	(39,148)	1,070,758	3,831,860
Plot 116 Hadejia Road, Yankaba, Kano.	264,415	-	-	5,874	(4,544)	181,849	447,594
	318,428	-	(318,428)	-	-	-	-
	3,382,843	250	(318,428)	5,874	(43,692)	1,252,607	4,279,454

NOTES TO THE CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS - Continued

	Company 2024 N'000	Company 2023 N'000
10 Goodwill		
Balance, at 1 January	386,444	386,444
Additions	-	-
Balance at 31 December	<u>386,444</u>	<u>386,444</u>
Accumulated impairment		
Balance, at 1 January	69,560	69,560
Impairment	-	-
Balance at 31 December	<u>69,560</u>	<u>69,560</u>
Carrying amount 31 December	<u>316,884</u>	<u>316,884</u>
a Analysis of movement		
Balance at 1 January	316,884	316,884
Balance at 31 December	<u>316,884</u>	<u>316,884</u>

The goodwill recognised on acquisition of Veritas Healthcare Limited (N69.56 million) was fully impaired.

The calculation of value-in-use was based on the following key assumptions

- The cashflows were projected based on the company's approved budget. The cashflows were based on past experiences and were adjusted to reflect expected future performances of the company .

Assessment of impairment on goodwill was developed by the management of the company.

11 Intangible assets

This comprises of acquired computer software which does not form part of a related hardware.

	Group 2024 N'000	Group 2023 N'000	Company 2024 N'000	Company 2023 N'000
Computer software				
Cost				
Balance, at 1 January	915,015	490,401	767,996	354,639
Additions	233,692	424,613	231,594	413,357
Balance at 31 December	<u>1,148,707</u>	<u>915,015</u>	<u>999,590</u>	<u>767,996</u>
Accumulated amortisation				
Balance, at 1 January	492,262	422,287	366,455	306,478
Amortisation	104,655	69,975	93,969	59,977
Balance at 31 December	<u>596,918</u>	<u>492,262</u>	<u>460,424</u>	<u>366,455</u>
Carrying amount 31 December	<u>551,789</u>	<u>422,753</u>	<u>539,166</u>	<u>401,541</u>

NOTES TO THE CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS - Continued

	Group 2024 N'000	Group 2023 N'000	Company 2024 N'000	Company 2023 N'000
12 Statutory deposit	355,000	355,000	355,000	355,000
This represent amount deposited with the Central Bank of Nigeria (CBN) as at 31 December, 2024 in pursuant to section 9(1) and section 10(3) of insurance Act 2003. Interest income earned on this deposit is included in investment income. (See note 31b)				
13 Other technical liabilities				
Other technical liabilities represent amounts payable to reinsurance, co-insurers, agents and brokers at period end. The carrying amounts disclosed below approximate the fair values at the reporting date.				
	Group 2024 N'000	Group 2023 N'000	Company 2024 N'000	Company 2023 N'000
This is analysed as follows:				
Commission payable	417,489	182,465	417,489	182,465
Co-insurance premium payable	2,367,916	1,923,507	2,367,915	1,923,507
	<u>2,785,405</u>	<u>2,105,972</u>	<u>2,785,404</u>	<u>2,105,972</u>
a Movement on commission (Acquisition cost) payable				
Balance at 1 January	182,465	209,178	182,465	209,178
Acquisition cost during the year	3,542,626	1,334,390	3,542,626	1,334,390
Acquisirion cost paid during the year	(3,307,602)	(1,361,103)	(3,307,602)	(1,361,103)
Balance as at 31 December	<u>417,489</u>	<u>182,465</u>	<u>417,489</u>	<u>182,465</u>
b Movement in co-insurance premium payable				
Balance at 1 January	1,923,507	339,554	1,923,507	339,554
Addition during the year	2,367,915	1,923,507	2,367,915	1,923,507
Co-insurance premium owing paid	(1,923,507)	(339,554)	(1,923,507)	(339,554)
Balance as at 31 December	<u>2,367,916</u>	<u>1,923,507</u>	<u>2,367,915</u>	<u>1,923,507</u>
14 Retirement benefit obligation				
	Group 2024 N'000	Group 2023 N'000	Company 2024 N'000	Company 2023 N'000
Gratuity scheme	27,710	23,933	-	-
Balance at 1 january	23,933	22,187	-	-
Contributions in the period	12,228	3,869	-	-
Payments during the year	(8,449)	(2,123)	-	-
Balance at 31 December	<u>27,710</u>	<u>23,933</u>	<u>-</u>	<u>-</u>

NOTES TO THE CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS - Continued

a Defined Benefit Scheme

Veritas Healthcare Limited has a non-contributory defined gratuity scheme whereby on separation, staff who have spent a minimum of five (5) years are paid a sum based on their qualifying emoluments and the number of years spent in service of the Company. The actuarial valuation of the scheme for 31 December 2024 was performed by PENMED Actuarial Consultants FRC/2014/NAS/0000000953 and signed by Bode Olajumoke (FRC/2014/NAS/0000000953).

Summary of membership data	2024	2023
Active Members	13	14
Total annual emoluments	N108.8mn	N108.8mn
Average Liability duration over future service	18	17

Underlying assumptions

The rate used to discount Pre-retirement employment benefit obligations is determined in line with IAS19, with reference to market yields at the balance sheet date on high quality corporate bonds. The following are the significant assumptions adopted in the computations.

Valuation interest rate	22.0%
Salary increase rate	25.0%

Benefit Liability	Group 2024 N'000	Group 2023 N'000
(Deficit) of Funded Plans	(27,710)	(23,933)
Liability Recognized	<u>(27,710)</u>	<u>(23,933)</u>

NOTES TO THE CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS - Continued

14 Retirement benefit obligation - Continued

(i) Reconciliation of Defined Benefit Obligation

Changes in the present value of the defined benefit obligation are as follows;

	Group Dec-24 N'000	Group Dec-23 N'000
At 1 January	23,933	22,187
Current service cost*	2,475	2,475
Interest Cost	1,316	2,995
Benefit paid	(8,449)	(2,123)
Actuarial (gains)/loss due to change in financial assumptions	8,435	(1,601)
Balance at 31 December	<u>27,710</u>	<u>23,933</u>

*Current service cost was included as part of staff cost in note 35.

Pension scheme

The employees of the Company are members of a state arranged Pension scheme (Pension Reform Act, 2004) which is managed by several Pension Funds Administrators. The only obligation of the Company with respect to this pension plan is to make the specified contributions.

	Group 2024 N'000	Group 2023 N'000	Company 2024 N'000	Company 2023 N'000
15 Provisions and other payables				
Life insurance fund (Note 15a)	131,417	131,417	131,417	131,417
PAYE tax, VAT, NHF and other remitable deductions	327,255	57,021	290,678	28,478
Staff accounts (Note 15b)	152,598	115,357	15,261	15,388
Accrued professional fees (Note 15c)	111,968	94,257	110,968	94,257
Accrued NAICOM levy	237,934	78,258	237,934	78,258
Supplies & Services Bills Payables (Note 15e)	182,522	294,824	167,576	185,580
Other accruals and payables (Note 15f)	780,065	181,925	719,202	41,402
Unclaimed dividends	13,606	14,806	13,606	14,806
Due to employees	4,563	8,001	3,868	8,001
Pension protection fund (Note 15d)	409,707	278,741	-	-
	<u>2,351,635</u>	<u>1,254,607</u>	<u>1,690,510</u>	<u>597,587</u>

a Life insurance fund arose from the business of the defunct Kapital Insurance Company Limited that ceased life business in 2007 because the emerged Unity Kapital and then Veritas Kapital is not licensed to carry on life business. The fund was kept in abeyance pending transfer to a Life Assurance Company.

b Staff account balance is in respect, unremitted amount on behalf of staff to various PFAs for the month of December 2024 and deductions from staff salary to be remitted to their co-operative scheme administrator. As at January 2025, staff related benefits have been fully settled.

c Accrued professional fees include accrual for audit fees, tax review and actuarial fees.

d Pension protection fund represents pension protection fund maintained by the pension fund administrators as a cushion to Pensioner whose pension balance is not enough to guarantee at least 2/3 of the Federal Government minimum wage bill on retirement based on section 82 of the Pension Reform Act, 2014

e Suppliers and service bills payables relates to outstanding payments due to vendors and suppliers for services rendered.

NOTES TO THE CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS - Continued

f Other accruals and payables are made up of the following

	Group 2024 N'000	Company 2024 N'000
Unmatched inflows	672,147	672,147
Retention fee to contractors	17,467	17,467
Unpresented cheques	29,588	29,588
Accruals	57,034	-
	<u>776,236</u>	<u>719,202</u>

	Group 2024 N'000	Group 2023 N'000	Company 2024 N'000	Company 2023 N'000
15 Provisions and other payables - Continued				
Current	1,796,905	664,601	1,545,487	420,588
Non-Current	554,730	590,007	145,023	177,002
	<u>2,351,635</u>	<u>1,254,607</u>	<u>1,690,510</u>	<u>597,587</u>

	Group 2024 N'000	Group 2023 N'000	Company 2024 N'000	Company 2023 N'000
16 Income tax				
Company income tax	316,304	181,841	149,092	38,889
Education tax	24,550	49,987	-	48,779
Information technology levy	7,402	-	-	-
Police Trust Fund	37	157	-	121
Net deferred tax expense	117,026	-	-	-
Per profit or loss	465,319	231,985	149,092	87,788
Balance at beginning of the year	187,033	109,064	80,876	34,807
Withholding tax utilised (Note 6f)	(25,516)	(8,161)	(25,516)	(8,161)
Payments	(222,145)	(145,854)	(31,242)	(33,558)
Per statement of financial position	<u>404,691</u>	<u>187,033</u>	<u>173,210</u>	<u>80,876</u>

16.1 Deferred tax asset				
At 1 January	60,854	60,854	21,745	21,745
Tax credit recognised in profit or loss	(39,109)	-	-	-
Balance at 31 December	<u>21,745</u>	<u>60,854</u>	<u>21,745</u>	<u>21,745</u>

16.2 Deferred tax liability				
At 1 January	184,753	27,459	157,143	-
Tax expense recognised in profit or loss	156,136	-	-	-
Tax expense recognised in OCI	53,593	157,294	55,273	157,143
Balance at 31 December	<u>394,482</u>	<u>184,753</u>	<u>212,416</u>	<u>157,143</u>

Movements in deferred tax liabilities during the year:				
Recognised in other comprehensive income during the year:				
Net actuarial (loss)/gains on retirement benefit obligation	(1,679)	152	-	-
Gain on revaluation of property, plant and equipment	37,701	125,261	37,701	125,261
Fair value gain on financial asset at FVOCI	17,571	31,882	17,571	31,882
Recognised in profit or loss during the year:				
Property and equipment	153,035	-	-	-
Intangible assets	3,101	-	-	-
	<u>209,729</u>	<u>157,294</u>	<u>55,273</u>	<u>157,143</u>

Movement in deferred tax asset				
Recognised in profit or loss during the year				
Property and equipment	(39,109)	-	-	-

Deferred tax assets are attributable to the following item:				
Property and equipment	21,745	21,745	21,745	21,745
Cash and cash equivalents	-	39,109	-	-
	<u>21,745</u>	<u>60,854</u>	<u>21,745</u>	<u>21,745</u>

Deferred tax liabilities are attributable to the following items:				
Net actuarial gains on retirement benefit obligation	(1,528)	152	-	-
Fair value gains on PPE	346,556	152,720	162,963	125,261
Fair value gains on equity instruments at FVOCI	49,454	31,882	49,453	31,882
	<u>394,482</u>	<u>184,753</u>	<u>212,416</u>	<u>157,143</u>

NOTES TO THE CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS - Continued

16.3	Net deferred tax liability				
	Deferred tax liability	394,482	184,753	212,416	157,143
	Deferred tax asset - VKA	21,745	21,745	21,745	21,745
	Deferred tax asset - VGP	-	39,109	-	-
	Net deferred tax liability	<u>372,737</u>	<u>123,899</u>	<u>190,671</u>	<u>135,398</u>

17 Insurance and reinsurance contracts

The breakdown of groups of insurance contracts issued and reinsurance contracts held that are in an asset position and those in a liability is set out in the tables below

	Group 2024 N'000	Group 2023 N'000	Company 2024 N'000	Company 2023 N'000
Insurance contract liabilities				
Insurance contract liabilities (excluding insurance acquisition cash flows assets and other pre-recognition cash flows)	16,834,500	4,951,565	16,834,500	4,951,565
Insurance acquisition cash flows	(530,873)	(412,363)	(530,873)	(412,363)
Insurance contract liabilities	<u>16,303,627</u>	<u>4,539,202</u>	<u>16,303,627</u>	<u>4,539,202</u>

Reinsurance contract assets

Insurance contract assets (excluding reinsurance deferred acquisition income cash flows, other pre-recognition cash flows and reinsurance payables)

	5,969,559	1,834,583	5,969,559	1,834,583
Reinsurance deferred acquisition income cash flows	(127,889)	(186,727)	(127,889)	(186,727)
Insurance contract liabilities	<u>5,841,670</u>	<u>1,647,856</u>	<u>5,841,670</u>	<u>1,647,856</u>

	Group 2024 N'000	Group 2023 N'000	Company 2024 N'000	Company 2023 N'000
Insurance contract liabilities				
Liabilities for remaining coverage (LRC)				
Excluding loss component	2,751,065	1,816,576	2,751,065	1,816,576
	<u>2,751,065</u>	<u>1,816,576</u>	<u>2,751,065</u>	<u>1,816,576</u>

Liabilities for Incurred claims (LIC)

Estimate of present value of future cash flows
Risk adjustment for non-financial risk

	12,992,733	2,337,459	12,992,733	2,337,459
	559,829	385,168	559,829	385,168
	<u>13,552,562</u>	<u>2,722,627</u>	<u>13,552,562</u>	<u>2,722,627</u>
Insurance contract liabilities	<u>16,303,627</u>	<u>4,539,202</u>	<u>16,303,627</u>	<u>4,539,202</u>

NOTES TO THE CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS - Continued

17 Insurance and reinsurance contracts

The breakdown of groups of insurance contracts issued and reinsurance contracts held, that are in an asset position and those in a liability position is set out in the table below:

Group

Reconciliation of	2024			2023		
	Asset N'000	Liabilities N'000	Net N'000	Asset N'000	Liabilities N'000	Net N'000
Insurance contract issued						
General Accident	-	441,413	441,413	-	308,390	308,390
Agriculture	-	293,141	293,141	-	531,066	531,066
Aviation	-	1,284,040	1,284,040	-	262,482	262,482
Bond	-	16,714	16,714	-	60,959	60,959
Engineering	-	1,502,858	1,502,858	-	607,859	607,859
Fire	-	903,412	903,412	-	792,862	792,862
Marine	-	193,071	193,071	-	329,468	329,468
Motor	-	629,243	629,243	-	861,507	861,507
Oil & Gas	-	11,039,734	11,039,734	-	784,607	784,607
	-	16,303,627	16,303,627	-	4,539,202	4,539,202
Reinsurance contracts held						
General Accident	(112,823)	-	(112,823)	(106,776)	-	(106,776)
Agriculture	(8,074)	-	(8,074)	(299,384)	-	(299,384)
Aviation	(3,406)	-	(3,406)	(140,595)	-	(140,595)
Bond	(1,597)	-	(1,597)	(44,400)	-	(44,400)
Engineering	(394,661)	-	(394,661)	(297,161)	-	(297,161)
Fire	(347,913)	-	(347,913)	(217,806)	-	(217,806)
Marine	(50,780)	-	(50,780)	(203,516)	-	(203,516)
Motor	(120,148)	-	(120,148)	(266,341)	-	(266,341)
Oil & Gas	(4,802,269)	-	(4,802,269)	(71,879)	-	(71,879)
	(5,841,670)	-	(5,841,670)	(1,647,856)	-	(1,647,856)

NOTES TO THE CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS - Continued

- 17 The breakdown of groups of insurance contracts issued and reinsurance contracts held, that are in an asset position and those in a liability position is set out in the table below:

Company Reconciliation of	2024			2023		
	Asset N'000	Liabilities N'000	Net N'000	Asset N'000	Liabilities N'000	Net N'000
Insurance contract issued						
General Accident	-	441,413	441,413	-	308,390	308,390
Agriculture	-	293,141	293,141	-	531,066	531,066
Aviation	-	1,284,040	1,284,040	-	262,482	262,482
Bond	-	16,714	16,714	-	60,959	60,959
Engineering	-	1,502,858	1,502,858	-	607,859	607,859
Fire	-	903,412	903,412	-	792,862	792,862
Marine	-	193,071	193,071	-	329,468	329,468
Motor	-	629,243	629,243	-	861,507	861,507
Oil & Gas	-	11,039,734	11,039,734	-	784,607	784,607
	-	16,303,627	16,303,627	-	4,539,201	4,539,201
Reinsurance contracts held						
General Accident	(112,823)	-	(112,823)	(106,776)	-	(106,776)
Agriculture	(8,074)	-	(8,074)	(299,385)	-	(299,384)
Aviation	(3,406)	-	(3,406)	(140,595)	-	(140,595)
Bond	(1,597)	-	(1,597)	(44,400)	-	(44,400)
Engineering	(394,661)	-	(394,661)	(297,161)	-	(297,161)
Fire	(347,913)	-	(347,913)	(217,806)	-	(217,806)
Marine	(50,780)	-	(50,780)	(203,516)	-	(203,516)
Motor	(120,148)	-	(120,148)	(266,341)	-	(266,341)
Oil & Gas	(4,802,269)	-	(4,802,269)	(71,879)	-	(71,879)
	(5,841,670)	-	(5,841,670)	(1,647,857)	-	(1,647,856)

The subsequent individual portfolio roll forward for insurance contract liabilities and reinsurance contract assets represents both group and company.

NOTES TO THE CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS - Continued

17a Reconciliation of insurance contract liabilities (Extended roll forward)

Roll-forward of net asset or liability for insurance contracts issued showing the liability for remaining coverage and the liability for incurred claims

The Company disaggregates information to provide disclosure in respect of major product lines separately. This disaggregation has been determined based on how the company is managed.

The roll forward presented below shows a summarized position of all the portfolios.

Company

Reconciliation of 2024

	Liabilities for remaining coverage		Liability for Incurred Claims		
	Excluding loss component M'000	Loss component M'000	Estimate of present value of future cashflows M'000	Risk Adjustment M'000	Total M'000
Opening insurance contract liabilities	1,816,576	-	2,337,459	385,169	4,539,202
Opening insurance contract assets	-	-	-	-	-
Net Insurance contract liabilities	1,816,576	-	2,337,459	385,169	4,539,202
Insurance revenue	(23,330,242)	-	-	-	(23,330,242)
Insurance service expense:					
Incurred claims	-	-	13,619,932	(569,125)	13,050,807
Other directly attributable expenses	-	-	910,622	-	910,622
Amortisation of insurance acquisition cash flows	3,765,816	-	-	-	3,765,816
Other acquisition (Maintenance expense) expensed during the year	86,616	-	-	-	86,616
Changes related to past service ie changes in fulfilment cash flows relating to incurred claims	-	-	32,493	743,787	776,280
Total Insurance service expenses	3,852,432	-	14,563,047	174,661	18,590,142
Investment components	-	-	-	-	-
Insurance service result	(19,477,809)	-	14,563,047	174,661	(4,740,100)
Insurance finance expenses	-	-	(956,336)	-	(956,336)
Total change in comprehensive income	(19,477,809)	-	13,606,711	174,661	(5,696,436)
Cashflows					
Premiums received	23,178,430	-	-	-	23,178,430
Claims and expenses paid	-	-	(2,162,686)	-	(2,162,686)
Other directly attributable expenses paid	-	-	(788,750)	-	(788,750)
Acquisition costs paid on policies initially recognized during the year	(3,220,986)	-	-	-	(3,220,986)
Other acquisition (Maintenance expense) paid during the year	(86,616)	-	-	-	(86,616)
Total cashflows	19,870,828	-	(2,951,436)	-	16,919,387
Items reported in SOFP (Non-cashflows items)					
Impact of commission payable on policies initially recognized	25,619	-	-	-	25,619
Impact of trade receivables on policies initially recognized	515,855	-	-	-	515,855
Total cashflows	541,474	-	-	-	541,474
Closing insurance contract liabilities	2,751,065	-	12,992,733	559,830	16,303,627
Closing insurance contract assets	-	-	-	-	-
Net closing balance	2,751,065	-	12,992,733	559,830	16,303,627

NOTES TO THE CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS - Continued

17b Reconciliation of reinsurance contract assets (Extended roll forward)

The roll-forward of the net asset or liability for reinsurance contracts held showing assets for remaining coverage and amounts recoverable on incurred claims arising from business ceded to reinsurers is disclosed in the table below:

Reconciliation of 2024					
	Asset for remaining coverage		Amount recoverable on Incurred Claims		
	Excluding loss component ₩'000	Loss component ₩'000	Estimate of present value of future cashflows ₩'000	Risk Adjustment ₩'000	Total ₩'000
Opening re-insurance contract assets	425,533	5,297	1,111,437	105,591	1,647,857
Opening re-insurance contract liabilities	-	-	-	-	-
Net re-insurance contract assets	425,533	5,297	1,111,437	105,591	1,647,857
An allocation of reinsurance premiums					
Amounts recoverable from reinsurers for incurred claims	(14,512,705)	236,474	-	-	(14,276,231)
Amounts recoverable for other directly attributable expenses	-	-	5,485,309	(196,578)	5,288,731
Changes to amounts recoverable for incurred claims	500,259	(5,280)	(494,980)	-	-
Reinsurance Investment components	-	-	(150,480)	214,956	64,475
Net income or expense from reinsurance contracts held	-	-	-	-	-
Reinsurance finance income	(14,012,446)	231,194	4,839,849	18,377	(8,923,025)
Total change in comprehensive income	-	-	(250,922)	-	(250,922)
	(14,012,446)	231,194	4,588,926	18,377	(9,173,948)
Cashflows					
Premiums and similar expense paid	14,192,596	-	-	-	14,192,596
Amount received in respect of claims	-	-	(824,834)	-	(824,834)
Closing re-insurance contract assets	14,192,596	-	(824,834)	-	13,367,762
Closing re-insurance contract liabilities	605,683	236,491	4,875,529	123,969	5,841,671
Net closing balance	-	-	-	-	-
	605,683	236,491	4,875,529	123,969	5,841,671

NOTES TO THE CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS - Continued

17a Roll-forward of net asset or liability for insurance contracts issued showing the liability for remaining coverage and the liability for incurred claims
The Company disaggregates information to provide disclosure in respect of major product lines separately. This disaggregation has been determined based on how the company is managed.
The roll forward presented below shows a summarized position of all the portfolios.

Company

2024

	Liabilities for remaining coverage		Liability for Incurred Claims		
	Excluding loss component R000	Loss component R000	Estimate of present value of future cashflows R000	Risk Adjustment R000	Total R000
Opening insurance contract liabilities	1,816,576	-	2,337,459	385,169	4,539,202
Opening insurance contract assets	-	-	-	-	-
Net Insurance contract liabilities	1,816,576	-	2,337,459	385,169	4,539,202
Insurance revenue					
Insurance service expense:	(23,330,242)	-			(23,330,242)
Incurred claims	-	-	13,619,933	(569,125)	13,050,808
Other directly attributable expenses	-	-	910,622	-	910,622
Amortisation of insurance acquisition cash flows	3,765,819	-	-	-	3,765,817
Other acquisition (Maintenance expense) expensed during the year	86,616	-	-	-	86,616
Changes related to past service i.e changes in fulfilment cashflows relating to incurred claims	-	-	32,493	743,787	776,280
Total Insurance service expenses	3,852,435	-	14,563,048	174,661	18,590,142
Investment components	-	-	-	-	-
Insurance service result	(19,477,807)	-	14,563,048	174,661	(4,740,098)
Insurance finance expenses			(956,336)	-	(956,336)
Total change in comprehensive income	(19,477,807)	-	13,606,712	174,661	(5,696,434)
Cashflows					
Premiums received	23,719,104	-	-	-	23,719,104
Claims and expenses paid	-	-	(2,951,438)	-	(2,951,438)
Acquisition costs paid	(3,306,807)	-	-	-	(3,306,807)
	20,412,297	-	(2,951,438)	-	17,460,859
Closing insurance contract liabilities	2,751,065	-	12,992,733	559,830	16,303,627
Closing insurance contract assets	-	-	-	-	-
Net closing balance	2,751,065	-	12,992,733	559,830	16,303,627

NOTES TO THE CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS - Continued

17a Roll-forward of net asset or liability for insurance contracts issued showing the liability for remaining coverage and the liability for incurred claims

Company

2023

	Liabilities for remaining coverage		Liability for Incurred Claims		
	Excluding loss component	Loss component	Estimate of present value of future cashflows	Risk Adjustment	Total
	₹'000	₹'000	₹'000	₹'000	₹'000
Opening insurance contract liabilities	1,226,695	-	1,690,032	300,497	3,217,224
Opening insurance contract assets	-	-	-	-	-
Net insurance contract liabilities	1,226,695	-	1,690,032	300,497	3,217,224
Insurance revenue					
Insurance service expense:	(7,103,516)	-	-	-	(7,103,516)
Incurred claims and other expenses	-	-	3,100,295	-	3,100,295
Amortisation of insurance acquisition cash flows	1,763,292	-	-	-	1,763,292
Other acquisition (Maintenance expense) expensed during the year	-	-	-	-	-
Changes related to past service ie changes in fulfilment cash flows relating to incurred claims	-	-	539,897	84,672	624,569
Total Insurance service expenses	1,763,292	-	3,640,192	84,672	5,488,156
Investment components	-	-	-	-	-
Insurance service result	(5,340,224)	-	3,640,192	84,672	(1,615,360)
Insurance finance expenses	-	-	239,390	-	239,390
Total change in comprehensive income	(5,340,224)	-	3,879,582	84,672	(1,375,970)
Cashflows					
Premiums received	7,291,207	-	-	-	7,291,207
Claims and expenses paid	-	-	(3,232,155)	-	(3,232,155)
Acquisition costs paid	(1,361,103)	-	-	-	(1,361,103)
	5,930,104	-	(3,232,155)	-	2,697,949
Items reported in SOFP (Non-cashflows items)					
Impact of commission payable on policies initially recognized	-	-	-	-	-
Impact of trade receivables on policies initially recognized	-	-	-	-	-
Total cashflows	-	-	-	-	-
Closing insurance contract liabilities	1,816,576	-	2,337,459	385,169	4,539,202
Closing insurance contract assets	-	-	-	-	-
Net closing balance	1,816,576	-	2,337,459	385,169	4,539,202

NOTES TO THE CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS - Continued

17b The roll-forward of the net asset or liability for reinsurance contracts held showing assets for remaining coverage and amounts recoverable on incurred claims arising from business ceded to reinsurers is disclosed in the table below:

	2024					
	Asset for remaining coverage		Amount recoverable on Incurred Claims			
	Excluding loss component	Loss component	Estimate of present value of future cashflows	Risk Adjustment	Total	
	₹'000	₹'000	₹'000	₹'000	₹'000	
Opening re-insurance contract assets	425,533	5,297	1,111,437	105,591	1,647,857	
Opening re-insurance contract liabilities	-	-	-	-	-	
Net re-insurance contract assets	425,533	5,297	1,111,437	105,591	1,647,857	
An allocation of reinsurance premiums						
Amounts recoverable from reinsurers for incurred claims	(14,512,705)	236,474	-	-	(14,276,231)	
Amounts recoverable for other directly attributable expenses	-	-	5,417,822	(196,577)	5,221,245	
Changes to amounts recoverable for incurred claims	500,258	(5,282)	(427,490)	-	67,486	
Net income or expense from reinsurance contracts held	-	-	(150,480)	214,956	64,475	
Reinsurance finance income	(14,012,447)	231,192	4,839,852	18,378	(8,923,025)	
Total change in comprehensive income	-	-	(250,922)	-	(250,922)	
	(14,012,447)	231,192	4,588,929	18,378	(9,173,949)	
Cashflows						
Premiums and similar expense paid	14,192,596	-	-	-	14,192,596	
Amounts received	-	-	(824,834)	-	(824,834)	
	14,192,596	-	(824,834)	-	13,367,762	
Closing re-insurance contract assets	605,681	236,488	4,875,532	123,969	5,841,670	
Closing re-insurance contract liabilities	-	-	-	-	-	
Net closing balance	605,681	236,488	4,875,532	123,969	5,841,670	

NOTES TO THE CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS - Continued

17b The roll-forward of the net asset or liability for reinsurance contracts held showing assets for remaining coverage and amounts recoverable on incurred claims arising from business ceded to reinsurers is disclosed in the table below:

	2023				
	Asset for remaining coverage		Amount recoverable on Incurred Claims		
	Excluding loss component R000	Loss component R000	Estimate of present value of future cashflows R000	Risk Adjustment R000	Total R000
Opening re-insurance contract assets	78,612	5,297	612,767	115,386	812,061
Opening re-insurance contract liabilities	-	-	-	-	-
Net re-insurance contract assets	78,612	5,297	612,767	115,386	812,061
An allocation of reinsurance premiums					
Amounts recoverable from reinsurers for incurred claims	(2,296,554)	-	-	-	(2,296,554)
Amounts recoverable for incurred claims and other expenses	-	-	770,119	-	770,119
Changes to amounts recoverable for incurred claims	-	-	-	-	-
Net income or expense from reinsurance contracts held	(2,296,554)	-	(296,870)	(9,795)	(306,665)
Reinsurance finance income	-	-	83,531	-	83,531
Total change in comprehensive income	(2,296,554)	-	556,780	(9,795)	(1,749,569)
Cashflows					
Premiums and similar expense paid	2,643,475	-	-	-	2,643,475
Amounts received	-	-	(58,110)	-	(58,110)
Closing re-insurance contract assets	2,643,475	-	(58,110)	-	2,585,365
Closing re-insurance contract liabilities	425,533	5,297	1,111,437	105,591	1,647,857
Net closing balance	425,533	5,297	1,111,437	105,591	1,647,857

NOTES TO THE CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS - Continued

17a Roll-forward of net asset or liability for insurance contracts issued showing the liability for remaining coverage and the liability for incurred claims.

The Company disaggregates information to provide disclosure in respect of major product lines separately. This disaggregation has been determined based on how the company is managed.

The roll forward presented below shows a summarized position of all the portfolios.

Company

2024

17a(1) Reconciliation of LFRC and LIC - Motor

	Liabilities for remaining coverage		Liability for Incurred Claims		
	Excluding loss component	Loss component	Estimate of present value of future cashflows	Risk Adjustment	Total
	₦'000	₦'000	₦'000	₦'000	₦'000
Opening insurance contract liabilities	332,085	-	455,026	74,396	861,507
Opening insurance contract assets	-	-	-	-	-
Net Insurance contract liabilities	332,085	-	455,026	74,396	861,507
Insurance revenue	(1,270,361)	-	-	-	(1,270,361)
Insurance service expense					
Incurred claims	-	-	309,659	(45,693)	263,966
Other directly attributable expenses	-	-	25,948	-	25,948
Amortisation of insurance acquisition cash flows	232,318	-	-	-	232,318
Changes related to past service i.e. changes in fulfilment cash flows relating to incurred claims	-	-	(9,839)	(12,171)	(22,011)
Total Insurance service expenses	232,318	-	325,767	(57,864)	500,221
Investment components	-	-	-	-	-
Insurance service result	(1,038,043)	-	325,767	(57,864)	(770,140)
Insurance finance expenses	-	-	(45,337)	-	(45,337)
Total change in comprehensive income	(1,038,043)	-	280,430	(57,864)	(815,477)
Cashflows					
Premiums received	1,429,048	-	-	-	1,429,048
Claims and expenses paid	-	-	(613,517)	-	(613,517)
Acquisition costs paid	(232,318)	-	-	-	(232,318)
	1,196,730	-	(613,517)	-	583,213
Closing insurance contract liabilities	490,772	-	121,939	16,532	629,243
Closing insurance contract assets	-	-	-	-	-
Net closing balance	490,772	-	121,939	16,532	629,243

NOTES TO THE CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS - Continued

17a Roll-forward of net asset or liability for insurance contracts issued showing the liability for remaining coverage and the liability for incurred claims

Company

2023

17a(1) Reconciliation of LFRC and LIC - Motor

	Liabilities for remaining coverage		Liability for Incurred Claims		
	Excluding loss component	Loss component	Estimate of present value of future cashflows	Risk Adjustment	Total
	₦'000	₦'000	₦'000	₦'000	₦'000
Opening insurance contract liabilities	145,916	-	203,194	35,744	384,855
Opening insurance contract assets	-	-	-	-	-
Net Insurance contract liabilities	145,916	-	203,194	35,744	384,855
Insurance revenue	(1,345,804)	-	-	-	(1,345,804)
Insurance service expense	-	-	-	-	-
Incurred claims and other expenses	-	-	1,205,930	-	1,205,930
Amortisation of insurance acquisition cash flows	691,889	-	-	-	691,889
Changes related to past service i.e. changes in fulfilment cash flows relating to incurred claims	(6,017)	-	210,005	38,653	242,641
Total Insurance service expenses	685,873	-	1,415,935	38,653	2,140,460
Investment components	-	-	-	-	-
Insurance service result	(659,931)	-	1,415,935	38,653	794,656
Insurance finance expenses	-	-	93,116	-	93,116
Total change in comprehensive income	(659,931)	-	1,509,051	38,653	887,772
Cashflows					
Premiums received	1,375,532	-	-	-	1,375,532
Claims and expenses paid	-	-	(1,257,219)	-	(1,257,219)
Acquisition costs paid	(529,432)	-	-	-	(529,432)
	846,100	-	(1,257,219)	-	(411,119)
Closing insurance contract liabilities	332,085	-	455,026	74,396	861,507
Closing insurance contract assets	-	-	-	-	-
Net closing balance	332,085	-	455,026	74,396	861,507

NOTES TO THE CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS - Continued

17a Roll-forward of net asset or liability for insurance contracts issued showing the liability for remaining coverage and the liability for incurred claims

The Company disaggregates information to provide disclosure in respect of major product lines separately. This disaggregation has been determined based on how the company is managed.

The roll forward presented below shows a summarized position of all the portfolios.

Company

2024

17a(2) Reconciliation of LFRC and LIC - General Accident

	Liabilities for remaining coverage		Liability for Incurred Claims		
	Excluding loss component	Loss component	Estimate of present value of future cashflows	Risk Adjustment	Total
	₦'000	₦'000	₦'000	₦'000	₦'000
Opening insurance contract liabilities	119,435	-	160,835	28,120	308,390
Opening insurance contract assets	-	-	-	-	-
Net Insurance contract liabilities	119,435	-	160,835	28,120	308,390
Insurance revenue	(561,829)	-	-	-	(561,829)
Insurance service expense					
Incurred claims	-	-	245,900	(8,892)	237,008
Other directly attributable expenses	-	-	(65,390)	-	(65,390)
Amortisation of insurance acquisition cash flows	97,712	-	-	-	97,712
Changes related to past service i.e. changes in fulfilment cash flows relating to incurred claims	-	-	8,532	(40)	8,492
Total Insurance service expenses	97,712	-	189,042	(8,932)	277,822
Investment components	-	-	-	-	-
Insurance service result	(464,117)	-	189,042	(8,932)	(284,008)
Insurance finance expenses	-	-	(56,713)	-	(56,713)
Total change in comprehensive income	(464,117)	-	132,329	(8,932)	(340,720)
Cashflows					
Premiums received	611,596	-	-	-	611,596
Claims and expenses paid	-	-	(40,141)	-	(40,141)
Acquisition costs paid	(97,712)	-	-	-	(97,712)
	513,884	-	(40,141)	-	473,743
Closing insurance contract liabilities	169,201	-	253,024	19,188	441,413
Closing insurance contract assets	-	-	-	-	-
Net closing balance	169,201	-	253,024	19,188	441,413

NOTES TO THE CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS - Continued

17a Roll-forward of net asset or liability for insurance contracts issued showing the liability for remaining coverage and the liability for incurred claims

Company

2023

17a(2) Reconciliation of LFRC and LIC - General Accident

	Liabilities for remaining coverage		Liability for Incurred Claims		
	Excluding loss component	Loss component	Estimate of present value of future cashflows	Risk Adjustment	Total
	₦'000	₦'000	₦'000	₦'000	₦'000
Opening insurance contract liabilities	111,119	-	153,090	27,220	291,429
Opening insurance contract assets	-	-	-	-	-
Net Insurance contract liabilities	111,119	-	153,090	27,220	291,429
Insurance revenue	(127,720)	-	-	-	(127,720)
Insurance service expense					
Incurred claims	-	-	37,088	-	37,088
Other directly attributable expenses	-	-	-	-	-
Amortisation of insurance acquisition cash flows	21,279	-	-	-	21,279
Changes related to past service i.e. changes in fulfilment cash flows relating to incurred claims	(185)	-	6,459	901	7,175
Total Insurance service expenses	21,094	-	43,547	901	65,543
Investment components	-	-	-	-	-
Insurance service result	(106,626)	-	43,547	901	(62,177)
Insurance finance expenses	-	-	2,864	-	2,864
Total change in comprehensive income	(106,626)	-	46,411	901	(59,314)
Cashflows					
Premiums received	131,224	-	-	-	131,224
Claims and expenses paid	-	-	(38,666)	-	(38,666)
Acquisition costs paid	(16,283)	-	-	-	(16,283)
	114,941	-	(38,666)	-	76,276
Closing insurance contract liabilities	119,435	-	160,835	28,120	308,391
Closing insurance contract assets	-	-	-	-	-
Net closing balance	119,435	-	160,835	28,120	308,391

NOTES TO THE CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS - Continued

17a Roll-forward of net asset or liability for insurance contracts issued showing the liability for remaining coverage and the liability for incurred claims

The Company disaggregates information to provide disclosure in respect of major product lines separately. This disaggregation has been determined based on how the company is managed.

The roll forward presented below shows a summarized position of all the portfolios.

Company

2024

17a(3) Reconciliation of LFRC and LIC - Fire

	Liabilities for remaining coverage		Liability for Incurred Claims		
	Excluding loss component	Loss component	Estimate of present value of future cashflows	Risk Adjustment	Total
	₦'000	₦'000	₦'000	₦'000	₦'000
Opening insurance contract liabilities	308,349	-	413,789	70,724	792,861
Opening insurance contract assets	-	-	-	-	-
Net Insurance contract liabilities	308,349	-	413,789	70,724	792,861
Insurance revenue	(1,221,380)	-	-	-	(1,221,380)
Insurance service expense					
Incurred claims	-	-	332,976	21,354	354,330
Other directly attributable expenses	-	-	31,372	-	31,372
Amortisation of insurance acquisition cash flows	230,334	-	-	-	230,334
Changes related to past service i.e. changes in fulfilment cash flows relating to incurred claims	-	-	90,275	(31,485)	58,790
Total Insurance service expenses	230,334	-	454,624	(10,131)	674,827
Investment components	-	-	-	-	-
Insurance service result	(991,046)	-	454,624	(10,131)	(546,553)
Insurance finance expenses	-	-	(85,948)	-	(85,948)
Total change in comprehensive income	(991,046)	-	368,675	(10,131)	(632,502)
Cashflows					
Premiums received	1,358,849	-	-	-	1,358,849
Claims and expenses paid	-	-	(385,464)	-	(385,464)
Acquisition costs paid	(230,334)	-	-	-	(230,334)
	1,128,515	-	(385,464)	-	743,051
Closing insurance contract liabilities	445,818	-	396,999	60,593	903,411
Closing insurance contract assets	-	-	-	-	-
Net closing balance	445,818	-	396,999	60,593	903,411

NOTES TO THE CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS - Continued

17a Roll-forward of net asset or liability for insurance contracts issued showing the liability for remaining coverage and the liability for incurred claims

Company

2023

17a(3) Reconciliation of LFRC and LIC - Fire

	Liabilities for remaining coverage		Liability for Incurred Claims		
	Excluding loss component	Loss component	Estimate of present value of future cashflows	Risk Adjustment	Total
	₦'000	₦'000	₦'000	₦'000	₦'000
Opening insurance contract liabilities	266,713	-	367,453	65,335	699,501
Opening insurance contract assets	-	-	-	-	-
Net Insurance contract liabilities	266,713	-	367,453	65,335	699,501
Insurance revenue	(468,458)	-	-	-	(468,458)
Insurance service expense	-	-	221,882	-	221,882
Other directly attributable expenses	-	-	-	-	-
Amortisation of insurance acquisition cash flows	127,302	-	-	-	127,302
Changes related to past service i.e. changes in fulfilment cash flows relating to incurred claims	(1,107)	-	38,639	5,390	42,922
Total Insurance service expenses	126,195	-	260,521	5,390	392,106
Investment components	-	-	-	-	-
Insurance service result	(342,263)	-	260,521	5,390	(76,352)
Insurance finance expenses	-	-	17,133	-	17,133
Total change in comprehensive income	(342,263)	-	277,654	5,390	(59,219)
Cashflows					
Premiums received	481,310	-	-	-	481,310
Claims and expenses paid	-	-	(231,319)	-	(231,319)
Acquisition costs paid	(97,411)	-	-	-	(97,411)
	383,899	-	(231,319)	-	152,580
Closing insurance contract liabilities	308,349	-	413,789	70,724	792,862
Closing insurance contract assets	-	-	-	-	-
Net closing balance	308,349	-	413,789	70,724	792,862

NOTES TO THE CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS - Continued

17a Roll-forward of net asset or liability for insurance contracts issued showing the liability for remaining coverage and the liability for incurred claims

The Company disaggregates information to provide disclosure in respect of major product lines separately This disaggregation has been determined based on how the company is managed.

The roll forward presented below shows a summarized position of all the portfolios.

Company

2024

17a(4) Reconciliation of LFRC and LIC - Engineering

	Liabilities for remaining coverage				
	Liability for Incurred Claims				
	Excluding loss component	Loss component	Estimate of present value of future cashflows	Risk Adjustment	Total
	₦'000	₦'000	₦'000	₦'000	₦'000
Opening insurance contract liabilities	252,674	-	311,473	43,712	607,859
Opening insurance contract assets	-	-	-	-	-
Net Insurance contract liabilities	252,674	-	311,473	43,712	607,859
Insurance revenue	(255,904)	-	-	-	(255,904)
Insurance service expense	-	-	-	-	-
Incurred claims	-	-	556,075	75,297	631,372
Other directly attributable expenses	-	-	707,240	-	707,240
Amortisation of insurance acquisition cash flows	95,827	-	-	-	95,827
Changes related to past service i.e. changes in fulfilment cash flows relating to incurred claims	-	-	57,343	(1,850)	55,492
Total Insurance service expenses	95,827	-	1,320,657	73,447	1,489,931
Investment components	-	-	-	-	-
Insurance service result	(160,077)	-	1,320,657	73,447	1,234,027
Insurance finance expenses	-	-	(137,193)	-	(137,193)
Total change in comprehensive income	(160,077)	-	1,183,465	73,447	1,096,835
Cashflows					
Premiums received	170,650	-	-	-	170,650
Claims and expenses paid	-	-	(313,012)	-	(313,012)
Acquisition costs paid	(59,474)	-	-	-	(59,474)
	111,176	-	(313,012)	-	(201,836)
Closing insurance contract liabilities	203,773	-	1,181,926	117,158	1,502,858
Closing insurance contract assets	-	-	-	-	-
Net closing balance	203,773	-	1,181,926	117,158	1,502,858

NOTES TO THE CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS - Continued

17a Roll-forward of net asset or liability for insurance contracts issued showing the liability for remaining coverage and the liability for incurred claims

Company

2023

17a(4) Reconciliation of LFRC and LIC - Engineering

	Liabilities for remaining coverage		Liability for Incurred Claims		Total N'000
	Excluding loss component	Loss component	Estimate of present value of future cashflows	Risk Adjustment	
	N'000	N'000	N'000	N'000	
Opening insurance contract liabilities	88,295	-	121,645	21,629	231,569
Opening insurance contract assets	-	-	-	-	-
Net Insurance contract liabilities	88,295	-	121,645	21,629	231,569
Insurance revenue	(1,693,304)	-	-	-	(1,693,304)
Insurance service expense					
Incurred claims	-	-	909,021	-	909,021
Other directly attributable expenses					
Amortisation of insurance acquisition cash flows	521,541	-	-	-	521,541
Changes related to past service i.e. changes in fulfilment cash flows relating to incurred claims	(4,536)	-	158,300	22,082	175,847
Total Insurance service expenses	517,005	-	1,067,322	22,082	1,606,409
Investment components	-	-	-	-	-
Insurance service result	(1,176,299)	-	1,067,322	22,082	(86,895)
Insurance finance expenses	-	-	70,190	-	70,190
Total change in comprehensive income	(1,176,299)	-	1,137,512	22,082	(16,704)
Cashflows					
Premiums received	1,739,760	-	-	-	1,739,760
Claims and expenses paid	-	-	(947,683)	-	(947,683)
Acquisition costs paid	(399,082)	-	-	-	(399,082)
	1,340,678	-	(947,683)	-	392,995
Closing insurance contract liabilities	252,674	-	311,473	43,712	607,859
Closing insurance contract assets	-	-	-	-	-
Net closing balance	252,674	-	311,473	43,712	607,859

NOTES TO THE CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS - Continued

17a Roll-forward of net asset or liability for insurance contracts issued showing the liability for remaining coverage and the liability for incurred claims

The Company disaggregates information to provide disclosure in respect of major product lines separately. This disaggregation has been determined based on how the company is managed.

The roll forward presented below shows a summarized position of all the portfolios.

Company

2024

17a(5) Reconciliation of LFRC and LIC - Marine

	Liabilities for remaining coverage		Liability for Incurred Claims		
	Excluding loss component	Loss component	Estimate of present value of future cashflows	Risk Adjustment	Total
	₹'000	₹'000	₹'000	₹'000	₹'000
Opening insurance contract liabilities	141,636	-	165,563	22,269	329,468
Opening insurance contract assets	-	-	-	-	-
Net Insurance contract liabilities	141,636	-	165,563	22,269	329,468
Insurance revenue	(433,879)	-	-	-	(433,879)
Insurance service expense					
Incurred claims	-	-	36,987	(19,266)	17,721
Other directly attributable expenses	-	-	91,012	-	91,012
Amortisation of insurance acquisition cash flows	82,278	-	-	-	82,278
Changes related to past service i.e. changes in fulfilment cash flows relating to incurred claims	-	-	6,825	(563)	6,262
Total Insurance service expenses	82,278	-	134,824	(19,829)	197,273
Investment components	-	-	-	-	-
Insurance service result	(351,601)	-	134,824	(19,829)	(236,605)
Insurance finance expenses	-	-	(2,690)	-	(2,690)
Total change in comprehensive income	(351,601)	-	132,134	(19,829)	(239,295)
Cashflows					
Premiums received	458,530	-	-	-	458,530
Claims and expenses paid	-	-	(273,354)	-	(273,354)
Acquisition costs paid	(82,278)	-	-	-	(82,278)
	376,252	-	(273,354)	-	102,899
Closing insurance contract liabilities	166,287	-	24,343	2,441	193,071
Closing insurance contract assets	-	-	-	-	-
Net closing balance	166,287	-	24,343	2,441	193,071

NOTES TO THE CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS - Continued

17a Roll-forward of net asset or liability for insurance contracts issued showing the liability for remaining coverage and the liability for incurred claims

Company

2023

17a(5) Reconciliation of LFRC and LIC - Marine

	Liabilities for remaining coverage		Liability for Incurred Claims		
	Excluding loss component	Loss component	Estimate of present value of future cashflows	Risk Adjustment	Total
	₦'000	₦'000	₦'000	₦'000	₦'000
Opening insurance contract liabilities	35,537	-	48,960	8,705	93,203
Opening insurance contract assets	-	-	-	-	-
Net Insurance contract liabilities	35,537	-	48,960	8,705	93,203
Insurance revenue	(1,227,041)	-	-	-	(1,227,041)
Insurance service expense	-	-	-	-	-
Incurred claims	-	-	558,368	-	558,368
Other directly attributable expenses	-	-	-	-	-
Amortisation of insurance acquisition cash flows	320,358	-	-	-	320,358
Changes related to past service i.e. changes in fulfilment cash flows relating to incurred claims	(2,786)	-	97,236	13,564	108,014
Total Insurance service expenses	317,571	-	655,604	13,564	986,740
Investment components	-	-	-	-	-
Insurance service result	(909,470)	-	655,604	13,564	(240,301)
Insurance finance expenses	-	-	43,115	-	43,115
Total change in comprehensive income	(909,470)	-	698,719	13,564	(197,187)
Cashflows					
Premiums received	1,260,705	-	-	-	1,260,705
Claims and expenses paid	-	-	(582,116)	-	(582,116)
Acquisition costs paid	(245,137)	-	-	-	(245,137)
	1,015,568	-	(582,116)	-	433,452
Closing insurance contract liabilities	141,636	-	165,563	22,269	329,468
Closing insurance contract assets	-	-	-	-	-
Net closing balance	141,636	-	165,563	22,269	329,468

NOTES TO THE CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS - Continued

17a Roll-forward of net asset or liability for insurance contracts issued showing the liability for remaining coverage and the liability for incurred claims

The Company disaggregates information to provide disclosure in respect of major product lines separately. This disaggregation has been determined based on how the company is managed.

The roll forward presented below shows a summarized position of all the portfolios.

Company

2024

17a(6) Reconciliation of LFRC and LIC - Oil & Gas

	Liabilities for remaining coverage		Liability for Incurred Claims		
	Excluding loss component	Loss component	Estimate of present value of future cashflows	Risk Adjustment	Total
	₦'000	₦'000	₦'000	₦'000	₦'000
Opening insurance contract liabilities	300,144	-	411,052	73,412	784,608
Opening insurance contract assets	-	-	-	-	-
Net Insurance contract liabilities	300,144	-	411,052	73,412	784,608
Insurance revenue	(3,523,501)	-	-	-	(3,523,501)
Insurance service expense					
Incurred claims	-	-	10,814,578	(742,416)	10,072,162
Other directly attributable expenses	-	-	(1,720,092)	-	(1,720,092)
Amortisation of insurance acquisition cash flows	1,063,336	-	-	-	1,063,336
Changes related to past service i.e. changes in fulfilment cash flows relating to incurred claims	-	-	(132,492)	802,906	670,414
Total Insurance service expenses	1,063,336	-	8,961,993	60,491	10,085,820
Investment components	-	-	-	-	-
Insurance service result	(2,460,165)	-	8,961,993	60,491	6,562,319
Insurance finance expenses			(403,255)	-	(403,255)
Total change in comprehensive income	(2,460,165)	-	8,558,739	60,491	6,159,065
Cashflows					
Premiums received	3,898,833	-	-	-	3,898,833
Claims and expenses paid	-	-	751,288	-	751,288
Acquisition costs paid	(554,059)	-	-	-	(554,059)
	3,344,774	-	751,288	-	4,096,062
Closing insurance contract liabilities	1,184,753	-	9,721,079	133,903	11,039,735
Closing insurance contract assets	-	-	-	-	-
Net closing balance	1,184,753	-	9,721,079	133,903	11,039,735

NOTES TO THE CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS - Continued

17a Roll-forward of net asset or liability for insurance contracts issued showing the liability for remaining coverage and the liability for incurred claims

Company

2023

17a(6) Reconciliation of LFRC and LIC - Oil & Gas

	Liabilities for remaining coverage		Liability for Incurred Claims		
	Excluding loss component	Loss component	Estimate of present value of future cashflows	Risk Adjustment	Total
	₦'000	₦'000	₦'000	₦'000	₦'000
Opening insurance contract liabilities	299,213	-	410,064	73,297	782,574
Opening insurance contract assets	-	-	-	-	-
Net Insurance contract liabilities	299,213	-	410,064	73,297	782,574
Insurance revenue	(11,573)	-	-	-	(11,573)
Insurance service expense	-	-	-	-	-
Incurred claims	-	-	4,730	-	4,730
Other directly attributable expenses	-	-	-	-	-
Amortisation of insurance acquisition cash flows	2,714	-	-	-	2,714
Changes related to past service i.e. changes in fulfilment cash flows relating to incurred claims	(24)	-	824	115	915
Total Insurance service expenses	2,690	-	5,554	115	8,359
Investment components	-	-	-	-	-
Insurance service result	(8,883)	-	5,554	115	(3,214)
Insurance finance expenses	-	-	365	-	365
Total change in comprehensive income	(8,883)	-	5,919	115	(2,849)
Cashflows					
Premiums received	11,891	-	-	-	11,891
Claims and expenses paid	-	-	(4,931)	-	(4,931)
Acquisition costs paid	(2,077)	-	-	-	(2,077)
	9,814	-	(4,931)	-	4,883
Closing insurance contract liabilities	300,144	-	411,052	73,412	784,608
Closing insurance contract assets	-	-	-	-	-
Net closing balance	300,144	-	411,052	73,412	784,608

NOTES TO THE CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS - Continued

17a Roll-forward of net asset or liability for insurance contracts issued showing the liability for remaining coverage and the liability for incurred claims

The Company disaggregates information to provide disclosure in respect of major product lines separately. This disaggregation has been determined based on how the company is managed.

The roll forward presented below shows a summarized position of all the portfolios.

Company

2024

17a(7) Reconciliation of LFRC and LIC - Bond

	Liabilities for remaining coverage		Liability for Incurred Claims		
	Excluding loss component	Loss component	Estimate of present value of future cashflows	Risk Adjustment	Total
	₦'000	₦'000	₦'000	₦'000	₦'000
Opening insurance contract liabilities	28,336	-	29,126	3,497	60,959
Opening insurance contract assets	-	-	-	-	-
Net Insurance contract liabilities	28,336	-	29,126	3,497	60,959
Insurance revenue	(34,780)	-	-	-	(34,780)
Insurance service expense					
Incurred claims	-	-	1,279	(3,314)	(2,035)
Other directly attributable expenses	-	-	3,592	-	3,592
Amortisation of insurance acquisition cash flows	6,612	-	-	-	6,612
Changes related to past service i.e. changes in fulfilment cash flows relating to incurred claims	-	-	7,257	(127)	7,130
Total Insurance service expenses	6,612	-	12,128	(3,441)	15,300
Investment components	-	-	-	-	-
Insurance service result	(28,168)	-	12,128	(3,441)	(19,480)
Insurance finance expenses	-	-	(259)	-	(259)
Total change in comprehensive income	(28,168)	-	11,869	(3,441)	(19,739)
Cashflows					
Premiums received	21,822	-	-	-	21,822
Claims and expenses paid	-	-	(39,716)	-	(39,716)
Acquisition costs paid	(6,612)	-	-	-	(6,612)
	15,210	-	(39,716)	-	(24,506)
Closing insurance contract liabilities	15,379	-	1,279	56	16,714
Closing insurance contract assets	-	-	-	-	-
Net closing balance	15,379	-	1,279	56	16,714

NOTES TO THE CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS - Continued

17a Roll-forward of net asset or liability for insurance contracts issued showing the liability for remaining coverage and the liability for incurred claims

Company

2023

17a(7) Reconciliation of LFRC and LIC - Bond

	Liabilities for remaining coverage		Liability for Incurred Claims		
	Excluding loss component	Loss component	Estimate of present value of future cashflows	Risk Adjustment	Total
	₦'000	₦'000	₦'000	₦'000	₦'000
Opening insurance contract liabilities	1,286	-	1,772	315	3,374
Opening insurance contract assets	-	-	-	-	-
Net Insurance contract liabilities	1,286	-	1,772	315	3,374
Insurance revenue	(366,591)	-	-	-	(366,591)
Insurance service expense	-	-	130,987	-	130,987
Incurred claims and other expenses	-	-	-	-	-
Amortisation of insurance acquisition cash flows	75,152	-	-	-	75,152
Changes related to past service i.e. changes in fulfilment cash flows relating to incurred claims	(654)	-	22,811	3,182	25,339
Total Insurance service expenses	74,499	-	153,798	3,182	231,479
Investment components	-	-	-	-	-
Insurance service result	(292,092)	-	153,798	3,182	(135,112)
Insurance finance expenses	-	-	10,114	-	10,114
Total change in comprehensive income	(292,092)	-	163,912	3,182	(124,998)
Cashflows					
Premiums received	376,648	-	-	-	376,648
Claims and expenses paid	-	-	(136,558)	-	(136,558)
Acquisition costs paid	(57,506)	-	-	-	(57,506)
	319,142	-	(136,558)	-	182,584
Closing insurance contract liabilities	28,336	-	29,126	3,497	60,959
Closing insurance contract assets	-	-	-	-	-
Net closing balance	28,336	-	29,126	3,497	60,959

NOTES TO THE CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS - Continued

17a Roll-forward of net asset or liability for insurance contracts issued showing the liability for remaining coverage and the liability for incurred claims

The Company disaggregates information to provide disclosure in respect of major product lines separately. This disaggregation has been determined based on how the company is managed.

The roll forward presented below shows a summarized position of all the portfolios.

Company

2024

17a(8) Reconciliation of LFRC and LIC - Aviation

	Liabilities for remaining coverage		Liability for Incurred Claims		
	Excluding loss component	Loss component	Estimate of present value of future cashflows	Risk Adjustment	Total
	₦'000	₦'000	₦'000	₦'000	₦'000
Opening insurance contract liabilities	129,793	-	114,016	18,673	262,482
Opening insurance contract assets	-	-	-	-	-
Net Insurance contract liabilities	129,793	-	114,016	18,673	262,482
Insurance revenue	(16,011,877)	-	-	-	(16,011,877)
Insurance service expense					
Incurred claims	-	-	1,305,153	144,648	1,449,801
Other directly attributable expenses	-	-	1,787,500	-	1,787,500
Amortisation of insurance acquisition cash flows	2,040,450	-	-	-	2,040,450
Changes related to past service i.e. changes in fulfilment cash flows relating to incurred claims	-	-	4,593	(3,489)	1,104
Total Insurance service expenses	2,040,450	-	3,097,246	141,159	5,278,855
Investment components	-	-	-	-	-
Insurance service result	(13,971,427)	-	3,097,246	141,159	(10,733,023)
Insurance finance expenses	-	-	(137,192)	-	(137,192)
Total change in comprehensive income	(13,971,427)	-	2,960,054	141,159	(10,870,214)
Cashflows					
Premiums received	15,946,779	-	-	-	15,946,779
Claims and expenses paid	-	-	(2,014,556)	-	(2,014,556)
Acquisition costs paid	(2,040,450)	-	-	-	(2,040,450)
	13,906,329	-	(2,014,556)	-	11,891,773
Closing insurance contract liabilities	64,695	-	1,059,514	159,832	1,284,040
Closing insurance contract assets	-	-	-	-	-
Net closing balance	64,695	-	1,059,514	159,832	1,284,040

NOTES TO THE CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS - Continued

17a Roll-forward of net asset or liability for insurance contracts issued showing the liability for remaining coverage and the liability for incurred claims

Company

2023

17a(8) Reconciliation of LFRC and LIC - Aviation

	Excluding loss component	Loss component	Estimate of present value of future cashflows	Risk Adjustment	Total
	₦'000	₦'000	₦'000	₦'000	₦'000
Opening insurance contract liabilities	63,869	-	87,993	15,646	167,507
Opening insurance contract assets	-	-	-	-	-
Net Insurance contract liabilities	63,869	-	87,993	15,646	167,507
Insurance revenue	(1,813,692)	-	-	-	(1,813,692)
Insurance service expense	-	-	-	-	-
Incurred claims and other expenses	-	-	124,617	-	124,617
Amortisation of insurance acquisition cash flows	71,498	-	-	-	71,498
Changes related to past service i.e. changes in fulfilment cash flows relating to incurred claims	(622)	-	21,701	3,027	24,107
Total Insurance service expenses	70,876	-	146,318	3,027	220,221
Investment components	-	-	-	-	-
Insurance service result	(1,742,816)	-	146,318	3,027	(1,593,471)
Insurance finance expenses	-	-	9,622	-	9,622
Total change in comprehensive income	(1,742,816)	-	155,940	3,027	(1,583,849)
Cashflows					
Premiums received	1,863,451	-	-	-	1,863,451
Claims and expenses paid	-	-	(129,917)	-	(129,917)
Acquisition costs paid	(54,710)	-	-	-	(54,710)
	1,808,741	-	(129,917)	-	1,678,824
Closing insurance contract liabilities	129,793	-	114,016	18,673	262,482
Closing insurance contract assets	-	-	-	-	-
Net closing balance	129,793	-	114,016	18,673	262,482

NOTES TO THE CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS - Continued

17a Roll-forward of net asset or liability for insurance contracts issued showing the liability for remaining coverage and the liability for incurred claims

The Company disaggregates information to provide disclosure in respect of major product lines separately. This disaggregation has been determined based on how the company is managed.

The roll forward presented below shows a summarized position of all the portfolios.

Company

2024

17a(9) Reconciliation of LFRC and LIC - Agriculture

	Excluding loss component	Loss component	Estimate of present value of future cashflows	Risk Adjustment	Total
	₦'000	₦'000	₦'000	₦'000	₦'000
Opening insurance contract liabilities	204,124	-	276,580	50,363	531,066
Opening insurance contract assets	-	-	-	-	-
Net Insurance contract liabilities	204,124	-	276,580	50,363	531,066
Insurance revenue	(16,732)	-	-	-	(16,732)
Insurance service expense					
Incurred claims	-	-	17,325	9,157	26,482
Other directly attributable expenses	-	-	49,440	-	49,440
Amortisation of insurance acquisition cash flows	3,566	-	-	-	3,566
Changes related to past service i.e. changes in fulfilment cash flows relating to incurred claims	-	-	-	(9,395)	(9,395)
Total Insurance service expenses	3,566	-	66,765	(238)	70,093
Investment components	-	-	-	-	-
Insurance service result	(13,166)	-	66,765	(238)	53,361
Insurance finance expenses	-	-	(87,750)	-	(87,750)
Total change in comprehensive income	(13,166)	-	(20,985)	(238)	(34,389)
Cashflows					
Premiums received	(177,004)	-	-	-	(177,004)
Claims and expenses paid	-	-	(22,966)	-	(22,966)
Acquisition costs paid	(3,566)	-	-	-	(3,566)
	(180,570)	-	(22,966)	-	(203,536)
Closing insurance contract liabilities	10,388	-	232,629	50,125	293,141
Closing insurance contract assets	-	-	-	-	-
Net closing balance	10,388	-	232,629	50,125	293,141

NOTES TO THE CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS - Continued

17a Roll-forward of net asset or liability for insurance contracts issued showing the liability for remaining coverage and the liability for incurred claims

Company

2023

17a(9)

Reconciliation of LFRC and LIC - Agriculture

	Excluding loss component N'000	Loss component N'000	Estimate of present value of future cashflows N'000	Risk Adjustment N'000	Total N'000
Opening insurance contract liabilities	214,748	-	295,860	52,606	563,213
Opening insurance contract assets	-	-	-	-	-
Net Insurance contract liabilities	214,748	-	295,860	52,606	563,213
Insurance revenue	(49,333)	-	-	-	(49,333)
Insurance service expense	-	-	-	-	-
Incurred claims and other expenses	-	-	(92,328)	-	(92,328)
Amortisation of insurance acquisition cash flows	(52,972)	-	-	-	(52,972)
Changes related to past service i.e. changes in fulfilment cash flows relating to incurred claims	461	-	(16,078)	(2,243)	(17,860)
Total Insurance service expenses	(52,511)	-	(108,406)	(2,243)	(163,160)
Investment components	-	-	-	-	-
Insurance service result	(101,844)	-	(108,406)	(2,243)	(212,493)
Insurance finance expenses	-	-	(7,129)	-	(7,129)
Total change in comprehensive income	(101,844)	-	(115,535)	(2,243)	(219,622)
Cashflows					
Premiums received	50,686	-	-	-	50,686
Claims and expenses paid	-	-	96,255	-	96,255
Acquisition costs paid	40,534	-	-	-	40,534
	91,221	-	96,255	-	187,475
Closing insurance contract liabilities	204,124	-	276,580	50,363	531,066
Closing insurance contract assets	-	-	-	-	-
Net closing balance	204,124	-	276,580	50,363	531,066

NOTES TO THE CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS - Continued

17b The roll-forward of the net asset or liability for reinsurance contracts held showing assets for remaining coverage and amounts recoverable on incurred claims arising from business ceded to reinsurers is disclosed in the table below:

Company

2024

17b(1)		Reconciliation of AFRC and ARC-Motor	

NOTES TO THE CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS - Continued

17b The roll-forward of the net asset or liability for reinsurance contracts held showing assets for remaining coverage and amounts recoverable on incurred claims arising from business ceded to reinsurers is disclosed in the table below:

Company	2023
17b(1)	Reconciliation of AFRC and ARC-Motor

NOTES TO THE CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS - Continued

The roll-forward of the net asset or liability for reinsurance contracts held showing assets for remaining coverage and amounts recoverable on incurred claims arising from business ceded to reinsurers is disclosed in the table below:

Company

2024

17b(2)		Reconciliation of AFRC and ARC-General Accident			
	Asset for remaining coverage	Amount recoverable on Incurred Claims			
	Excluding loss component	Loss component	Estimate of present value of future cashflows	Risk Adjustment	Total
	₦'000	₦'000	₦'000	₦'000	₦'000
Opening re-insurance contract assets	12,870	203	83,040	10,662	106,775
Opening re-insurance contract liabilities	-	-	-	-	-
Net re-insurance contract asset	12,870	203	83,040	10,662	106,775
An allocation of reinsurance premiums					
Amounts recoverable from reinsurers for incurred claims	(132,073)	(124)	-	-	(132,197)
Amounts recoverable for other directly attributable expenses	-	-	30,115	(6,103)	24,012
Changes to amounts recoverable for incurred claims	7,490	(79)	(7,411)	-	-
Reinsurance Investment components	-	-	1,945	(2,061)	(116)
Net income or expense from reinsurance contracts held	(124,583)	(203)	24,649	(8,164)	(108,300)
Reinsurance finance income	-	-	(390)	-	(390)
Total change in comprehensive income	(124,583)	(203)	24,539	(8,164)	(108,690)
Cashflows					
Premiums and similar expense paid	189,087	-	-	-	189,087
Amounts received	-	-	(74,350)	-	(74,350)
Closing re-insurance contract assets	189,087	-	(74,350)	-	114,738
Closing re-insurance contract liabilities	77,374	-	32,951	2,498	112,823
Net closing balance	77,374	-	32,950	2,498	112,823

NOTES TO THE CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS - Continued

The roll-forward of the net asset or liability for reinsurance contracts held showing assets for remaining coverage and amounts recoverable on incurred claims arising from business ceded to reinsurers is disclosed in the table below:

Company	2023					
	Reconciliation of AFRC and ARC-General Accident					
17b(2)	Asset for remaining coverage		Amount recoverable on Incurred Claims			
	Excluding loss component	Loss component	Estimate of present value of future cashflows	Risk Adjustment	Total	
	₹'000	₹'000	₹'000	₹'000	₹'000	
Opening re-insurance contract assets	7,676	203	75,574	10,809	94,263	
Opening re-insurance contract liabilities	-	-	-	-	-	
Net re-insurance contract asset	7,676	203	75,574	10,809	94,263	
An allocation of reinsurance premiums						
Amounts recoverable from reinsurers for incurred claims	(34,382)	-	-	-	(34,382)	
Amounts recoverable for incurred claims and other expenses	-	-	11,530	-	11,530	
Changes to amounts recoverable for incurred claims	-	-	(4,445)	(147)	(4,591)	
Net income or expense from reinsurance contracts held	(34,382)	-	7,085	(147)	(27,444)	
Reinsurance finance income	-	-	1,251	-	1,251	
Total change in comprehensive income	(34,382)	-	8,336	(147)	(26,193)	
Cashflows						
Premiums and similar expense paid	49,385	-	(870)	-	48,515	
Amounts received	(9,809)	-	-	-	(9,809)	
Closing re-insurance contract assets	39,576	-	(870)	-	38,706	
Closing re-insurance contract liabilities	12,870	203	83,040	10,662	106,776	
Net closing balance	12,870	203	83,040	10,662	106,776	

NOTES TO THE CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS - Continued

The roll-forward of the net asset or liability for reinsurance contracts held showing assets for remaining coverage and amounts recoverable on incurred claims arising from business ceded to reinsurers is disclosed in the table below:

Company

2024

17b(3) Reconciliation of AFRC and ARC-Fire						
	Asset for remaining coverage		Amount recoverable on Incurred Claims			
	Excluding loss component	Loss component	Estimate of present value of future cashflows		Risk Adjustment	Total
	₦'000	₦'000	₦'000	₦'000	₦'000	₦'000
Opening re-insurance contract assets	34,782	2,799	157,924		22,300	217,805
Opening re-insurance contract liabilities	-	-	-	-	-	-
Net re-insurance contract asset	34,782	2,799	157,924		22,300	217,805
An allocation of reinsurance premiums	(446,088)	(2,436)	-	-	-	(448,524)
Amounts recoverable from reinsurers for incurred claims	-	-	26,944		12,435	39,379
Amounts recoverable for other directly attributable expenses	34,397	(363)	(34,033)		-	-
Changes to amounts recoverable for incurred claims	-	-	38,928		(14,369)	24,560
Reinsurance Investment components	-	-	-	-	-	-
Net income or expense from reinsurance contracts held	(411,691)	(2,799)	31,839		(1,933)	(384,584)
Reinsurance finance income	-	-	(1,608)		-	(1,608)
Total change in comprehensive income	(411,691)	(2,799)	30,231		(1,933)	(386,192)
Cashflows						
Premiums and similar expense paid	571,016	-	-	-	-	571,016
Amounts received	-	-	(54,717)		-	(54,717)
Closing re-insurance contract assets	571,016	-	(54,717)		-	516,299
Closing re-insurance contract liabilities	194,107	-	133,439		20,366	347,912
Net closing balance	194,107	-	133,439		20,366	347,912

NOTES TO THE CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS - Continued

The roll-forward of the net asset or liability for reinsurance contracts held showing assets for remaining coverage and amounts recoverable on incurred claims arising from business ceded to reinsurers is disclosed in the table below:

Company

2023

17b(3)	Reconciliation of AFRC and ARC-Fire				
	Asset for remaining coverage		Amount recoverable on Incurred Claims		
	Excluding loss component	Loss component	Estimate of present value of future cashflows	Risk Adjustment	Total
	₦'000	₦'000	₦'000	₦'000	₦'000
Opening re-insurance contract assets	10,929	2,799	123,637	22,973	160,339
Opening re-insurance contract liabilities	-	-	-	-	-
Net re-insurance contract asset	10,929	2,799	123,637	22,973	160,339
An allocation of reinsurance premiums					
Amounts recoverable from reinsurers for incurred claims	(157,906)	-	-	-	(157,906)
Amounts recoverable for incurred claims and other expenses	-	-	52,952	-	52,952
Changes to amounts recoverable for incurred claims	-	-	(20,412)	(673)	(21,086)
Reinsurance Investment components	-	-	-	-	-
Net income or expense from reinsurance contracts held	(157,906)	-	32,539	(673)	(126,040)
Reinsurance finance income	-	-	5,743	-	5,743
Total change in comprehensive income	(157,906)	-	38,283	(673)	(120,296)
Cashflows					
Premiums and similar expense paid	226,808	-	(3,996)	-	222,812
Amounts received	(45,049)	-	-	-	(45,049)
	181,759	-	(3,996)	-	177,764
Closing re-insurance contract assets	34,782	2,799	157,924	22,300	217,806
Closing re-insurance contract liabilities	-	-	-	-	-
Net closing balance	34,782	2,799	157,924	22,300	217,806

NOTES TO THE CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS - Continued

The roll-forward of the net asset or liability for reinsurance contracts held showing assets for remaining coverage and amounts recoverable on incurred claims arising from business ceded to reinsurers is disclosed in the table below:

Company

2024

17b(4) Reconciliation of AFRC and ARC-Engineering						
	Asset for remaining coverage		Amount recoverable on Incurred Claims			
	Excluding loss component	Loss component	Estimate of present value of future cashflows	Risk Adjustment	Total	
	₦'000	₦'000	₦'000	₦'000	₦'000	
Opening re-insurance contract assets	103,532	162	187,457	6,010	297,161	
Opening re-insurance contract liabilities	-	-	-	-	-	
Net re-insurance contract asset	103,532	162	187,457	6,010	297,161	
An allocation of reinsurance premiums						
Amounts recoverable from reinsurers for incurred claims	5,812	12,260	-	-	18,072	
Amounts recoverable for other directly attributable expenses	-	-	348,390	27,533	375,923	
Changes to amounts recoverable for incurred claims	132,964	(1,404)	(131,560)	-	(0)	
Reinsurance Investment components	-	-	14,297	1,969	16,265	
Net income or expense from reinsurance contracts held	138,776	10,856	231,127	29,502	410,261	
Reinsurance finance income	-	-	(32,004)	-	(32,004)	
Total change in comprehensive income	138,776	10,856	199,123	29,502	378,257	
Cashflows						
Premiums and similar expense paid	(252,418)	-	-	-	(252,418)	
Amounts received	-	-	(28,339)	-	(28,339)	
Closing re-insurance contract assets	(252,418)	-	(28,339)	-	(280,756)	
Closing re-insurance contract liabilities	(10,110)	11,018	358,242	35,511	394,661	
Net closing balance	(10,110)	11,018	358,242	35,511	394,661	

NOTES TO THE CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS - Continued

The roll-forward of the net asset or liability for reinsurance contracts held showing assets for remaining coverage and amounts recoverable on incurred claims arising from business ceded to reinsurers is disclosed in the table below:

Company

2023

17b(4)	Reconciliation of AFRC and ARC-Engineering						
	Asset for remaining coverage		Amount recoverable on Incurred Claims				
	Excluding loss component	Loss component	Estimate of present value of future cashflows	Risk Adjustment	Total		
	₱'000	₱'000	₱'000	₱'000	₱'000		₱'000
Opening re-insurance contract assets	11,324	162	54,916	8,613			75,014
Opening re-insurance contract liabilities	-	-	-	-			-
Net re-insurance contract asset	11,324	162	54,916	8,613			75,014
An allocation of reinsurance premiums	(610,401)	-	-	-			(610,401)
Amounts recoverable from reinsurers for incurred claims	-	-	204,690	-			71,726
Amounts recoverable for incurred claims and other expenses	-	-	-	-			-
Changes to amounts recoverable for incurred claims	-	-	(78,906)	(2,603)			(81,509)
Net income or expense from reinsurance contracts held	(610,401)	-	125,784	(2,603)			(487,221)
Reinsurance finance income	-	-	22,202				22,202
Total change in comprehensive income	(610,401)	-	147,986	(2,603)			(465,019)
Cashflows							
Premiums and similar expense paid	876,750	-	(15,445)	-			861,305
Amounts received	(174,140)	-	-	-			(174,140)
	702,610	-	(15,445)	-			687,164
Closing re-insurance contract assets	103,532	162	187,457	6,010			297,160
Closing re-insurance contract liabilities	-	-	-	-			-
Net closing balance	103,532	162	187,457	6,010			297,160

NOTES TO THE CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS - Continued

The roll-forward of the net asset or liability for reinsurance contracts held showing assets for remaining coverage and amounts recoverable on incurred claims arising from business ceded to reinsurers is disclosed in the table below:

Company	2024					
17b(5)	Reconciliation of AFRC and ARC-Marine					
	Asset for remaining coverage	Amount recoverable on Incurred Claims				
	Excluding loss component	Loss component	Estimate of present value of future cashflows	Risk Adjustment	Total	
	₱'000	₱'000	₱'000	₱'000	₱'000	
Opening re-insurance contract assets	91,912	65	110,226	1,313	203,516	
Opening re-insurance contract liabilities	-	-	-	-	-	
Net re-insurance contract asset	91,912	65	110,226	1,313	203,516	
An allocation of reinsurance premiums	(77,740)	867	-	-	(76,873)	
Amounts recoverable from reinsurers for incurred claims	-	-	23,034	(933)	22,101	
Amounts recoverable for other directly attributable expenses	88,255	(932)	(87,323)	-	-	
Changes to amounts recoverable for incurred claims	-	-	1,015	(158)	857	
Reinsurance Investment components	-	-	-	-	-	
Net income or expense from reinsurance contracts held	10,515	(65)	(63,274)	(1,091)	(53,915)	
Reinsurance finance income	-	-	(79)	-	(79)	
Total change in comprehensive income	10,515	(65)	(63,353)	(1,091)	(53,994)	
Cashflows						
Premiums and similar expense paid	(54,081)	-	-	-	(54,081)	
Amounts received	-	-	(44,661)	-	(44,661)	
Closing re-insurance contract assets	(54,081)	-	(44,661)	-	(98,742)	
Closing re-insurance contract liabilities	48,346	-	2,212	222	50,780	
Net closing balance	48,346	-	2,212	222	50,780	

NOTES TO THE CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS - Continued

The roll-forward of the net asset or liability for reinsurance contracts held showing assets for remaining coverage and amounts recoverable on incurred claims arising from business ceded to reinsurers is disclosed in the table below:

Company

17b(5)	Reconciliation of AFRC and ARC-Marine	2023					
		Asset for remaining coverage			Amount recoverable on Incurred Claims		
		Excluding loss component	Loss component	Estimate of present value of future cashflows	Risk Adjustment	Total	
		₦'000	₦'000	₦'000	₦'000	₦'000	
Opening re-insurance contract assets		30,708	65	22,251	3,041	56,066	
Operating re-insurance contract liabilities		-	-	-	-	-	
Net re-insurance contract asset		30,708	65	22,251	3,041	56,066	
An allocation of reinsurance premiums							
Amounts recoverable from reinsurers for incurred claims		(405,157)	-	-	-	(405,157)	
Amounts recoverable for incurred claims and other expenses		-	-	135,864	-	47,609	
Changes to amounts recoverable for incurred claims		-	-	-	-	-	
Net income or expense from reinsurance contracts held		(405,157)	-	(52,374)	(1,728)	(54,102)	
Reinsurance finance income		-	-	83,490	(1,728)	(323,394)	
Total change in comprehensive income		(405,157)	-	98,227	(1,728)	(308,658)	
Cashflows							
Premiums and similar expense paid		581,946	-	(10,252)	-	571,695	
Amounts received		(115,586)	-	-	-	(115,586)	
Closing re-insurance contract assets		466,360	-	(10,252)	-	456,108	
Closing re-insurance contract liabilities		91,912	65	110,226	1,313	203,517	
Net closing balance		91,912	65	110,226	1,313	203,517	

NOTES TO THE CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS - Continued

The roll-forward of the net asset or liability for reinsurance contracts held showing assets for remaining coverage and amounts recoverable on incurred claims arising from business ceded to reinsurers is disclosed in the table below:

Company

2024

17b(6)		Reconciliation of AFRC and ARC-Oil & Gas			
	Asset for remaining coverage	Amount recoverable on Incurred Claims			
	Excluding loss component	Loss component	Estimate of present value of future cashflows	Risk Adjustment	Total
	₦'000	₦'000	₦'000	₦'000	₦'000
Opening re-insurance contract assets	13,699	548	37,561	20,072	71,879
Opening re-insurance contract liabilities	-	-	-	-	-
Net re-insurance contract asset	13,699	548	37,561	20,072	71,879
An allocation of reinsurance premiums					
Amounts recoverable from reinsurers for incurred claims	(675,034)	224,931	-	-	(450,103)
Amounts recoverable for other directly attributable expenses	-	-	4,772,633	(215,106)	4,557,527
Changes to amounts recoverable for incurred claims	(4,814)	(9)	4,822	-	-
Reinsurance Investment components	-	-	(201,226)	254,317	53,090
Net income or expense from reinsurance contracts held	(679,848)	224,922	4,576,229	39,210	4,160,514
Reinsurance finance income	-	-	(220,887)	-	(220,887)
Total change in comprehensive income	(679,848)	224,922	4,355,342	39,210	3,939,627
Cashflows					
Premiums and similar expense paid	879,891	-	-	-	879,891
Amounts received	-	-	(89,127)	-	(89,127)
Closing re-insurance contract assets	879,891	-	(89,127)	-	790,764
Closing re-insurance contract liabilities	213,742	225,470	4,303,775	59,282	4,802,269
Net closing balance	213,742	225,470	4,303,775	59,282	4,802,269

NOTES TO THE CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS - Continued

The roll-forward of the net asset or liability for reinsurance contracts held showing assets for remaining coverage and amounts recoverable on incurred claims arising from business ceded to reinsurers is disclosed in the table below:

Company

2023						
17b(6)	Reconciliation of AFRC and ARC- Oil & Gas					
	Asset for remaining coverage	Amount recoverable on Incurred Claims				
	Excluding loss component	Loss component	Estimate of present value of future cashflows	Risk Adjustment	Total	
	₦'000	₦'000	₦'000	₦'000	₦'000	
Opening re-insurance contract assets	13,152	548	36,774	20,087	70,560	
Opening re-insurance contract liabilities	-	-	-	-	-	
Net re-insurance contract asset	13,152	548	36,774	20,087	70,560	
An allocation of reinsurance premiums						
Amounts recoverable from reinsurers for incurred claims	(3,623)	-	-	-	(3,623)	
Amounts recoverable for incurred claims and other expenses	-	-	1,215	-	426	
Changes to amounts recoverable for incurred claims	-	-	-	-	-	
Net income or expense from reinsurance contracts held	(3,623)	-	(468)	(15)	(484)	
Reinsurance finance income	-	-	747	(15)	(2,892)	
Total change in comprehensive income	(3,623)	-	878	(15)	(2,760)	
Cashflows						
Premiums and similar expense paid	5,203	-	(92)	-	5,112	
Amounts received	(1,033)	-	-	-	(1,033)	
	4,170	-	(92)	-	4,078	
Closing re-insurance contract assets	13,699	548	37,561	20,072	71,879	
Closing re-insurance contract liabilities	-	-	-	-	-	
Net closing balance	13,699	548	37,561	20,072	71,879	

NOTES TO THE CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS - Continued

The roll-forward of the net asset or liability for reinsurance contracts held showing assets for remaining coverage and amounts recoverable on incurred claims arising from business ceded to reinsurers is disclosed in the table below:

Company

2024

17b(7)	Reconciliation of AFRC and ARC-Bond				
	Asset for remaining coverage	Amount recoverable on Incurred Claims			
	Excluding loss component	Loss component	Estimate of present value of future cashflows	Risk Adjustment	Total
	₦'000	₦'000	₦'000	₦'000	₦'000
Opening re-insurance contract assets	17,166	743	26,624	(133)	44,401
Opening re-insurance contract liabilities	-	-	-	-	-
Net re-insurance contract asset	17,166	743	26,624	(133)	44,401
An allocation of reinsurance premiums					
Amounts recoverable from reinsurers for incurred claims	(3,395)	(495)	-	-	(3,890)
Amounts recoverable for other directly attributable expenses	-	-	(772)	208	(564)
Changes to amounts recoverable for incurred claims	23,477	(248)	(23,229)	-	-
Reinsurance Investment components	-	-	2,141	(75)	2,066
Net income or expense from reinsurance contracts held	-	-	-	-	-
Reinsurance finance income	20,081	(743)	(21,860)	133	(2,389)
	-	-	1	-	1
Total change in comprehensive income	20,081	(743)	(21,859)	133	(2,388)
Cashflows					
Premiums and similar expense paid	(35,651)	-	-	-	(35,651)
Amounts received	-	-	(4,764)	-	(4,764)
	(35,651)	-	(4,764)	-	(40,415)
Closing re-insurance contract assets	1,597	-	-	-	1,598
Closing re-insurance contract liabilities	-	-	-	-	-
Net closing balance	1,597	-	-	-	1,598

NOTES TO THE CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS - Continued

The roll-forward of the net asset or liability for reinsurance contracts held showing assets for remaining coverage and amounts recoverable on incurred claims arising from business ceded to reinsurers is disclosed in the table below:

Company

2023

17b(7)	Reconciliation of AFRC and ARC-Bond

NOTES TO THE CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS - Continued

The roll-forward of the net asset or liability for reinsurance contracts held showing assets for remaining coverage and amounts recoverable on incurred claims arising from business ceded to reinsurers is disclosed in the table below:

Company

2024

17b(8) Reconciliation of AFRC and ARC-Aviation						
	Asset for remaining coverage		Amount recoverable on Incurred Claims			
	Excluding loss component	Loss component	Estimate of present value of future cashflows		Risk Adjustment	Total
	₦'000	₦'000	₦'000	₦'000	₦'000	₦'000
Opening re-insurance contract assets	53,090	117	84,530	2,858		140,594
Opening re-insurance contract liabilities	-	-	-	-	-	-
Net re-insurance contract asset	53,090	117	84,530	2,858		140,594
An allocation of reinsurance premiums						
Amounts recoverable from reinsurers for incurred claims	(12,885,971)	663	-	-	-	(12,885,308)
Amounts recoverable for other directly attributable expenses	73,918	(780)	351,958	9,355		361,313
Changes to amounts recoverable for incurred claims	-	-	(2,567)	(12,213)		(14,779)
Reinsurance Investment components	-	-	-	-	-	-
Net income or expense from reinsurance contracts held	(12,812,053)	(117)	349,392	(2,858)		(12,465,636)
Reinsurance finance income	-	-	1,890			1,890
Total change in comprehensive income	(12,812,053)	(117)	351,281	(2,858)		(12,463,747)
Cashflows						
Premiums and similar expense paid	12,762,370	-	-	-	-	12,762,370
Amounts received	-	-	(435,811)	-	-	(435,811)
Closing re-insurance contract assets	12,762,370	-	(435,811)	-	-	12,326,558
Closing re-insurance contract liabilities	3,406	-	-	-	-	3,406
Net closing balance	3,406	-	-	-	-	3,406

NOTES TO THE CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS - Continued

The roll-forward of the net asset or liability for reinsurance contracts held showing assets for remaining coverage and amounts recoverable on incurred claims arising from business ceded to reinsurers is disclosed in the table below:

Company

2023

17b(8)	Reconciliation of AFRC and ARC-Aviation				
	Asset for remaining coverage	Amount recoverable on Incurred Claims			
	Excluding loss component	Loss component	Estimate of present value of future cashflows	Risk Adjustment	Total
	₦'000	₦'000	₦'000	₦'000	₦'000
Opening re-insurance contract assets	1,829	117	10,847	4,305	17,099
Opening re-insurance contract liabilities	-	-	-	-	-
Net re-insurance contract asset	1,829	117	10,847	4,305	17,099
An allocation of reinsurance premiums					
Amounts recoverable from reinsurers for incurred claims	(339,337)	-	-	-	(339,337)
Amounts recoverable for incurred claims and other expenses	-	-	113,792	-	113,792
Changes to amounts recoverable for incurred claims	-	-	-	-	-
Reinsurance Investment components	-	-	(43,865)	(1,447)	(45,313)
Net income or expense from reinsurance contracts held	(339,337)	-	69,927	(1,447)	(270,857)
Reinsurance finance income	-	-	12,342	-	12,342
Total change in comprehensive income	(339,337)	-	82,269	(1,447)	(258,515)
Cashflows					
Premiums and similar expense paid	487,406	-	(8,586)	-	478,820
Amounts received	(96,809)	-	-	-	(96,809)
	390,598	-	(8,586)	-	382,011
Closing re-insurance contract assets	53,090	117	84,530	2,858	140,596
Closing re-insurance contract liabilities	-	-	-	-	-
Net closing balance	53,090	117	84,530	2,858	140,596

NOTES TO THE CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS - Continued

The roll-forward of the net asset or liability for reinsurance contracts held showing assets for remaining coverage and amounts recoverable on incurred claims arising from business ceded to reinsurers is disclosed in the table below:

Company

2024

17b(8)	Reconciliation of AFRC and ARC-Agriculture					
	Asset for remaining coverage	Amount recoverable on Incurred Claims				
		Excluding loss component	Loss component	Estimate of present value of future cashflows	Risk Adjustment	Total
		₹'000	₹'000	₹'000	₹'000	₹'000
Opening re-insurance contract assets		(3,120)	393	265,342	36,770	299,386
Opening re-insurance contract liabilities		-	-	-	-	-
Net re-insurance contract asset		(3,120)	393	265,342	36,770	299,386
An allocation of reinsurance premiums						
Amounts recoverable from reinsurers for incurred claims		(8,927)	(453)	-	-	(9,380)
Amounts recoverable for other directly attributable expenses		-	-	(149,211)	(31,597)	(180,809)
Changes to amounts recoverable for incurred claims		(5,711)	60	-	-	(5,651)
Reinsurance Investment components		-	-	(247)	(5,173)	(5,420)
Net income or expense from reinsurance contracts held		(14,638)	(393)	(149,458)	(36,770)	(201,259)
Reinsurance finance income		-	-	73	-	73
Total change in comprehensive income		(14,638)	(393)	(149,385)	(36,770)	(201,186)
Cashflows						
Premiums and similar expense paid		25,833	-	-	-	25,833
Amounts received		-	-	(115,957)	-	(115,957)
Closing re-insurance contract assets		25,833	-	(115,957)	-	(90,125)
Closing re-insurance contract liabilities		8,075	-	-	-	8,075
Net closing balance		8,075	-	-	-	8,075

NOTES TO THE CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS - Continued

The roll-forward of the net asset or liability for reinsurance contracts held showing assets for remaining coverage and amounts recoverable on incurred claims arising from business ceded to reinsurers is disclosed in the table below:

Company

2023

17b(8)		Reconciliation of AFRC and ARC-Agriculture				
		Asset for remaining coverage		Amount recoverable on Incurred Claims		
		Excluding loss component	Loss component	Estimate of present value of future cashflows	Risk Adjustment	Total
		₦'000	₦'000	₦'000	₦'000	₦'000
Opening re-insurance contract assets		841	393	271,036	36,659	308,928
Opening re-insurance contract liabilities		-	-	-	-	-
Net re-insurance contract asset		841	393	271,036	36,659	308,928
An allocation of reinsurance premiums						
Amounts recoverable from reinsurers for incurred claims		26,221	-	-	-	26,221
Amounts recoverable for incurred claims and other expenses		-	-	(8,793)	-	(8,793)
Changes to amounts recoverable for incurred claims		-	-	3,390	112	3,501
Reinsurance Investment components		-	-	-	-	-
Net income or expense from reinsurance contracts held		26,221	-	(5,403)	112	20,930
Reinsurance finance income		-	-	(954)	-	(954)
Total change in comprehensive income		26,221	-	(6,357)	112	19,976
Cashflows						
Premiums and similar expense paid		(37,663)	-	663	-	(37,000)
Amounts received		7,481	-	-	-	7,481
Closing re-insurance contract assets		(30,182)	-	663	-	(29,519)
Closing re-insurance contract liabilities		(3,120)	393	265,342	36,770	299,385
Net closing balance		(3,120)	393	265,342	36,770	299,385

NOTES TO THE CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS - Continued

	Group 2024 N'000	Group 2023 N'000	Company 2024 N'000	Company 2023 N'000
18 Share capital				
Issued and fully paid				
At 31 December	<u>6,933,333</u>	<u>6,933,333</u>	<u>6,933,333</u>	<u>6,933,333</u>

13,866,666 units (2023 - 13,866,666 units) of shares at 50k each were issued and fully paid as at 31 December 2024. All shares rank equally with regard to the Company's residual assets.

The holders of ordinary shares are entitled to receive dividends as declared from time to time, and are entitled to one vote per share at the meetings of the Company.

	Group 2024 N'000	Group 2023 N'000	Company 2024 N'000	Company 2023 N'000
19 Share premium				
Balance at 31 December	<u>663,600</u>	<u>663,600</u>	<u>663,600</u>	<u>663,600</u>

Share premium comprises additional paid-in capital in excess of their per value.

20 Statutory contingency reserve

In compliance with Section 21 (1) of Insurance Act 2003, the contingency reserve for non-life insurance business is credited with the greater of 3% of total premiums, or 20% of the net profits and the amount shall accumulate until it reaches the amount of greater of minimum paid-up capital or 50 percent of net premium. The movement in the account is as follows:-

	Group 2024 N'000	Group 2023 N'000	Company 2024 N'000	Company 2023 N'000
Balance at 1 January	1,900,456	1,434,593	1,900,456	1,434,593
Transfer from retained earnings	<u>710,828</u>	<u>465,863</u>	<u>710,828</u>	<u>465,863</u>
Balance at 31 December	<u>2,611,284</u>	<u>1,900,456</u>	<u>2,611,284</u>	<u>1,900,456</u>

21 (Accumulated losses)/retained earnings

The retained earning are carried forward recognised income net of expenses plus current period profit attributable to shareholders.

See statement of changes in equity for movement in retained earnings.

	Group 2024 N'000	Group 2023 N'000	Company 2024 N'000	Company 2023 N'000
Balance at 1 January	1,008,862	(985,525)	39,674	(1,888,408)
(Loss)/profit for the year	(1,224,396)	2,575,372	(1,634,596)	2,329,316
Transfer of revaluation gain on disposal of PPE	-	64,629	-	-
Transfer to contingency reserve	(710,828)	(465,863)	(710,828)	(465,863)
Net actuarial gain /(loss) on retirement benefit obligations	(14,131)	1,266	-	-
Transfer of revaluation gain on disposal of PPE	-	-	-	64,629
Dividend paid to equity holders*	(249,010)	(181,017)	-	-
Balance at 31 December	<u>(1,189,504)</u>	<u>1,008,862</u>	<u>(2,305,750)</u>	<u>39,674</u>

* The dividend paid relates to dividend declared by one of the subsidiaries (VGP) at 8k per share (2023: 7k per share)

NOTES TO THE CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS - Continued

22 Assets revaluation reserve

Assets revaluation reserve represents the net accumulated change in the fair value of land and buildings until the asset is derecognized or impaired.

	Group 2024 N'000	Group 2023 N'000	Company 2024 N'000	Company 2023 N'000
Land				
Balance at 1 January	1,291,644	1,109,795	1,291,645	1,109,796
Revaluation surplus	721,251	181,849	721,251	181,849
Balance at 31 December	<u>2,012,895</u>	<u>1,291,644</u>	<u>2,012,896</u>	<u>1,291,645</u>
Building				
Balance at 1 January	2,533,216	1,462,458	2,294,430	1,223,672
Revaluation (deficit)/surplus	(344,239)	1,070,758	(344,239)	1,070,758
Balance at 31 December	<u>2,188,977</u>	<u>2,533,216</u>	<u>1,950,191</u>	<u>2,294,430</u>
Opening balance deferred tax impact	(189,890)	-	(189,890)	-
Disposal	-	(64,629)	-	(64,629)
Deferred tax impact	(37,701)	(125,261)	(37,701)	(125,261)
Carrying amount	<u>3,974,282</u>	<u>3,634,971</u>	<u>3,735,496</u>	<u>3,396,185</u>
	Group 2024 N'000	Group 2023 N'000	Company 2024 N'000	Company 2023 N'000
23 Fair value reserve				
Balance at 1 January	235,984	(50,953)	239,673	(47,264)
Fair value gain on FVOCI financial	39,896	286,937	39,896	286,937
	<u>275,880</u>	<u>235,984</u>	<u>279,569</u>	<u>239,673</u>

24 (Loss)/earnings per share

Basic (loss)/earnings per share (kobo)

The calculation of basic (loss)/ earnings per share was based on the (loss)/profit after tax attributable to ordinary shareholders, and a weighted average number of ordinary shares outstanding on that date calculated as follow:

	Group 2024 N'000	Group 2023 N'000	Company 2024 N'000	Company 2023 N'000
(Loss)/profit after tax attributable to equity holders N'000	(1,092,866)	2,750,288	(1,634,596)	2,329,316
Weighted average no. of ordinary shares at end of year '000	<u>6,933,333</u>	<u>6,933,333</u>	<u>6,933,333</u>	<u>6,933,333</u>
Basic (loss)/ earnings per share (kobo)	<u>(0.16)</u>	<u>0.40</u>	<u>(0.24)</u>	<u>0.34</u>

The Company does not have any instrument with a dilutive effect on its capital, Hence, the basic earnings per share is same as diluted earnings per share

NOTES TO THE CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS - Continued

	Group 2024 N'000	Group 2023 N'000	Company 2024 N'000	Company 2023 N'000
25 Other contract liabilities				
Provisions for claims	6,861	7,075	-	-
Unearned/deferred premium	2,038	8,464	-	-
	8,899	15,539	-	-

Other contract liabilities includes the outstanding claims provision and the provision for unearned premium in Veritas healthcare limited. 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 handling. 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.

26 Insurance revenue

	Group 2024 N'000	Group 2023 N'000	Company 2024 N'000	Company 2023 N'000
Accident	561,829	127,720	561,829	127,720
Agriculture	16,732	49,333	16,732	49,333
Aviation	16,011,877	1,813,692	16,011,877	1,813,692
Bond	34,780	366,591	34,780	366,591
Engineering	255,904	1,693,304	255,904	1,693,304
Fire	1,221,380	468,458	1,221,380	468,458
Marine	433,879	1,227,041	433,879	1,227,041
Motor	1,251,004	1,345,804	1,270,361	1,345,804
Oil & Gas	3,523,501	11,573	3,523,501	11,573
	23,310,885	7,103,516	23,330,242	7,103,516

The revenue was measured and released based on effluxion of time .

27 Insurance service expense

	Group 2024 N'000	Group 2023 N'000	Company 2024 N'000	Company 2023 N'000
Incurred claims - Note 17a	13,050,807	3,100,295	13,050,807	3,100,295
Other directly attributable expenses - Note 17a	910,622	-	910,622	-
Amortization of insurance acquisition cashflows	3,765,817	1,763,292	3,765,817	1,763,292
Other acquisition (Maintenance expense) expense during the year	86,616	-	86,616	-
Changes related to past service ie changes in fulfilment cash flows relating to incurred claims	776,280	624,567	776,280	624,567
	18,590,142	5,488,154	18,590,142	5,488,154

28 Net expense from reinsurance contract held

	Group 2024 N'000	Group 2023 N'000	Company 2024 N'000	Company 2023 N'000
Allocation of reinsurance premium	14,276,231	2,296,554	14,276,231	2,296,554
Amount recovered for claims and other expenses	(5,288,731)	(770,119)	(5,288,731)	(770,119)
Changes to amounts recoverable for incurred claims	(64,475)	306,665	(64,475)	306,665
Net expense from reinsurance contract held	8,923,025	1,833,100	8,923,025	1,833,100

NOTES TO THE CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS - Continued

	Group 2024 N'000	Group 2023 N'000	Company 2024 N'000	Company 2023 N'000
29 Finance expenses from insurance contracts issued				
Finance expense	956,336	239,390	956,336	239,390
30 Finance income from reinsurance contracts held				
Finance income	250,922	83,531	250,922	83,531
31 Investment income				
Interest income calculated using effective interest rate (Note 31a)	1,243,847	704,698	450,343	216,068
Other investment income (Note 31b)	2,801,394	1,876,790	899,447	455,292
Total Investment income	4,045,241	2,581,488	1,349,790	671,360
31a Interest income calculated using effective interest rate				
Interest income on bonds	1,243,847	704,698	450,343	216,068
	1,243,847	704,698	450,343	216,068
31a (i) Interest income received from bonds during the year				
Accrued interest income on bonds as at year end	668,091	688,848	440,214	211,208
	575,756	15,850	10,129	4,860
	1,243,847	704,698	450,343	216,068
31b Other investment income				
Interest income-FGN Treasury bills	20,672	-	20,672	-
Interest income -Short term deposits	593,513	452,948	592,703	239,714
Dividends from equity investments	23,825	13,210	272,835	194,225
RSA asset based fee	2,150,147	1,362,387	-	-
Interest income on Statutory deposit	13,237	48,245	13,237	21,353
	2,801,394	1,876,790	899,447	455,292
Further analysed as follows:				
Attributable to policy holders fund	188,106	93,560	188,106	93,560
Attributable to shareholders funds.	3,857,135	2,487,928	1,161,684	577,800
	4,045,241	2,581,488	1,349,790	671,360
31c Net fair value gains on financial assets at fair value through profit or loss				
Fair value gain on financial assets	25,754	45,525	25,754	45,525
	25,754	45,525	25,754	45,525

NOTES TO THE CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS - Continued

	Group 2024 N'000	Group 2023 N'000	Company 2024 N'000	Company 2023 N'000
32 Foreign Exchange gain				
Exchange gain	5,087,119	3,501,928	5,087,119	3,501,928
	<u>5,087,119</u>	<u>3,501,928</u>	<u>5,087,119</u>	<u>3,501,928</u>
Exchange gain relates to translation of transactions in foreign currency for outstanding claims, bank balances and foreign currency investments as at end of the year to naira.				
The table below shows the breakdown on exchange gain				
Exchange gain	5,860,448	4,298,929	5,860,448	4,298,929
Exchange loss	(773,329)	(797,001)	(773,329)	(797,001)
	<u>5,087,119</u>	<u>3,501,928</u>	<u>5,087,119</u>	<u>3,501,928</u>
Breakdown of realized foreign exchange gain				
Cash and cash equivalents	3,183,689	2,223,569	3,183,689	2,223,569
Bond	-	1,439,841	-	1,439,841
Other assets	(39,888)	(27,458)	(39,888)	(27,458)
	<u>3,143,801</u>	<u>3,635,952</u>	<u>3,143,801</u>	<u>3,635,952</u>
Breakdown of unrealized foreign exchange gain				
Cash and cash equivalents	254,367	7,918	254,367	7,918
Bond	1,688,951	(141,942)	1,688,951	(141,942)
	<u>1,943,318</u>	<u>(134,024)</u>	<u>1,943,318</u>	<u>(134,024)</u>
	Group 2024 N'000	Group 2023 N'000	Company 2024 N'000	Company 2023 N'000
33 Other operating income				
Rental income	-	390	6,153	12,274
Profit on sale of PPE	17,205	99,036	15,876	85,825
Staff mortgage loan-interest	901	1,907	901	1,325
RSA administrative fee income	-	411,493	-	-
PHI Premium	274,822	264,809	-	-
Admin charges- formal sector	64,366	40,693	-	-
Sundry income	10,708	19,754	24,511	16,358
	<u>368,002</u>	<u>838,082</u>	<u>47,441</u>	<u>115,782</u>
Sundry income relates to income received in the current year as a result of transactions which were not earlier accrued for due to insufficient information.				
	Group 2024 N'000	Group 2023 N'000	Company 2024 N'000	Company 2023 N'000
34 Credit loss expense on financial asset				
Impairment charge/(reversal) on other asset (note 6)	9,425	(538)	9,425	(538)
Impairment (reversal)/charge on financial asset (note 4(iv))	(22,687)	17,764	1,222	8,567
Impairment charge/ (reversal) on placement (note 3.1)	49,430	6,608	56,339	(2,343)
	<u>28,824</u>	<u>23,834</u>	<u>57,730</u>	<u>5,686</u>

NOTES TO THE CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS - Continued

35 Other operating expenses				
Staff costs	2,259,134	1,361,580	1,069,303	415,544
Directors' allowances and expenses	682,990	493,283	335,732	278,222
Depreciation and amortisation (Note 35.1)	360,201	275,030	217,419	152,488
Professional fees *	164,778	158,687	142,745	143,628
Audit fees	55,311	35,635	35,375	21,000
Marketing and advertisement	480,981	224,062	421,728	116,823
Administrative expenses	151,131	381,175	256,797	161,244
Amortization-monetized benefit	5,000	-	-	-
Repairs and maintenance	93,820	43,510	50,053	9,220
Travel costs and allowances	97,734	85,020	37,444	29,172
NAICOM Levy	342,924	77,920	280,094	77,920
Donation	29,125	11,467	50	-
Electricity and power	110,471	62,621	76,539	43,161
Penalty charge (Note 42)	-	5,365	-	-
Subscription	13,473	9,173	13,473	9,173
Printing and stationeries	18,080	25,010	3,259	7,482
Information technology expenses	185,007	70,880	109,528	70,880
Pension protection fund levy	-	51,284	-	-
Rent and rate	-	43,842	-	-
PHI claims paid	166,985	169,525	-	-
loss on disposal of investment property	-	2,250	-	2,250
	5,217,145	3,587,319	3,049,539	1,538,207

* Professional fees include non-audit fees paid for Internal Control over Financial Reporting (ICFR) review amounting to N5m (2023: N5m), signed by Oluwasayo Elumaro with FRC number FRC/2012/PRO/ICAN/004/00000000139

	Group 2024 N'000	Group 2023 N'000	Company 2024 N'000	Company 2023 N'000
35.1 Breakdown of depreciation and amortisation				
Depreciation (Note 9)	255,546	205,055	123,450	92,511
Amortisation (Note 11)	104,655	69,975	93,969	59,977
	360,201	275,030	217,419	152,488
36 Tax expense				
Company income tax	167,212	-	-	-
Education tax	24,550	49,987	-	48,779
Minimum tax	149,092	181,841	149,092	38,889
Police trust fund	37	157	-	121
Information technology levy	7,402	-	-	-
Deferred tax (write-back)/expense	117,026	-	-	-
	465,319	231,985	149,092	87,789

NOTES TO THE CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS - Continued

	Group 2024 N'000	Group 2023 N'000	Company 2024 N'000	Company 2023 N'000
36b Reconciliation of effective tax rate				
(Loss)/profit for the year before tax	(627,547)	2,982,272	(1,485,504)	2,417,105
Tax at Nigerian's statutory income tax rate of 30%	(188,265)	894,682	(445,651)	725,131
Net capital allowance	-	-	-	-
Assessable loss for the year	841,939	378,170	841,939	378,170
Non-deductible expenses	1,485,631	575,414	1,424,421	96,266
Tax exempt income	(2,023,728)	(1,848,265)	(1,820,709)	(1,199,568)
Income tax	167,212	181,841	-	38,889
Minimum tax	149,092	-	149,092	-
Education tax	25,999	49,987	-	48,779
Police trust fund	37	157	-	121
Information technology levy	7,402	-	-	-
	<u>465,319</u>	<u>231,985</u>	<u>149,092</u>	<u>87,788</u>
Profit for the year before income tax	(627,547)	2,982,272	(1,485,504)	2,417,105
Effective Tax Rate	-74%	8%	-10%	4%
37 Non-controlling interest				
The movement in non-controlling interest during the year is shown below:				
			Group 2024 N'000	Group 2023 N'000
Balance, beginning of year			1,991,597	1,892,000
Share of profit for the period			131,530	174,916
Dividend Paid			(105,280)	(75,418)
Actuarial gain on retirement benefit obligation			(982)	99
			<u>2,016,863</u>	<u>1,991,597</u>
38 Proposed dividend				
There was no proposed dividend during the year (2023: Nil)				
39 Contingent liabilities				
There were claims and litigations against the company as at 31 December 2024, amounting to ₦5,183,344,729 (2023: ₦4,633,519,059). No provision is made in respect of this, as our legal team is of the opinion that it is not certain an outflow of economic resources will be required to settle this amount in the future.				

NOTES TO THE CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS - Continued

40 Contraventions

31 December 2024

Nature of contraventions

No contravention was incurred or paid during the year

Group N'000	Company N'000
-	-
-	-

31 December 2023

Nature of contraventions

Pencom penalty on KYC and single obligor limit

Group N'000	Company N'000
5,365	-
5,365	-

41 Related Parties Transactions

- a Transactions between the company, and the subsidiaries also meet the definition of related party transactions where these are eliminated on consolidation, they are not disclosed in the consolidated financial statements. Details of transactions between the group and other related parties are disclosed below:

The Company enters into transactions with its subsidiaries, major shareholders and its key management personnel in the normal course of business of providing insurance cover on Motor, Fire, and General accidents. The transactions with related parties are made at normal market prices and conducted at arm's length.

	Relationship	Premium written N'000	Claims paid N'000
Veritas Glanvills Pensions Limited	Subsidiary	18,307	658
Veritas Health Care Ltd	Subsidiary	1,050	299
Gold links insurance plc	Associates	-	-

- b Included in Note 8 is the sum of N62.03m recoverable from related entities during the year under review. The breakdown and nature of transactions are included below:

	Relationship	Amount N'000	Nature of transaction
			This relates to the amount receivable on various expenses incurred on behalf of the entity in year 2019. Although this has been fully provisioned in the financial records.
Goldlink Insurance Plc	Associate	62,033	

c Compensation of key management personnel

Key management personnel refers to those persons having authority and responsibility for planning, directing and controlling the activities of the company. It comprises executive and non-executive directors and senior management.

The summary of compensation of key management personnel for the year is as follows:

	2024	2023
Salaries (senior management and executive directors)	150,422	129,862
Total compensation to key management personnel	150,422	129,862
Directors cost (Non-Executive)	252,000	278,222
Salaries and wages (Executive)	135,653	40,024
Pension cost (Executive)	14,789	3,248
Total Directors cost	402,442	321,494
Remuneration of highest paid Director	42,000	35,000
Remuneration of Chairman	42,000	35,000

NOTES TO THE CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS - Continued

42 Information regarding employees

The table below shows the number of staff whose emoluments during the year excluding pension contributions were within the ranges stated:

		2024	2023	2024	2023
		Number	Number	Number	Number
Below	-	500,000	13	-	-
500,001	-	1,500,000	7	55	-
1,500,001	-	2,500,000	46	64	8
2,500,001	-	3,500,000	52	49	23
3,500,001	-	4,500,000	20	24	17
4,500,001	-	5,500,000	39	18	-
5,500,001	-	6,500,000	23	20	16
6,500,001	-	7,500,000	9	7	5
7,500,001	-	8,500,000	1	-	-
8,500,001	-	9,500,000	19	18	12
9,500,001	-	10,500,000	9	9	4
10,500,001	-	and above	40	14	8
			278	278	93

43 Hypothecation

The Company is exposed to a range of financial risks through its financial assets, financial liabilities, reinsurance assets and insurance liabilities. In particular, the key financial risk is that in the long term its investment proceeds will not be sufficient to fund the obligations arising from its insurance and investment contracts. In response to the risk, the Company's assets and liabilities at 31 December 2024 were allocated as follows:

	Shareholders fund N'000	Policy Holders N'000	Total N'000
Insurance Contract Liabilities - Liability for Incurred Claims	-	13,552,562	13,552,562
Insurance Contract Liabilities - Liability for Remaining Coverage	-	2,751,065	2,751,065
Gross Insurance Funds	-	16,303,627	16,303,627
Less			
Reinsurance Contract Assets			
Assets for Incurred Claims	-	(4,999,498)	(4,999,498)
Assets for Remaining Coverage	-	(842,174)	(842,174)
Net Insurance Funds	-	10,461,956	10,461,956
Admissible Assets:			
Cash and Cash Equivalents	2,427,905	-	2,427,905
Placement with Financial Institutions	-	7,402,956	7,402,956
Treasury bills and Government Bonds	-	5,084,068	5,084,068
Quoted Shares	138,264	-	138,264
Unquoted Shares	492,056	-	492,056
Mortgage Loans	8,331	-	8,331
Loan to Policy holders	-	-	-
Other Loans & Investments	-	-	-
Investment in subsidiaries,	4,026,300	-	4,026,300
Others (specify)	4,288,837	-	4,288,837
Total Admissible Assets	11,381,693	12,487,024	23,868,717
SURPLUS(DEFICIT) IN ASSETS COVER	11,381,693	2,025,068	13,406,761
Others Include:			
Trade receivable	1,545,616	-	1,545,616
Intangible Asset	539,166	-	539,166
Property, plant and equipment-(L&B)	1,568,655	-	1,568,655
Property, plant and equipment (Others)	280,400	-	280,400
Statutory Deposit	355,000	-	355,000
	4,288,837	-	4,288,837

NOTES TO THE CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS - Continued

44 Capital Management

Finance Act 2021 – Part IX – Insurance Act

The Federal Government of Nigeria, by Federal Republic of Nigeria Official Gazette, dated 18 January 2022, amended the Finance Act, 2021. The Finance Act 2021 (Part IX – Insurance Act) in Sections 33, 34, and 35 contains provisions which amended Sections 9, 10 and 102 of Insurance Act, 2003, as previously related to paid-up share capital. The Sections of the Act amended the Insurance Act by substituting the words “paid-up share capital”, with the words “Capital requirement” and wherever they appear in Insurance Act 2003. The words “Capital requirement” was introduced and inserted in Section 102 of the Insurance Act. By the provision of section 35, “Capital Requirement” means -

(a) in the case of existing company -

(i) the excess of admissible assets over liabilities, less the amount of own shares held by the company,

(ii) subordinated liabilities subject to approval by the Commission, and

(iii) any other financial instrument as prescribed by the Commission.

For this purpose, Admissible Assets are defined as:

Share Capital, Share Premium, Retained Earnings, Contingency Reserves, and any other admissible assets subject to the approval of the Commission;

(a) in the case of a new company -

(i) Government Bonds and Treasury Bills,

(ii) Cash and Bank balances, and

(iii) Cash and cash equivalents.

As an existing company, our capital requirement is as shown below:

	2024 N'000	2023 N'000
Share capital	6,933,333	6,933,333
Share premium	663,600	663,600
Contingency reserve	2,611,284	1,900,456
Retained Earnings	(2,305,749)	39,675
Excess of admissible assets over liabilities	7,902,468	9,537,062
Less amount of own shares held (Treasury shares)	-	-
Subordinated liabilities approved by NAICOM	-	-
Any other financial instrument approved by NAICOM	-	-
Capital Requirement	<u>7,902,468</u>	<u>9,537,062</u>

NOTES TO THE CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS - Continued

45 Segment reporting

Identification of reportable segments

The business activities of Veritas Kapital Plc Group are first organized by product and type of service: Insurance activities, asset management activities and Health Management activities.

Information regarding the results of each reportable segment is included below. Performance is measured based on segment profit (or loss) before income taxes, as included in the internal management reports that are reviewed by the Group's CEO.

Information reported to the chief operating decision maker (the CEO) for the purposes of resource allocation and assessment of segment performance focuses on types of goods or services delivered or provided. The Company's reportable segments under IFRS 8 are therefore as follows:

- Non-life business
- Pension Administration
- Health Care

Non-Life Business

The non-life reportable segment offers a wide variety of insurance products for both personal and corporate customers. The products offer range from engineering, aviation, marine liability, motor liability, oil and energy, bond, fire and property. The main source of income in this segment is the premium received from the insured on risk covered by the entity and the investment income earned on placements and deposit with financial institutions.

Pension Administration

This reportable segment include the administration and management of the retirement benefits of members. The administration includes making investment decisions, collection of contribution and making payment to retirees in-line with provisions of Pension Reform Act 2014. The revenue earned includes administration and management fees received and receivable on members' contributions and the Net Asset Value of Funds under Management respectively.

Health Care

This reportable segment is a National Health Maintenance Organization (HMO) duly licenced and accredited by the National Health Insurance Scheme which provide Health Insurance Services to individuals and organizations in both the private sector and the formal sector under the National Health Insurance Scheme (NHIS).

	Non-life		Business Segment Information- Consolidated statement of financial position				Elimination		Group	
	2024	2023	Pension administrator	2024	2023	Healthcare	2024	2023	2024	2023
Assets:	=N= '000	=N= '000	=N= '000	=N= '000	=N= '000	=N= '000	=N= '000	=N= '000	=N= '000	=N= '000
Cash and cash equivalents	9,830,861	4,718,745	581,969	1,086,586	569,112	604,129	-	-	11,196,743	6,564,667
Financial assets	5,714,388	3,708,326	5,327,951	4,475,223	-	-	-	-	10,827,538	8,019,150
Trade receivable	1,545,616	1,029,780	-	-	-	-	-	-	1,545,616	1,029,780
Reinsurance assets	5,841,670	1,647,856	-	-	-	-	-	-	5,841,670	1,647,856
Other receivables and prepayment	174,053	352,853	603,731	397,486	107,084	89,538	-	-	884,663	826,508
Investment in subsidiaries	4,026,300	4,026,300	-	-	-	-	(4,026,300)	(4,026,300)	-	-
Goodwill	-	-	-	-	-	-	-	-	316,884	316,884
Intangible assets	539,166	401,541	12,625	21,213	-	-	-	-	551,789	422,753
Property, Plant and Equipment	5,033,899	4,931,555	948,577	994,852	37,856	49,981	-	-	6,020,344	5,436,390
Statutory deposit	355,000	355,000	-	-	-	-	-	-	355,000	355,000
Deferred tax asset	21,745	-	-	-	-	-	-	-	-	60,854
Total Assets	33,060,953	20,653,701	7,474,854	6,975,360	714,052	743,648	(3,709,416)	(3,709,417)	37,540,443	24,679,843
Liabilities:										
Insurance contract liabilities	16,303,627	4,539,202	-	-	-	-	-	-	16,303,627	4,539,202
Other contract liabilities	-	-	-	-	-	8,899	-	-	8,899	15,539
Trade payables	2,785,404	2,105,972	-	-	-	-	-	-	2,785,405	2,105,972
Employees retirement benefit obligations	-	-	-	-	-	29,391	-	-	27,710	23,933
Provision and other payables	1,690,510	597,587	636,906	473,975	16,831	56,501	-	-	2,351,635	1,254,609
Income tax liabilities	173,210	80,876	231,481	103,342	7,389	2,816	-	-	404,691	187,033
Deferred tax liabilities	190,671	157,143	154,967	64,580	27,099	30,632	-	-	372,737	184,753
Equity:										
Issued and paid up share capital	6,933,333	6,933,333	5,000,000	5,000,000	429,075	429,075	(5,429,075)	(5,429,075)	6,933,333	6,933,333
Share premium	663,600	663,600	-	-	6,946	6,946	(6,946)	(6,946)	663,600	663,600
Statutory contingency reserves	2,611,284	1,900,956	346,994	256,650	208,188	181,178	(293,036)	(418,530)	2,611,284	1,900,456
(Accumulated losses)/retained earnings	(2,305,750)	39,674	777,913	750,221	(21,766)	(4,973)	810,619	-	(1,189,504)	1,008,861
Other components of equity:										
Asset revaluation reserve	3,735,496	3,396,185	326,592	326,592	-	-	(87,806)	(87,807)	3,974,382	3,634,971
Fair value reserve	-	-	-	-	-	-	(3,689)	(6,322)	275,580	235,984
Non controlling interest(NCI)	279,569	239,673	-	-	-	-	2,110,641	1,991,597	2,010,643	1,991,597
	33,060,953	20,653,701	7,474,854	6,975,360	714,052	743,648	(3,711,913)	(3,148,465)	37,540,443	24,679,843
Business Segment Information- Consolidated statement of Comprehensive Income										
	Non-life	2024	2023	Pension administrator	2024	2023	Healthcare	2024	2023	Group
	=N= '000	=N= '000	=N= '000	=N= '000	=N= '000	=N= '000	=N= '000	=N= '000	=N= '000	=N= '000
Insurance service result	(4,182,925)	(217,739)	-	-	-	-	-	-	(4,202,280)	(217,739)
(Loss)/profit before income tax	(1,485,504)	2,417,104	735,284	714,294	43,896	30,372	31,301	22,652	(249,010)	(181,017)
(Loss)/profit after tax	(1,634,966)	2,329,316	431,653	577,817	31,301	22,652	-	-	(249,010)	(181,017)

NOTES TO THE CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS - Continued

46 Risk management framework

(a) Capital management objectives, policies and approach

The Company has established the following capital management objectives, policies and approach to managing the risks that affect its capital position:

- (i) To maintain the required level of stability of the Company thereby providing a degree of security to policy holders.
- (ii) To allocate capital efficiently and support the development of business by ensuring that returns on capital employed meet the requirements of its capital providers and of its shareholders.
- (iii) To retain financial flexibility by maintaining strong liquidity and access to a range of capital markets.
- (iv) To align the profile of assets and liabilities taking account of risks inherent in the business.
- (v) To maintain financial strength to support new business growth and to satisfy the requirements of the policyholders, regulators and stakeholders.
- (vi) To maintain strong credit ratings and healthy capital ratios in order to support its business objectives and maximise shareholders value.

In reporting financial strength, capital and solvency are measured using the rules prescribed by the National Insurance Commission (NAICOM). These regulatory capital tests are based upon required levels of solvency, capital and a series of prudent assumptions in respect of the type of business written. The Company's capital management policy for its insurance and non-insurance business is to hold sufficient capital to cover the statutory requirements based on the NAICOM directives, including any additional amounts required by the regulator.

(b) Approach to capital management

The Company seeks to optimise the structure and sources of capital to ensure that it consistently maximises returns to shareholders and policyholders. The Company's approach to managing capital involves managing assets, liabilities and risks in a coordinated way, assessing shortfalls between reported and required capital levels on a regular basis and taking appropriate actions to influence the capital position of the Group in the light of changes in economic conditions and risk characteristics.

The primary source of capital used by the Company is equity shareholders' funds.

The Group has had no significant changes in its policies and processes to its capital structure during the past quarter from previous quarters.

The table below shows the available capital resources as at 31 December:

	2024 N'000	2023 N'000
Total shareholders' funds	15,285,737	16,368,802
Regulatory required capital	3,000,000	3,000,000
Excess capital reserve	<u>12,285,737</u>	<u>13,368,802</u>

(c) Regulatory framework

The insurance industry regulator measures the financial strength of Non-Life Insurers using a Solvency Margin model. NAICOM generally expects non-life insurers to comply with this capital adequacy requirement. Section 24 of the Insurance Act 2003 defines the solvency margin of a non-life insurer as the difference between the admissible assets and liabilities, and this shall not be less than 15% of the net premium income (gross income less reinsurance premium paid), or the minimum capital base (3 billion) whichever is higher.

NOTES TO THE CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS - Continued

47 Solvency Margin

The solvency margin for the company as at 31 December is as follows:

		Inadmissible	2024	2023
	Total Assets	Assets	Admissible	Admissible
	N'000	N'000	Assets	Assets
			N'000	N'000
Cash and cash equivalents	2,424,082	-	2,424,082	568,391
Treasury Bills	141,879	-	141,879	-
Placement with Financial Institutions	7,406,779	-	7,406,779	3,506,430
Government Bonds	4,942,189	-	4,942,189	3,161,226
Quoted Shares	138,264	-	138,264	113,615
Unquoted Shares	492,056	-	492,056	433,485
Trade receivable	1,545,616	-	1,545,616	1,029,780
Reinsurance assets*	5,841,670	-	5,841,670	1,647,856
Other receivables and prepayments	174,053	165,722	8,331	30,082
Investment in subsidiaries	4,026,300	-	4,026,300	4,026,300
Intangible assets - Software	539,166	-	539,166	401,541
Property, plant and equipment-(L&B)	4,753,499	3,184,844	1,568,655	1,000,000
Property, plant and equipment (Others)	280,400	-	280,400	112,101
Statutory deposits	355,000	-	355,000	355,000
Total Admissible Assets	33,060,953	3,350,566	29,710,387	16,385,807
Insurance contract liabilities*	16,303,627	-	16,303,627	4,539,202
Trade payables	2,785,404	-	2,785,404	2,105,972
Provision and other payables	1,690,510	-	1,690,510	597,587
Income tax liabilities	173,210	-	173,210	80,876
Total Admissible liabilities	20,952,751	-	20,952,751	7,323,637
Solvency Margin			8,757,636	9,062,170
The higher of 15% Of Net premium or				
Minimum capital base	3,000,000		3,000,000	3,000,000
Excess			5,757,636	6,062,170
Solvency ratio			292%	302%

* The following items have been maintained in line with the signed solvency certificate.

NOTES TO THE CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS - Continued

48 Financial instruments - Fair values and risk management

Group

(a) Accounting classifications and fair values

The following table shows the carrying amounts and fair values of financial assets and financial liabilities, including their levels in the fair value hierarchy. It does not include fair value information for financial assets and financial liabilities not measured at fair value if the carrying amount is a reasonable approximation of fair value.

31 December 2024	Carrying amount					Fair value			
	Designated at fair value	Amortised cost	Fair value through OCI	Other Financial liabilities	Total	Level 1	Level 2	Level 3	Total
In thousands of naira						N'000	N'000	N'000	N'000
Financial assets measured at fair value									
Fair value through OCI	-	-	492,056	-	492,056	492,056	-	-	492,056
Fair Value through Profit or Loss	138,264	-	-	-	138,264	138,264	-	-	138,264
	138,264	-	492,056	-	630,320	630,320	-	-	630,320
Financial assets not measured at fair value									
Cash on hand and cash at bank	-	2,602,973	-	-	2,602,973	-	2,602,973	-	2,602,973
Trade Receivable*	-	1,545,616	-	-	1,545,616	-	1,545,616	-	1,545,616
Placements	-	8,593,770	-	-	8,593,770	-	8,593,770	-	8,593,770
Statutory deposit	-	355,000	-	-	355,000	-	355,000	-	355,000
Debt instruments at amortised cost	-	10,197,218	-	-	10,197,218	-	9,584,586	-	9,584,586
	-	23,294,577	-	-	23,294,577	-	22,681,945	-	22,681,945
Financial liabilities not measured at fair value									
Other payables*	-	-	-	-	2,351,635	-	2,351,635	-	2,351,635
Trade payables*	-	-	-	-	2,785,405	-	2,785,405	-	2,785,405
	-	-	-	-	5,137,040	-	5,137,040	-	5,137,040

The Company has disclosed the fair value of each class of financial assets and liabilities in a way that permits the information to be compared with the carrying amounts. In addition, it has reconciled the assets and liabilities to the different categories of financial instruments as defined in IFRS 9 Financial Instruments: Recognition and Measurement.

* The Company has not disclosed the fair values for financial instruments such as receivables, payables and reinsurance assets because their carrying amounts are a reasonable approximation of fair value.

NOTES TO THE CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS - Continued

Group

The following table shows the carrying amounts and fair values of financial assets and financial liabilities, including their levels in the fair value hierarchy.

It does not include fair value information for financial assets and financial liabilities not measured at fair value if the carrying amount is a reasonable approximation of fair value.

31 December 2023	Carrying amount					Fair value			
In thousands of naira	Designated at fair value	Amortised cost	Fair value through OCI	Other Financial liabilities	Total	Level 1	Level 2	Level 3	Total
Financial assets measured at fair value	N'000	N'000	N'000	N'000	N'000	N'000	N'000	N'000	N'000
Fair value through OCI	-	-	433,485	-	-	433,485	-	-	433,485
Fair Value through Profit or Loss	113,615	-	-	-	-	113,615	-	-	113,615
	113,615	-	433,485	-	-	547,100	-	-	547,100
Financial assets not measured at fair value									
Cash in hand and cash at bank	-	662,396	-	-	-	-	662,396	-	662,396
Premium receivables*	-	1,029,780	-	-	-	-	1,029,780	-	1,029,780
Placements	-	5,902,271	-	-	-	-	5,902,271	-	5,902,271
Statutory deposit	-	355,000	-	-	-	-	355,000	-	355,000
Debt instruments at amortised cost	-	7,472,050	-	-	-	-	7,472,050	-	7,472,050
	-	15,421,497	-	-	-	-	15,421,497	-	15,421,497
Financial liabilities not measured at fair value									
Other payables*	-	-	-	-	1,254,607	-	1,254,607	-	1,254,607
Other technical liabilities*	-	-	-	-	2,105,972	-	2,105,972	-	2,105,972
	-	-	-	-	3,360,579	-	3,360,579	-	3,360,579

The Company has disclosed the fair value of each class of financial assets and liabilities in a way that permits the information to be compared with the carrying amounts. In addition, it has reconciled the

* The Company has not disclosed the fair values for financial instruments such as receivables, payables and reinsurance assets because their carrying amounts are a reasonable approximation of fair

NOTES TO THE CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS - Continued

Company

(a) Accounting classifications and fair values

The following table shows the carrying amounts and fair values of financial assets and financial liabilities, including their levels in the fair value hierarchy. It does not include fair value information for financial assets and financial liabilities not measured at fair value if the carrying amount is a reasonable approximation of fair value.

31 December 2024	Carrying amount					Fair value				
In thousands of naira	Designated at fair value	Amortised cost	Fair value through OCI	Other Financial liabilities	Total	Level 1	Level 2	Level 3	Total	
Financial assets measured at fair value	N'000	N'000	N'000	N'000	N'000	N'000	N'000	N'000	N'000	
Fair value through OCI	-	-	492,056	-	-	492,056	-	-	492,056	
Fair Value through Profit or Loss	138,264	-	-	-	-	138,264	-	-	138,264	
	138,264	-	492,056	-	-	630,320	-	-	630,320	
Financial assets not measured at fair value										
Cash in hand and cash at bank	-	2,424,082	-	-	-	-	2,424,082	-	2,424,082	
Trade Receivable*	-	1,545,616	-	-	-	-	1,545,616	-	1,545,616	
Placements	-	7,406,779	-	-	-	-	7,406,779	-	7,406,779	
Statutory deposit	-	355,000	-	-	-	-	355,000	-	355,000	
Debt instruments at amortised cost	-	5,084,068	-	-	-	-	5,084,068	-	5,084,068	
	-	16,815,545	-	-	-	-	16,815,545	-	16,815,545	
Financial liabilities not measured at fair value										
Other payables*	-	-	-	-	1,690,510	-	1,690,510	-	1,690,510	
Trade payables*	-	-	-	-	2,785,404	-	2,785,404	-	2,785,404	
	-	-	-	-	4,475,914	-	4,475,914	-	4,475,914	

The Company has disclosed the fair value of each class of financial assets and liabilities in a way that permits the information to be compared with the carrying amounts. In addition, it has reconciled the assets and liabilities to the different categories of financial instruments as defined in IFRS 9 Financial instruments: Recognition and Measurement.

* The Company has not disclosed the fair values for financial instruments such as receivables, payables and reinsurance assets because their carrying amounts are a reasonable approximation of fair value.

NOTES TO THE CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS - Continued

Company

(a) Accounting classifications and fair values

The following table shows the carrying amounts and fair values of financial assets and financial liabilities, including their levels in the fair value hierarchy. It does not include fair value information for financial assets and financial liabilities not measured at fair value if the carrying amount is a reasonable approximation of fair value.

31 December 2023	Carrying amount				Fair value			
	Designated at fair value	Amortised cost	Fair value through OCI	Other Financial liabilities	Level 1	Level 2	Level 3	Total
In thousands of naira					N'000	N'000	N'000	N'000
Financial assets measured at fair value								
Fair value through OCI	-	-	433,485	-	433,485	-	-	433,485
Fair Value through Profit or Loss	113,615	-	-	-	113,615	-	-	113,615
	113,615	-	433,485	-	547,100	-	-	547,100
Financial assets not measured at fair value								
Cash in hand and cash at bank	-	568,390	-	-	-	568,390	-	568,390
Trade Receivable*	-	1,029,780	-	-	-	1,029,780	-	1,029,780
Placements	-	4,150,355	-	-	-	4,150,355	-	4,150,355
Statutory deposit	-	355,000	-	-	-	355,000	-	355,000
Debt instruments at amortised cost	-	3,161,226	-	-	-	355,000	-	355,000
	-	9,264,751	-	-	-	6,458,525	-	6,458,525
Financial liabilities not measured at fair value								
Other payables*	-	-	-	597,587	-	597,587	-	597,587
Trade payables*	-	-	-	2,105,972	-	2,105,972	-	2,105,972
	-	-	-	2,703,559	-	2,703,559	-	2,703,559

The Company has disclosed the fair value of each class of financial assets and liabilities in a way that permits the information to be compared with the carrying amounts. In addition, it has reconciled the

* The Company has not disclosed the fair values for financial instruments such as receivables, payables and reinsurance assets because their carrying amounts are a reasonable approximation of fair value.

NOTES TO THE CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS - Continued

Financial risk management

The Company has exposure to the following risks arising from financial instruments

Credit risk

Liquidity risk

Market risk

(b)(i) Risk management framework

The company has an Enterprise -wide Risk Management (ERM) Frame work that is responsible for identifying and managing the inherent and residual risks facing the Company. The Company's board of directors has the overall responsibility for the establishment of oversight of the Company's risk management framework. The board of directors has established the Risk Management Committee, which is responsible for developing and monitoring the Company's risk management policies. The committee reports regularly to the board of directors on its activities.

The Company's risk management policies are established to identify and analyse the risk faced by the Company, to set appropriate risk limits and controls, and to monitor risks and adherence to limits. Risk management policies and systems are reviewed regularly to reflect changes in market conditions and Company activities. The Company, through its training and management standards and procedures, aims to maintain a disciplined and constructive control environment in which all employees understand their roles and obligations.

The Company audit committee oversees how management monitors compliance with the Company's risk management policies and procedures and reviews the adequacy of the risk management framework in relation to the risks faced by the Company. The Company Audit Committee is assisted in its oversight role by Internal Audit. Internal Audit undertakes both regular and ad hoc reviews of risk management controls and procedures, the result of which are reported to the audit committee.

(b)(ii) Credit risk

Credit risk is the risk of financial loss to the Company if a customer or counterparty to a financial instrument fails to meet its contractual obligations, and arises principally from the Company's receivables from customers and investment in debt securities. The carrying amount of financial assets represents the maximum credit exposure. In addition to credit risks arising out of investments and transactions with clients, Veritas Kapital Assurance actively assumes Credit Risk through the writing of insurance business. Credit Risk can arise when a client defaults on settlement of premium payments and can also arise when its own repayment capability decreases (as reflected in a rating downgrade).

Veritas Kapital Assurance's strategy as Insurance Company does not entail the elimination of Credit Risk but rather to take on Credit Risk in a well-controlled, planned and targeted manner pursuant to its business objectives. Its approach to measuring Credit Risk is therefore designed to ensure that it is assessed accurately in all its forms, and that relevant, timely and accurate Credit Risk information is available to the relevant decision makers at an operational and strategic level at all times.

At a strategic level, Veritas Kapital Assurance manages its credit risk profile within the constraints of its overall Risk Appetite and structured its portfolio so that it provides optimal returns for the level of risk taken. Operationally, the Insurance Company Credit Risk Management is governed by the overall risk appetite framework and aims to ensure that the risk inherent to individual exposures or certain business portfolios are appropriately managed through the economic cycle.

The organization is committed to:

- a) Create, and manage credit risk in a manner that complies with all applicable laws and regulations.
- b) Identify Credit Risk in each investment, loan or other activity of the Insurance Company.
- c) Utilize appropriate, accurate and timely tools to measure credit risk.
- d) Set acceptable risk parameters.
- e) Maintain acceptable levels of credit risk for existing individual credit exposures.
- f) Maintain acceptable levels of overall credit risk for Veritas Kapital Assurance's Portfolio; and
- g) Coordinate Credit Risk Management with

Unsecured exposures to high risk obligors, transactions with speculative cash flows, loans in which the insurance Company will hold an inferior or subordinate position are some of the credit exposures that are considered undesirable by the organization.

NOTES TO THE CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS - Continued

(b)(ii) Credit risk - continued

The Group's credit risk can be analysed as follows:

	Company		Group	
	2024	2023	2024	2023
	N'000	N'000	N'000	N'000
Reinsurance receivables (see note (a) below)	5,841,670	1,647,856	5,841,670	1,647,856
Cash and cash equivalents (see note (b) below)	9,830,861	4,718,745	11,195,953	6,563,810
Debt Instruments (see note (c) below)	5,084,068	3,161,226	10,197,218	7,472,050
Other receivables	174,054	352,853	884,867	826,508
	<u>20,930,653</u>	<u>9,880,680</u>	<u>28,119,708</u>	<u>16,510,224</u>

Reinsurance receivables

The Company insures its liabilities with reputable reinsurance companies with which it has a right of set-off. None of its receivables from reinsurance companies was impaired as at 31 December 2024 (2023: Nil).

Cash and cash equivalents

The Group's cash and cash equivalents are held with reputable banks and financial institutions.

Armortized cost

The Group's Debt instruments are investment in bonds with Government and reputable financial institutions. None of its investment was impaired as at 31 December 2024 (2023: Nil). However, provision for expected credit loss as required by IFRS 9 has been made on the financial assets.

The Group did not have any debt securities that were past due but not impaired as at 31 December 2024 (2023: Nil)

Veritas Kapital Assurance Plc is exposed to risk relating to its investment securities (Fixed deposits and receivables). Its receivables comprise trade receivables from customers, reinsurers and coinsurers recoverable and other receivables.

Collateral held and other credit enhancements, and their financial effect

The Group does not hold collateral or any other enhancements against any of its receivables as at 31 December 2024.

Premium receivables

The Company has placed more responsiveness on effective management of credit risk exposure that relates to trade receivables. In general, the regulator has laid great emphasis on "No Premium, No Cover" and this has positively changed the phase of credit management within the industry. The Company defines credit risk as the risk of counterparty's failure to meet its contractual obligations. Credit risk arises from insurance cover granted to parties with payment instruments or payments plan issued by stating or implying the terms of contractual agreement.

The Company has placed stringent measures to guard against credit default. Credit risk exposure operates from the level of brokered transactions with little emphasis placed on direct business. The Company's credit risk exposure to brokered business is very low as the Company requires brokers to provide payment within 30 days after which impairment trigger is identified and the receivable is assessed for impairment.

Sources of credit risk:

- Direct default risk: risk that the Company will not receive the cash flows or assets to which it is entitled because a party with which the Company has a bilateral contract defaults on one or more obligations.
- Downgrade Risk: risk that changes in the possibility of a future default by an obligor will adversely affect the present value of the contract with the obligor today.
- Settlement Risk: risk arising from the lag between the value and settlement dates of securities transactions.

Management of credit risk due to trade receivables

The Company constantly reviews brokers' contribution to ensure that adequate attention is paid to high premium contributing brokers.

The Company credit risk is constantly reviewed and approved during the Management Committee meetings. It also ensured that adequate provisions are taken in line with IFRS 9. Other credit risk management includes:

NOTES TO THE CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS - Continued

(b)(ii) Credit risk - continued

- Formulating credit policies with strategic business units, underwriters, brokers, covering brokers grading, reporting, assessment, legal procedures and compliance with regulatory and statutory bodies.
- Identification of credit risk drivers within the Company in order to coordinate and monitor the probability of default that could have an unfortunate impact.
- Developing and monitoring credit limits. The Company is responsible for setting credit limits through grading in order to categorize risk exposures according to the degree of financial loss and the level of priority expected from management.
- Assessment of credit risk. All first-hand assessment and review of credit exposures in excess of credit limits, prior to granting insurance cover are subject to review process and approval given during MC meetings.
- Continuous reviewing of compliance and processes in order to maintain credit risk exposure within acceptable parameters.

Staged Approach to the Determination of Expected Credit Losses

IFRS 9 outlines a three-stage model for impairment based on changes in credit quality since initial recognition. These stages are as outlined below:

Stage 1: The Group recognises a credit loss allowance at an amount equal to the 12 month expected credit losses. This represents the portion of lifetime expected credit losses from default events that are expected within 12 months of the reporting date, assuming that credit risk has not increased significantly after the initial recognition.

Stage 2: The Group recognises a credit loss allowance at an amount equal to the lifetime expected credit losses (LTECL) for those financial assets that are considered to have experienced a significant increase in credit risk since initial recognition. This requires the computation of ECL based on Lifetime probabilities of default that represents the probability of a default occurring over the remaining lifetime of the financial assets. Allowance for credit losses is higher

Stage 3: The Group recognises a loss allowance at an amount equal to life-time expected credit losses, reflecting a probability of default (PD) of 100% via the recoverable cash flows for the asset. For those financial assets that are credit impaired. The Company's definition of default is aligned with the regulatory definition. The treatment of the loans and other receivables in stage 3 remains substantially the same as the treatment of impaired financial assets under IFRS 39 except for the portfolios of assets purchased or originated as credit impaired.

NOTES TO THE CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS - Continued

(b)(ii) Credit risk - continued

The Group does not originate or purchase credit impaired loans or receivables

Impairment Methodology

Calculation of Expected Credit Losses

Calculation of the expected credit loss is based on the key risk parameters of PD, LGD and ED according to the formula set below:

The calculation of ECL incorporates forward-looking information in all the ECL components. This forward-looking information will impact the various ECL components as follows:

ECL	=	PD	X	EAD	X	LGD
12 -month / lifetime Expected Credit Loss (ECL)		Probability of default		Exposure at default		Loss Given Default (after consideration of collaterals and recoveries)

Probability of default - The PDs will vary during various stages of an economic cycle. It is based on the likelihood that a borrower will default within one year (PD), assessment of the creditworthiness of the counterparty and transformation of 1 Year horizon into lifetime of the asset.

Loss Given Default - Collateral values will vary based on the stage of an economic cycle.

Exposure at default - Change in interest rates may affect the EAD e.g. higher interest rates may result in longer terms for loans causing a change in the EAD.

Loss Given Default

The Group applies historical experience to determine the expected loss given default ratios for each class of financial instruments. Where internal historical experience is not available, other sources, e.g. data available from rating companies as well as professional judgments are used to determine the LGD ratios that will apply. Collateral that is held against the financial assets is also considered in determining the LGD.

The Group management has resolved to use the recovery rates as published by Moodys credit analytics for all credit exposures to sovereign denominated in foreign currencies and all corporate exposures.

For sovereign exposures denominated in Naira which are assessed as low credit risk exposures, we have resolved to use LGDs within the range of 5-10% based on the Central banks of Nigeria's Revised Guidance Notes on Credit risk. Section 3.1 of the document addresses exposure to sovereigns and Central banks and states that financial institutions should assign a risk weight of 0% to the following:

- Exposures to Federal Government of Nigeria (FGN) and Central Bank of Nigeria (CBN);
- Instruments issued by other entities backed by express guarantee of the FGN;
- Inter-bank transactions guaranteed by the FGN or CBN; and
- Inter-bank transactions among supervised institutions collateralized by FGN Bonds, Treasury Bills or other similar sovereign bills.

Treatment of loans and other receivables

All loans issued fall within the scope of debt instruments as financial assets. This covers e.g. Inter-company loans, staff loans and mortgages etc.

Estimation of impairment on the loans based on expected loss is done in the three-stage approach with specific consideration for change in credit risk and forward-looking assumptions.

Intercompany loans are considered low credit risk if it meets the required conditions. Estimation and provision for impairment is based on simplified one stage approach. Loans are put in one bucket e.g. stage 1 and assess the 12 month ECL as long as there are no assets for assessed to have had significant increase in credit risk or the initial criteria for categorizing the asset as low risk has changed.

NOTES TO THE CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS - Continued

(b)(ii) Credit risk - continued

Significant increase in credit risk, default and cure

The Group continuously monitors all assets subject to ECLs. In order to determine whether an instrument or a portfolio of instruments is subject to 12mECL or LTECL, the Company assesses whether there has been a significant increase in credit risk since initial recognition. The Company considers that there has been a significant increase in credit risk when any contractual payments are more than 30 days past due. In addition, the Company also considers a variety of instances that

- ▶ Internal rating of the counterparty indicating default or near-default
- ▶ The counterparty having past due liabilities to public creditors or employees
- ▶ The counterparty (or any legal entity within the debtor's group) filing for bankruptcy application/protection
- ▶ Counterparty's listed debt or equity suspended at the primary exchange because of rumours or facts about financial difficulties.

The Group considers a financial instrument defaulted and, therefore, credit-impaired for ECL calculations in all cases when the counterparty becomes 90 days past due on its contractual payments. The Company may also consider an instrument to be in default when internal or external information indicates that the Company is unlikely to receive the outstanding contractual amounts in full. In such cases, the Company recognises a lifetime ECL. In rare cases when an instrument identified as defaulted, it is the Company's policy to consider a financial instrument as 'cured' and therefore re-classified out of credit-impaired when none of the default criteria have been present for at least twelve consecutive months.

There has been no significant increase in credit risk or default for financial assets during the year.

Expected credit loss

The Group assesses the possible default events within 12 months for the calculation of the 12mECL. Given the investment policy, the probability of default for new instruments acquired is generally determined to be minimal and the expected loss given default ratio assumed to be 100%. In rare cases where a lifetime ECL is required to be calculated, the probability of default is estimated based on economic scenarios.

Impairment losses on financial investments subject to impairment assessment

Debt instruments measured at amortised cost

The table below shows the credit quality and the maximum exposure to credit risk per based on the Company's internal/Moody's credit rating system and year-end stage classification. The amounts presented are gross of impairment allowances. Details of the Company's internal grading system are also provided.

NOTES TO THE CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS - Continued

(b)(ii) Credit risk - continued

		2024			2023		
Internal rating grade	Moody's rating	12mECL	LTECL	Total	12mECL	LTECL	Total
Performing		₦'000	₦'000	₦'000	₦'000	₦'000	₦'000
Cash and cash equivalents							
High grade	AAA-A+	-	-	-	-	-	-
Standard grade	BBB-B+	11,258,477	-	11,258,477	6,576,971	-	6,576,971
Past due but not impaired	C-CCC	-	-	-	-	-	-
Default	D	-	-	-	-	-	-
Total Gross Amount		11,258,477	-	11,258,477	6,576,971	-	6,576,971
ECL		(61,734)	-	(61,734)	(12,304)	-	(12,304)
Total Net Amount		11,196,743	-	11,196,743	6,564,667	-	6,564,667
Amortised cost							
High grade	AAA-A+	-	-	-	-	-	-
Standard grade	BBB-B+	10,226,801	-	10,226,801	7,524,321	-	7,524,321
Past due but not impaired	C-CCC	-	-	-	-	-	-
Default	D	-	-	-	-	-	-
Total Gross Amount		10,226,801	-	10,226,801	7,524,321	-	7,524,321
ECL		(29,583)	-	(29,583)	(52,270)	-	(52,270)
Total Net Amount		10,197,218	-	10,197,218	7,472,050	-	7,472,050
Fees and other receivables							
High grade	AAA-A+	-	-	-	-	-	-
Standard grade	BBB-B+	793,652	-	793,652	734,973	-	734,973
Past due but not impaired	C-CCC	-	-	-	-	-	-
Default	D	-	-	-	-	-	-
Total Gross Amount		793,652	-	793,652	734,973	-	734,973
ECL		(121,991)	-	(121,991)	(112,566)	-	(112,566)
Total Net Amount		671,661	-	671,661	622,407	-	622,407

As at 31 December 2024, the Group had no asset reposited as security against asset. The group policy is to pursue timely realisation of collateral in an orderly manner in the case of default. The company does not generally use the non cash collateral for its own operations.

As at 31 December 2024, the Company has not pledged any of its assets as collateral for any liability or payable balance (2023: nil)

Amounts arising from ECL

Inputs, assumptions and techniques used for estimating impairment.

When determining whether the credit risk (i.e. Risk of default) on a financial instrument has increased significantly since initial recognition, the Company considers reasonable and supportable information that is relevant and available without undue cost of effort. This includes both qualitative and quantitative information analysis based on the Group's experience, expert credit assessment and forward looking information. The Company primarily identifies whether a significant increase in credit risk has occurred for an exposure by comparing the remaining life time probability of default (PD) as at reporting date with the remaining Life time PD for this point in time that was estimated on initial recognition of the exposure.

Whenever available, the Group monitors changes in credit risk by tracking published external credit ratings. To determine whether published ratings remain p to date and to assess whether there has been a significant increase in credit risk at the reporting date that has not been reflected in the published rating, the group also reviews changes in Bond yields together with available press and regulatory information about issuers.

NOTES TO THE CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS - Continued

(b)(ii) Credit risk - continued

Where external credit ratings are not available, the Group allocates each exposure to a credit risk grade based on data that is determined to be predictive of the risk of default (including but not limited to the audited financial statement, management accounts and cashflow projections, available regulatory and press information about the borrowers and apply experienced credit judgement. Credit risk grades are defined by using qualitative and quantitative factors that are indicative of the risk of default and are aligned with the external credit rating definition from Moody's and standards and Poor.

The Group has assumed that the credit risk of a financial asset has not increased significantly since the initial recognition if the financial asset has low credit risk at reporting date. The company considers a financial asset to have low credit risk when its credit risk rating is equivalent to the globally understood definition of "investment grade". The Company considers this to be B+ or higher based on the Moody rating which is equivalent to an internal risk grade of standard grade or higher.

As a back stop, the Group considers that a significant increase in credit risk occurs no later than when the asset is more than 30 days past due. Days past due are determined by counting the numbers of days since the earliest elapsed due date in respect of which full payments has not been received. Due dates are determined without considering any grace period that might be available to the borrower. The Company monitors the effectiveness of the criteria used to identify significant increase in credit risk by regular reviews to confirm that:

- The criteria are capable of identifying significant increase in credit risk before an exposure is in default;
- The criteria do not align with the point in time when the asset becomes 30 days past due;
- The average time between the identification of a significant increase in credit risk and default appears reasonable

- Exposures are not generally transferred from 12- month ECL measurement to credit impaired and
- There is no unwarranted volatility in loss allowance from transfers between 12-month ECL and Lifetime ECL measurement.

Definition of default

The Group considers a financial asset to be in default when the borrower is unlikely to pay its credit obligations to the company in full, without recourse by the company to actions such as realizing security (if any is held); or the financial asset is more than 90 days past due.

In assessing whether a borrower is in default, the Company considers indicators that are:

- qualitative: e.g. breaches of covenant and the other indicators of financial distress;
- quantitative: e.g. overdue status and non-payment of another obligation of the same issuer to the company; and
- based on data developed internally and obtained from external sources.

Inputs into the assessment of whether a financial instrument is in default and their significance may vary over time to reflect changes in circumstances.

Incorporation of Forward looking information

The Group incorporates forward-looking information into both its assessment of whether the credit risk of an instrument has increased significantly since initial recognition and its measurement of ECL. It formulates a 'base case' view of the future direction of relevant economic variables and a representative range of other possible forecast scenarios based on advice from the Company's Investment and risk committee, economic experts and consideration of a variety of external actual and forecast information. This process involves developing three additional economic scenarios and considering the relative probabilities of each outcome. External information includes economic data and forecasts published by governmental bodies and monetary authorities in the Nigeria, supranational organizations such as the Organisation for Economic Cooperation and Development and the International Monetary Fund, and selected private-sector and academic forecasters.

The base case represents a best estimate and is aligned with information used by the Company for other purposes such as strategic planning and budgeting. The other scenarios represent more optimistic and pessimistic outcomes."

NOTES TO THE CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS - Continued

(b)(ii) Credit risk - continued

Measurement of ECL

The calculation of the expected credit loss is based on the key risk parameters of Probability of default (PD), Loss given default (LGD) and Exposure at default (EAD)

To determine the Lifetime and 12-month PDs, the Group uses the PD tables supplied by Moody's based on the default history of sovereign and corporate obligors with the same credit rating. The Company adopts the same approach for unrated investments by mapping its internal risk grades to the equivalent external credit ratings. The PDs are recalibrated and adjusted to reflect forward looking information as described below. Changes in the rating for counterparties and exposure lead to a change in estimate of the associated PD.

Loss Given Default is the magnitude of the likely loss if there is a default. The Group estimates LGD parameters based on the history of recovery rates of claims against the defaulted counterparties. The LGD for sovereign fixed income exposures are based on publications by Moody's and the models consider the structure, collateral, seniority of claims and recovery of any collateral that is integral to the financial asset. For loans secured with properties or asset, loan to value ratios are key parameter in determining LGD. LGDs are calculated on discounted cash flow basis using effective interest rate as the discounting factor.

EAD represents the expected exposure in the event of a default. The Group deprives the EAD from the current exposure to the counterparty and potential changes to the current amount allowed under the contract, including amortisation, and prepayments. The EAD of a financial asset is its gross carrying amount. As described in the accounting policy, and subject to using a maximum of a 12-month PD for financial assets for which credit risk has not significantly increased, the Company measures ECL considering the risk of default over the maximum contractual period (including any borrower's extension options over which it is exposed to credit risk, even if, for risk management purposes, the Company considers a longer period. The modelling of parameter is carried out on an individual basis or collective basis where the assets share same risk characteristics like instrument type, credit risk rating and grading, collateral type, date of initial recognition or remaining term to maturity or industry. The groupings are subject to regular review to ensure that exposures within a particular group remain appropriately homogeneous.

When ECL are measured using parameters based on collective modelling, a significant input into the measurement of ECL is the external benchmark information that the Group uses to derive the default rates of its portfolios. This includes the PDs provided in the Moody's or Standards and Poor default study and the LGDs provided in the recovery studies reports provided by the same rating agencies.

An overview of the approach to estimating ECLs is set out in Note 3 Summary of material accounting policies. To ensure completeness and accuracy, the Group obtains the data used from third party sources (Moody's, Standards and Poor, Economist associate etc.) and its investment team verifies the accuracy of inputs to the Company's ECL models including determining the weights attributable to the multiple scenarios.

(c) Liquidity risk

Liquidity risk is the risk that the Group will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset.

The Group's approach to managing liquidity is to ensure, as far as possible, that it will have sufficient liquidity to meet its liabilities when they are due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Company's reputation.

The Group uses activity-based costing to cost its products and services, which assists it in monitoring cash flow requirements and optimising its cash return on investments.

The Group aims to maintain the level of its cash and cash equivalents at an amount in excess of expected cash outflows on financial liabilities over the next 60 days.

The Group also monitors the level of expected cash inflows on trade and other receivables together with expected cash outflows on trade and other payables.

Exposure to liquidity risk

The following are the remaining contractual maturities of financial liabilities at the reporting date.

The amounts are gross and undiscounted, include contractual interest payments and exclude the impact of netting agreements.

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NOTES TO THE CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS - Continued

Group	Contractual cash flows									
	31-Dec-23									
	Note	Carrying amount	3 month or less	3 - 12 months	1-2 years	2-5 years	More than 5 years			
		N'000	N'000	N'000	N'000	N'000	N'000			
Non-derivative financial assets										
Cash and cash equivalents	3	6,564,667	6,564,667	-	-	-	-			
Fair value through profit or loss	4a	113,615	-	-	-	113,615	-			
Reinsurance contract assets	17	1,647,857	659,143	988,714	-	-	-			
Armatised Cost	4b	7,472,050	373,603	747,205	1,120,808	1,494,410	3,736,025			
Fair Value through OCI	4c	433,485	-	-	-	433,485	-			
Trade receivables	5	1,029,780	1,029,780	-	-	-	-			
Other receivables	6	778,457	826,508	-	-	-	-			
		18,039,912	9,453,700	1,735,919	1,120,808	2,041,510	3,736,025			
Non-derivative financial liabilities										
Trade payables	13	2,105,972	2,105,972	-	-	-	-			
Insurance contract liabilities	17	4,539,202	1,815,681	2,723,521	-	-	-			
Other payables	15	1,197,587	1,254,609	-	-	-	-			
		7,842,762	5,176,261	2,723,521	-	-	-			
Liquidity gap		10,197,150	4,277,438	(987,602)	1,120,808	2,041,510	3,736,025			
Contractual cash flows										
Company	31-Dec-23									
	Note	Carrying amount	3 month or less	3 - 12 months	1-2 years	2-5 years	More than 5 years			
		N'000	N'000	N'000	N'000	N'000	N'000			
Non-derivative financial assets										
Cash and cash equivalents	3	4,718,745	4,718,745	-	-	-	-			
Fair value through profit or loss	4a	113,615	-	-	-	113,615	-			
Reinsurance contract assets	17	1,647,857	659,143	988,714	-	-	-			
Armatised Cost	4b	3,161,226	158,061	316,123	474,184	632,245	1,580,613			
Fair Value through OCI	4c	433,485	-	-	-	433,485	-			
Trade receivables	5	1,029,780	1,029,780	-	-	-	-			
Other receivables	6	304,803	352,853	-	-	-	-			
		11,409,511	6,918,582	1,304,837	474,184	1,179,345	1,580,613			
Non-derivative financial liabilities										
Trade payables	13	2,105,972	2,105,972	-	-	-	-			
Insurance contract liabilities	17	4,539,202	1,815,681	2,723,521	-	-	-			
Other payables	15	569,109	597,587	-	-	-	-			
		7,214,283	4,519,240	2,723,521	-	-	-			
Liquidity gap		4,195,228	2,399,342	(1,418,684)	474,184	1,179,345	1,580,613			

NOTES TO THE CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS - Continued

Maturity analysis

The table below summarises the expected utilisation or settlement of assets and liabilities as at 31 December:

Group	2024			2023		
	Current	Non-current	Total	Current	Non-current	Total
Financial assets	11,877,964	10,146,317	22,024,281	6,659,276	7,924,542	14,583,817
Reinsurance assets	5,841,670	-	5,841,670	1,647,856	-	1,647,856
Trade debtors	1,545,616	-	1,545,616	1,029,780	-	1,029,780
Other receivables and prepayments	884,867	-	884,867	826,508	-	826,508
Statutory deposit	-	355,000	355,000	-	355,000	355,000
PPE and intangible assets	-	6,572,123	6,572,123	-	5,859,142	5,859,142
Other assets	-	316,884	316,884	-	377,738	377,738
Total	20,150,117	17,073,440	37,540,441	10,163,419	14,516,422	24,679,842
Insurance contract liabilities	16,303,627	-	16,303,627	4,539,202	-	4,539,202
Trade payables	2,785,405	-	2,785,405	2,105,972	-	2,105,972
Other payables and accruals	2,360,534	-	2,360,534	1,270,146	-	1,270,146
Current tax payable	404,691	-	404,691	187,033	-	187,033
Deferred Tax	-	372,737	372,737	-	184,753	184,753
Retirement benefit obligation	-	27,710	27,710	-	23,933	23,933
Total liabilities	21,854,257	400,447	22,254,704	8,102,353	208,686	8,311,039
Company						
	2024		2023			
	Current	Non-current	Total	Current	Non-current	Total
Financial assets	9,972,740	5,572,507	15,545,249	4,718,745	3,708,326	8,427,071
Reinsurance assets	5,841,670	-	5,841,670	1,647,856	-	1,647,856
Trade debtors	1,545,616	-	1,545,616	1,029,780	-	1,029,780
Other receivables and prepayments	174,054	-	174,054	352,853	-	352,853
Statutory deposit	-	355,000	355,000	-	355,000	355,000
PPE	-	5,573,065	5,573,065	-	4,793,096	4,793,096
Other assets	-	4,026,300	4,026,300	-	4,048,045	4,048,045
Total	17,534,780	15,526,874	33,060,954	7,749,234	12,904,467	20,653,701
Insurance contract liabilities	16,303,627	-	16,303,627	4,539,202	-	4,539,202
Trade payables	2,785,404	-	2,785,404	2,105,972	-	2,105,972
Other payables and accruals	1,690,510	-	1,690,510	597,587	-	597,587
Current tax payable	173,210	-	173,210	80,876	-	80,876
Deferred Tax	-	190,671	190,671	-	157,143	157,143
Retirement benefit obligation	-	-	-	-	-	-
Total liabilities	20,952,751	190,671	21,143,422	7,323,637	157,143	7,480,780

NOTES TO THE CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS - Continued

Market risk

Market risk is the risk that changes in market prices - such as foreign exchange rates, interest rates and equity prices - will affect the Company's income or the value of its holdings of financial instruments. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimising the returns.

Currency risk

The Company is exposed to currency risk to the extent that there is a mismatch between the currencies in which premium and claims are denominated and the respective functional currencies of the Company. The functional currency of the Company is the Nigerian naira.

The currencies in which these transactions are primarily denominated are the Nigerian naira.

However, the Company receives some premium in foreign currencies and also pays some claims in foreign currencies. The foreign currencies the Company transacts in include euro, british pounds and united states dollars.

Exposure to currency risk

The summary quantitative data about the Company's exposure to currency risk as reported to the management of the Company is as follows:

In Thousands of	31 December 2024			Carrying value	31 December 2023	
	Carrying value	USD	NGN		USD	NGN
Cash and cash equivalent	11,196,743	3,248	11,193,495	6,564,667	308,670	6,255,997
Financial assets	-	-	-	-	-	-
Net statements of financial position exposure	11,196,743	3,248	11,193,495	6,564,667	308,670	6,255,997

The following significant exchange rates have been applied

Naira	Period- end spot rate	
	2024	2023
USD 1	1535.82	907.11

Sensitivity analysis

A reasonably possible strengthening (weakening) of the US dollar against all other currencies at 31 December would have affected the measurement of financial instruments denominated in a foreign currency and affected equity and profit or loss by the amounts show below. This analysis assumes that all other variables, in particular interest rates, remain constant and ignores any impact of forecast sales and purchases.

Effects in thousand of naira	Profit or Loss		Equity, net of tax	
	Strengthening	Weakening	Strengthening	Weakening
31 December 2024				
USD (20% movement)	650	-650	650	-650
31 December 2023				
USD (10% movement)	30,867	-30,867	30,867	-30,867

Interest rate risk

(c)(v)

The Company adopts a policy of ensuring that all its interest rate risk exposure is at a fixed rate. This eliminates the variability in the risks and returns on the Company's interest bearing assets and liabilities.

Exposure to interest rate risk

The interest rate profile of the Company's interest-bearing financial instruments as reported to the management of the Company is as follows.

The Company purchases reinsurance as part of its risks mitigation programme. Reinsurance ceded is placed on both a proportional and non-proportional basis. The majority of proportional reinsurance is quota-share reinsurance which is taken out to reduce the overall exposure of the Company to certain classes of business. Non-proportional reinsurance is primarily excess-of-loss reinsurance designed to mitigate the Company's net exposure to catastrophe losses. Retention limits for the excess-of-loss reinsurance vary by product line and territory.

NOTES TO THE CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS - Continued

Amounts recoverable from reinsurers are estimated in a manner consistent with the outstanding claims provision and are in accordance with the reinsurance contracts. Although the Company has reinsurance arrangements, it is not relieved of its direct obligations to its policyholders and thus a credit exposure exists with respect to ceded insurance, to the extent that any reinsurer is unable to meet its obligations assumed under such reinsurance agreements. The Company's placement of reinsurance is diversified such that it is neither dependent on a single reinsurer nor are the operations of the Company substantially dependent upon any single reinsurance contract.

The Company principally issues the following types of general insurance contracts: fire, motor, bond, personal accident, aviation, marine and oil and gas. Risks under non-life insurance policies usually cover twelve months duration. For general insurance contracts, the most significant risks arise from climate changes, natural disasters and terrorist activities. For longer tail claims that take some years to settle, there is also inflation risk. The above risk exposure is mitigated by

Furthermore, strict claim review policies and procedures exist to assess all new and on-going claims, regular detailed review of claims handling procedure and frequent investigation of possible fraudulent claims are all policies and procedures put in place to reduce the risk exposure of the Company. The Company further enforces a policy of actively managing and promptly pursuing claims, in order to reduce its exposure to unpredictable future developments that can negatively impact the business. Inflation risk is mitigated by taking expected inflation into account when estimating insurance contract liabilities.

The Company has also limited its exposure by imposing maximum claim amounts on certain contracts as well as the use of reinsurance arrangements in order to limit exposure to catastrophic events (e.g., hurricanes, earthquakes and flood damage).

The purpose of these underwriting and reinsurance strategies is to limit exposure to catastrophes based on the Company's risk appetite as decided by management. The overall aim is currently to restrict the impact of a single catastrophic event to approximately 50% of shareholders' equity on a gross basis and 10% on a net basis. In the event of such a catastrophe, counterparty exposure to a single reinsurer is estimated not to exceed 2% of shareholders' equity. The Board may decide to increase or decrease the maximum tolerances based on market conditions and other factors.

Key assumptions

The principal assumption underlying the liability estimates is that the Company's future claims development will follow a similar pattern to past claims development experience. This includes assumptions in respect of average claim costs, claim handling costs, claim inflation factors and claim numbers for each accident year.

We have adopted actuarial methods and assumptions that are consistent with those used in prior years. The level of reserve was determined after data cleansing by using our internationally accepted actuarial models

The calculation of the reserves was conducted on both deterministic (assuming average historic experience would be reflected in the future experience without attaching probability or level of uncertainty of variations around such experience) and stochastic (allowing for likely future variation around the average expected experience) and stochastic approach uses Bootstrap-Mark method

Chain Ladder Method (CL)

We have used the Chain Ladder method which is the most widely used method in loss reserving, and it is the starting point of the other reserving methods described in this report. The Chain Ladder also called Loss development triangle method uses statistical projection technique that relies on the setting of past known claim payments by year of origin (accident year) and year of payment (development year). Using historical claims paid for each class, we grouped the claims into 10 years cohorts, considering the age-age-claim amounts paid. These cohorts are called loss development triangles. Each left-right diagonal represents the total loss amounts paid in that year for losses reported in each accident year. The age-to-age claim amounts are then accumulated from the origin year to the valuation date. The cumulated incremental paid claims (2008-2017) to the valuation date are then projected to their expected ultimate claim estimate, using factors called link ratios or development factors. The gross claim reserves are then derived from the difference between the cumulated actual paid claims and the estimated ultimate claim. Variants of the chain ladder method were exploited to reflect adequately the key characteristics of the risks being reserved for by the company.

NOTES TO THE CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS - Continued

The IACL is a variant of the chain ladder method and it could be used with allowance for time value of money (discounting or no discounting). Under this method, the historical age -to- age paid claims are increased in line with relevant inflation index from their accident year of or payment to the valuation year before being cumulated. The cumulated payments in money terms of the valuation year are projected into the future. The decumulated payments are then projected forward to their expected year of payment and ultimate claim estimate, allowing for future inflation. Published year - to - year inflation factors used in our projection is as stated in the assumptions section of this report. We have calculated for two types of this

Expected Loss Ratio Method

We estimated the ultimate loss ratio from historical data for each class of business and multiplied this by the earned premium for that class in each accident year to obtain the ultimate claim for each accident year. In arriving at the historical loss ratio, we considered the underwriter's views. We then deducted the actual paid claim amount to date to give the required outstanding claim reserve. This approach is considered appropriate for as it is not affected by distortions in data and although it is simplistic but gives an approximate estimate. We applied this method for classes where there is no sufficient mass of data to generate credible results using other more sophisticated methods.

Claims development table

The following tables show the estimates of cumulative incurred claims, including both claims notified and IBNR for each successive accident year at each reporting date, together with cumulative payments to date. The estimated technical reserves are derived statistically through analysing the company's non-life policy data for policies underwritten and emerging claims over each of the past 6 (six) underwriting years.

In general, the uncertainty associated with the ultimate claims experience in an accident year is greatest when the accident year is at an early stage of development and the margin necessary to provide the necessary confidence in the provisions adequacy is relatively at its highest. As claims develop, and the ultimate cost of claims becomes more certain, the relative level of margin maintained should decrease. However, due to the uncertainty inherited in the estimation process, the actual overall claim provision may not always be in surplus.

In Thousands of naira	31-Dec-24	31-Dec-23
Fixed-rate instruments		
Cash deposit	2,602,973	662,396
Money market placement	8,655,504	5,914,575
Armotized	10,197,218	7,472,050
	21,455,695	14,049,022

Cashflow sensitivity analysis for fixed-rate instruments

	Profit 100bp increase	loss 100bp decrease	Equity, 100bp increase	net of tax 100bp decrease
Effect in thousands of naira				
31 December 2024				
Financial instruments	2,145,570	(2,145,570)	-	-
	2,145,570	(2,145,570)	-	-
31 December 2023				
Financial instruments	1,404,902	(1,404,902)	-	-
	1,404,902	(1,404,902)	-	-

The analysis assumes that all other variables, in particular, foreign currency exchange rates remain constant.

Fair value sensitivity analysis for fixed-rate instruments

The Company does not account for any fixed-rate financial assets and financial liabilities at fair value through profit or loss. Therefore, a change in interest rates at the reporting date would not affect profit or loss.

Other market price risk

The Company is exposed to equity price risk, which arises from available-for-sale equity securities held for partially meeting the claims and benefits obligations.

NOTES TO THE CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS - Continued

The management of the Company monitors the proportion of equity securities in its investment portfolio based on market indices.

Material investments within the portfolio are managed on an individual basis and all buy and sell decisions are approved by the Risk Management Committee.

The primary goal of the Company's investment strategy is to maximise investment returns, both to partially meet the Company's claims and benefits obligations and to improve its returns in general.

49 For the purpose of statement of cashflows

a Proceed from sale of property and equipment

		Group 2024 N'000	Group 2023 N'000	Company 2024 N'000	Company 2023 N'000
Cost	9	45,811	399,247	42,134	392,397
Accumulated depreciation	9	(45,483)	(73,970)	(27,047)	(67,120)
Net book value		328	325,277	15,087	325,277
Profit on sale of PPE	33	17,205	99,036	15,876	85,825
		17,533	424,313	30,963	411,102

50 Other comprehensive income net of tax

		Group 2024 N'000	Group 2023 N'000	Company 2024 N'000	Company 2023 N'000
a Net actuarial gains/(loss) on retirement benefit obligation	14(i)	(16,793)	1,516	-	-
Income tax effect	16.2	1,679	(152)	-	-
		(15,114)	1,364	-	-
b Gain on revaluation of property, plant and equipment	9	377,012	1,252,607	377,012	1,252,607
Income tax effect	16.2	(37,701)	(125,261)	(37,701)	(125,261)
		339,311	1,127,346	339,311	1,127,346
c Fair value gain on financial asset at FVOCI	4c	57,467	318,819	57,467	318,819
Income tax effect	16.2	(17,571)	(31,882)	(17,571)	(31,882)
		39,896	286,937	39,896	286,937

Value Added Statement

	Group 2024	%	Group 2023	%	Company 2024	%	Company 2023	%
Gross premium income	23,694,266		7,563,210		23,694,266		7,298,401	
Investment Income	2,801,394		1,876,790		899,447		455,292	
Other income	5,455,121		4,340,010		5,134,560		3,617,710	
Reinsurance claims, commission and operating expenses	(29,727,897)		(8,933,027)		(29,927,055)		(8,386,267)	
Value added	2,222,884	100	4,846,983	100	(198,782)	100	2,985,136	100
Applied to pay								
Staff cost	2,259,134	102%	1,358,585	28%	1,069,303	-538%	415,544	14%
Government as tax	465,319	21%	231,985	5%	149,092	-75%	87,788	3%
To provider finance								
Shareholders as dividend								
Retained in the business								
Deferred Tax	231,096	10%	231,096	5%	-	-	-	-
Depreciation and amortisation	360,201	16%	275,030	6%	217,419	-109%	152,488	5%
(Accumulated losses)/Retained profit for the year	(1,092,866)	(49%)	2,750,288	57%	(1,634,596)	822%	2,329,316	78%
	2,222,884	100%	4,846,983	100%	(198,782)	100%	2,985,136	100%

FIVE YEAR FINANCIAL SUMMARY

STATEMENT OF FINANCIAL POSITION

	Group 2024 N'000	Group 2023 N'000	Restated Group 2022 N'000	Group 2021 N'000	Group 2020 N'000
ASSETS					
Cash and cash equivalents	11,196,743	6,564,667	4,408,793	5,891,133	4,242,485
Financial assets	-	-	-	-	3,620,755
Fair value through profit or loss	138,264	113,615	68,090	69,913	-
Amortised cost	10,197,218	7,472,050	5,192,133	3,004,760	-
Fair value through OCI	492,056	433,485	92,575	83,416	-
Trade receivables	1,545,616	1,029,780	738,347	119,564	83,679
Reinsurance assets	5,841,670	1,647,856	812,061	1,052,006	1,025,756
Deferred acquisition cost	-	-	-	-	119,379
Other receivables and prepayments	884,867	826,508	535,433	422,450	320,803
Investment properties	-	-	45,000	45,000	289,439
Goodwill	316,884	316,884	316,884	316,884	316,884
Intangible assets- Software	551,789	422,753	68,114	102,297	49,900
Property, plant and equipment	6,020,334	5,436,390	4,556,848	4,729,375	3,790,533
Statutory deposits	355,000	355,000	355,000	355,000	355,000
Deferred tax asset	-	60,854	60,854	22,293	7,316
Total assets	37,540,441	24,679,842	17,250,133	16,214,090	14,221,929
LIABILITIES					
Insurance contract liabilities	16,303,627	4,539,202	3,217,225	4,015,143	2,856,017
Other contract liabilities	8,899	15,539	15,912	6,144	-
Trade payables	2,785,405	2,105,972	548,733	488,190	686,297
Employees retirement benefit obligations	27,710	23,933	22,187	17,024	14,724
Provision and other payables	2,351,635	1,254,607	850,252	996,709	741,696
Income tax liabilities	404,691	187,033	109,064	86,652	94,458
Deferred tax liabilities	372,737	184,753	27,459	20,741	324,764
Total liabilities	22,254,704	8,311,039	4,790,831	5,630,602	4,717,956
EQUITY					
Issued and paid up share capital	6,933,333	6,933,333	6,933,333	6,933,333	6,933,333
Share premium	663,600	663,600	663,600	663,600	663,600
Statutory contingency reserves	2,611,284	1,900,456	1,434,593	1,303,505	1,121,845
Retained earnings	(1,189,506)	1,008,862	(985,525)	(1,455,577)	(1,559,692)
Asset revaluation reserve	3,974,282	3,634,971	2,572,253	2,509,957	1,809,597
Fair value reserve	275,880	235,984	(50,953)	(60,112)	40,924
Non Controlling interest(NCI)	2,016,863	1,991,597	1,892,000	688,780	494,365
Shareholders fund	15,285,737	16,368,802	12,459,302	10,583,487	9,503,972
TOTAL LIABILITIES AND EQUITY	37,540,441	24,679,842	17,250,133	16,214,090	14,221,928
Gross premium written	23,694,266	7,563,210	4,670,162	6,318,949	6,265,636
Insurance service result	(4,202,282)	(217,739)	972,734	-	-
Profit(loss) before taxation	(627,549)	2,982,272	782,672	344,414	844,022
Profit/(loss) after taxation	(1,092,868)	2,750,288	712,432	225,949	96,623

FIVE YEAR FINANCIAL SUMMARY

STATEMENT OF FINANCIAL POSITION

	Company 2024 N'000	Company 2023 N'000	Restated Company 2022 N'000	Company 2021 N'000	Company 2020 N'000
ASSETS					
Cash and cash equivalents	9,830,861	4,718,745	2,337,933	3,834,178	3,375,996
Financial assets	-	-	-	-	3,003,027
Fair value through profit or loss	138,264	113,615	68,090	69,913	-
Amortised cost	5,084,068	3,161,226	1,481,075	1,326,510	-
Fair value through OCI	492,056	433,485	92,574	83,417	-
Trade receivables	1,545,616	1,029,780	738,347	119,565	83,679
Reinsurance assets	5,841,670	1,647,858	812,061	1,052,006	1,025,756
Deferred acquisition cost	-	-	-	-	119,379
Other receivables and prepayments	174,054	352,853	197,154	220,975	213,113
Investment in subsidiaries	4,026,300	4,026,300	4,026,300	3,624,860	1,576,300
Investment properties	-	-	45,000	45,000	289,439
Intangible asset	539,166	401,541	48,162	69,901	25,299
Property, plant and equipment	5,033,899	4,391,555	3,495,489	3,377,451	2,990,799
Statutory deposits	355,000	355,000	355,000	355,000	355,000
Deferred tax asset	-	21,745	21,745	21,745	-
Total assets	33,060,954	20,653,703	13,718,930	14,200,520	13,057,786
LIABILITIES					
Insurance contract liabilities	16,303,627	4,539,202	3,217,225	4,015,143	2,849,493
Trade payables	2,785,404	2,105,972	548,733	488,190	686,295
	-	-	-	-	-
Provision and other payables	1,690,510	597,590	488,843	572,865	488,717
Income tax liabilities	173,210	80,876	34,807	23,542	30,969
Deferred tax liabilities	190,671	157,143	-	-	310,094
Total liabilities	21,143,422	7,480,783	4,289,608	5,099,739	4,365,569
EQUITY					
Issued and paid up share capital	6,933,333	6,933,333	6,933,333	6,933,333	6,933,333
Share premium	663,600	663,600	663,600	663,600	663,600
Statutory contingency reserves	2,611,284	1,900,456	1,434,593	1,303,505	1,121,845
Retained earnings	(2,305,749)	39,673	(1,888,408)	(1,951,246)	(1,881,304)
Asset revaluation reserve	3,735,496	3,396,185	2,333,468	2,208,012	1,809,597
Fair value reserve	279,569	239,673	(47,264)	(56,423)	45,146
Shareholders fund	11,917,532	13,172,921	9,429,322	9,100,781	8,692,217
TOTAL LIABILITIES AND EQUITY	33,060,954	20,653,703	13,718,930	14,200,520	13,057,786
Gross premium written	23,694,266	7,298,401	4,369,573	6,055,352	6,063,203
Insurance service result	(4,182,925)	(217,739)	972,734	-	-
(Loss)/Profit before taxation	(1,485,504)	2,405,607	221,552	36,314	596,429
(Loss)/Profit after taxation	(1,634,596)	2,317,819	193,925	294,928	144,501

PROXY FORM

48 th ANNUAL GENERAL MEETING of the Members of VERITAS KAPITAL ASSURANCE PLC to be held on Friday 31st October 2025, at Shehu Musa Yar'Adua Centre, One Memorial Drive, Central Business District Abuja, FCT by 11:00 a.m.									
I/We		Please indicate an 'X' in the appropriate box how you may wish your votes to be cast on the resolutions set above. Unless otherwise instructed, the proxy will vote or abstain from voting at his discretion.							
		ORDINARY BUSINESS	FOR	AGAINST	ABSTAIN	SPECIAL BUSINESS	FOR	AGAINST	ABSTAIN
..... (Name of Shareholder in block letters), being a member(s) of the above-named Company, Veritas Kapital Assurance PLC, hereby appoint any of the under listed proposed proxies: a. Mr. Aminu Babangida b. Hajia.Yabawa Lawan Wabi mni as my/our proxy to attend and vote for me/us and on my/our behalf at the 48th Annual General Meeting of the Company to be held on Friday, 31st October 2025 and at any adjournment thereof. Unless otherwise instructed, the Proxy will vote or abstain from voting as he/she thinks fit. Dated this day of, 2025. SIGNATURE OF SHAREHOLDER:		1. To lay before the members, the Audited Financial Statements of the Company for the year ended December 31, 2024, together with the Reports of the Directors, Auditors, and Audit Committee thereon. 2. To ratify the appointment of the following Directors: • Dr. Adaobi Nwakuche - Executive Director • Mr. Babatunde Irukera - Non-Executive Director The National Insurance Commission has approved the appointment of the Directors. The profiles of the Directors are available in the Annual Report and also on the Company's website www.veritaskapital.com 3. To authorize the Directors to fix the remuneration of the External Auditors, Messrs Ernst & Young (EY) 4. To elect members of the Statutory Audit Committee 5. To re-elect the following Directors retiring by rotation and who, being eligible, have offered themselves for re-election: • Dr. Oluwafunsho Obasanjo • Mrs. Priya Heal • Hajia Yabawa Lawan Wabi mni 6. To disclose the remuneration of Managers of the Company.				7. a. That the Board of Directors of the Company be and is hereby authorised to raise capital of up to ₦15,000,000,000 (fifteen billion Naira) or such other amount as it may determine by way of a Private Placement ("Equity Issue"), on such terms and conditions, including price, and on dates and time, as may be determined by the Board of Directors (the "Board") of the Company, subject to obtaining all relevant regulatory approvals (the "Transaction"). b. That the share capital of the Company be and is hereby increased to such amount as may be determined by the Board of Directors ranking pari passu in all respects with the existing ordinary shares of the Company and that the			
						new shares thus created be allotted pursuant to the Equity Issue and registered with the Securities & Exchange Commission, the Corporate Affairs Commission and The Nigerian Exchange Limited and consequently that the Memorandum and Articles of Association of the Company be amended accordingly to reflect the Company's new share capital and any applicable amendment in line with the Companies and Allied Matters Act (CAMA 2020) there to. c. That the Board of Directors be and is hereby authorised to approve, sign and/or execute all documents, appoint such professional parties and advisers, as may be necessary to give effect to the above resolutions, including, without limitation, complying with the directives of any regulatory authority. d. That all acts carried out by the Board of Directors and/or Management of the Company in connection with the above be and are hereby approved and ratified.			
						e. That the Board of Directors be and are hereby authorised to perform other acts, take other steps or do all such other things as may be necessary for or incidental to, or as they deem appropriate to give effect to the spirit and intendments of the above resolutions. 8. To approve the remuneration of the Non-Executive Directors of the Company for the year ending December 31, 2025 9. To appoint Planet Governance Advisory Limited as Board Evaluation Consultant.			
NOTES									
1. A Member to attend and vote at the General Meeting is entitled to appoint a proxy in his stead. A proxy need not be a member of the Company. A Proxy Form is attached to this Notice and is valid for the meeting. 2. Shareholders are therefore requested to submit their completed proxy forms in line with the Corporate Affairs Commissions' Guideline to the office of the Company Secretary, Veritas Kapital Assurance PLC, Plot 497 Abogo Largema street, Central Business District, Abuja, FCT or office of the Registrars, Unity Registrars Ltd, 25 Ogunlana Drive, Surulere, Lagos not more than 48 hours before the time of the meeting or through the following email address: info@unityregistrarsng.com. 3. If the shareholder is a company, this form must be under its common seal or under its common seal or he hand and seal of its attorney.									

Website: www.unityregistrarsng.com

UNITY REGISTRARS LIMITED
Email: info@unityregistrarsng.com

Tel: 08033006038

**Wherever the
road takes you...**
We are a phone call away



Phone number: 0700 1000 500, 0702 5006 273

website: www.veritaskapital.com

Authorized and Regulated by the National Insurance Commission. RIC-022

NAICOM/CA/ADV/2025/5414

Meet Vicki

Your Virtual Pension Assistant

I'm...

- V** Versatile
- I** Intelligent
- C** Client friendly
- K** Knowledgeable
- I** Interactive

Just say hi to me on WhatsApp and I will handle the rest!



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