

Enterprise Life Assurance Company (Nigeria) Limited

**Annual Report
for the year ended 31 December 2025**

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CORPORATE INFORMATION

Directors

Mr. Keli Gadzekpo (Ghanaian)	Chairman
Mr. Nelson Akerele *	Managing Director
Mr. Cleland Cofie Bruce Jnr (Ghanaian)	Non-executive Director
Mr. Daniel Larbi-Tieku (Ghanaian)	Non-executive Director
Mrs. Aminatu Abdullahi Oyagbola	Non-executive Director
Mr Norman Kelly	Non-Executive Director
Mrs. Hamda Ambah **	Non-Executive Director
Mrs. Jadesola Olorunrinu ***	Executive Director

* Appointed as Director on 20 February 2025
** Appointed as Director on 3 April 2025
*** Appointed as Director on 14 February 2025

Registered office	46/48 Awolowo Road Ikoyi Lagos
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Independent auditor	KPMG Professional Services KPMG Tower Bishop Aboyade Cole Street Victoria Island, Lagos www.ng.kpmg.com
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Company secretary	Bayo Ojo & Co. (Joyce K. Adeyele) 4th Floor, ITF House, 6 Adetokunbo Ademola Crescent Wuse II, Abuja. FRC/2024/PRO/NBA/004/674746
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Bankers	Guaranty Trust Bank Plc. Access Bank Plc. United Bank for Africa Plc. Zenith Bank Plc Providus Bank Wema Bank Ecobank Plc
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Re-insurers	Continental Reinsurance Plc African Reinsurance Plc WAICA Re insurance Limited FBS Re Insurance Limited
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Reporting actuary in Nigeria	Deloitte & Touche The Deloitte Place, Plot No 71, Off George Walker Bush Highway, North Dzorwulu, Accra, Ghana.
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Asset management advisory services	Coronation Asset Management Coronation House 10 Amodu Ojikutu Street Victoria Island, Lagos
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Tax Identification Number (TIN)	21554001-0001
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CAC registration number	RC 1623346
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NAICOM registration number	RIC - 096
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Directors’ Report for the year ended December 31, 2025

The Directors present their annual report on the affairs of Enterprise Life Assurance Company (Nigeria) Limited ("the Company") together with the audited financial statements and auditor's report for the year ended 31 December 2025.

1. Legal Status

The Company was incorporated on the 10th of October 2019 as a private limited liability company - Enterprise Life Assurance Company (Nigeria) Limited. The Company was granted an operating license by the National Insurance Commission on 25 November 2020 to transact in life assurance business. However, the Company commenced insurance operations on 1 March 2021. The registered office of the Company is located at 46/48 Awolowo Road, Southwest Ikoyi, Lagos, Nigeria.

2. Principal Activity

The Company was registered to transact in all classes of life insurance business.

3. Operating Results

The following is a summary of the Company's operating results for the year:

	31-Dec-25	31-Dec-24
	N’000	N’000
Insurance revenue	2,450,213	939,555
Insurance service result	(1,361,367)	(1,406,584)
Loss before minimum tax	(1,859,363)	(1,723,302)
Minimum tax	(6,513)	(1,951)
Loss before income tax	(1,865,876)	(1,725,253)
Taxation	-	-
Loss after taxation	(1,865,876)	(1,725,253)
Other comprehensive income	-	-
Loss for the year	(1,865,876)	(1,725,253)
Appropriation of loss attributable to owners of the company		
Transfer to: Contingency reserve	(35,516)	(23,807)
Accumulated deficit	(1,901,392)	(1,749,060)
Opening accumulated deficit	(5,746,151)	(3,997,091)
Closing accumulated deficit	(7,647,544)	(5,746,151)

4. Directors

The Directors who served during the year are as follows:

Names	Position	Date of Appointment
Mr. Keli Gadzekpo (Ghanaian)	Chairman	8-Oct-19
Mr. Nelson Akerele	Managing Director	20-Feb-25
Mr. Cleland Cofie Bruce Jnr (Ghanaian)	Non-executive Director	8-Oct-19
Mr. Daniel Larbi-Tieku (Ghanaian)	Non-executive Director	8-Oct-19
Mrs. Aminatu Abdullahi Oyagbola	Non-executive Director	8-Oct-19
Mr Norman Kelly	Non-executive Director	20-Sep-24
Mrs. Hamda Ambah	Non-executive Director	3-Apr-25
Mrs. Jadesola Olorunrinu	Executive Director	14-Feb-25

5. Directors interest in shares

The interests of the Directors in the issued share capital of the Company as recorded in the register of members as at 31 December 2025 and as notified by them for the purpose of fulfilling Section 301 of the Companies and Allied Matters Act are as follows:

	31-Dec-25		31-Dec-24	
	Direct	Total	Direct	Total
Mr. Daniel Larbi-Tieku	8,000,000	8,000,000	8,000,000	8,000,000

There were no Directors with indirect interest in the issued share capital of the Company as at 31 December 2025.

6. Contracts

In accordance with Section 303 of the Companies and Allied Matters Act, all contracts with related parties were conducted at arm’s length. No director of the Company had any interest in contracts or proposed contracts with the Company during the year ended 31 December 2025. Information relating to related parties transactions are contained in Note 33 to the financial statements.

7. Shareholding

The Company's issued share capital of N12,556,961,575.00 is made up of 12,556,961,575 ordinary shares of N1 each. According to the register of members, no shareholder other than the following held more that 5% of the issued capital of the Company as at 31 December 2025. During the year, deposits for shares of N2.3 billion was converted to shares while an additional N2.3 billion was injected into the Company by the parent (Enterprise Group Plc.).

As at 31 December, 2025	31-Dec-25		31-Dec-24	
Shareholders	Number of shares	Percentage	Number of shares	Percentage
Enterprise Group Plc	12,548,961,575	99.9%	7,992,000,000	99.9%
Mr. Daniel Larbi-Tieku	8,000,000	0.1%	8,000,000	0.1%
Total	12,556,961,575	100.0%	8,000,000,000	100.0%

a. Analysis of shareholding structure

As at 31 December, 2025		31-Dec-25			31-Dec-24			
Range	No of Holders	% of Holders	Units Held	% of Units Held	No of Holders	% of Holders	Units Held	% of Units Held
1 - 10,000,000	1	50	8,000,000	0.1	1	50	8,000,000	0.1
10,000,001 - 8,000,000,000	1	50	12,548,961,575	99.9	1	50	7,992,000,000	99.9
Grand Total	2	100	12,556,961,575	100.0	2	100	8,000,000,000	100.0

8. Human Resources

i. Employment of disabled persons

The Company does not discriminate against disabled persons. Full and fair consideration is given to applications for employment received from disabled persons, with due regards to their particular aptitudes and abilities. As at 31 December 2025, the Company had no disabled persons in its employment (2024: nil).

ii. Employee's development and training

The Company is committed to staff training in order to keep them abreast with new developments in the industry and this cut across all categories of staff. During the year under review, the Company utilized the professional training services of organizations for the benefit of staff.

iii. Health, safety at work and staff welfare

Health, safety, and fire drills are organized to keep employees alert at all times. The Company engages the services of health care providers towards meeting the medical needs of the employees and their immediate families at its expense.

9. Property and equipment

Changes in property and equipment during the year under review are shown in note 23 to the financial statements.

10. Acquisition of own shares

The shares of the Company are held in accordance with the Articles of Association of the Company. The Company has no beneficial interest in any of its shares.

11. Fines and penalties

The Company paid a fines/penalty of N1,540,000 to the National Insurance Commission during the year ended 31 December 2025 (2024: N500,000).

12. Events after reporting date

There were no significant events after the reporting date that could affect the reported amount of assets and liabilities as of the reporting date which have not been adjusted for, or disclosed in the financial statements.

13. Dividend

The Company did not declare any dividend as at 31 December 2025 (31 December 2024: Nil).

14. Donations

There were no donations made during the year ended 31 December 2025 (31 December 2024: Nil).

15. Corporate social responsibility

The company did not engage in any corporate social responsibility activities in the current year. However, plans are underway to embark on some corporate social responsibilities in the foreseeable future.

16. Auditor

KPMG Professional Services having satisfied the relevant corporate governance rules have indicated their willingness to continue in the office as auditors to the Company in accordance with section 401(2) of Companies and Allied Matters Act (CAMA)2020. Therefore, the independent auditor will be re-appointed at the next AGM of the Company without any resolution being passed.

By order of the Board of the Directors



Company Secretary
Bayo Ojo & Co. (Joyce K. Adeyele)
FRC/2024/PRO/NBA/004/674746
30 June 2026

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Corporate Governance Report

Introduction

Enterprise Life Assurance Company (Nigeria) Limited (the “Company”) has implemented corporate policies and standards to encourage a good and transparent Corporate Governance framework to avoid potential conflicts of interest between all stakeholders whilst promoting ethical business practices. This will enable the Company to comply with regulatory guidelines as well as the maintenance of shareholders' confidence.

The Company has consistently reviewed its systems and operations in order to ensure compliance with the guidelines and directives of NAICOM, the statutory requirements of the Companies and Allied Matters Act 2020, as well as committed to the principles and practice of good Corporate Governance.

The Company has over the years built and retained the confidence of its shareholders by building on its core principles of

Corporate Governance Structure

The Board

The Corporate Governance policy of the Company rests on the Board of Directors to ensure due compliance with regulations within the Company's operational system. The Board membership comprises of 8 (Eight) members; this includes the Chairman (who is a Non-Executive Director), 2 (Two) Executive Directors: Managing Director and Executive Director, Technical and 5 (five) Non-Executive Directors including 1 (one) independent director appointed as required by NAICOM's Corporate Governance guidelines.

The independent director does not have any shareholding interest or any special business relationship with the Company.

The effectiveness of the Board is achieved through a mix of seasoned and highly skilled individuals who have the required skills and professional success to bring an independent and valued contribution to the Company.

The oversight function of the Board of Directors is channelled through the establishment of various committees and ad hoc committees (when necessary) to create a proper outlet for implementing governance policies. In the year under review, the Board had 3 (Three) Committees to ensure the proper management and direction of the Company via interactive dialogue on a regular basis.

These Board Committees met regularly, and they consist of non-executive directors with clearly defined terms of reference which set out their responsibilities, powers and reporting procedures to the Board.

The Board Committees in operation during the year under review are:

1. Finance, Investment and General-Purpose Committee
2. Audit and Compliance Committee
3. Enterprise Risk Management and Governance committee

The Board met four (4) times during the year ended 31 December 2025 and additional meetings are called when it is necessary for the Board to meet. Furthermore, Board decisions are made by written resolutions as provided under the Articles of Association of the Company.

In addition to the Board Committees, the members of the Senior Management meet regularly in order to achieve effective and good Corporate Governance at Management level

Directors' Responsibilities

The Directors are responsible for the strategic growth and development of the Company. In line with this responsibility, they must maintain a balance between compliance with regulatory provisions, governance principles and financial performance.

The Directors' responsibilities include:

- i. Ensuring that the Company's financial statements reflect a true and fair position of the Company's financial operations.
- ii. Compliance with all statutory regulations relating to its business.

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- iii. Implementing an effective organizational structure with clearly stated job descriptions, authority levels and working relationships.
- iv. Creating the Board structure, size and composition, including appointment and removal of Directors, succession planning
- v. Appointment of key management positions in the Company
- vi. Approval of quarterly, half-yearly and full year financial statements (whether audited or unaudited) and any significant
- vii. Approval of major changes to the Company's corporate structure and business activities.

The roles of the Chairman of the Board and the Chief Executive Officer are separate and distinct to avoid concentration of power in one person.

The Chairman

The Chairman's main responsibility is to direct the Board and ensure that it effectively discharges its responsibilities within the provisions of the Law. The Chairman is responsible for calling meetings and updating the Directors on matters affecting the Company.

The Chairman also acts as an intermediary between Executive and Non-executive Directors. The Chairman strives to ensure that any disagreements on the Board are resolved amicably.

The Chief Executive Officer

The Chief Executive Officer (CEO) is responsible for the operational management of the Company. The CEO reports to the Board on managerial decisions and policies implemented by the Company. He ensures due compliance with the regulations and policies of both the Board and Regulatory Authorities. The CEO has overall responsibility for the growth, development and progress of the Company.

Company Secretary

The Company Secretary is the coordinating intermediary between the Board and the board committees. It is the responsibility of the Company Secretary to update the Directors with all the relevant information promptly and regularly.

The Company Secretary is also responsible for assisting the Chairman and Chief Executive Officer to prepare for Board meetings and ensure the minutes of Board meetings clearly and properly capture the Board's discussions and decisions.

Shareholders and the other stakeholders

The Company recognizes the rights of its shareholders and other stakeholders and is driven by its desire to deliver desired value to its shareholders and stakeholders. The shareholders are provided with detailed information on the Company's activities and financial results via the annual reports to provide an opportunity to make enquiries, obtain information, share ideas and express their concerns and opinions on all issues (if any) directly through the Company Secretary which is communicated to Management and the Board and on a broader scale at the Annual General Meeting of the Company.

Directors' nomination process

The shareholding of an individual 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 by NAICOM. The following core values are considered critical in nominating a new director:

- (i) Integrity
- (ii) Sound Judgement
- (iii) Accountability
- (iv) Commitment to Policyholders Protection

Non-Executive Directors' remuneration

The Company's policy on remuneration of Non-Executive Directors is guided by the provisions of NAICOM which stipulate that Non-Executive Directors' remuneration should be limited to Directors' fees and reimbursable travel and hotel expenses. Director's fees and sitting allowance was paid to only non-executive directors as recommended by the Enterprise Risk Management and Governance Committee

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Board Committees

The Board carries out its responsibilities through its committees, which have clearly defined terms of reference, setting out their roles, responsibilities, functions and scope of authority. The Board has 3 (three) Committees, namely: Finance, Investment and General-Purpose Committee; Audit and Compliance Committee and Enterprise Risk Management and Governance Committee.

Through these Committees, the Board is able to deal more effectively with complex and specialized issues and to fully utilize its expertise to formulate strategies for the Company. The Committee will make recommendations to the Board, which retains the 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 to the Board at the Board's quarterly meetings.

A summary of the roles, responsibilities, composition and frequency of meetings of each of the Committees are as stated hereunder:

Finance, Investment and General-Purpose Committee

The Committee is responsible for supervisory functions over investment and other finance-related issues such as capital and funding requirements. The Committee is responsible for the management of the Company's investment portfolio by ensuring that risk identification procedures are adhered to in investment decisions and approved portfolio limits in all areas of asset management by the Company.

The Committee also reviews the Company's information technology platforms and makes recommendations on the system and technological platforms used by the Company.

Audit and Compliance Committee

The Audit Committee reviews established Company procedures to reveal irregularities and ensure the accuracy of data and information provided in the financial statements. The Committee also reviews the internal audit report (on a regular basis) at least quarterly. The Committee ensures that financial statements are in compliance with statutory requirements and relevant accounting framework and other statutory requirements.

The Committee has oversight responsibility for the internal and external audit functions and the adequacy of control environment. The Chief Internal Auditor has access to this Committee and makes quarterly presentations to its members.

Enterprise Risk Management and Governance Committee

This Committee has supervisory functions over actuarial management, technical and underwriting functions of the Company. It also has oversight on the Company's enterprise risk management framework including defining the risk profile and appetite and risk-reward strategy of the Company.

Attendance at Board and Committee meetings by the Directors

Key:

P Present

A Absent

S/N	Names of Directors	20-Mar	20-Jun	11-Sep	8-Dec
1	Mr. Keli Gadzekpo	P	P	P	P
2	Mr. Nelson Akerele	N/A	P	P	P
3	Mr. Cleland Cofie Bruce Jnr	P	P	P	P
4	Mr. Daniel Larbi-Tieku	P	A	P	P
5	Mrs. Aminatu Abdullahi Oyagbola	P	P	P	P
6	Mr Norman Kelly	P	P	P	P
7	Mrs. Hamda Ambah	N/A	N/A	P	P
8	Mrs. Jadesola Olorunrinu	N/A	N/A	N/A	P

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Composition and attendance at the Board Standing Committees

Names of Directors	Finance, Investment and General Purpose Committee		Enterprise Risk Management and Governance		Audit and Compliance Committee	
	Member	number	Member	number	Member	number
Cleland Cofie Bruce Jnr	Y	4	Y	4	Y	4
Daniel Larbi-Tieku	Y	4	Y	4	Y	4
Aminatu Abdullahi Oyagbola	Y	4	Y	4	Y	4
Hamda Ambah *	X	-	X	-	X	-

Legend: Y = present, X = absent

- Mrs Hamda Ambah was appointed a member Risk Management and Governance Committee at the 8th December 2025 Board meeting. The Board appointment to the Committee was after the Committee meeting in which she was in attendance.



Company Secretary

Joyce Adeyele (Bayo Ojo & Co.)
FRC/2024/PRO/NBA/004/674746
30 June 2026

Statement of Directors' Responsibilities in Relation to the Financial Statements

The Directors accept responsibility for the preparation of the Audited Financial Statements of the Company for the year ended 31 December 2025 which gives a true and fair view in accordance with IFRS® Accounting Standards as issued by the International Accounting Standards Board (IFRS Accounting Standards) and in the manner required by the Companies and Allied Matters Act, 2020, the Financial Reporting Council of Nigeria Act, 2011 (as amended), the Nigerian Insurance Industry Reform Act, 2025, and relevant National Insurance Commission of Nigeria ("NAICOM") circulars.

The directors of the Company are responsible for the following include:

- (a) designing, implementing and maintaining an effective and sound system of internal controls throughout the Company;
- (b) maintaining adequate accounting records that are sufficient to show and explain the Company's transactions and disclose with reasonable accuracy at any time the financial position of the Company, and which enable them to ensure that the financial statements of the Company comply with IFRS Accounting Standards;
- (c) maintaining statutory accounting records in compliance with the legislation of Nigeria and IFRS Accounting standards;
- (d) taking such steps as are reasonably available to them to safeguard the assets of the Company and
- (e) preventing and detecting fraud and other irregularities.

The directors are responsible for the financial statements, which have been prepared using appropriate accounting policies supported by reasonable and prudent judgements and estimates, in conformity with;

- International Financial Reporting Standards (IFRS) as issued by the International Accounting Standards Board (IFRS Accounting Standards);
- the requirements of the Nigerian Insurance Industry Reform Act, 2025;
- relevant guidelines and circulars issued by the National Insurance Commission (NAICOM);
- the requirements of the Companies and Allied Matters Act.
- the Financial Reporting Council of Nigeria Act, 2011 (as amended)

Going concern

The Directors have made an assessment of the Company's ability to continue as a going concern and are satisfied that the Company will remain a going concern in the year ahead.

The Company recorded a loss for the year ended 31 December 2025, continuing a trend of losses recorded in prior years. This is not unexpected given that the Company is in its early stage of operations, having commenced business less than five years ago, and is still within its growth and market penetration phase.

Notwithstanding the recurring losses, the Directors note the following factors that support the going concern assumption:

- i. The Group, which is the ultimate parent of the Company, has continued to demonstrate its commitment to the Company's operations through ongoing capital injections, providing the necessary financial support to sustain operations;
- ii. Management has put in place strategic initiatives aimed at improving profitability and reversing the loss-making trend, including [insert specific initiatives — e.g., cost optimisation measures, revenue diversification, customer acquisition strategy, etc.]; and
- iii. The Directors have assessed the Company's capital adequacy and do not anticipate that capital will be eroded within the next twelve months from the date of this report.

Based on the foregoing, the Directors are of the opinion that the Company has adequate resources and support to continue its operations for the foreseeable future, and accordingly, the financial statements have been prepared on a going concern basis.

The financial statements of the Company for the year ended 31 December 2025 were approved by the Directors on 30 June 2026.

SIGNED ON BEHALF OF THE BOARD OF DIRECTORS BY:



Aminatu Abdullahi Oyagbola

Non-Executive Director

FRC/2016/NBA/00000015728

30 June 2026



Nelson Akerele

Managing Director

FRC/2019/CIIN/00000019451

30 June 2026

Enterprise Life Assurance Company (Nigeria) Limited
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Statement of Corporate Responsibility for the financial statements for the year ended 31 December 2025

Further to the provisions of section 405 of the Companies and Allied Matters Act (CAMA), 2020, We, the Managing Director and Chief Financial Officer, hereby certify that the financial statements of Enterprise Life Assurance Company (Nigeria) Limited for the year ended 31 December 2025 as follows:

- i. we have reviewed the audited financial statements and accept responsibility for the financial and other information within the annual report.
- ii. the audited financial statements do not contain any untrue statement of material fact or omit to state a material fact, which would make the statement misleading in the light of the circumstances under which such statement was made.
- iii. the audited 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 period ended 31 December 2025.
- iv. That we are responsible for establishing and maintaining internal controls and have designed such internal controls to ensure that material information relating to the Company is made known to the officer by other officers of the companies, during the year ended 31 December 2025.
- v. Effective Internal Controls have been designed to ensure that material information relating to the Company are made known by the relevant staff, particularly during the period in which the audited financial statements' report is being prepared.
- vi. That we have evaluated the effectiveness of the Company's internal controls and certify that the Company's internal controls are effective as of that date.
- vii. That there were no significant changes in internal controls or in other factors that could significantly affect internal controls subsequent to the date of our evaluation, including any corrective action with regard to significant deficiencies and material weaknesses.

That we have disclosed the following information to the Company's Auditors and Audit Committee:

- viii. there are no significant deficiencies in the design or operation of internal controls which could adversely affect the Company's ability to record, process, summarise, and report financial data, and have identified for the Company's auditors any material weaknesses in internal controls, and
- ix. there is no fraud that involves management or other employees who have a significant role in the Group and Company's internal control.
- x. There were no significant changes in internal controls or in other factors that could significantly affect internal controls.

SIGNED BY:



Nelson Akerele
Managing Director
FRC/2019/CIIN/0000001
30 June 2026



Kelvin Gyekye
FRC/2021/PRO/ICAN/01/0000002344
Chief Financial Officer
30 June 2026

23 March, 2026

Board of Directors
Enterprise Life Assurance Company (Nigeria) Limited
46/48 Awolowo Road, South West
Ikoyi, Lagos

Dear Sirs/ Mas,

**REPORT TO THE DIRECTORS OF ENTERPRISE LIFE ON THE OUTCOME OF THE BOARD
EVALUATION**

GSH Consult Limited was engaged to conduct an evaluation of the Board of Directors of Enterprise Life Assurance Company (Nigeria) Limited as at 31 December 2025 in compliance with the requirements of the Nigerian Insurance Commission ('NAICOM or the Commission') Code of Corporate Governance 2021 (the Code). The Code requires that there should be annual Board and Directors' review/appraisal covering all aspects of the Board's structure and composition, responsibilities, processes and relationships, as well as individual members' competencies and respective roles in the Board's performance.

Our evaluation was undertaken based on information provided by the Enterprise Life Assurance Company (Nigeria) Limited. Our responsibility is to determine the level of performance of the Board with respect to the Code based on the work carried out within the scope of our mandate letter as well as identify areas of improvement for the Board to address in its commitment to continuous improvement in corporate governance.

On the basis of our work, we conclude that the Board's performance complied materially with the standards contained in the Code. It has made progress in its Corporate Governance from its level the previous year. The company is also committed to continuous improvement in its corporate governance practices.

Yours faithfully,



Ademola Adeniran
FRC/2022/PRO/008/9506467502
For: GSH Consult Limited

Enterprise Life Assurance Company (Nigeria) Limited

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Audit and Compliance Committee Report

We the members of the Audit and Compliance Committee of Enterprise Life Assurance Company (Nigeria) Limited hereby report as follows:

We have exercised our functions and acknowledge the co-operation of management and staff in the conduct of these responsibilities.

We are of the opinion that the accounting and reporting policies of the Company are in accordance with legal requirements, and agreed ethical practices and the scope and planning of both the external and internal audits for the year ended 31 December 2025 were satisfactory and reinforce the Company's internal control systems.

We have deliberated with the external auditor, who have confirmed that necessary co-operation was received from management in the course of their statutory audit and we are satisfied with the management's response to the external auditor's recommendations on accounting and internal control matters and with the effectiveness of the Company's system of accounting and internal control.



Aminatu Abdullahi Oyagbola

Chairman, Audit and Compliance Committee

FRC/2016/NBA/00000015728

30 June 2026

MEMBERS OF THE BOARD, AUDIT AND COMPLIANCE COMMITTEE

Aminatu Abdullahi Oyagbola	Chairman
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Daniel Larbi-Tieku	Member
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Cleland Cofie Bruce Jnr	Member
-------------------------	--------



A Member of the Enterprise Group

46/48 Awolowo Road
South West Ikoyi
Lagos

T: 0700ENTERPRISE
E: info.lifeng@myenterprisegroup.io
www.myenterprisegroup.io/ng

Risk Management Declaration

For the year ended 31 December 2025

The Prudential Guidelines for Insurance Institutions in Nigeria 2022, requires the Board of all insurers and reinsurers to provide the Commission with a declaration relating to each financial year of the company, on the risk management stating that, to the best of its knowledge and belief having made appropriate enquiries.

- a. The Company has systems in place for the purpose of ensuring compliance with the risk management 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 in accordance with the requirements of the National Insurance Commission guidelines, 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 operation.

Signed on behalf of the Board of directors by:

A handwritten signature in black ink, appearing to read 'Aminatu Oyagbola', written over a horizontal line.

Aminatu Abdullahi Oyagbola
Non-Executive Director
FRC/2016/NBA/00000015728
30 June 2026

A handwritten signature in black ink, appearing to read 'Nelson Akerele', written over a horizontal line.

Nelson Akerele
Managing Director
FRC/2019/CIIN/00000019451
30 June 2026

Enterprise Life Assurance Company (Nigeria) Limited

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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 2025, 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.



Bayo Ojo & Co. (Joyce K. Adeyele)

Company Secretary

FRC/2024/PRO/NBA/004/674746

30 June 2026

Report on the Effectiveness of Internal Control over Financial Reporting as of 31 December 2025

The management of Enterprise Life Assurance Company Nigeria Limited (“the Company”) is responsible for establishing and maintaining adequate internal control over financial reporting as required by the Financial Reporting Act of Nigeria, 2011 (as amended).

The management of Enterprise Life Assurance Company Nigeria Limited assessed the effectiveness of the internal control over financial reporting of the Company as of 31 December 2025 using the criteria set forth in Internal Control—Integrated Framework (2013) issued by the Committee of Sponsoring Organizations of the Treadway Commission (“the COSO Framework”) and in accordance with the Financial Reporting Council of Nigeria Guidance on Management Report on Internal Control Over Financial Reporting.

As of 31 December 2025, the management of Enterprise Life Assurance Company Nigeria Limited did not identify any material weakness in its assessment of internal control over financial reporting.

As a result, management has concluded that, as of 31 December 2025, the Company’s internal control over financial reporting was effective. The Company’s independent auditor, KPMG Professional Services, who audited the financial statements included in this Annual Report, issued an unmodified conclusion on the effectiveness of the Company’s internal control over financial reporting as of 31 December 2025 based on the limited assurance engagement performed by them. KPMG Professional Services’ limited assurance report is included in the Annual Report.

Changes in Internal Control Over Financial Reporting

There were no changes in our internal control over financial reporting that occurred subsequent to the date of our evaluation of the effectiveness of internal control over financial reporting that significantly affected, or are reasonably likely to significantly affect, the Company’s internal control over financial reporting.

SIGNED ON BEHALF OF THE BOARD OF DIRECTORS BY:



Nelson Akerele
Managing Director
FRC/2019/CIIN/00000019451
30 June 2026



Kelvin Gyekye
FRC/2021/PRO/ICAN/01/0000002344
Chief Financial Officer
30 June 2026

Certification Pursuant to Section 1.3 of the Financial Reporting Council of Nigeria Guidance on Management Report on Internal Control Over Financial Reporting

I, **Nelson Akerele**, certify that:

- a) I have reviewed the Report on the Effectiveness of Internal Control over Financial Reporting as of 31 December 2025 of Enterprise Life Assurance Company Nigeria Limited (“the Company”).
- 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, in light of 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 Company’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 Company is made known to us by others within the entity, particularly during the 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 IFRS Accounting Standards;
 - 4) have evaluated the effectiveness of the Company’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 Company’s other certifying officer and I have disclosed, based on our most recent evaluation of internal control system, to the Company’s auditors and the Audit and Compliance Committee:
 - 1) All significant deficiencies and that there are no material weaknesses in the design or operation of the internal control system which are reasonably likely to adversely affect the Company’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 Company’s internal control system.
- f) The Company’s other certifying officer 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 our evaluation.

Signed:



Nelson Akerele
Managing Director
FRC/2019/CIIN/00000019451
30 June 2026

Certification Pursuant to Section 1.3 of the Financial Reporting Council of Nigeria Guidance on Management Report on Internal Control Over Financial Reporting

I, **Kelvin Gyeke**, certify that:

- a) I have reviewed the Report on the Effectiveness of Internal Control over Financial Reporting as of 31 December 2025 of Enterprise Life Assurance Company Nigeria Limited (“the Company”).
- 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, in light of 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 Company’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 Company, is made known to us by others within the entity, particularly during the 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 IFRS Accounting Standards;
 - 4) have evaluated the effectiveness of the Company’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 Company’s other certifying officer and I have disclosed, based on our most recent evaluation of internal control system, to the Company’s auditors and the Audit and Compliance Committee:
 - 1) All significant deficiencies and that there are no material weaknesses in the design or operation of the internal control system which are reasonably likely to adversely affect the Company’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 Company’s internal control system.
- f) The Company’s other certifying officer 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 our evaluation.

Signed:



Kelvin Gyeke
FRC/2021/PRO/ICAN/01/0000002344
Chief Financial Officer
30 June 2026



KPMG Professional Services

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Independent Auditor's Limited Assurance Report

To the Shareholders of Enterprise Life Assurance Company Limited

Report on Limited Assurance Engagement Performed on Management's Assessment of Internal Control Over Financial Reporting

Conclusion

We have performed a limited assurance engagement on whether internal control over financial reporting of Enterprise Life Assurance Company Limited ("the Company") as of 31 December 2025 is effective in accordance with the criteria established in Internal Control - Integrated Framework (2013) issued by the Committee of Sponsoring Organizations of the Treadway Commission ("the COSO Framework") and the Financial Reporting Council of Nigeria Guidance on Management Report on Internal Control Over Financial Reporting.

Based on the procedures performed and evidence obtained, nothing has come to our attention to cause us to believe that Enterprise Life Assurance Company Limited's *[the Company's]* internal control over financial reporting as of 31 December 2025 is not effective, in all material respects, in accordance with the criteria established in the COSO Framework and the Financial Reporting Council of Nigeria Guidance on Management Report on Internal Control Over Financial Reporting.

Basis for conclusion

We conducted our engagement in accordance with International Standard on Assurance Engagements (ISAE) 3000 (Revised), *Assurance Engagements Other Than Audits or Reviews of Historical Financial Information* issued by the International Auditing and Assurance Standards Board (IAASB) and the Financial Reporting Council of Nigeria Guidance on Assurance Engagement Report on Internal Control over Financial Reporting. Our responsibilities are further described in the "Our responsibilities" section of our report.

We have complied with the independence and other ethical requirements of the International Code of Ethics for Professional Accountants (*including International Independence Standards*) issued by the International Ethics Standards Board for Accountants (IESBA).

Our firm applies International Standard on Quality Management (ISQM) 1, *Quality Management for Firms that Perform Audits or Reviews of Financial Statements, or Other Assurance or Related Services Engagements*, issued by the IAASB. This standard requires the firm to 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.



We believe that the evidence we have obtained is sufficient and appropriate to provide a basis for our conclusion.

Other matter

We have audited the separate financial statements of Enterprise Life Assurance Company Limited in accordance with the International Standards on Auditing, and our report dated 30 June 2026 expressed an unmodified opinion of those separate financial statements.

Our conclusion is not modified in respect of this matter.

Responsibilities for Internal Control over Financial reporting

The Board of Directors of Enterprise Life Assurance Company Limited 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 Management's Assessment on Internal Control over Financial Reporting. Our responsibility is to express a conclusion on the Company's internal control over financial reporting based on our assurance engagement.

Our responsibilities

The Financial Reporting Council of Nigeria Guidance on Assurance Engagement Report on Internal Control over Financial Reporting ("the Guidance") requires that we plan and perform the assurance engagement and provide a limited assurance report on the Company's internal control over financial reporting based on our assurance engagement.

Summary of the work we performed as the basis for our conclusion

We exercised professional judgment and maintained professional scepticism throughout the engagement. As prescribed in the Guidance, 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 provide a basis for our report on the internal control put in place by management over financial reporting.

The procedures performed in a limited assurance engagement vary in nature and timing from, and are less in extent than for, a reasonable assurance engagement. Consequently, the level of assurance obtained in a limited assurance engagement is substantially lower than the assurance that would have been obtained had a reasonable assurance engagement been performed.

Definition and Limitations of Internal Control Over Financial reporting

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:

- (i) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company;



- (ii) 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
- (iii) provide reasonable assurance regarding prevention or timely detection of unauthorised 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. Furthermore, projections of any valuation 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.

A handwritten signature in blue ink, appearing to read 'A. Ashade'.

Akinyemi Ashade

FRC/2013/PRO/ICAN/004/00000000786

For: KPMG Professional Services

Chartered Accountants

30 June 2026

Lagos, Nigeria





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Independent Auditor's Report

To the Shareholders of Enterprise Life Assurance Company (Nigeria) Limited

Report on the audit of the financial statements

Opinion

We have audited the financial statements of Enterprise Life Assurance Company (Nigeria) Limited ("the Company"), which comprise:

- the statement of financial position as at 31 December 2025;
- the statements of profit or loss and other comprehensive income;
- the statement of changes in equity; and
- the statement of cash flows for the year then ended, and
- the notes, comprising material accounting policies and other explanatory information.

In our opinion, the accompanying financial statements give a true and fair view of the financial position of the Company as at 31 December 2025, and of its financial performance and cash flows for the year then ended in accordance with IFRS Accounting Standards as issued by the International Accounting Standards Board (IFRS Accounting Standards) and in the manner required by the Companies and Allied Matters Act (CAMA), 2020 and the Financial Reporting Council of Nigeria Act, 2011 (as amended), the Nigerian Insurance Industry Reform Act, 2025 and relevant National Insurance Commission of Nigeria ("NAICOM") Circulars.

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 Financial Statements* section of our report. We are independent of 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 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 Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of the current period. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate

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Registered in Nigeria No BN 986925

A list of partners is available for inspection at the firm's address.



opinion on these matters.

Actuarial valuation of Insurance Contract liabilities

The actuarial valuation of insurance contract liabilities involves high estimation uncertainties and requires management to apply significant judgment and assumptions over uncertain future outcomes.

Provisions for insurance contracts primarily comprise premium provisions (liability for remaining coverage, LRC) and claims provisions (liability for incurred claims, LIC). The IFRS 17 premium allocation approach (PAA) and general measurement model (GMM) are applied for measurement of groups of insurance contracts. Accounting estimate with respect to provisions for insurance contracts is an experience-based estimate involving the use of historic claims data and complex actuarial methods and models, which involve significant assumptions on the frequency and extent of insurance events relating to the insurance contracts.

Furthermore, the estimated liability for claims that have occurred but are yet to be reported in respect of insurance contracts involves judgment and economic assumptions such as discounting and risk adjustments for which eventual outcomes are uncertain and may deviate from the estimates. The level of complexity, the significant judgments and the assumptions applied by management in estimating these insurance contract liabilities are of significance to our audit.

How the matter was addressed in our audit

Our audit procedures included the following:

- We evaluated Management's Premium Allocation Approach (PAA) and General Measurement Model eligibility assessment.
- We evaluated the completeness, accuracy and relevance of data and performed a reconciliation between data sources and the data used in the model.
- With the assistance of our actuarial specialists, we assessed whether the key judgements and assumptions are reasonable.
 - We evaluated the appropriateness of methods/models and assumptions to determine ultimate expected claims including ultimate claims ratios, frequency and severity of claims, payment patterns and estimate discount rate curves.
 - We evaluated whether the Company's methodology to determine expected premium receipts including the methodology for allocation of expected premium receipts to periods.
 - We performed walkthroughs on the computation of Insurance revenue for selected portfolios for each cohort under the PAA and GMM.
 - We performed recalculation of insurance revenue for groups of contracts under the PAA and GMM.
 - We evaluated whether insurance acquisition cash flows have been/not been expensed in line with management's policy.



- We assessed and challenged the assumptions used in estimating risk adjustments to evaluate whether it is in line with the requirements of relevant accounting standard and industry practices.
- We assessed whether the method/ model for determining future cash flows is in line with the requirements of relevant accounting standard and standard industry practices.
- We assessed the appropriateness of the disclosures in the financial statements with regard to the liability for incurred claims associated with the premium allocation approach and the general measurement model, considering the requirements of IFRS 17.

Other information

The Directors are responsible for the other information. The other information comprises the Corporate Information, Director's Report, Corporate Governance Report, Statement of Directors' Responsibilities, Statement of Corporate Responsibility, Board Evaluation Report, Report of the Board Audit and Compliance Committee, Risk Management Declaration, Company Secretary Certification, Management assessment of Internal Control over Financial reporting and Management certification of the internal control over financial reporting, but does not include the financial statements and our auditor's report thereon.

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

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the 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 financial statements

The directors are responsible for the preparation of financial statements that give a true and fair view in accordance with IFRS Accounting Standards as issued by the International Accounting Standards Board (IFRS Accounting Standards) and in the manner required by the Companies and Allied Matters Act (CAMA), 2020 and the Financial Reporting Council of Nigeria Act, 2011 (as amended), and for such internal control as the directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the directors are responsible for assessing 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 Company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the 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 aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these 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 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 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 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 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 company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with the Board Audit Committee 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.

From the matters communicated with the Board Audit Committee, we determine those matters that were of most significance in the audit of the 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

Compliance with the requirements of Schedule 5 of the Companies and Allied Matters Act (CAMA), 2020



- i. 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.
- ii. In our opinion, proper books of account have been kept by the Company, so far as appears from our examination of those books.
- iii. The Company statement of financial position and statement of profit or loss and other comprehensive income are in agreement with the books of account.

Compliance with FRC Guidance on Assurance Engagement Report on Internal Control over Financial Reporting

In accordance with the requirements of the Financial Reporting Council of Nigeria, we performed a limited assurance engagement and reported on management's assessment of the Company's internal control over financial reporting as of December 31, 2025. The work performed was done in accordance with ISAE 3000 (Revised) Assurance Engagements Other Than Audits or Reviews of Historical Financial Information and the FRC Guidance on Assurance Engagement Report on Internal Control over Financial Reporting. We have issued an unmodified conclusion in our report dated 30 June 2026.

Signed:

Akinyemi Ashade
FRC/2013/PRO/ICAN/004/00000000786
For: KPMG Professional Services
Chartered Accountants
30 June 2026
Lagos, Nigeria.



MATERIAL ACCOUNTING POLICIES

1 Corporate Information

1.1 Reporting entity

Enterprise Life Assurance Company (Nigeria) Limited ("Enterprise" or the "Company") was incorporated on the 10 October 2019 as a private limited liability company domiciled in Nigeria. The Company was granted an operating license by the National Insurance Commission on 25 November 2020 to transact in life assurance business. However, the Company commenced insurance operations on 1 March 2021. The registered office of the Company is located at 46/48 Awolowo Road, Southwest Ikoyi, Lagos, Nigeria.

The Company's corporate policies and governance are designed to encourage transparency in all its activities as well as ensure the protection of the long-term interest of all stakeholders. The business of the Company is conducted with high level of integrity.

The Company's ultimate parent is Enterprise Group Plc Ghana.

The entity has its registered office at 46/48 Awolowo Road, Southwest Ikoyi, Lagos, Nigeria.

1.2 Principal activities of the entity

The Company was registered to transact in all classes of life insurance business.□

2 Basis of preparation and statement of compliance

The financial statements of Enterprise Life Assurance Company (Nigeria) Limited have been prepared in accordance with ® IFRS Accounting Standards as issued by the International Accounting Standards Board (®IFRS Accounting Standards) and in the manner required by the Companies and Allied Matters Act, 2020, the Financial Reporting Council of Nigeria Act, 2011 (as amended), the Nigerian Insurance Industry Reform Act, 2025, and relevant National Insurance Commission of Nigeria ("NAICOM").

2.1 Going concern

The Company has no intention or need to reduce substantially its business operations. The Directors believe that the going concern assumption is appropriate for the Company due to sufficient capital adequacy ratio. Continuous evaluation of current ratio and liquidity ratio of the Company is carried out to ensure that there are no going concern threats to the operations of the Company.

2.2 Functional and presentation currency

The financial statements are presented in Nigerian Naira (₦) and amounts presented / disclosed are rounded to the nearest thousands unless otherwise stated. Items included in the financial statements of the Company are measured using the currency of the primary economic environment in which the Company operates (the "functional currency"). The Company is incorporated in Nigeria and has adopted Naira as its functional currency.

3 Basis of measurement

The financial statements have been prepared on the historical cost basis except for the following items, which are measured on the following alternative basis on each reporting date.

Measurement basis	Details
(i) At fair value	• Fair value through profit or loss financial assets;
	• Fair value through other comprehensive income financial
	• Investment contract liabilities
	• investment properties
	• Insurance and Reinsurance contracts measured at fulfilment
	• insurance contract liabilities
(ii) At amortised cost	• financial assets at amortised cost
	• financial liabilities at amortised cost

The Company adopts the accrual basis of accounting where it records accounting transactions for revenue when earned and expenses when incurred.

4 Use of estimates and judgments

In preparation of these financial statements, management has made judgments and estimates that affect the application of the Company's accounting policies and the reported amounts of assets, liabilities, income and expenses. The estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances, the result of which form the basis making judgements about the carrying values of assets and liabilities are not readily apparent from other sources. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized prospectively.

The following are the critical judgments, apart from those involving estimations (which are dealt with separately below), that the directors have made in the process of applying the Company's accounting policies and that have the most significant effect on the amounts recognized in financial statements:

- i. Lease term: whether the Company is reasonably certain to exercise extension options.
- ii. Measurement of insurance contracts under IFRS 17
- iii. Expected Credit Losses (ECL) – Assumptions and judgements made in assessing the ECL for financial assets including determining the probability of default, loss given default and exposure at default under IFRS 9

(b) Assumptions and estimation uncertainties

Information about assumptions and estimation uncertainties at the reporting date that have a significant risk of resulting in a material adjustment to the carrying amounts of assets and liabilities within the next financial year is included in note 6.17.

i. Measurement of fair values

A number of the Company's accounting policies and disclosures require the measurement of fair values, for both financial and non-financial assets and liabilities.

The Company has an established control framework with respect to the measurement of fair values. The Board of Directors has overall responsibility for overseeing all significant fair value measurements, including Level 3 fair values.

The Board of Directors regularly reviews significant unobservable inputs and valuation adjustments. If third party information, such as broker quotes or pricing services, is used to measure fair values, then the Board of Directors assesses the evidence obtained from the third parties to support the conclusion that such valuations meet the requirements of IFRS Accounting Standards, including the level in the fair value hierarchy in which such valuations should be classified.

When measuring the fair value of an asset or a liability, the Company uses market observable data as far as possible. Fair values are categorised into different levels in a fair value hierarchy based on the inputs used in the valuation techniques as follows.

- Level 1: quoted prices (unadjusted) in active markets for identical assets or liabilities.
- Level 2: inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).
- Level 3: inputs for the asset or liability that are not based on observable market data (unobservable inputs).

If the inputs used to measure the fair value of an asset or a liability might be categorised in different levels of the fair value hierarchy, then the fair value measurement is categorised in its entirety in the same level of the fair value hierarchy as the lowest level input that is significant to the entire measurement.

The Company recognises transfers between levels of the fair value hierarchy at the end of the reporting period during which the change has occurred.

5 Adoption of new and revised standards

The Company has applied the accounting policies set out in Notes 8 to 38 to the period presented in these financial statements. A number of other new standards are effective but do not have a material effect on the Company's financial statements. Amendments to the following standard(s) became effective in the annual period starting from 1 January, 2025. The new reporting requirements as a result of the amendments and/or clarifications have been evaluated and their impact or otherwise are noted below:

a. New and amended IFRS Accounting Standards that are effective in the current year

Lack of Exchangeability – Amendments to IAS 21 The Effects of Changes in Foreign Exchange Rates

Amendments to the following standard(s) became effective in the annual period starting from 1 January, 2025. The new reporting requirements as a result of the amendments and/or clarifications have been evaluated and their impact or otherwise are noted below:

Lack of Exchangeability – Amendments to IAS 21 The Effects of Changes in Foreign Exchange Rates

In August 2023, the International Accounting Standards Board (IASB) amended IAS 21 to clarify:

- when a currency is exchangeable into another currency; and
- how a company estimates a spot rate when a currency lacks exchangeability.

A currency is exchangeable into another currency when a company is able to exchange that currency for the other currency at the measurement date and for a specified purpose. When a currency is not exchangeable, a company needs to estimate a spot rate.

A company's objective when estimating a spot rate is only that it reflects the rate at which an orderly exchange transaction would take place at the measurement date

between market participants under prevailing economic conditions. The amendments contain no specific requirements for estimating a spot rate. Therefore, when estimating a spot rate a company can use:

- an observable exchange rate without adjustment; or
- another estimation technique.

The amendment is not expected to have any material impact on the Group.

Classification of liabilities as Current or Non-Current and Non-current Liabilities with Covenants – Amendments to IAS 1 Presentation of Financial Statements

In January 2020, the IASB issued amendment to IAS 1 to specify the requirements for classifying liabilities as current or non-current. The amendment clarifies:

- *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.

The Board also added two new paragraphs (Paragraph 76A and 76B) to IAS1 to clarify what is meant by "settlement" of a liability. The Board concluded that it was important to link the settlement of the liability with the outflow of resources of the entity.

The amendment did not have any material impact on the Company in the reporting period.

b. New and revised IFRS Accounting Standards in issue but not yet effective

At the date of authorisation of these financial statements, the company has not applied the following new and revised IFRS Accounting Standards that have been issued but are not yet effective (and (in some cases) have not yet been adopted by the (relevant regulatory body)):

The following standards are expected to have material impact on the Company's financial statements in the period of initial application.

New accounting standards or amendments	Description	Impact
IFRS 18 <i>Presentation and Disclosures in Financial Statement</i>	IFRS 18 replaces IAS 1, carrying forward many of the requirements in IAS 1 unchanged and complementing them with new requirements. In addition, some IAS 1 paragraphs have been moved to IAS 8 and IFRS 7. Furthermore, the IASB has made minor amendments to IAS 7 and IAS 33 Earnings per Share. IFRS 18 introduces new requirements to: • present specified categories and defined subtotals in the statement of profit or loss • provide disclosures on management-defined performance measures (MPMs) in the notes to the financial statements • improve aggregation and disaggregation. An entity is required to apply IFRS 18 for annual reporting periods beginning on or after 1 January 2027, with earlier application permitted. The amendments to IAS 7 and IAS 33, as well as the revised IAS 8 and IFRS 7, become effective when an entity applies IFRS 18. IFRS 18 requires retrospective application with specific transition provisions.	The directors of the company anticipate that the application of these amendments may have an impact on the company's financial statements in future periods.
Classification and measurement of Financial Instruments - Amendments to IFRS 9 and IFRS 7	The International Accounting Standards Board (IASB) has now amended IFRS 9 Financial Instruments following its post-implementation review (PIR) of the classification and measurement requirements. The amendments include guidance on the classification of financial assets, including those with contingent features. The IASB has also amended IFRS 7 Financial Instruments: Disclosures. Companies will now be required to provide additional disclosures on financial assets and financial liabilities that have certain contingent features. The Standard is effective as from 1 January 2026.	The Company is in the process of assessing the impact of the new amendments.

The Company do not plan to early adopt any of the above standards.

6 Material accounting policies

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

Changes in material accounting policies

The Company has consistently applied the following accounting policies to all periods presented in these financial statements, unless otherwise stated.

Material accounting policies

Material accounting policies are defined as those that reflect significant judgements and uncertainties, and potentially give rise to different results under different assumptions and conditions. The Company has consistently applied the following accounting policies to all periods presented in these financial statements, unless mentioned otherwise.

The accounting policies set out below have been applied consistently to all years presented in these financial statements except where otherwise stated.

6.1 Foreign currency translation

(a) Functional and presentation currency

Items included in the financial statements are measured using the currency of the primary economic environment in which the entity operates ('the functional currency'). All amount in the financial statements have been rounded to the nearest thousands unless otherwise indicated. The financial statements have been presented in Naira which is the Company's presentation and functional currency.

(b) Transactions and balances

Foreign currency transactions are transactions denominated, or that require settlement in a foreign currency and are translated into the functional currency using the exchange rates prevailing at the dates of the transactions.

Monetary items denominated in foreign currency are translated with the closing rate as at the reporting date. If several exchange rates are available, the forward rate is used at which the future cash flows represented by the transaction or balance could have been settled if those cash flows had occurred. Non-monetary items measured at historical cost denominated in a foreign currency are translated with the exchange rate as at the date of initial recognition; non-monetary items in a foreign currency that are measured at fair value are translated using the exchange rates at the date when the fair value was determined.

Foreign exchange gains and losses resulting from the settlement of foreign currency transactions and from the translation at year-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in the income statement.

6.2 Cash and cash equivalents

Cash and cash equivalents include cash in hand and bank, call deposits and short term highly liquid financial assets that are readily convertible to known amount of cash and which are subject to insignificant risk of changes in their value and used by the Company in the management of its short-term commitments. These have maturity of less than 91 days.

For the purpose of the statement of cash flow, cash and cash equivalents consist of cash in hand and bank, call deposits and short term highly liquid financial assets with original maturities of three months or less from the acquisition date.

6.3 Financial instruments

Financial instruments include all financial assets and liabilities. These instruments are typically held for liquidity, investment, and strategic planning purposes. All financial instruments are initially recognized at fair value plus (or minus) directly attributable transaction costs, except those carried at fair value through profit or loss where transaction costs are recognized immediately in profit or loss. Financial instruments are recognized when the Company becomes a party to the contractual provisions of the instrument.

The Company classifies its financial assets into the following categories: fair value through profit or loss, fair value through other comprehensive income and amortized cost. The classification is determined by management at initial recognition and depends on the objective of the business model.

a. Financial Assets

(i) Classification and Measurements

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 Company's business model test and the contractual cashflow characteristics of the financial assets. The category relevant to the Company as at 31 December 2025 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 plus or minus transaction costs that are directly attributable to the acquisition of the financial assets.

(ii) Business Model Assessment

Business model assessment involves determining if financial assets are managed in order to generate cash flows from collection of contractual cash flows, selling financial assets or both. The Company assesses business model at a portfolio level which reflects how the assets are managed together to achieve a particular business objective.

(iii) Financial assets at fair value through profit or loss

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 gains/ (losses) on financial assets classified as held for trading'. Interest income and expense and dividend income on financial assets held for trading are included in 'Discount and similar income' or 'Other operating 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'.

(iv) Financial assets at fair value through other comprehensive income

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).

(v) Financial assets measured at amortized cost

Financial assets are measured at amortized cost if they are held within a business model whose objective is to hold for collection of contractual cash flows where those cash flows represent solely payments of principal and interest. After initial measurement, debt instruments in this category are carried at amortized cost using the effective interest rate method. Amortized cost is calculated taking into account any discount or premium on acquisition, transaction costs and fees that are an integral part of the effective interest rate. Amortization is included in Interest income in the Statement of Income. Impairment on financial assets measured at amortized cost is calculated using the expected credit loss approach.

(vi) Recognition and measurement

Financial assets are initially recognised at fair value plus, in the case of all financial assets not carried at fair value through profit or loss, transaction costs that are directly attributable to their acquisition. Financial assets carried at fair value through profit or loss are initially recognised at fair value, and transaction costs are expensed in the statement of comprehensive income. Financial assets are derecognised when the rights to receive cash flows from them have expired or where they have been transferred and the Company has also transferred substantially all risks and rewards of ownership.

Financial assets at fair value through other comprehensive income and financial assets at fair value through profit or loss are subsequently carried at fair value. Other financial assets are carried at amortised cost using the effective interest method.

Gains and losses arising from changes in the fair value of the 'financial assets at fair value through profit or loss' category are included in the income statement in the period in which they arise. Dividend income from financial assets at fair value through profit and loss is recognised in the statement of comprehensive income as part of Investment income when the Company's right to receive payments is established.

Interest on financial assets fair value through other comprehensive income calculated using the effective interest method is recognised in the income statement. Dividends on equity instruments fair value through other comprehensive income are recognised in the income statement when the Company's right to receive payments is established. Both are included in the investment income line.

(vii) Determination of fair value

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. The quoted market price used for financial assets held by the Company is the current bid price.

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, group, 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 (for example, NIBOR, MPR etc.) existing at the dates of the statement of financial position.

The Company uses widely recognised money market rates in determining fair values of non-standardised financial instruments of lower complexity like placements, and treasury bills. These financial instruments models are generally market observable. The carrying value less impairment provision of trade receivables and payables are assumed to approximate their fair values.

The fair value of financial liabilities for disclosure purposes is estimated by discounting the future contractual cash flows at the current market interest rate that is available to the Company for similar financial instruments. In cases where the fair value of unlisted equity instruments cannot be determined reliably, the instruments are carried at cost less any impairments.

The fair value for loans and receivables as well as liabilities to banks and customers are determined using a present value model on the basis of contractually agreed cash flows, taking into account credit quality, liquidity, and costs. The fair values of contingent liabilities and irrevocable loan commitments correspond to their carrying amounts.

(viii) De-recognition of financial instruments

The Company derecognises a financial asset only when the contractual rights to the cash flows from the asset expire or it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another entity. If the Company neither transfers nor retains substantially all the risks and rewards of ownership and continues to control the transferred asset, the Company recognises its retained interest in the asset and an associated liability for amounts it may have to pay. If the Company retains substantially all the risks and rewards of ownership of a transferred financial asset, the Company continues to recognise the financial asset and also recognises a collateralised borrowing for the proceeds received.

(ix) Reclassification of financial assets

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

Reclassification of financial assets occurs when the Company 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.

For financial assets, reclassification is required between FVTPL, FVTOCI and amortised cost; if and only if the Company's business model objective for its financial assets changes so its previous business model assessment would no longer apply.

IFRS 9 does not allow reclassification:

- when the fair value option has been elected in any circumstance for a financial asset;
- or equity investments (measured at FVTPL or FVTOCI); or
- for financial liabilities.

If an entity reclassifies a financial asset, it is required to apply the reclassification prospectively from the reclassification date, defined as the first day of the first reporting period following the change in business model that results in the entity reclassifying financial assets. Previously recognised gains, losses (including impairment gains or losses) or interest are not restated.

All impairment losses are recognized through profit or loss. If any loss on the financial asset was previously recognized directly in equity as a reduction in fair value, the cumulative net loss that had been recognized in equity is transferred to the income statement and is recognized as part of the impairment loss. The amount of the loss recognized in the income statement is the difference between the acquisition cost and the current fair value, less any previously recognized impairment loss.

(x) Impairment of financial assets

The company has two broad types of financial assets that are subject to the expected credit loss model:

1. trade receivables, other receivables, reinsurance assets; and
2. financial assets carried at amortised cost.

While cash and cash equivalents are also subject to the impairment requirements of IFRS 9, the identified impairment loss was immaterial.

Trade receivables, other receivables and reinsurance assets

The company applies the IFRS 9 simplified approach to measuring expected credit losses which uses a lifetime expected loss allowance for all trade receivables, other receivables and reinsurance assets.

To measure the expected credit losses, trade receivables, other receivables and reinsurance assets have been grouped based on shared credit risk characteristics and the days past due.

The expected loss rates are based on the payment profiles of premium over a period of 12 months before 31 December 2025 and the corresponding historical credit losses experienced within this period. The historical loss rates are adjusted to reflect current and forwardlooking information on macroeconomic factors affecting the ability of the customers to settle the receivables. The Company has identified the Gross Domestic Product (GDP) of Nigeria where it transact business to be the most relevant factors, and accordingly adjusts the historical loss rates based on expected changes in these factors.

Financial assets carried at amortised cost.

All of the entity's debt investment securities at amortised cost (Bonds, Placements, Treasury bills, Commercial papers, etc.) are considered to have low credit risk, and the loss allowance recognised is limited to 12 months' expected losses. Management consider 'low credit risk' for placements with financial institution to be an investment grade credit rating with at least one major rating agency. Other instruments are considered to be low credit risk where they have a low risk of default and the issuer has a strong capacity to meet its contractual cash flow obligations in the near term.

The Company measures expected credit losses and recognized 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 Company recognizes 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 Company 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 Effective Interest Rate (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 Company's process to assess changes in credit risk is multi-factor and has three main elements;

- I. Quantitative element, a quantitative comparison of Probability of Default (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 is made on a collective basis that incorporates all relevant credit information, including forward-looking macroeconomic information. For this purpose, the Company groups its exposures on the basis of shared credit risk characteristics. No impairment reserve is set on financial assets measured at fair value through profit or loss.

Significant increase in credit risk (SICR)

The Company's 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 Company 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. The forms the basis of stage 1, 2 and 3 classification and subsequent migration.

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

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 income statement. 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 Company'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 Company 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 Insurance Companies and loans and advances to customers 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.

ii) Assets classified as fair value through other comprehensive income □

The Company 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 de-recognition; 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 Company'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 Company; and
- c. the amount of the dividend can be measured reliably.

For debt instruments measured at FVTOCI, changes in fair value is 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.

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 formular 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:

- 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 EA

Loss Given Default

The Company 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 Company management has resolved to use the recovery rates as published by Moody's 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.

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 Company enters into transactions whereby it transfers assets recognised on its statement of financial position but retains either all or substantially all of the risks and rewards of the transferred assets or a portion of them. If all or substantially all risks and rewards are retained, then the transferred assets are not derecognised. Transfers of assets with retention of all or substantially all risks and rewards include, for example, securities lending and repurchase transactions.

Financial Liabilities at amortized cost

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.

b. Financial liabilities

Classification and subsequent measurement

For the purpose of measuring a financial asset after initial recognition, IFRS 9 classifies financial liabilities into the following categories: Amortized cost and Fair Value through Profit or Loss (FVTPL).

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 Exchange (NgX) 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.

Offsetting financial instruments

Financial assets and liabilities are offset, and the net amount reported in the statement of financial position only when there is a legally enforceable right to offset the recognised amounts and there is an intention to settle on a net basis, or to realise the asset and settle the liability simultaneously. Income and expenses are presented on a net basis only when permitted under IFRS Accounting Standards, or for gains and losses arising from the Company of similar transactions.

Fair value measurement

Fair value' is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date in the principal or, in its absence, the most advantageous market to which the Company has access at that date. The fair value of a liability reflects its non-performance risk.

When one is available, the Company measures the fair value of an instrument using the quoted price in an active market for that instrument. A market is regarded as active if transactions for the asset or liability take place with sufficient frequency and volume to provide pricing information on an ongoing basis.

If there is no quoted price in an active market, then the Company uses valuation techniques that maximize the use of relevant observable inputs and minimize the use of unobservable inputs. The chosen valuation technique incorporates all of the factors that market participants would take into account in pricing a transaction.

If an asset or a liability measured at fair value has a bid price and an ask price, then the Company measures assets and long positions at a bid price and liabilities and short positions at an ask price.

The best evidence of the fair value of a financial instrument at initial recognition is normally the transaction price – i.e., the fair value of the consideration given or received. If the Company determines that the fair value at initial recognition differs from the transaction price and the fair value is evidenced neither by a quoted price in an active market for an identical asset or liability nor based on a valuation technique that uses only data from observable markets, then the financial instrument is initially measured at fair value, adjusted to defer the difference between the fair value at initial recognition and the transaction price. Subsequently, that difference is recognized in profit or loss on an appropriate basis over the life of the instrument but no later than when the valuation is wholly supported by observable market data, or the transaction is closed out.

Portfolios of financial assets and financial liabilities that are exposed to market risk and credit risk that are managed by the Company on the basis of the net exposure to either market or credit risk are measured on the basis of a price that would be received to sell a net long position (or paid to transfer a net short position) for a particular risk exposure. Those portfolio level adjustments are allocated to the individual assets and liabilities on the basis of the relative risk adjustment of each of the individual instruments in the portfolio.

6.4a Property and equipment

• Recognition and measurement

All categories of property and equipment are initially recorded at cost. Items of property and equipment except land and buildings are subsequently measured at historical cost net of accumulated depreciation. The cost of an item of property and equipment is the amount of cash or cash equivalents paid and the fair value of the other consideration given to acquire the asset at the time of its acquisition or construction. It consists of the purchase price, all costs directly attributable to the acquisition and the costs of dismantling and removing the item and restoring the site.

Land and buildings are carried at fair value. Any diminution in the carrying amount that offsets previous increases of the same asset is charged against revaluation reserves directly in equity. All other decreases are charged to profit or loss. The revaluation increase arising on the revaluation of properties is credited to the revaluation reserve in shareholders’ equity.

At the end of each year, the difference between depreciation based on the revalued carrying amount of the asset charged to the income statement and depreciation based on the asset’s original cost, net of any related deferred tax, is transferred from the revaluation surplus to income surplus.

- **Subsequent expenditure**
Subsequent expenditure is capitalised only if it is probable that the future economic benefits associated with the expenditure will flow to the Company.
- **Depreciation**
Assets are reflected at cost less accumulated depreciation and impairment losses.

Depreciation is calculated to write off the cost of items of property and equipment less their estimated residual values using the straight-line method over their estimated useful life and is generally recognised in profit or loss.
The estimated useful lives of the property and equipment for the current period are as follows:

Asset class	Years
Land	Nil
Leasehold buildings	5
Motor vehicles	4
Furniture and fittings	6
Office equipment	5
Computer equipment	3
Plant and machinery	5

Depreciation commences when an asset is available for use, that is, when it is in the location and condition necessary for it to be capable of operating in the manner intended by management. Depreciation ceases at the earlier of the date the asset is classified as held for sale and the date the asset is derecognised.
The depreciation method, residual values and useful lives of assets are reviewed at each balance sheet date and adjusted if appropriate. Land is not depreciated.

Subsequent expenditure on an asset that maintains or enhances the previously assessed standard of performance of the asset does not negate the need to charge depreciation, as, apart from land, all property and equipment have finite lives.

Where a tangible asset comprises two or more major components with substantially different useful economic lives, each component must be accounted for separately for depreciation purposes and depreciate over its individual useful economic life.

Land is considered to be a non-depreciable asset, because it does not generally have a limited useful economic life. Depreciation must not be charged on assets in transit, as the Company is not yet employing the assets.

- **De-recognition**
An item of property and equipment is derecognized when no future economic benefits are expected from its use or on disposal. Any gain or loss arising on de-recognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the income statement of the year the asset is de-recognized.

6.4b Intangible assets

Intangible assets are recognised when it is probable that future economic benefits attributable to the asset will flow to the Group and the cost of the asset can be measured reliably. Intangible assets are initially measured at cost, which includes purchase price and any directly attributable costs of preparing the asset for its intended use.
Intangible assets are amortised on a straight-line basis over their estimated useful life of three (3) years, reflecting the pattern in which the asset’s future economic benefits are expected to be consumed. Amortisation commences when the asset is available for use and is recognised in profit or loss. The useful life and amortisation method are reviewed at each reporting date and adjusted prospectively if appropriate.

Intangible assets are assessed for impairment whenever there is an indication that the asset may be impaired. If such indication exists, the asset’s recoverable amount is estimated, and an impairment loss is recognised in profit or loss to the extent that the carrying amount exceeds the recoverable amount.
An intangible asset is derecognised on disposal or when no future economic benefits are expected from its use or disposal. Any resulting gain or loss is recognised in profit or loss.

6.5 Impairment of non-financial assets

At each reporting date, the Company reviews the carrying amounts of its non-financial assets (other than investment property) to determine whether there is any indication of impairment. If any such indication exists, then the asset's recoverable amount is estimated.

For impairment testing, assets are grouped together into the smallest group of assets that generates cash inflows from continuing use that are largely independent of the cash inflows of other assets or cash-generating units (CGUs).

The recoverable amount of an asset or CGU is the greater of its value in use and its fair value less costs of disposal. Value in use is based on the estimated future cash flows, discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset or CGU.

An impairment loss is recognised if the carrying amount of an asset or CGU exceeds its recoverable amount.

Where, at the end of each financial year, the Company's assessment of impairment indicates that losses taken in prior years no longer exist or may have decreased, management will determine whether the whole or part of the loss should be reversed. The way this is done depends on whether the initial loss was based on the recoverable amount of an individual asset or the cash generating unit.

6.6 Leases

• As a Lessee

At inception of a contract, the Company assesses whether a contract is, or contains, a lease. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. To assess whether a contract conveys the right to control the use of an identified asset, the Company uses the definition of a lease in IFRS 16.

At commencement or on modification of a contract that contains a lease component, the Company allocates the consideration in the contract to each lease component on the basis of its relative stand-alone prices. However, for the leases of property the Company has elected not to separate non-lease components and account for the lease and non-lease components as a single lease component.

The Company recognizes a right of use asset and a lease liability at the lease commencement date. The right of use asset is initially measured at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or before the commencement date, plus any initial direct costs incurred and an estimate of costs to dismantle and remove the underlying asset or to restore the underlying asset or the site on which it is located, less any lease incentives received.

The right of use asset is subsequently depreciated using the straight line method from the commencement date to the end of the lease term, unless the lease transfers ownership of the underlying asset to the Company by the end of the lease term or the cost of the right of use asset reflects that, the Company will exercise a purchase option. In that case the right of use asset will be depreciated over the useful life of the underlying asset, which is determined on the same basis as those of property and equipment. In addition, the right of use asset is periodically reduced by impairment losses, if any, and adjusted for certain remeasurements of the lease liability.

The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted using the interest rate implicit in the lease or, if that rate cannot be readily determined, the Company's incremental borrowing rate. Generally, the Company uses its incremental borrowing rate as the discount rate.

The Company determines its incremental borrowing rate by obtaining interest rates from various external financing sources and makes certain adjustments to reflect the terms of the lease and type of the asset leased. Lease payments included in the measurement of the lease liability comprise the following:

- fixed payments, including in substance fixed payments;
- variable lease payments that depend on an index or a rate, initially measured using the index or rate as at the commencement date;
- amounts expected to be payable under a residual value guarantee; and
- the exercise price under a purchase option that the Company is reasonably certain to exercise, lease payments in an optional renewal period if the Company is reasonably certain to exercise an extension option, and penalties for early termination of a lease unless the Company is reasonably certain not to terminate early.

The lease liability is measured at amortized cost using the effective interest method. It is remeasured when there is a change in future lease payments arising from a change in an index or rate, if there is a change in the Company's estimate of the amount expected to be payable under a residual value guarantee, if the Company changes its assessment of whether it will exercise a purchase, extension or termination option or if there is a revised in substance fixed lease payment. When the lease liability is remeasured in this way, a corresponding adjustment is made to the carrying amount of the right of use asset or is recorded in profit or loss if the carrying amount of the right of use asset has been reduced to zero. The Company presents right of use assets that do not meet the definition of investment property in 'property, plant and equipment' and lease liabilities in other liabilities in the statement of financial position.

Short-term leases and leases of low-value assets

The Company has elected not to recognize right of use assets and lease liabilities for leases of low value assets and short term leases, including IT equipment. The Company recognizes the lease payments associated with these leases as an expense on a straight line basis over the lease term.

6.7 Provisions

Provisions are recognized when the Company has a present obligation (legal or constructive) as a result of a past event, it is probable that the Company will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation. The amount recognized as a provision is the best estimate of the consideration required to settle the present obligation at the end of the reporting period, taking into account the risks and uncertainties surrounding the obligation. When a provision is measured using the cash flows estimated to settle the present obligation, its carrying amount is the present value of those cash flows (when the effect of the time value of money is material).

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 recognized as a finance cost. Where there are a number of similar obligations, the likelihood that an outflow will be required in settlement is determined by considering the class of obligation as a whole. A provision is recognized even if the likelihood of an outflow with respect to any one item included in the same class of obligations may be small.

6.8 Employee benefit

Short-term benefits

Short-term employee benefit obligations include wages, salaries and other benefits which the Company has a present obligation to pay, as a result of employees' services provided up to the reporting date. The accrual is calculated on an undiscounted basis, using current salary rates. A provision is recognised for the amount expected to be paid under short-term cash bonus or profit-sharing plans if the Company has a present legal or constructive obligation to pay this amount as a result of past service provided by the employee and the obligation can be estimated reliably.

Defined contribution plans

The Company operates a defined contribution plan in accordance with the provisions of the Pension Reform Act. The contribution of the employee and employer is 8% and 10% of the qualifying monthly emoluments (i.e. basic, housing and transport) of employees respectively. The Company's obligations for contributions to the plan are recognized as an expense in profit or loss when they are due. Prepaid contributions are recognized as asset to the extent that a cash refund or reduction in future payments is available.

6.9 Taxation

Company Income Tax

Income tax expense comprises current tax (company income tax, tertiary education tax National Information Technology Development Agency levy and Nigeria Police Trust Fund levy) and deferred tax. It is recognized in profit or loss except to the extent that it relates to a business combination, or items recognized directly in equity or in other comprehensive income.

Current Taxation

Current tax comprises the expected tax payable or receivable on the taxable income or loss for the year, and any adjustment to tax payable or receivable in respect of previous years. The amount of current tax payable or receivable is the best estimate of the tax amount expected to be paid or received that reflects uncertainty related to income taxes, if any. It is measured using tax rates enacted or substantively enacted at the reporting date and is assessed as follows:

- Company income tax is computed on taxable profits at 30%
- Tertiary education tax is computed on assessable profits at 2.5%
- National Information Technology Development Agency levy is computed on profit before tax at 1%
- Nigeria Police Trust Fund levy is computed on net profit at 0.005% (i.e. profit after deducting all expenses and taxes from revenue earned by the company during the year).

Total amount of tax payable under CITA is determined based on the higher of two components namely Company Income Tax (based on taxable income (or loss) for the year); and minimum tax. Taxes based on profit for the period are treated as income tax in line with IAS 12.

Minimum tax

Minimum tax which is based on a gross amount is outside the scope of IAS 12 and therefore, are not presented as part of income tax expense in the profit or loss. The Company is subject to the Finance Act (amendments made to Companies Income Tax Act (CITA). Total amount of tax payable under the new Finance Act shall not be less than 0.5% of the Company's turnover. Where the minimum tax charge is higher than the Company Income Tax (CIT), a hybrid tax situation exists. In this situation, the CIT is recognized in the income tax expense line in the profit or loss and the excess amount is presented above the income tax line as Minimum tax.

The Company offsets the tax assets arising from withholding tax (WHT) credits and current tax liabilities if, and only if, the entity has a legally enforceable right to set off the recognized amounts, and intends either to settle on a net basis, or to realize the asset and settle the liability simultaneously. The tax asset is reviewed at each reporting date and written down to the extent that it is no longer probable that future economic benefit would be realized.

Deferred tax

Deferred tax is recognized in respect of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amount used for taxation purposes. Deferred tax is not recognized for:

- temporary differences on the initial recognition of assets and liabilities in a transaction that is not a business combination and that affects neither accounting net taxable profit or loss;
- taxable temporary differences arising on the initial recognition of goodwill; and
- temporary differences related to investments in subsidiaries, associates and joint arrangements to the extent that the Company is able to control the timing of the reversal of the temporary differences and it is probable that they will not reverse in the foreseeable future.

Deferred tax assets are recognized for unused tax losses, unused tax credits and deductible temporary differences to the extent that it is probable that future tax profits will be available against which they can be used. Future taxable profit are determined based on the reversal of relevant taxable temporary differences. If the amount of the taxable temporary differences is insufficient to recognize a deferred tax asset in full, then future taxable profits, adjusted for reversals of existing temporary differences, are considered, based on the business plans for individual subsidiaries in the Company. Deferred tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable that the related tax benefit will be realized; such reductions are reversed when the probability of the future taxable profits improves. Unrecognized deferred tax assets are reassessed at each reporting date and recognized to the extent that it has become probable that future taxable profits will be against which they can be used.

Deferred tax is measured at the tax rates that are expected to be applied to temporary differences when they reverse, using tax rates enacted or substantively enacted at the reporting date, and reflects uncertainty related to income taxes, if any. Deferred tax assets and liabilities are offset only if certain criteria are met.

The measurement of deferred tax reflects the tax consequences that would follow from the manner in which the Company expects, at the reporting date, to recover or settle the carrying amount of its assets and liabilities. For this purpose, the carrying amount of investment property measured at fair value is presumed to be recovered through sale, and the Company has not rebutted this presumption.

6.10 Other receivable and prepayments

Other assets include sundry debtors, deposit for assets etc. Other assets are carried at amortized cost using the effective interest rate less accumulated impairment losses.

Prepayments include amounts paid in advance by the Company on rent, staff benefits, other expenses etc. Expenses paid in advance are amortized on a straight-line basis to the profit or loss account.

6.11 Share capital and reserves.

Share capital.

The issued ordinary shares of the Company are classified as equity instruments. Incremental costs directly attributable to the issue of an equity instrument are deducted from the initial measurement of the equity instruments.

Statutory deposits

The Company maintains a statutory deposit with the Central Bank of Nigeria (CBN) which represents 10% of the minimum capitalization in compliance with the Nigeria Insurance Industry Reforms Act 2025. This balance is not available for the day-to-day operations of the Company and is measured at cost.

Contingency reserve

Contingency reserve is credited with the greater of 1% of gross premiums, or 10% of the profits. This shall accumulate until it reaches the amount of the greater of minimum paid-up capital or 50% of net premium.

Deposit for Shares

In 2024, the company received at total of N2,305,461,575 as deposit for shares from Enterprise Group Plc (Shareholder) pending the completion of regulatory formalities with the Corporate Affairs Commission (CAC) for the issuance and registration of the corresponding shares. The approval was received, and the deposit for shares was reclassified and recognized as Share Capital in line with the applicable laws and the Company's Articles of Association.

6.12 Contingent liabilities and assets

Possible obligations of the Company, the existence of which will only be confirmed by the occurrence or non-occurrence of uncertain future events not wholly within the control of the Company and present obligations of the Company where it is not probable that an outflow of economic benefits will be required to settle the obligation or where the amount of the obligation cannot be measured reliably, are not recognized in the Company statement of financial position but are disclosed in the notes to the financial statement.

Possible assets of the Company, the existence of which will only be confirmed by the occurrence or non-occurrence of uncertain future events not wholly within the control of the Company, are not recognized in the Company's statement of financial position but are disclosed in the notes to the financial statement where an inflow of economic benefits is probable.

6.13 Investment income

The Company issues contracts that transfer insurance risk or financial risk or both. For the purposes of valuations and profit recognition, contracts are divided into investment and insurance contracts. Insurance contracts are those contracts that transfer significant insurance risk to the Company, whereas investment contracts transfer financial risk. Investment contracts are comprised of the liabilities on policies in force as actuarially computed on the reporting date.

Investment income covers dividend income, interest income on debt instruments and gains/losses on equity securities. Interest income is income earned on all interest-bearing financial instruments. Interest income and expense for all interest-bearing financial instruments, including financial instruments measured at fair value through profit or loss are recognised as investment income and finance costs in profit or loss using the effective interest method. When interest income receivable is impaired, the carrying amount is reduced to its recoverable amount. The recoverable amount is the estimated future cash flow discounted at the original effective interest rate of the instrument.

6.14 Other operating income

Other income is income earned from non-core business activities and covers exchange gains and losses, profit or loss on asset disposal, and income from sundry sources.

6.15 Operating expenses

Expenses are decreases in economic benefits during the accounting period in the form of outflows, depletion of assets or incurrence of liabilities that result in decrease in equity, other than those relating to distributions to equity participants. Expenses are recognized on an accrual basis regardless of the time of spending cash. Expenses are recognized in the income statement 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.

Expenses are measured at historical cost. Only the portion of cost of a previous period that is related to the income earned during the reporting period is recognized as an expense. Expenses that are not related to the income earned during the reporting period, but expected to generate future economic benefits, are recorded in the financial statement as assets. The portion of assets which is intended for earning income in the future periods shall be recognized as an expense when the associated income is earned. Expenses are recognized in the same reporting period when they are incurred in cases when it is not probable to directly relate them to particular income earned during the current reporting period and when they are not expected to generate any income during the coming years.

6.16 Insurance and Investment contracts

6.16.1 Insurance contracts

Definitions and classifications

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 it 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.

Some contracts issued by the Company which have the legal form of an insurance contract but do not transfer significant insurance risk to the Company are not classified as insurance contracts and follow financial instruments or service contracts accounting applying IFRS 9 or IFRS 15 respectively.

The following products do not meet the definition of an insurance contract and are accounted for respectively as financial liabilities measured at fair value through profit or loss (FVTPL) applying IFRS 9 and as service contracts applying IFRS 15:

- investment contracts without discretionary participation features; and
- annual health insurance contracts where the policyholder (usually an employer who insures his employees) funds nearly all of the benefits payable under the relevant insured events and the Company refunds nearly all of the premium if there are lower amounts of benefit payable. The Company is compensated in these contracts for the claims administration service provided.

The Company issues certain insurance contracts to allow policyholders to participate in investment returns with the Company, in addition to compensation for losses from insured risk.

The Company assesses, on a contract-by-contract basis, whether participating contracts meet the definition of insurance contracts with direct participation features, which need to satisfy all three of the following criteria:

- the contractual terms specify that the policyholder participates in a share of a clearly identified pool of underlying items;
- the Company expects to pay to the policyholder an amount equal to a substantial share of the fair value returns from the underlying items; and
- a substantial proportion of the cash flows that the Company expects to pay to the policyholder should be expected to vary with the cash flows from the underlying items

In assessing whether the conditions above are met, the Company uses its expectations at the issue date of the contracts. The Company applies its judgement to assess whether the amount expected to be paid to the policyholder constitutes a substantial share of fair value returns from the underlying items and whether the variable cash flows represent a substantial proportion of the cash flows.

The Company also issues investment contracts with discretionary participation features for some insurance contracts. These contracts have similar economic characteristics as insurance contracts, and they are linked to the same pool of assets as insurance contracts. The Company applies insurance contract accounting to these contracts.

The Company holds reinsurance contracts to mitigate certain risk exposure. These are quota share reinsurance and facultative reinsurance contracts. A reinsurance contract is an insurance contract issued by a reinsurer to compensate the Company for claims arising from one or more insurance contracts issued by the Company.

A.1 Separating components from insurance and reinsurance contracts

The company issues some insurance contracts that have several components in addition to the provision of the insurance coverage service, such as an investment component, an investment management service, an embedded derivative and a provision of some other distinct goods or non-insurance services.

The Company assesses its products to determine whether some of these components are distinct and need to be separated and accounted for applying other Standards. When these non-insurance components are non-distinct, they will be accounted for together with the insurance component as part of the accounting for an insurance contract.

A.2. Separating investment components

The Company issues certain life insurance policies which include an investment component under which the Company is required to repay to a policyholder in all circumstances, regardless of whether an insured event occurs. Investment components are only separated from the insurance contract if they are distinct. Those distinct investment components are accounted for applying IFRS 9.

In assessing whether an investment component is distinct, the Company considers whether the investment and insurance components are not highly interrelated and a contract with equivalent terms to the investment component is sold (or could be sold) separately in the same market or in the same jurisdiction by other entities (including entities issuing insurance contracts).

In determining whether investment and insurance components are highly interrelated, the Company assesses whether it is unable to measure one component without considering the other and the policyholder is unable to benefit from one component unless the other component is present, i.e., whether cancelling one component also terminates the other. The Company has not identified any distinct investment components.

The Company applies IFRS 17 to account for non-distinct investment components as part of its insurance contracts.

A.3. Separating promises to transfer distinct goods or non-insurance services.

After the Company has determined whether to separate embedded derivatives and investment components, it considers the separation of any promise to transfer goods or non-insurance services embedded in the contract. The Company separates from the host insurance contract only distinct promises to transfer goods or non-insurance services to a policyholder. Once separated, such promises are accounted for applying IFRS 15.

In determining whether an obligation to deliver a good or non-insurance service promised to a policyholder is distinct, the Company considers whether the policyholder can benefit from the good or service either on its own or together with other resources readily available to the policyholder that are either sold separately or it is something that the policyholder already has.

A good or non-insurance service that is promised to the policyholder is not distinct if the cash flows and risks associated with the good or service are highly interrelated with the cash flows and risks associated with the insurance components and the Company provides a significant service in integrating the good or non-insurance service with the insurance components. The Company has not identified any distinct goods or non-insurance services.

A.4. Separating insurance components of a single insurance contract

Once the embedded derivatives, investment components and the goods and services components are separated, the Company assesses whether the contract should be separated into several insurance components that, in substance, should be treated as separate contracts.

To determine whether a single legal contract does not reflect the substance of the transaction and its insurance components recognised and measured separately instead, the Company considers whether there is an interdependency between the different risks covered, whether components can lapse independently of each other and whether the components can be priced and sold separately. When the Company enters into one legal contract with different insurance components operating independently of each other, insurance components are recognised and measured separately applying IFRS 17.

B. Level of aggregation

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 the product lines. The Company determines that all contracts within each product line, as defined for management purposes, have similar risks and, therefore, represent a portfolio of contracts when they are managed together. Some products issued by different entities within the Company are considered as managed at the issuing entity level because the management of the solvency capital supporting the issuance of these contracts is ringfenced within those entities.

Each portfolio is sub-divided 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 portfolio contains all contracts that were issued within a 12-month period. Each portfolio is then further disaggregated into three groups of contracts:

- a) contracts that are onerous on initial recognition;
- b) contracts that, on initial recognition, have no significant possibility of becoming onerous subsequently; and
- c) any remaining contracts in the portfolio.

In determining the appropriate group, the Company measures a set of contracts together using reasonable and supportable information. The Company applies significant judgement in determining at what level of granularity the Company has sufficient information to conclude that all contracts within a set will be in the same group. In the absence of such information the Company assesses each contract individually.

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The determination of whether a contract or a group of contracts is onerous is based on the expectations as at the date of initial recognition, with fulfilment cash flow expectations determined on a probability-weighted basis. The group determines the appropriate level at which reasonable and supportable information is available to assess whether the contracts are onerous at initial recognition and whether the contracts not onerous at initial recognition have a significant possibility of becoming onerous subsequently. All groups include only contracts issued within a 12-month period. The composition of groups established at initial recognition is not subsequently reassessed.

Rule for profitability groupings – Life

For life business, rule for profitability groupings will be based on Best Estimate Liability (BEL) and Risk Adjustment (RA).

Rule for profitability groupings for life business are as follows:

Onerous: $BEL + RA > 0$

Others: $BEL + RA < 0$ and $BEL + 1.5 \times RA > 0$

Profitable: $BEL + RA < 0$ and $BEL + 1.5 \times RA \leq 0$

Classification of IFRS 17 Portfolios of life business based on similar risks managed together:

Individual Policies

Universal Life And Investment Linked Products

This is a term policy that guarantees interest on fund accumulation for policyholders. The contracts generally provide for death benefit, savings and non-forfeiture values. Unit Linked Policies – are policies that offer both insurance coverage and investments exposure in equities or bonds or mutual funds. It is backed by units with no guarantee

Term Insurance

It provides death cover over a specific period of time for individual lives. The policies are usually over a short period of time and commonly grant the policyholder the right to renew for an additional period(s) up to a maximum age such as 60 or 65, without requiring additional evidence of insurability. Such policies usually do not provide non-forfeiture values unless there are savings component to the contract

Credit Life

This is a Term life policy, which covers death and disability during the period of repaying ones loan/Mortgage. Benefits at any point of the contract are usually the outstanding balance of the loan/Mortgage. Premium is usually in the form of a single premium and at the point of taking the loan/Mortgage. Credit life has no non-forfeiture values.

The two main categories/groupings under Credit Life are:

Whole Life

A whole Life policy provides a fixed amount of insurance coverage over the life of the insured and the related benefits are normally payable only upon the insured's death. Premiums are paid over various periods as allowed by the terms of the policy contract. Whole life contracts provide for non-forfeiture values, some common types being reduced paid up insurance, extended term insurance, and cash value. A level premium is usually paid for policies of this type.

Endowment Policy

Endowment policy is principally a saving contract which incorporates an element of life insurance protection. The policy provides for non-forfeiture values, some common types being reduced paid up insurance, extended term insurance, and cash value. It provides a benefit if the insured survives the endowment period, or the amount is paid to a beneficiary if the insured does not survive.

Critical Illness (Dread Disease)

This is life insurance policy that gives a percentage of the death benefit to the policy holder if he or she is diagnosed with a serious disease, such as cancer or heart disease. This feature is usually sold as a rider to a main life policy.

Total And Permanent Disability & Income Protection(TPD)

TPD is the type of policy which covers loss of income because the insured is unable to work in his own or any occupation for which he or she is suited by training, education, or experience. An individual or group of individuals can insure themselves against TPD through a disability insurance policy, as part of a life insurance package or through worker's compensation insurance

Group Policies

These are policies which cover death or disability of members in a group over a specific period of time, usually one year. Premium rates are unique as pricing of this product is done to reflect the risk exposure and history of each group. The group policies should be categorized as follows:

- Group Life
- Group Credit Life – Loans
- Group Credit Life – Mortgage
- Group Life with Investment

For Reinsurance Companies, the above portfolios can further be sub-divided into:

- Proportional Treaty
- Non-proportional Treaty
- Proportional Facultative
- Non-proportional Facultative

Individual Policies

Group Policies

The above categories per treaty and facultative types holds for reinsurance contracts held or ceded.

Reinsurance contracts held are assessed separately from underlying insurance contracts issued. The Company disaggregates a portfolio of its reinsurance contracts held into three groups of contracts:

- a) those that on initial recognition have a net gain;
- b) those that on initial recognition have a net cost that is not immediately recognised in profit or loss; and
- c) those that on initial recognition have a net cost that is immediately recognised in profit or loss.

C. Recognition

The Company recognises groups of insurance contracts issued from the earliest of the following dates:

- the beginning of the coverage period of the group of contracts;
- the date when the first payment from a policyholder in the group becomes due (in the absence of a contractual due date, this is deemed to be when the first payment is received); and
- when the Company determines that a group of contracts becomes onerous.

The Company recognises only contracts issued within a one-year period meeting the recognition criteria by the reporting date. Subject to this limit, a group of insurance contracts can remain open after the end of the current reporting period and new contracts are included to the group when they meet the recognition criteria in subsequent reporting periods until such time that all contracts expected to be included within the group have been recognised.

Investment contracts with discretionary participation features are initially recognised at the date the Company becomes a party to the contract.

D. Contract boundaries

The Company includes in the measurement of a group of insurance contracts all the future cash flows expected to arise within the boundary of each of the contracts in the group.

In determining which cash flows fall within a contract boundary, the Company considers its substantive rights and obligations arising from the terms of the contract, and also from applicable laws and regulation. The Company determines that cash flows are within the boundary of a contract if they arise from substantive rights and obligations that exist during the reporting period in which the Company can compel the policyholder to pay the premiums or the Company has a substantive obligation to provide the policyholder with services. A substantive obligation to provide services ends when:

- the Company has the practical ability to reassess the risks of a particular policyholder and as a result change the price charged or the level of benefits provided for the price to fully reflect the new level of risk; or
- the boundary assessment is performed at a portfolio rather than individual contract level, there are two criteria that both need to be satisfied: the Company must have the practical ability to reprice the portfolio to fully reflect risk from all policyholders' and the Company's pricing must not take into account any risks beyond the next reassessment date.

In determining whether all the risks have been reflected either in the premium or in the level of benefits, the Company considers all risks that policyholders would transfer had it issued the contracts (or portfolio of contracts) at the reassessment date.

Similarly, the Company concludes on its practical ability to set a price that fully reflects the risks in the contract or portfolio at a renewal date by considering all the risks that it would assess when underwriting equivalent contracts on the renewal date for the remaining service. The assessment on the Company's practical ability to reprice existing contracts takes into account all contractual, legal and regulatory restrictions. In doing so, the Company disregards restrictions that have no commercial substance. The Company also considers the impact of market competitiveness and commercial considerations on its practical ability to price new contracts and repricing existing contracts. Judgement is required to decide whether such commercial considerations are relevant in concluding as to whether the practical ability exists at the reporting date.

The Company issues investment-linked insurance contracts that include an embedded insurance option to add insurance coverage at a future date so that the Company is obligated to provide additional coverage if the policyholder exercises the option. The Company has no right to compel the policyholder to pay premiums and the option to add insurance coverage at a future date is an insurance component that is not measured separately from the insurance contract. When the insurance option is not in substance a separate contract and the terms are guaranteed by the Company, the cash flows arising from the option are within the boundary of the contract. If the option is not a separate contract and the terms are not guaranteed by the Company, the cash flows arising from the option might be either within or outside the contract boundary, depending on whether the Company has the practical ability to set a price that fully reflects the reassessed risks of the whole contract. If the Company does not have the practical ability to reprice the whole contract when the policyholder exercises the option to add coverage, the expected cash flows arising from the additional premiums after the option exercise date would be within the original contract boundary.

In estimating expected future cash flows of the group of contracts the Company applies its judgement in assessing future policyholder behaviour surrounding the exercise of options available to them such as surrenders options, and other options falling within the contract boundary.

Cash flows are within the boundaries of investment contracts with discretionary participation features if they result from a substantive obligation of the Company to deliver cash at a present or future date. The Company assesses the contract boundary at initial recognition and at each subsequent reporting date to include the effect of changes in circumstances on the Company's substantive rights and obligations.

The Company measures a group of contracts on initial recognition as the sum of the expected fulfilment cash flows within the contract boundary and the contractual service margin representing the unearned profit in the contracts relating to services that will be provided under the contracts.

Fulfilment cash flows (FCF) within contract boundary

The FCF are the current unbiased and probability-weighted estimates of the present value of the future cash flows, including a risk adjustment for non-financial risk. In arriving at a probability-weighted mean, the Company considers a range of scenarios to establish a full range of possible outcomes incorporating all the reasonable and supportable information available without undue cost or effort about the amount, timing and uncertainty of expected future cash flows. The estimates of future cash flows reflect conditions existing at the measurement date including assumptions at that date about the future.

The Company estimates expected future cash flows for a group of contracts at a portfolio level and then allocated them to the groups in that portfolio in a systematic and rational way.

When estimating future cash flows, the Company includes all cash flows within the contract boundary including:

- premiums and any additional cash flows resulting from those premiums;
- claims paid, reported claims that have not yet been paid, claims incurred but not yet reported, future claims expected to arise from the policy and potential cash inflows from recoveries on future claims covered by existing insurance contracts;
- an allocation of insurance acquisition cash flows attributable to the portfolio to which the issued contract belongs;
- claim handling costs;
- costs of providing contractual benefits in kind, such as home and vehicle repair;
- policy administration and maintenance costs including recurring commissions that are expected to be paid to intermediaries for policy administration services only (recurring commissions that are insurance acquisition cash flows are treated as such in the estimate of future cash flows;

- transaction-based taxes;
- an allocation of fixed and variable overheads directly attributable to the fulfilment of insurance contracts including overhead costs such as accounting, human resources, information technology and support, building depreciation, rent, and maintenance and utilities.
- costs incurred for performing investment activities that enhance insurance coverage benefits for the policyholder; and
- costs incurred for providing investment-related service to policyholders

E. Summary of measurement methods

- The Company issues the following contracts that are accounted for using different measurement methods:
- Term life insurance contracts, which are life insurance contracts that provide either level or decreasing sum assured coverage for a limited period of time in exchange for renewable fixed premiums. The Company accounts for these policies applying the General Measurement Model (GMM);
- Deferred variable annuity contracts, which provide the annuitant with a guaranteed income payout for life
- The deferred variable annuity involves two phases: accumulation and payout. Cash flows of deferred variable annuity contracts vary with the return on underlying items in accumulation phase, but not thereafter. The minimum pre-determined guaranteed annuity rates are specified at contract’s inception. These contracts are accounted for applying the Variable Fee Approach (VFA).
- Investment-linked insurance policies, which have life insurance coverage and investment components. The Company has an obligation to pay policyholders an amount equal to the value to specified underlying items, minus a variable fee for service. Those contracts are measured applying the VFA; and
- In addition to issuing all these insurance contracts and investment contracts, the Company holds quota share reinsurance treaty for term insurance policies, as well as for investment linked insurance policies, accounted applying GMM.

Summary of measurement methods

Products	Portfolios	Measurement Model
Family Care Plan	Risk	General Measurement Model
Income Protection Plan	Risk	General Measurement Model
Educare	Investment Link	Variable Fee Approach
Lifetime Needs	Investment Link	Variable Fee Approach
Group Life	Group Life	Premium Allocation Approach

F. Measurement of insurance contracts issued

F.1 Measurement on initial recognition for contracts other than PAA

The Company issues investment-linked insurance policies and investment contracts with discretionary participation features that result in policyholders in different groups sharing the returns on the same pool of underlying items.

The Company determines each group’s share of the returns from the underlying items by first determining the overall return at a higher level of aggregation than the groups, and then making an allocation to each group on a systematic and rational basis.

The Company recognises and measures the liability for the unpaid amounts arising from all groups in aggregate and does not allocate such fulfilment cash flows to specific groups when coverage on contracts has been given.

The cash flow estimates include both market variables, which are consistent with observable market prices, and non-market variables, which are not contradictory with market information and based on internally and externally derived data.

The Company updates its estimates at the end of each reporting period using all newly available, as well as historic evidence and information about trends. The Company determines its current expectations of probabilities of future events occurring at the end of the reporting period. In developing new estimates, the Company considers the most recent experience and earlier experience, as well as other information.

Discount rates.

The time value of money and financial risk is measured separately from expected future cash flows with changes in financial risks recognised 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 and 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).

Expected future cash flows that vary based on the returns on any financial underlying items are discounted at rates that reflect this variability.

Enterprise Life Assurance Company (Nigeria) Limited
Annual report for the year ended December 31, 2025

The company opted for the Bottom-Up Approach in estimating the Discount Rate, determined as a risk-free rate, adjusted for illiquidity premium where applicable. The illiquidity premium may be determined by reference to observable market rates as published by the Nigerian Actuarial Society (NAS) to estimate discount rates starting from the yield curve implied in the fair value of a reference portfolio, that closely reflects the duration, currency and liquidity characteristics of the insurance cash flows. The yield curve from the reference portfolio is adjusted to exclude the effects of risks present in the cash flows from the financial instruments that are part of the reference portfolio, but not in the insurance contracts cash flows.

The Company estimates the discount rate applicable to each group of contracts on initial recognition, based on recognised contracts. In the following reporting period, as more contracts are included to the group, result in a change to the determination of the discount rates at the date of initial recognition and the discount rate applicable to the group on initial recognition is then revised from the start of the reporting period in which the new contracts are added to the group. The Company has re-estimated using a weighted average discount rate over the period the contracts in the group are issued.

Risk adjustment for non-financial risk.

The risk adjustment for non-financial risk represents the compensation that the Company requires for bearing the uncertainty about the amount and timing of the cash flows of groups of insurance contracts and covers insurance risk, lapse risk and expense risk. The risk adjustment reflects an amount that an insurer would rationally pay to remove the uncertainty that future cash flows will exceed the best estimate amount.

IFRS 17 requires an entity to disclose the confidence interval that is associated with the calculation of the Risk Adjustment. We have made use of the Tail-Var approach under Solvency Assessment Management (SAM). Under SAM is calculated at a 99.5% confidence interval.

The best estimate liability (BEL) is an unbiased estimate of the present value of expected future cashflows. If it is assumed that discounted fulfilment cashflows follow a normal distribution with a mean equal to the BEL and an unknown standard deviation, then:

- The BEL is calibrated to a 50% confidence level.
- The BEL + Solvency Capital Requirement (SCR) is calibrated to a 99.5% confidence level
- Using the 2 points above, the unknown standard deviation can be solved for.

Hence, we can solve for the confidence interval of the BEL + PfAD RA using the mean (BEL) and standard deviation from above.

Using the methodology above, the risk adjustment has been calibrated to 74% confidence interval. We are satisfied with this approach, as it we believe this is not materially different from what is observable in the industry.

Contractual service margin (CSM)

The CSM is a component of the overall carrying amount of a group of insurance contracts representing unearned profit the Company will recognise as it provides insurance contract services over the coverage period. At initial recognition, the Company measures the CSM at an amount that, unless a group of insurance contracts is onerous, results in no gains recognised in profit or loss arising from:

- the expected fulfilment cash flows of the group;
- the amount of any derecognised asset for acquisition cash flows allocated to the group; and any other asset or liability previously recognised for cash flows relate to the group; and
- any cash flows that have already arisen on the contracts as of that date.

If a group of contracts is onerous, the Company recognises a loss on initial recognition, resulting in the carrying amount of the liability for the group being equal to the fulfilment cash flows, and the CSM of the group being nil. A loss component is recognised for any loss on initial recognition of the group of insurance contracts. See note 6.16 F.4 and note 25.

The Company determines, at initial recognition, the group's coverage units and allocates the group's CSM based on the coverage units provided in the period

For groups of insurance contracts acquired with claims in their settlement period, at initial recognition, the Company allocates the newly acquired contracts into separate portfolios, even if the group already issues such product. This is because the coverage for adverse claims development in the newly acquired contracts is different to the contracts originally issued by the Company. The Company allocates such newly acquired contracts into annual groups based on the expected profitability of acquired contracts as at the date of acquisition. The Company uses the consideration received or paid as an approximation of premiums to calculate the CSM on initial recognition. When, on initial recognition, the acquired contracts are determined to be onerous, then for contracts acquired in a portfolio transfer, the excess of the fulfilment cash flows over the consideration received is recognised in profit or loss. For contracts acquired as part of a business combination, the excess, representing the extent to which the contract is onerous, is recognised as part of goodwill or as a gain on a bargain purchase.

Insurance acquisition cash flows

The Company includes insurance acquisition cash flows in the measurement of a group of insurance contracts if they are directly attributable to either the individual contracts in a group, or to the group itself, or the portfolio of insurance contracts to which the group belongs. The Company estimates insurance acquisition cash flows not directly attributable to the group but directly attributable to the portfolio at a portfolio level and then allocates them to the group of newly written and renewed contracts on a systematic and rational basis.

The Company recognises an asset in respect of costs in securing a portfolio or group of insurance contracts, such as costs of selling and underwriting, when these costs are already paid before the recognition of the group of insurance contracts to which these costs relate to. The Company recognises such an asset for each existing or future group of insurance contracts to which insurance acquisition cash flows are allocated.

Such assets are derecognised when the insurance acquisition cash flows allocated to the group of insurance contracts are included in the measurement of the group. The related portion of the asset for insurance acquisition cash flows is derecognised when the associated group of contracts is recognised, and its balance is included in the group's fulfilment cash flows. When only some of the insurance contracts expected to be included within the group is recognised as at the end of the reporting period, the Company determines the related portion of the asset that is derecognised and included in the group's fulfilment cash flows on the basis of a systematic and rational allocation method taking into consideration the timing of recognition of the contracts into the group.

At each reporting date, the Company reviews the carrying amounts of the asset for insurance acquisition cash flows to determine whether there is an indication that the asset has suffered an impairment. If any such indication exists, the Company adjusts the carrying amount of the asset so that the carrying amount of the asset does not exceed the expected net cash inflow for the associated future groups of contracts and an impairment loss is recognised in profit or loss for the difference. Where an impairment loss subsequently reverses, the carrying amount of the asset is increased to the extent the impairment conditions no longer exist or have improved and the cumulative amount of impairment loss reversal does not exceed the impairment loss recognised for the asset in prior years.

F.2 Subsequent measurement under the general measurement model

After initial recognition, at the end of each reporting period, the carrying amount of the group of insurance contracts will reflect a current estimate of the liability for incurred claims (LIC) as at that date and a current estimate of the liability for remaining coverage (LRC).

The LRC represents the Company's obligation to investigate and pay valid claims under existing contracts for insured events that have not yet occurred, comprising (a) fulfilment cash flows relating to future service and (b) the CSM yet to be earned.

The LIC includes the Company's liability to pay valid claims for insured events that have already incurred, other incurred insurance expenses arising from past coverage service and includes the liability for claims incurred but not yet reported. It also includes the Company's liability to pay amounts the Company is obliged to pay the policyholder under the contract, including repayment of investment components, when a contract is derecognized.

The current estimate of LIC comprises the fulfilment cash flows related to current and past service allocated to the group at the reporting date.

In estimating the total future fulfilment cash flows, the Company distinguishes between those relating to already incurred claims and those relating to future services.

At the end of each reporting period, the fulfilment cash flows are updated by the Company to reflect the current estimates of the amounts, timing, and uncertainty of future cash flows, as well as discount rates to ensure that the estimates measured in the statement of financial position are always current.

Experience adjustments are the difference between:

- (a) Premium received (and any related cash flows paid such as insurance acquisition cash flows and insurance premium taxes) and the estimate at the beginning of the period of the amounts expected in the period;
- (b) The actual amounts of insurance service expenses incurred in the period (excluding insurance acquisition expenses) and the estimate at the beginning of the period of the amounts expected to be incurred in the period.

Experience adjustments relate to current or past service are recognised in profit or loss. For incurred claims (including incurred but not reported) and other incurred insurance service expenses, experience adjustments always relate to current or past service and are included in profit or loss as part of insurance service expenses. Experience adjustments relating to future service are included in the LRC by adjusting the CSM. The release of the CSM depends on whether the contract does not participate, participates indirectly, or directly participates in the performance of the specified underlying items.

Subsequent to initial recognition, the CSM of a group of insurance contracts accretes interest at the discount rates 'locked in' on initial recognition, which represent a historic curve of discount rates that were applied for initial measurement. The curve is made up of discount rates used to discount those cash flows that do not vary with the returns of the underlying items.

The carrying amount of the CSM for insurance contracts without direct participating features at the end of the reporting period is the carrying amount at the beginning of the period adjusted for:

- the effect of any new contracts added to the group;
- interest accreted on the carrying amount of CSM measured at the discount rates determined at initial recognition;
- the changes in fulfilment cash flows related to future service, except that:
 - such increases in fulfilment cash flows exceed the carrying amount of the CSM, giving rise to a loss that results in the group of contracts becoming onerous or more onerous; or
 - such decreases in fulfilment cash flows reverse a previously recognised loss on a group of onerous contracts;
- the effect of any currency exchange differences on the CSM; and
- the amount recognised as insurance revenue because of the transfer of insurance contract services in the period, determined by allocation of the CSM remaining at the end of the reporting period over the current and remaining coverage period.

Changes in fulfilment cash flows

At the end of each reporting period, the Company re-estimates the LRC fulfilment cash flows, updating for changes in assumptions relating to financial and non-financial risks. For insurance contracts without direct participating features, the following changes in fulfilment cash flows are considered to be related to future services and adjust (or ‘unlock’) the CSM:

- Experience adjustments relating to the premiums received in the period that relate to future services, and any related cash flows such as acquisition cash flows and premium-based taxes measured at the ‘locked in’ discount rates applicable when the contracts in the group were initially recognised.
- The change in the estimate of the present value of expected future cash flows in the liability for remaining coverage measured at the ‘locked in’ discount rates applicable when the contracts in the group were initially recognised.
- Changes in the risk adjustment for non-financial risk relating to future services. The Company has elected not to disaggregate the change in the risk adjustment for non-financial risk between (i) a change related to non-financial risk and (ii) the effect of the time value of money and changes in the time value of money. If the Company made such a disaggregation, it shall adjust the CSM for the change related to non-financial risk, measured at the discount rates applicable when the contracts in the group were initially recognised.
- Differences between the amount of investment components that were expected to be payable in the period and the amount of investment components that became payable. Both these amounts are measured at the discount rates applicable when the contracts in the group were initially recognised.

The following adjustments do not relate to future service and thus do not adjust the CSM:

- Changes in fulfilment cash flows for the effect of the time value of money and the effect of financial risk and changes thereof.
- Changes in the fulfilment cash flows relating to the LIC; and
- Experience adjustments relating to insurance service expenses (excluding insurance acquisition cash flows)

If an increase in fulfilment cash flows relating to future coverage exceeds the CSM of the group, the Company recognises the difference in profit or loss as an expense, creating a ‘loss component’ for the group.

Subsequently, any further increases in fulfilment cash flows relating to future coverage are also recognised in profit or loss as they occur, increasing the loss component of the group of insurance contracts.

Any subsequent decreases in fulfilment cash flows related to future coverage do not adjust the CSM, until the loss component of the group is fully reversed through profit or loss.

Recognition of the CSM in profit or loss

An amount of the CSM is released to profit or loss in each period during which the insurance contract services are provided.

In determining the amount of the CSM to be released in each period, the Company follows three steps:

- determine the total number of coverage units in the group. The amount of coverage units in the group is determined by considering for each contract the quantity of benefits provided under the contract and the expected coverage period.
- allocate the CSM at the end of the period (before any of it is released to profit or loss to reflect the insurance contract services provided in the period) equally to each of the coverage units provided in the current period and expected to be provided in the future.
- recognise in profit or loss the amount of CSM allocated to the coverage units provided during the period.

The number of coverage units changes as insurance contract services are provided, contracts expire, lapse or surrender and new contracts are added into the group. The total number of coverage units depends on the expected duration of the obligations that the Company has from its contracts, which can differ from the legal contract maturity because of the impact of policyholder behaviour and the uncertainty surrounding future insured events.

In determining a number of coverage units, the Company exercises judgement in estimating the likelihood of insured events occurring and policyholder behaviour to the extent that they affect expected period of coverage in the group, the different levels of service offered across periods (e.g. policyholder exercising an option and adding an additional coverage for a previously guaranteed price) and the ‘quantity of benefits’ provided under a contract.

In determining the number of coverage units, the Company applies the following methods:

- For term life (with level or decreasing sum assured) and fixed annuity policies, a method based on the expected coverage period and maximum contractual cover in each period is applied. This method is appropriate as there is variability in the contractual cover in each period and, therefore, variability in the amount of the service provided in each period;
- For investment contracts with discretionary participating features, the quantity of coverage units is determined based on the expected period of the contracts and the benefits are the expected expenses that the Company will incur to render the investment-related service that produces the policyholder's benefits under the contract.

- For facultative (excess of individual loss) reinsurance contract held, a straight-line allocation over the passage of time represents the quantity of coverage unit over each period. This is because the amount that can be claimed under the contract is the same in each period.
- For term life quota share reinsurance contract held, a method based on the expected duration and maximum contractual cover expected to be in force in each period is applied.

The amount of CSM allocated to each coverage unit changes over time, as the amount of CSM changes. The allocation of the CSM to coverage units is done at the end of the period, after reflecting all the other CSM adjustments (the accretion of interest and the effect of change in assumptions relating to future coverage), but before any of it is released to profit or loss. The amount of CSM remaining at the end of the reporting period is allocated equally to both the coverage units provided in the period and the remaining coverage units relating to future periods.

The Company does not issue insurance contracts generating cash flows in a foreign currency that is different from the functional currency of the entity in the Company issuing the contract. Contracts with cash flows dependent on underlying items that do not meet the definition of direct participating contracts (indirect participating contracts)

F.3 Subsequent measurement for direct participating contracts (accounted under VFA)

The Company issues insurance contracts with substantial investment-related services. When assessing whether a contract meets the definition of a direct participating contracts, the Company applies the definition of IFRS 17. Under the definition, direct participating insurance contracts are contracts for which:

- The contractual terms specify policyholder participation in a share of a clearly identified pool of underlying items.
- The payment to the policyholder is expected to be a substantial share of fair value returns on the underlying items; and
- The Company expects a substantial proportion of the variability in the payments due to the policyholder to be due to changes in the fair value of the underlying items.

The assessment of whether a contract meets the definition of a direct participating contract is performed on initial recognition using the Company's expectations existing at inception of the contract. In applying the definition of a direct participating contract, the Company considers the legal enforceability of the contractual link with the participating policyholder to a share of returns from a clearly defined pool of underlying items.

The Company's obligation to the policyholders consists of the obligation to pay policyholders the fair value of the underlying items less a variable fee for future services provided under the insurance contract.

In determining the policyholder's share of returns from the underlying items and how substantial the degree of variability in total payments to the policyholder is due to returns from underlying items, the Company makes the assessment:

- over the duration of the insurance contracts; and
- on a present value probability-weighted average basis

When calculating the probability-weighted average of multiple scenarios where some of those scenarios result in the payments to the policyholder not equalling a substantial share of the fair value of the underlying items, the Company applies judgement of whether a contract meets the definition of a direct participating contract.

The CSM for direct participating contracts is measured using the variable fee approach (VFA).

The carrying amount of the CSM for direct participating contracts at the end of the reporting period is the carrying amount at the beginning of reporting period adjusted for:

- The effect of any new contracts added to the group;
- The change in the amount of Company's share of the fair value of the underlying items except for:
 - i. Other amount of CSM the Company chooses to present in profit or loss to offset the impact from its risk mitigation instruments;
 - ii. Other decrease in the amount of Company's share of the fair value of the underlying items that exceeds the carrying amount of the CSM giving rise to a loss that makes the associated group of contracts onerous, or that results in a loss for an existing onerous group becoming more onerous; or
 - iii. Other increase in the amount of Company's share of the fair value of the underlying items that reverses a previously recognised loss on an onerous group of contracts.

The changes in fulfilment cash flows relating to future service, except that:

- (i) the amount of the CSM the Company chooses to present in profit or loss to offset the impact from its risk mitigation instruments;
- i. such increases in the fulfilment cash flows exceed the carrying amount of CSM and the group of contracts becomes onerous or more onerous; or
- ii. such decreases in the fulfilment cash flows reverse a previously recognised loss on an onerous group of contracts; and The effect of any currency exchange differences on the CSM
- iii. The amount recognised as insurance revenue because of the transfer of insurance contract services in the period. This amount is determined by allocating the CSM remaining at the end of the reporting period (after all other adjustments but before any allocation) over the current and remaining coverage period based on the amount of coverage units provided in the period. This process is explained in section G.2 above.

All CSM adjustments are measured considering a current measure of the time value of money with full allowance of its dependency on the financial variables affecting the fair value returns of the underlying items. Applying the VFA, the changes in fulfilment cash flows that adjust the CSM are changes in the amount of Company's share of the fair value of the underlying items and changes in fulfilment cash flows that do not vary based on the returns of the underlying items. The changes in fulfilment cash flows that do not vary based on the returns of the underlying items are:

- changes in the effect of the time value of money and financial risks not arising from the underlying items, for example the impact of financial guarantees.
- experience adjustments arising from premiums received in the period related to future service.
- changes in the estimate of future expected cash flows of the liability for remaining coverage.
- differences arising from timing of payment of investment components; and
- changes in the risk adjustment for non-financial risk related to future service.

Risk Mitigation

The Company mitigates the financial risks created by minimum return guarantees embedded in direct participating contracts by using a derivative as its preferred risk mitigation instrument. The derivatives are in the scope of IFRS 9 with changes in its fair value presented in profit or loss. Applying the risk mitigation, the changes in the fulfilment cash flows arising from the minimum return guarantees on direct participating contracts do not adjust the CSM and are also reflected in profit or loss.

F.4 Onerous contracts

The Company considers an insurance contract to be onerous if the expected fulfilment cash flows allocated to the contract plus any previously recognised acquisition cash flows and any cash flows arising from the contract at the date of initial recognition in total result in a net cash outflow.

The onerous assessment is done on an individual contract level assessing future expected cash flows on a probability-weighted basis including a risk adjustment for non-financial risk. Contracts expected on initial recognition to be loss-making are grouped together and such groups are measured and presented separately. Once contracts are allocated to a group, they are not re-allocated to another group, unless they are substantively modified.

On initial recognition, the CSM of the group of onerous contracts is nil and the group's measurement consists entirely of fulfilment cash flows. A net outflow expected from a group of contracts determined to be onerous is considered to be the group's 'loss component'. It is initially calculated when the group is first considered to be onerous and is recognised 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 recognised, the Company allocates any subsequent changes in fulfilment cash flows of the LRC on a systematic basis between 'loss component' and 'LRC excluding the loss component'. 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 recognised in profit or loss representing release from risk in the period; and
- estimates of the present value of future cash flows for claims and expenses released from the LRC because of incurred insurance service expense in the period.

The Company determines the systematic allocation of insurance service expenses incurred based on the percentage of loss component to the total outflows included in the LRC, excluding any investment component amount.

Any subsequent decreases relating to future service in fulfilment cash flows allocated to the group arising from changes in estimates of future cash flows and the risk adjustments for non-financial risk are allocated first only to the loss component, until it is exhausted. Once it is exhausted, any further decreases in fulfilment cash flows relating to future service create the group's CSM.

A group of insurance contracts becomes onerous (or more onerous) on subsequent measurement if the following amounts exceed the carrying amount of the CSM:

- a) for a group of direct participating contracts, the decrease in the amount of the Company's share of the fair value of the underlying items; and
- b) unfavourable changes relating to future service in the fulfilment cash flows allocated to the group, arising from changes in estimates of future cash flows and the risk adjustments for non-financial risk.

For onerous groups of contracts, revenue is calculated as the amount of insurance service expense expected at the beginning of the period that form part of revenue and reflects only:

- the change in the risk adjustment for non-financial risk due to expected release from risk in the period (excluding the amount systematically allocated to the loss component);

- the estimates of the present value of future cash flows related to claims expected to incur in the period (excluding the systematic allocation to the loss component); and
- the allocation, based on the coverage units, of the portion of premiums that relates to the recovery of the insurance acquisition cash flows.

All these amounts are accounted for in reduction of the LCR excluding the loss component. The Company recognises amounts in insurance service expense related to the loss component arising from:

- changes in fulfilment cash flows arising from changes in estimates related to future service that establish or further increase the loss component;
- subsequent decreases in fulfilment cash flows that relate to future service and reduce the loss component until it is exhausted;

- changes, for direct participating contracts only, in the entity's share of decrease in the fair value of the underlying items, that result in or further increase the loss component;
 - for direct participating contracts only, subsequent increases in the entity's share of the fair value of the underlying items that reduce the loss component until it is exhausted; and
 - systematic allocation to the loss component arising both from changes in the risk adjustment for non-financial risk and from incurred insurance services expense.
- The company uses facultative and treaty reinsurance to mitigate some of its risks exposures. Reinsurance contracts held are accounted under IFRS 17 when they meet the definition of an insurance contract, which includes the condition that the contract must transfer significant insurance risk.

G. Investment contracts

Investment contracts comprise unit-linked and other investment-linked contracts that do not transfer significant insurance risk. Such contracts are separated into two components: a financial liability (investment contract) and an investment management service contract. Recurring fees are conditional on the provision of investment management services and are attributed to the investment management service contract component. If an amount received from a customer exceeds the fair value of the investment contract issued, then the excess is attributed to the investment services component as an up-front fee.

Financial liabilities

The Company recognises a financial liability, representing its contractual obligation to pass on the return on the underlying investments after the deduction of investment management fees, when the company becomes a party to the contractual provisions. It derecognises the financial liability when the obligations specified in the contract expire or are discharged or cancelled. Amounts collected and paid that are attributable to the financial instrument component are adjusted against the financial liability.

Financial liabilities arising from investment contracts are designated as at FVTPL on initial recognition. This is because these liabilities as well as the related assets are managed and their performance is evaluated on a fair value basis. The fair value is the amount payable on demand because the holders can cancel their contracts at any time after contract inception.

H. Reinsurance contracts held

H.1 Recognition

Reinsurance contracts transfer significant insurance risk only if they transfer to the reinsurer substantially all the insurance risk relating to the reinsured portions of the underlying insurance contracts, even if a reinsurance contract does not expose the issuer (reinsurer) to the possibility of a significant loss. The effect of non-performance risk of the reinsurer is assessed at each reporting date and the effect of changes in the non-performance risk is recognised in profit or loss. Reinsurance contracts held are accounted for separately from underlying insurance contracts issued and are assessed on an individual contract basis. In aggregating reinsurance contracts held, the Company applies the general approach and disaggregates a portfolio of its reinsurance contracts held into three groups of contracts:

- a) contracts that on initial recognition have a net gain;
- b) contracts that, on initial recognition, have no significant possibility of resulting in a net gain subsequently; and
- c) any remaining reinsurance contracts held in the portfolio.

In determining the timing of initial recognition of a reinsurance contract, the Company assesses whether the reinsurance contract's terms provide protection on losses on a proportionate basis. The Company recognises a group of reinsurance contracts held that provides proportionate coverage:

- i. at the same time as the onerous group of underlying contracts is recognised, or
- ii. for all the other reinsurance contracts held that provide proportionate coverage, at the start of the coverage period of that group of reinsurance contracts; or at the initial recognition of any of the underlying insurance contracts, whichever is later.

The Company recognises a group of non-proportional reinsurance contracts at the earliest of the beginning of the coverage period of the group or the date an underlying onerous group of contracts is recognised. Cash flows are within the boundary of a reinsurance contract held, if they arise from the substantive rights and obligations of the cedant that exist during the reporting period in which the Company is compelled to pay amounts to the reinsurer or has a substantive right to receive services from the reinsurer.

The boundary of a reinsurance contract held includes cash flows resulting from the underlying contracts covered by the reinsurance contract. This includes cash flows from insurance contracts that are expected to be issued by the Company in the future if these contracts are expected to be issued within the boundary of the reinsurance contract held. The Company holds reinsurance agreements which allow both the reinsurer and the Company to terminate the contract at 90 days' notice for new business ceded. The Company includes within the contracts boundary only cash flows arising from such 90 days' notice period because it does not have substantive rights or obligations beyond that point.

H.2 Reinsurance contracts held measured under the general measurement model

The Company's quota share life reinsurance and the excess of individual loss reinsurance contracts held are accounted for applying the measurement requirements of the general measurement model for estimates of cash flows and discount rates. The Company measures the reinsurance contracts held and the underlying insurance contracts issued using consistent assumptions.

The Company includes in the estimates of the present value of expected future cash flows for a group of reinsurance contracts held the effect of any risk of non-performance by the reinsurer, including the effects of any collateral and losses from disputes. The effect of non-performance risk of the reinsurer is assessed at each reporting date and the effect of changes in the non-performance risk is always recognised in profit or loss as part of the insurance service result.

In determining the asset representing the risk adjustment for non-financial risk transferred to the reinsurer, the Company assesses the amount of risk transferred by the Company to the reinsurer by calculating the risk adjustment of the underlying contracts before and after the effect of the reinsurance contracts held. The difference is then recognised as the asset representing the risk adjustment reinsured. On initial recognition, the Company recognises any net cost or net gain on purchasing the group of reinsurance contracts held as a reinsurance CSM, unless the net cost of purchasing reinsurance coverage relates to events that occurred before the purchase of the group of reinsurance contracts, where the Company recognises such a cost immediately in profit or loss as an expense as part of insurance service result. For a group of reinsurance contracts held covering an onerous underlying group of contracts, the Company adjusts the CSM of the group of reinsurance contracts held and recognise an income when a loss on initial recognition of an onerous group of underlying insurance contracts or on addition of onerous underlying insurance contracts to that group. A loss recovery component of the asset for the remaining coverage of a group of reinsurance contracts held is created and subsequently adjusted for any changes in the amount.

I. Contracts measured under the PAA.

In the non-life segment, the Group uses the PAA to simplify the measurement of groups of contracts when the following criteria are met at inception.

- Insurance contracts: The coverage period of each contract in the group is one year or less. Some of these contracts provide compensation for rebuilding or repairing property after a fire; the insured event is identified as the occurrence of a fire, and the coverage period is the period during which a fire may occur and be claimed.
- Loss-occurring reinsurance contracts: The coverage period of each contract in the group is one year or less.
- Risk-attaching reinsurance contracts: Where coverage is more than one year, but the Group reasonably expects that applying the PAA would not materially differ from applying the general model. This is evaluated quantitatively by comparing the asset for remaining coverage under both methods throughout the contract's duration.
- Materiality assessment: Assesses release patterns, time value of money, and scenario variations.
- Materiality threshold: A difference exceeding the greater of [x]% or EUR [y] million at any quarter-end is considered material, disqualifying use of the PAA.
- Contracts acquired in their settlement period: Assessed as new contracts. The insured event is defined as the discovery of the ultimate claims amount. Contracts that do not meet these criteria are measured using the general measurement model.
- At initial recognition: The liability for remaining coverage = premiums received – insurance acquisition cash flows allocated $\pm$ derecognised assets/liabilities (e.g. from acquisition costs). The Company has opted not to expense acquisition costs immediately.
- Subsequently: Liability increases: by premiums received and amortisation of acquisition costs.
- Liability decreases: by insurance revenue and additional acquisition costs. No discounting is applied (i.e., time value of money ignored) because premiums are expected to be received within a year.

If a group becomes onerous, the Group:

- Recognises a loss in profit or loss.
- Increases the liability to the fulfilment cash flows (discounted if incurred claims are discounted).

Liability for incurred claims = fulfilment cash flows related to incurred claims. These are discounted if payments are expected more than one year from the claim date.

Reinsurance contracts measured under the PAA:

The same policies are applied, with modifications for differences from insurance contracts. If a loss-recovery component exists, it adjusts the asset for remaining coverage (instead of the CSM).

J. Modification and derecognition

The Company derecognises the original contracts and recognises the modified contract as a new contract, if the terms of insurance contracts are modified and the following conditions are met:

- a) if the modified terms were included at contract inception and the Company 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;
- b) results in a different contract boundary; includes in a different group of contracts. the original contract met the definition of an insurance contract with direct participation features, but the modified contract no longer meets the definition;
- c) the original contract was accounted applying the PAA, but the modified contract no longer meets the PAA eligibility criteria for that approach.

If the contract modification meets any of the conditions, the Company performs all assessments applicable at initial recognition, derecognises the original contract and recognises the new modified contract as if it was entered for The first time. If the contract modification does not meet any of the conditions, the Company treats the effect of the modification as changes in the estimates of fulfilment cash flows.

For insurance contracts accounted for applying the GMM, a change in the estimates of fulfilment cash flows results in a revised end of period CSM (before the current period allocation). A portion of the revised end of period CSM is allocated to the current period as if the revised CSM amount applied from the beginning of the period but reflecting the change in the coverage units due to the modification during the period. This portion is calculated using updated coverage unit amounts determined at the end of the period and weighted to reflect the fact that the revised coverage existed for only part of the current period.

The Company derecognises an insurance contract when, and only when the contract is:

- extinguished (when the obligation specified in the insurance contract expires or is discharged or cancelled); or
- modified and derecognition criteria are met.

When the Company derecognises an insurance contract from within a group of contracts, the Company:

- Adjust the fulfilment cash flow allocated to the group to eliminate the present value of the future cash flows and risk adjustment for non-financial risk relating to the rights and obligations that have been derecognised from the group.
- Adjust the CSM of the group for the change in the fulfilment cash flows (unless it relates to the increase or reversal of the loss component);
- Adjust the number of coverage units for expected remaining insurance contract service to reflect the coverage units derecognized from the group and recognise in profit or loss in the period the amount of CSM based on that adjusted number.

When the Company derecognises an insurance contract because it transfers the contract to a third party, the Company adjusts the CSM of the group from which the contract has been derecognised for the difference between the change in the carrying amount of the group caused by the derecognised FCF and the premium charged by the third party for the transfer. When the Company derecognises an insurance contract due to modification, it derecognises an in-force insurance contract and recognises a new one. The Company adjusts the CSM of the group from which the modified in-force contract has been derecognised for the difference between the change in the carrying amount of the group as a result of adjustment to fulfilment cash flows due to derecognition and the premium the 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 consolidated statement of financial position the carrying amount of portfolios of insurance contracts that are assets and those that are liabilities, portfolio of reinsurance contracts held that are assets and those that are liabilities.

The Company disaggregates the amounts recognised in the consolidated statement of profit or loss and other comprehensive income into an insurance service result sub-total that comprises insurance revenue and insurance service expenses and, separately from the insurance service result, the insurance finance income or expenses. The Company has voluntarily included the insurance finance income or expenses line in another sub-total: insurance finance result, which includes also the income from all the assets backing the Company's insurance liabilities.

The Company includes any assets for insurance acquisition cash flows recognised before the corresponding groups of insurance contracts are recognised in the carrying amount of the related portfolios of insurance contracts issued. The Company does not disaggregate the change in risk adjustment for non-financial risk between a financial and non-financial portion and includes the entire change as part of the insurance service result.

L. Insurance revenue and expense

L.1 Insurance revenue

Insurance revenue and insurance service expenses exclude any investment components and are recognised as follows:

Insurance revenue - Contracts not measured under the PAA

the Company recognises insurance revenue as it satisfies its performance obligations - i.e. as it provides services under groups of insurance contracts. For contracts not measured under the PAA, the insurance revenue relating to services provided for each year represents the total of the changes in the liability for remaining coverage that relate to services for which the Company expects to receive consideration and comprises the following items.

- A release of the CSM, measured based on coverage units provided (see 'Release of the CSM' below).
- Changes in the risk adjustment for non-financial risk relating to current services.
- Claims and other insurance service expenses incurred in the year, generally measured at the amounts expected at the beginning of the year. This includes amounts arising from the derecognition of any assets for cash flows other than insurance acquisition cash flows at the date of initial recognition of a group of contracts (see (v)), which are recognised as insurance revenue and insurance service expenses at that date.
- Other amounts, including experience adjustments for premium receipts for current or past services for the life risk segment and amounts related to incurred policyholder tax expenses for the participating segment.

In addition, the Company allocates a portion of premiums that relate to recovering insurance acquisition cash flows to each period in a systematic way based on the passage of time. the Company recognises the allocated amount, adjusted for interest accretion at the discount rates determined on initial recognition of the related group of contracts, as insurance revenue and an equal amount as insurance service expenses.

L. Insurance revenue and expense

Release of the CSM

The amount of the CSM of a group of insurance contracts that is recognised as insurance revenue in each year is determined by identifying the coverage units in the Company, allocating the CSM remaining at the end of the year (before any allocation) equally to each coverage unit provided in the year and expected to be provided in future years, and recognising in profit or loss the amount of the CSM allocated to coverage units provided in the year. The number of coverage units is the quantity of services provided by the contracts in the Company, determined by considering for each contract the quantity of benefits provided and its expected coverage period. The coverage units are reviewed and updated at each reporting date.

"Services provided by insurance contracts include insurance coverage and, for all direct participating contracts, investment services for managing underlying items on behalf of policyholders. In addition, life savings contracts may also provide investment services for generating an investment return for the policyholder, but only if:

- an investment component exists or the policyholder has a right to withdraw an amount (e.g. the policyholder's right to receive a surrender value on cancellation of a contract);
- the investment component or withdrawal amount is expected to include an investment return; and
- the Company expects to perform investment activities to generate that investment return.

The expected coverage period reflects expectations of lapses and cancellations of contracts, as well as the likelihood of insured events occurring to the extent that they would affect the expected coverage period. The period of investment services ends no later than the date on which all amounts due to current policyholders relating to those services have been paid.

As at 31 December 2025, all policies except the Group life policies were not measured under the PAA.

Insurance revenue - Contracts measured under the PAA

For contracts measured under the PAA, the insurance revenue for each period is the amount of expected premium receipts for providing services in the period. the Company allocates the expected premium receipts to each period on the following bases:

- certain property contracts: the expected timing of incurred insurance service expenses; and
- other contracts: the passage of time.

Loss components

For contracts not measured under the PAA, the Company establishes a loss component of the liability for remaining coverage for onerous groups of insurance contracts. The loss component determines the amounts of fulfilment cash flows that are subsequently presented in profit or loss as reversals of losses on onerous contracts and are excluded from insurance revenue when they occur. When the fulfilment cash flows are incurred, they are allocated between the loss component and the liability for remaining coverage excluding the loss component on a systematic basis.

The systematic basis is determined by the proportion of the loss component relative to the total estimate non-financial of the present value of the future cash outflows plus the risk adjustment for risk at the beginning of each year (or on initial recognition if a group of contracts is initially recognised in the year).

Changes in fulfilment cash flows relating to future services and changes in the amount of the Company's share of the fair value of the underlying items for direct participating contracts are allocated solely to the loss component. If the loss component is reduced to zero, then any excess over the amount allocated to the loss component creates a new CSM for the Company of contracts.

L.2 Insurance service expense

Insurance service expenses arising from insurance contracts are recognised in profit or loss generally as they are incurred. They exclude repayments of investment components and comprise the following items.

- Incurred claims and other insurance service expenses: For some life risk contracts, incurred claims also include premiums waived on detection of critical illness.
- Amortisation of insurance acquisition cash flows: For contracts not measured under the PAA, this is equal to the amount of insurance revenue recognised in the year that relates to recovering insurance acquisition cash flows. For contracts measured under the PAA, the Company amortises insurance acquisition cash flows on a straight-line basis over the coverage period of the Company of contracts.
- Losses on onerous contracts and reversals of such losses.
- Adjustments to the liabilities for incurred claims that do not arise from the effects of the time value of money, financial risk and changes therein.
- Impairment losses on assets for insurance acquisition cash flows and reversals of such impairment losses.

Net expenses from reinsurance contracts

Net expenses from reinsurance contracts comprise an allocation of reinsurance premiums paid less amounts recovered from reinsurers. the Company recognises an allocation of reinsurance premiums paid in profit or loss as it receives services under groups of reinsurance contracts. For contracts not measured under the PAA, the allocation of reinsurance premiums paid relating to services received for each period represents the total of the changes in the asset for remaining coverage that relate to services for which the Company expects to pay consideration.

For contracts measured under the PAA, the allocation of reinsurance premiums paid for each period is the amount of expected premium payments for receiving services in the period. For a group of reinsurance contracts covering onerous underlying contracts, the Company establishes a loss-recovery component of the asset for remaining coverage to depict the recovery of losses recognised:

- on recognition of onerous underlying contracts, if the reinsurance contract covering those contracts is entered into before or at the same time as those contracts are recognised; and
- for changes in fulfilment cash flows of the Company of reinsurance contracts relating to future services that result from changes in fulfilment cash flows of the onerous underlying contracts.

The loss-recovery component determines the amounts that are subsequently presented in profit or loss as reversals of recoveries of losses from the reinsurance contracts and are excluded from the allocation of reinsurance premiums paid. It is adjusted to reflect changes in the loss component of the onerous group of underlying contracts, but it cannot exceed the portion of the loss component of the onerous group of underlying contracts that the Company expects to recover from the reinsurance contracts.

Insurance finance income and expenses

Insurance finance income and expenses comprise changes in the carrying amounts of groups of insurance and reinsurance contracts arising from the effects of the time value of money, financial risk and changes therein, unless any such changes for groups of direct participating contracts are allocated to a loss component and included in insurance service expenses. They include changes in the measurement of groups of contracts caused by changes in the value of underlying items (excluding additions and withdrawals). The Company presents insurance finance income or expenses in profit or loss.

The amount included in profit or loss is determined by a systematic allocation of the expected total insurance finance income or expenses over the duration of the group of contracts. The systematic allocation is determined using specific rates for each of the group of assets.

6.17 Material accounting estimates and judgements

The preparation of financial statements in conformity with IFRS Accounting Standards requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the company's accounting policies. Changes in assumptions may have a significant impact on the financial statements in the period the assumptions change. Management believes that the underlying assumptions are appropriate and that the company's financial statements therefore present the financial position and results fairly.

Management makes estimates and assumptions that affect the reported amounts of assets and liabilities. The underlying judgments of the selection and disclosure of the company's critical accounting policies and estimates, and the application of these policies and estimates are continually evaluated based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

Critical accounting judgements made in applying the company's accounting policies include:

i. Actuarial valuation of insurance contracts liabilities

The liabilities for life insurance contracts are estimated using appropriate and acceptable base tables of standard mortality according to the type and nature of the insurance contracts. Assumptions such as expenses inflation, valuation interest rate, mortality and claims experience are considered in estimating the required reserves for individual life contracts fund and the incurred but not reported claims under the group life contracts. Actuary FRC Number: FRC/2023/PRO/NAS/004/802144.

Key assumptions

The key assumptions used in the valuation are as follows:

Individual life business

- Mortality: The UK's Mortality of Assured Lives 1967-70 was used. This is consistent with the 2023 valuation reports.
- Lapse rates: These were based on adjusted pricing basis method.

ii. Depreciation and carrying value of property and equipment

The estimation of the useful lives of assets is based on management's judgement. Any material adjustment to the estimated useful lives of items of property and equipment will have an impact on the carrying value of these items.

Determination of impairment of property and equipment, and intangible assets

Management is required to make judgements concerning the cause, timing and amount of impairment. In the identification of impairment indicators, management considers the impact of changes in current competitive conditions, cost of capital, availability of funding, technological obsolescence, discontinuance of services and other circumstances that could indicate that impairment exists.

The company applies the impairment assessment to its separate cash generating units. This requires management to make significant judgements and estimates concerning the existence of impairment indicators, separate cash generating units, remaining useful lives of assets, projected cash flows and net realisable values.

Management's judgement is also required when assessing whether a previously recognised impairment loss should be reversed.

iii. Recognition of deferred tax

Deferred tax is recognised in respect of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes.

Deferred tax is not recognised for:

- a. temporary differences on the initial recognition of assets or liabilities in a transaction that is not a business combination and that affects neither accounting nor taxable profit or loss;
- b. temporary differences related to investments in subsidiaries to the extent that it is probable that they will not reverse in the foreseeable future; and
- c. taxable temporary differences arising on the initial recognition of goodwill

Deferred tax assets are recognised for unused tax losses, unused tax credits and deductible temporary differences to the extent that it is probable that future taxable profits will be available against which they can be used. Deferred tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable that the related tax benefit will be realised.

Deferred tax is measured at the tax rates that are expected to be applied to temporary differences when they reverse, using tax rates enacted or substantively enacted at the reporting date.

iv. Critical judgements in applying the Company's accounting

In the application of the Company's accounting policies, which are described in above, the directors are required to make judgements, estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

The following are the critical judgements, apart from those involving estimations (which are dealt with separately below), that the directors have made in the process of applying the Company's accounting policies and that have the most significant effect on the amounts recognised in financial statements:

- **Assessment of significance of insurance risk:** The Company applies its judgement in assessing whether a contract transfers to the issuer significant insurance risk. A contract transfers significant insurance risk only if an insured event could cause the Company to pay additional amounts that are significant in any single scenario and only if there is a scenario that has commercial substance in which the issuer has a possibility of a loss on a present value basis upon an occurrence of the insured event, regardless of whether the insured event is extremely unlikely. The assessment of whether additional amounts payable on occurrence of insured event are significant and whether there is any scenario with commercial substance in which the issuer has a possibility of a loss on a present value basis involves significant judgement and is performed at initial recognition on a contract-by-contract basis. The type of contracts where this judgment is required are those that transfer both financial and insurance risk and result in the latter being the smaller benefit provided. The application of judgment in this area is aided by the Company processes to filter contracts where the additional amounts referred above are 10% or less of the amounts paid under all other circumstances. A specialist unit conducts all these judgmental classifications under IFRS 17 to ensure consistency across the Company. This assessment is performed after separation distinct investment components and promises to transfer distinct goods and non-insurance services. Refer to note 6.1 B.1 for more details.

- **Combination of insurance contracts:** Determining whether it is necessary to treat a set or series of insurance contracts as a single contract involves significant judgement and careful consideration. In assessing whether a set or series of insurance contracts achieve, or are designed to achieve, an overall commercial effect, the Company determines whether the rights and obligations are different when looked at together compared to when looked at individually and whether the Company is unable to measure one contract without considering the other.

- **Separation of insurance contracts into components from insurance contracts:** The Company issues some insurance contracts that combine protection for the policyholder against different types of insurance risks in a single contract. IFRS 17 does not require or permit separating insurance components of an insurance contract unless the legal form of a single contract does not reflect the substance of its contractual rights and obligations. Overriding the 'single contract' unit of account presumption involves significant judgement and is not an accounting policy choice. In determining whether a legal contract does not reflect its substance such that separate insurance elements are required to be recognised, the Company considers the interdependency between the different risks covered, the ability of all components to lapse independently of each other and the ability to price and sell the components separately

- **Consideration whether there are investment components:** The Company considers all the terms of the contracts it issues to determine whether there are amounts payable to policyholder in all circumstance regardless of contract cancellation, maturity, and the occurrence or non-occurrence of insured event. Some amounts, once paid by policyholder, are repayable to policyholder in all circumstances. The Company considers such payments to meet the definition of investment component, notwithstanding that the amount repayable varies over the term of the contract as it is repayable only after it has first been paid by the policyholder.

- **Separation of non-insurance components from insurance contracts:** The Company issues some insurance contracts which have several elements in addition to the provision of the insurance coverage service, such as a deposit component, an investment management service, an embedded derivative and possibly some other goods or services. Some of these elements need to be separated and accounted for applying other Standards, while other elements remain within the insurance measurement model. In assessing whether components meet the separation criteria and should be separated, the Company applies significant judgement. Refer to note 6.1.15 A for more details.

- **Determination of contract boundary:** The measurement of a Company insurance contracts includes all the future cash flows arising within the contract boundary. In determining which cash flows fall within a contract boundary, the Company considers its substantive rights and obligations arising from the terms of the contract, and also from applicable law and regulation. Cash flows are considered to be outside of the contract boundary if the Company has practical ability to reprice existing contracts to reflect their reassessed risks and if the contract's pricing for coverage up to the date of reassessment considers only the risks till that next reassessment date. The Company applies its judgement in assessing whether it has the practical ability to set a price that fully reflects all the risks in the contract or portfolio. The Company considers contractual, legal and regulatory restrictions when making its assessment. In doing so, the Company disregards restrictions that have no commercial substance. The Company also applies judgement to decide whether commercial considerations are relevant. Refer to note 6.15 D for more details.

- **Level of aggregation:** The Company defines the portfolio as insurance contracts subject to similar risks and managed together. Contracts within product lines are expected to be in the same portfolio as they have similar risks and are managed together. The assessment of which risks are similar and how contracts are managed requires the exercise of judgement. Where similar products are issued by different entities within a group, they are considered to be separate portfolios because despite the oversight provided by management at the group level, the Company determines that the contracts are managed at the local issuing entity level.

For some product lines, the group acquires insurance contracts as part of a business combination or a portfolio transfer. Unlike originally issued contracts, contracts acquired in a settlement phase transfer an insurance risk of adverse claims development. The Company considers such risk to be different from contracts it originally issues and aggregates such contracts in separate portfolios by product line. For investment-linked insurance policies, the Company considers groups of contracts participating in different pools of underlying items to be in different portfolios, because they are subject to different risks from underlying items. However, where different products participate in the same pool of underlying items, (e.g. investment linked insurance policies and investment contracts with discretionary participating features) these are also considered separate portfolios because of different insurance risks.

- **Assessment of directly attributable cash flows:** The Company applies judgement in assessing whether cash flows are directly attributable to a specific portfolio of insurance contracts. Insurance acquisition cash flows are included in the measurement of a group of insurance contracts only if they are directly attributable to either the individual contracts in a group, or to the group itself, or the portfolio of insurance contracts to which the group belongs. When estimating FCF, the Company also allocates to the FCF fixed and variable overheads directly attributable to the fulfilment of insurance contracts policy term, as some annually renewable contracts have a boundary extending beyond one year

- **Assessment of the eligibility for meeting the criteria for DPF:** Direct participating contracts are considered to be sufficiently different from other participating contracts due to the enforceable link to the underlying items, the significance of policyholders' share in the pool and the significance of those returns to the overall policyholder payments. The Company assesses whether a contract meets the definition of a direct participating contract using the Company's expectations existing at inception of the contract. This assessment is performed for all insurance contracts with DPF and investment contracts with DPF.

In assessing the significance of policyholder's share of returns from the underlying items and how substantial the degree of variability in total payments to the policyholder, the Company applies significant judgement. The Company applies significant judgement in determining policyholder share of returns. The Company considers that variable annual charges applied to policyholder amount reduce policyholder share of fair value returns.

The Company considers it significant if over the duration of the contracts, on a present value probability-weighted average basis, the Company expects to pay to policyholders a percentage of the fair value returns from underlying items. At inception, in considering the expected degree of variability in total payments to the policyholder with the changes in fair value of underlying items, the Company considers the range of possible scenarios and estimates their probabilities. The Company considers a proportion of all payments to policyholder that expected to vary with the returns on underlying items to be substantial, if on a present value probability-weighted average of all scenarios such proportion exceeds a determined amount.

- **Assessment of significance of modification:** As explained in under note J, the Company derecognises the original contracts and recognises the modified contract as a new contract, if the derecognition criteria are met. The Company applies its judgement to assess whether a modified contract meets the criteria for derecognition.

- **Level of aggregation for determining the risk adjustment for non-financial risk:** IFRS 17 does not define the level at which the risk adjustment for non-financial risk should be determined. The level of aggregation for determining the risk adjustment for non-financial risk is not an accounting policy choice and involves judgement. The Company considers that the benefit of diversification occurs at an issuing entity level and therefore determines the risk adjustment for non-financial risk at that level. The diversification benefit is then allocated to all the groups of insurance contracts for which it has been considered in aggregate. The Company considers that the risk adjustment for non-financial risk allocated to any individual group, as the cost of uncertainty, cannot be negative. Accordingly, in determining the allocation, correlations of non-financial risk between groups are ignored, because they have already been considered as part of the diversification benefits in determining the overall entity-level risk adjustment. The Company allocates total entity-level risk adjustment to groups based on [the percentage of the group's expected FCF to the total expected FCF].

- **Selecting a method of allocation of coverage units:** IFRS 17 establishes a principle for determining coverage units, not a set of detailed requirements or methods. The selection of the appropriate method for determining the amount of coverage units is not an accounting policy choice. It involves the exercise of significant judgement and development of estimates considering individual facts and circumstances. The Company selects the appropriate method on a portfolio-by-portfolio basis. In determining the appropriate method, the Company considers the likelihood of insured events occurring to the extent that they affect expected period of coverage in the group, different levels of service across period and the quantity of benefits expected to be received by the policyholder. Refer to note 6.1.15 H.1 for more details, including the description of different methods used.

- **Assessment of discretion for non-direct participating contracts:** The terms of some indirect participating contracts, such as deferred variable annuities, give the Company discretion over the cash flows to be paid to policyholders.

- **Assessment of discretion for non-direct participating contracts (Continued):** Changes in discretionary cash flows are considered to be related to future service, and, accordingly, adjust the CSM. In order to identify whether changes in cash flows are deemed changes in discretionary cash flows, the Company applies its judgment to specify at inception what they regard as their commitment under the contract. How the Company specifies its commitment under the contract will determine how much of the changes in expected future cash flows will be reflected immediately in profit or loss or will adjust CSM. For deferred variable annuities, the Company considers its commitment under the contract to be [the minimum guaranteed return in the accumulation phase and the guaranteed annuity rates in the payout phase].

- Disaggregation of changes in the risk adjustment for non-financial risk: The Company does not disaggregate the risk adjustment for non-financial risk into an insurance service component and an insurance finance component, which would otherwise require a significant judgement and additional disclosure. The Company presents changes in the risk adjustment for non-financial risk included in the LRC that do not relate to future service as insurance revenue and changes in the risk adjustment for non-financial risk related to current and past service as insurance service expense.

- Selecting a systematic allocation method of insurance finance income or expense applying disaggregated presentation: The Company has elected to present its insurance finance income or expense in profit or loss. The amount presented is determined based on a systematic allocation of the expected total insurance finance income or expense over the duration of the contracts within each group. Where changes in financial risk have a significant impact on the amounts payable to policyholders, the systematic allocation is determined using a constant rate or a crediting rate approach.

- Impairment assessment of asset for insurance acquisition cash flows: The Company assesses whether there are any indicators of impairment for asset for insurance acquisition cash flows at the end of each reporting period. When such indicators exist, the Company performs an impairment testing over the asset. An impairment exist when the carrying amount of the asset exceeds the expected net cash inflows for the associated group of contracts. The Company also exercises judgment to determine whether future contract renewals associated to a specific asset are expected to occur or no longer expected to occur based on facts and circumstances. An additional impairment test is performed, and an impairment exists when the associated future contract renewals are no longer expected to occur.

- Business model assessment: Classification and measurement of financial assets depends on the results of the SPPI and the business model test. The Company determines the business model at a level that reflects how groups of financial assets are managed together to achieve a particular business objective. This assessment includes judgement, and the Company takes into account all relevant evidence including how the performance of the assets is evaluated and their performance measured, the risks that affect the performance of the assets and how these are managed and how the managers of the assets are compensated. In assessing whether the assets are held as part of the ‘to collect and to sell’ business model, the assessment also considers whether the assets are held as part of portfolio matching the expected duration of insurance liabilities.

- Significant increase of credit risk: ECL are measured as an allowance equal to 12-month ECL for stage 1 assets, or lifetime ECL assets for stage 2 or stage 3 assets.

An asset moves to stage 2 when its credit risk has increased significantly since initial recognition. IFRS 9 does not define what constitutes a significant increase in credit risk. In assessing whether the credit risk of an asset has significantly increased the Company takes into account qualitative and quantitative reasonable and supportable forward-looking information.

- Establishing groups of assets with similar credit risk characteristics: When ECLs are measured on a collective basis, the financial instruments are grouped on the basis of shared risk characteristics, refer to note 7 for details of the characteristics considered in this judgement.

- Models and assumptions used: The Company uses various models and assumptions in measuring fair value of financial assets as well as in estimating ECL. Judgement is applied in identifying the most appropriate model for each type of asset, as well as for determining the assumptions used in these models, including assumptions that relate to key drivers of credit risk. See note 7 for more details on ECL and fair value measurement.

Key sources of estimation uncertainty

The following are key estimations that the directors have used in the process of applying the Company’s accounting policies and that have the most significant effect on the amounts recognised in financial statements:

- Technique for estimation of future cash flows: In estimating FCF included in the contract boundary, the Company considers all the range of possible outcomes in an unbiased way specifying the amount of cash flows, timing and a probability of each scenario reflecting conditions existing at the measurement data, using a probability-weighted average expectation. The probability-weighted average represents the probability-weighted mean of all possible scenarios. In determining possible scenarios, the Company uses all the reasonable and supportable information available to them without undue cost and effort, which includes information about past events, current conditions, and future forecasts. Cash flow estimates include both market variables directly observed in the market or derived directly from markets and non-market variables such as mortality rates, accident rates, average claim costs, probabilities of severe claims, policy surrender rates. The Company maximizes the use of observable inputs for market variables and utilises internally generated group-specific data. For life insurance contracts, the Company uses national statistical data for estimating the mortality rates as the national statistical data is more current than internal mortality statistics.

In measuring index-linked life insurance contracts’ cash flows or a portion of those cash flows, the Company uses a fair value of a ‘replicating asset’ or a ‘replicating portfolio of assets’ where cash flows exactly match the cash flows (or some of the cash flows) of a group of insurance contracts in all scenarios in terms of timing, amount, and uncertainty. The fair value of the asset reflects both the expected present value of the cash flows and their associated risk, and this matches the characteristics of the group of insurance contracts in all scenarios.

- Method of estimating discounts rates: In determining discount rates for different products, the Company uses the bottom-up or top-down approaches. For cash flows of non-participating contracts that do not depend on underlying items, the Company applies the bottom-up approach. Under this approach, the Company estimates discount rates as points on a liquid risk-free rate curve for the same currency and duration as the cash flows of insurance contract with a premium for the illiquidity of the insurance contract to be explicitly added to the risk-free rate.

The liquidity premium adjusts for the fact that yield curves derived from observable market prices reflect liquid assets, whereas insurance contracts are difficult to sell, or surrender quickly without incurring significant costs. The Company applies judgement in determining the liquidity characteristics of the group of insurance contracts.

The Company uses the top-down approach to determine discounts rates for all other insurance contracts within the scope of IFRS 17. Applying this approach, the Company uses the yield curve created by market rates of return implied in the fair value of a reference portfolio of assets and adjusts it to exclude the effects of risks present in the assets, but not in the insurance cash flows, except for the differences in liquidity, which need not be eliminated. The Company excludes the market risk premiums for credit risk of the underlying items that are only relevant to assets included in the reference portfolio by looking to the market price of credit derivatives as a reference point. The Company also eliminates the differences in timing, amount, and uncertainty of the cash flows of items in the reference portfolio and the cash flows of the group of insurance contracts.

- Estimation of allocation rate in systematic allocation of insurance finance income or expenses:

As described above, the Company applies management judgement in selecting whether to use the constant or crediting rate in the systematic allocation of insurance finance income or expenses. The constant rate used in a period is calculated applying the formula which uses three variables: the estimate of future cash flows at the end of the reporting period (not discounted), the present value of future cash flows brought forward discounted by the constant rate used in the previous period, and the expected duration of the group contracts. In determining the constant rate, the Company estimates the expected insurance finance income or expense over the remaining duration of the group that is partly implicit in the estimated cash flows.

For direct participating contracts for which the Company does not hold the underlying items, the Company uses the crediting rate for the systematic allocation of insurance finance income or expenses. In determining the crediting rate, the Company estimates the constant factor

6.18 Insurance risk

The risk under any insurance contract is the possibility that the insured event occurs and the uncertainty of the amount of the resulting claim. By the very nature of an insurance contract, this risk is random and therefore unpredictable.

For a portfolio of insurance contracts where the theory of probability is applied to pricing and provisioning, the principal risk that the Company faces under its insurance contracts is that the actual claims and benefit payments exceed the carrying amount of the insurance liabilities. This could occur because the frequency or severity of claims and benefits are greater than estimated. Insurance events are random, and the actual number and amount of claims and benefits will vary from year to year from the level established using statistical techniques.

Experience shows that the larger the portfolio of similar insurance contracts, the smaller the relative variability about the expected outcome will be. In addition, a more diversified portfolio is less likely to be affected by a change in any subset of the portfolio. The company has developed its insurance underwriting strategy to diversify the type of insurance risks accepted and within each of these categories to achieve a sufficiently large population of risks to reduce the variability of the expected outcome. Factors that aggravate insurance risk include lack of risk diversification in terms of type and amount of risk. This section summarises the nature and management of these risks.

6.18.1 Underwriting risk

Underwriting risk comprises insurance risk, policyholder behaviour risk and expense risk.

- Insurance risk: the risk transferred from the policyholder to the Company, other than the financial risk. The insurance risk arises from the inherent uncertainty about the occurrence, amount or timing of claims.

- Policyholder behaviour risk: the risk that a policyholder will cancel a contract (i.e. lapse or persistency risk), increase or reduce premiums, withdraw deposits or annuitise a contract earlier or later than expected.

- Expense risk: the risk of unexpected increases in the administrative costs associated with the servicing of a contract (rather than in the costs associated with insured events).

Underwriting risk relates mainly to the uncertainty that the insured event will occur. The nature of an insurance contract is that the timing and size of claims are uncertain and therefore unpredictable. The principal underwriting risk is the risk that the actual outcome of mortality, morbidity and medical claims will result in volatile profits from one year to the next. Such volatility may result from large concentrations of risk or from charging inadequate premiums relative to the severity or incidence of the risk accepted. Inadequate policy wording may fail to protect the insurer from claims that were not envisaged when the product was priced. Insurance events are random and the actual number and amount of underwriting benefits will vary from the best estimates established from statistical techniques and taking cognisance of past experience. The company manages these risks through its underwriting strategy, reinsurance arrangements and claims handling processes.

Management of underwriting risk

The board of directors sets the Company's strategy for accepting and managing underwriting risk. Specific underwriting objectives.

The following policies and

- (i) All long-term insurance product additions and alterations are required to pass through the approvals framework that forms part of the governance process. The statutory actuary approves the financial soundness of new and revised products.
- (ii) The company's underwriting strategy aims to ensure that the underwriting risks are well diversified in terms of type (medical, occupational, financial) and amount of risk covered. Whilst this is difficult to measure at underwriting stage, the success or failure of the strategy may be measured by the historical stability of profits emerging from the book of business.
- (iii) Premium rates are required to be certified by the statutory actuary as being financially sound, prior to issuance.
- (v) The right to re-rate premiums is retained as far as possible, although this is limited by competitive pressure.
- (vi) Investigations into mortality and morbidity experience are conducted at least half yearly to ensure that corrective action is taken where necessary.

6.18.2 Severity of claims

The company reduces the severity of claims it may suffer by setting underwriting limits to enforce appropriate risk selection criteria through reinsurance arrangements. The effect of such reinsurance arrangements is that the Company should not suffer net insurance losses of more than N35 million per group life business and N10 million per individual life businesses on any policy. The Company has specialised claims units dealing with the mitigation of risks surrounding claims. This unit investigates and adjusts all claims. The claims are reviewed individually on a quarterly basis and adjusted to reflect the latest information on the underlying facts, contractual terms and conditions, and other factors. The Company actively manages and pursues early settlements of claims to reduce its exposure to unpredictable developments.

6.18.3 Concentration risks

All the risks are originated and concentrated in Nigeria. The concentration of insurance risk before and after reinsurance by class of business in relation to the type of insurance risk accepted is summarised below, with reference to the carrying amount of the estimated insurance liabilities (gross and net of reinsurance) arising from insurance contracts:

Class of business	31-Dec-25		
	Gross liability N000	Re-Insurance N000	Net liability N000
Family care plan	167,813	-	167,813
Income protection plan	15,944	-	15,944
Educare	1,168,482	-	1,168,482
Lifetime needs	639,243	-	639,243
Group life	369,692	6,890	362,802
	2,361,174	6,889	2,354,284

Class of business	31-Dec-24		
	Gross liability N000	Re-Insurance N000	Net liability N000
Family care plan	161,267	-	161,267
Income protection plan	11,927	-	11,927
Educare	739,791	-	739,791
Lifetime needs	339,797	-	339,797
Group life	195,405	6,511	188,894
	1,448,187	6,511	1,441,676

6.18.4 Sources of uncertainty in the
Uncertainty in the estimation of future benefits payments and premium receipts for life insurance contracts arises from the unpredictability of long-term changes in overall levels of mortality and the variability in policyholders' behaviour.

The Company uses appropriate and acceptable base tables of standard mortality according to the type of contract being written.

6.18.5 Valuation methods
The insurance liabilities was

Type of Business	Valuation Method
Family care plan	General Measurement Model
Income protection plan	General Measurement Model
Educare	Variable Fee Approach Model
Lifetime needs	Variable Fee Approach Model
Group life	Premium Allocation Approach

6.18.5.1 Family Care Plan and Family Income Protection Plan (Protection)
For all whole of life and term assurance policies the gross premium method of valuation was used. This includes the life cover provider, family funeral provider and keyman cover provider.

Reserves were calculated using the cashflow projection approach, taking into account future office premiums, expenses and benefit payments (death and disability). Future cashflows were discounted back to the valuation date at the valuation rate of interest. Reserves were calculated for each life covered under the multiple life products (i.e. family funeral provider).

The individual risk business contains some legacy mortgage protection business for which premiums are no longer received. These contracts have been valued as term assurances, with no credit taken for future premiums.

6.18.5.2 Educare and Life time needs (Investment linked)
For all Savings business, unit and non-unit reserves have been held. Unit reserves have been taken as the face value of the policyholder unit funds at the valuation date. Where this fund is negative it has been set to zero, taking into account the minimum surrender value terms. Non-unit reserves have been calculated via a cashflow projection of charges (determined from a projection of unit funds), expenses and benefit payments in excess of the fund balances (on death and disability). Future cashflows were discounted back to the valuation date at the valuation rate of interest. Negative non-unit reserves have been permitted. However these have been limited such that the total unit plus non-unit reserve for each policy is at least as high as its surrender value.

6.18.5.3 Group Life
The portfolio includes group life and group credit life.

A liability for remaining coverage (LRC) was recognized for group life and credit life contracts, net of acquisition and profit loadings. For group life, an assessment confirmed no loss component was required, with expected claims based on historical pooled data.

Acquisition costs were expensed as incurred, as they are immaterial. An allowance for incurred claims, including IBNR, was included in the liability for incurred claims (LIC) using a loss ratio approach.

For credit life, high premium rates are expected to fully cover future claims and expenses, including IBNR, so no separate LIC was needed.

Sensitivities

The following table details the impact of changes in key assumptions on the Company’s profit or loss, equity and CSM before and after risk mitigation by reinsurance held. This analysis is based on a change in one risk variable with all other variables held constant. Sensitivity analysis assumes that changes to variables can be made independently, which is very unlikely to occur in practice. There were no changes made from the previous period in the methods and assumptions used in preparing the sensitivity analysis.

2025	Profit or loss		Equity		CSM	
	Gross	Net	Gross	Net	Gross	Net
	N’000	N’000	N’000	N’000	N’000	N’000
Expenses (10%)	(55,484)	(55,484)	(55,484)	(55,484)	(50,143)	(50,143)
Expenses (-10%)	140,227	140,227	140,227	140,227	(34,600)	(34,600)
Lapse rate (10%)	54,905	54,905	54,905	54,905	(38,252)	(38,252)
Lapse rate (-10%)	24,856	24,856	24,856	24,856	(49,006)	(49,006)
Gross loss rate (5%)	10,730	10,603	10,730	10,603	-	-
Gross loss rate (-5%)	(10,730)	(10,603)	(10,730)	(10,603)	-	-

2024	Profit or loss		Equity		CSM	
	Gross	Net	Gross	Net	Gross	Net
	N’000	N’000	N’000	N’000	N’000	N’000
Expenses (10%)	2,047	205	2,047	205	3,024	325
Expenses (-10%)	(2,047)	(205)	(2,047)	(205)	(3,024)	(325)
Lapse rate (10%)	167	17	167	17	1,501	135
Lapse rate (-10%)	(167)	(17)	(167)	(17)	(1,501)	(135)
Gross loss rate (5%)	2,213	110	2,213	110	1,209	177
Gross loss rate (-5%)	(2,213)	(110)	(2,213)	(110)	(1,209)	(177)

7 Financial Risk Management

Introduction and overview

The Company's risk management policies are established to identify and analyse the risks faced by the Company, to set appropriate limits and controls and to monitor risks and adherence to limits. Risk management policies and systems are reviewed regularly to reflect the changes in market conditions and the Company's activities. The Company through its training and management standards and procedures, aims to develop a disciplined and constructive control environment in which all employees understand their roles and obligations.

The Company is exposed to a range of financial risks through its financial instruments. The key components:

- Credit risk.
- Liquidity risk
- Market risk

The Company's Board of Directors have overall responsibility for the establishment and oversight of the Company's risk management framework. The Board of Directors is also responsible for monitoring the Company's risk management policies.

Credit Risk

Credit risk is the risk that the Company may not be able to recover funds and suffer losses because a customer or counterparty is unable or unwilling to meet contractual obligations to the Company when due, resulting in a financial loss. The Credit risk also arises when loss of one party to a financial instrument fails to discharge their obligation and such will cause a financial loss for the other party.

The Company takes on exposure to credit risk, which is the risk that one party will cause a financial loss for the other party by failing to discharge an obligation. The Company has no significant concentration of credit risk. All debt investments represent public debt investments executed in accordance with the objective of the Company. The Company is subject to credit risk from its holdings in term deposits.

Within Nigeria's jurisdictions, there is little rated paper, apart from government bonds. Local investments made within Nigeria's jurisdictions must be executed with counterparties that are accorded the high credit grades. No exposure is permitted to leveraged credit instruments, e.g. instruments where exposure to an entity or small group of entities can cause greater losses across the portfolio than the proportionate share of the defaulting entity or entities.

The Company's exposures to credit risk arise from: cash at banks, placements with financial institutions, treasury bills, FGN bonds, corporate bonds, trade receivables, statutory deposit, other receivables and reinsurance assets (i.e. reinsurers' share of insurance liabilities, amounts due from reinsurers for claims already paid).

The Company's maximum credit risk exposure is as follows:

	31-Dec-25	31-Dec-24
	N'000	N'000
Cash and cash equivalents	223,022	404,862
Investment securities at amortised cost	4,935,945	4,312,146
Premium receivables	3,546	-
Other receivables	144,530	7,004
Reinsurance contract assets	6,890	6,511
Statutory deposits	800,000	800,000
	6,113,934	5,530,523

(a) Credit Quality

The following table breaks down the main credit exposure at their net amounts, as categorised by performance as at 31 December 2025 and 31 December 2024 respectively.

31 December 2025

	Cash and cash equivalents	Investment securities at amortised cost	Other receivables	Total
12 month ECL	224,566	4,957,233	144,530	5,326,329
Lifetime ECL not credit impaired	-	-	-	-
Lifetime ECL credit impaired	-	-	-	-
Gross amount	224,566	4,957,233	144,530	5,326,329
12 month ECL impairment	(1,544)	(21,287)	(112,000)	(134,831)
Carrying amount	223,022	4,935,945	32,530	5,191,498

31 December 2024

	Cash and cash equivalents	Investment securities at amortised cost	Other receivables	Total
12 month ECL	406,406	4,330,593	7,004	4,744,003
Lifetime ECL not credit impaired	-	-	-	-
Lifetime ECL credit impaired	-	-	-	-
Gross amount	406,406	4,330,593	7,004	4,744,003
12 month ECL impairment	(1,544)	(18,447)	-	(19,991)
Carrying amount	404,862	4,312,146	7,004	4,724,012

(b) Credit quality of financial assets

All of the Company's financial assets are neither past due nor impaired. The credit quality of the Company's financial assets that are neither past due nor impaired can be assessed by reference to external credit rating (Fitch Ratings Inc). The risk of default is considered low. All assets are at stage 1.

	31-Dec-25			31-Dec-24		
	A to B- N'000	Unrated N'000	Total N'000	A to B+ N'000	Unrated N'000	Total N'000
Cash and cash equivalents	223,022	-	223,022	404,862	-	404,862
Investment securities at amortised cost	4,935,945	-	4,935,945	4,312,146	-	4,312,146
Premium receivables	-	3,546	3,546	-	-	-
Other receivables	-	144,530	144,530	-	7,004	7,004
Reinsurance assets	6,890	-	6,890	6,511	-	6,511
Statutory deposit	800,000	-	800,000	800,000	-	800,000
Total	5,965,858	148,077	6,113,935	5,523,519	7,004	5,530,523

Loss allowance

The following tables show reconciliation from the opening to the closing balance of the loss allowance of financial instrument.

Cash and cash equivalents

31 December 2025

	12-month ECL	Lifetime ECL not credit impaired	Lifetime ECL credit impaired	Total
Balance at 1 January	(1,544)	-	-	(1,544)
Net measurement on loss allowance	-	-	-	-
Balance at 31 December	(1,544)	-	-	(1,544)

31 December 2024

	12-month ECL	Lifetime ECL not credit impaired	Lifetime ECL credit impaired	Total
Balance at 1 January	-	-	-	-
Net measurement on loss allowance	(1,544)	-	-	(1,544)
Balance at 31 December	(1,544)	-	-	(1,544)

Investment securities at amortised cost

31 December 2025

	12-month ECL	Lifetime ECL not credit impaired	Lifetime ECL credit impaired	Total
Balance at 1 January	(18,447)	-	-	(18,447)
Net measurement on loss allowance	(2,840)	-	-	(2,840)
Balance at 31 December	(21,287)	-	-	(21,287)

31 December 2024

	12-month ECL	Lifetime ECL not credit impaired	Lifetime ECL credit impaired	Total
Balance at 1 January	(43,461)	-	-	(43,461)
Net measurement on loss allowance	25,014	-	-	25,014
Balance at 31 December	(18,447)	-	-	(18,447)

Other receivables

31 December 2025

In thousands of naira

	12-month ECL	Lifetime ECL not credit impaired	Lifetime ECL credit impaired	Total
Balance at 1 January	-	-	-	-
Net measurement on loss allowance	(112,000)	-	-	(112,000)
Balance at 31 December	(112,000)	-	-	(112,000)

31 December 2024

In thousands of naira

	12-month ECL	Lifetime ECL not credit impaired	Lifetime ECL credit impaired	Total
Balance at 1 January	-	-	-	-
Net measurement on loss allowance	-	-	-	-
Balance at 31 December	-	-	-	-

As at 31 December 2025, the maximum exposure to credit risk from insurance contracts is was N3.5 million (2024: nil), which primarily relates to premium receivable for services that the Company has already provided, and the maximum exposure to credit risk from reinsurance contracts was N 6.9 million (2024: 6.5 million).

i. Management of credit risk

a. Cash and cash equivalents.

The Company held cash and cash equivalents of N335 million at 31 December 2025 (31 December 2024: N405 million). The cash and cash equivalents have maturity profile of less than 3 months and are held with local banks and financial institution counterparties, which are assessed to have good credit ratings (A to B-) like S&P, Fitch and GRC rating agencies, both in the long term and short term respectively.

Within Nigeria's jurisdictions, there is little rated paper, apart from government bonds. Local investments made within Nigeria's jurisdictions must be executed with counterparties that are accorded the high credit grades. No exposure is permitted to leveraged credit instruments, e.g. instruments where exposure to an entity or small group of entities can cause greater losses across the portfolio than the proportionate share of the defaulting entity or entities.

b. Other assets

Other assets represent security deposit for the lease of the Company's property as well as payments for assets yet to be delivered. The credit risk relating to the unsettled transactions are considered low due to the credit worthiness of the counterparties.

Expected credit loss measurement

IFRS 9 outlines a 'three-stage' model for impairment based on changes in credit quality since initial recognition as summarised below:

- A financial instrument that is not credit-impaired on initial recognition is classified in 'Stage 1' and has its credit risk continuously monitored by the company.
- If a significant increase in credit risk ('SICR') since initial recognition is identified, the financial instrument is moved to 'Stage 2' but is not yet deemed to be credit impaired. If the financial instrument is credit-impaired, the financial instrument is then moved to 'Stage 3'.
- Financial instruments in Stage 1 have their ECL measured at an amount equal to the portion of lifetime expected credit losses that result from default events possible within the next 12 months. Instruments in Stages 2 or 3 have their ECL measured based on expected credit losses on a lifetime basis.
- A pervasive concept in measuring ECL in accordance with IFRS 9 is that it should consider forward-looking information.

Maximum credit risk exposure - Financial assets

The Company's exposure to credit risk is influenced mainly by the characteristics of the counterparties. Management considers the default risk of the industry in which the counterparty operates based on economic factors as this may have an influence on credit risk. The Company is exposed to credit risk on its balances with banks, and financial instruments respectively. The Company has dedicated credit standards, policies and procedures to control and monitor intrinsic and concentration risks through all credit levels of selection, underwriting, administration and control. The following table contains an analysis of the credit risk exposure of financial instruments for which an ECL allowance is recognised. The gross carrying amount of financial assets below also represents the company's maximum exposure to credit risk on these assets:

	Stage 1	Stage 2	Stage 3		Stage 1	Stage 2	Stage 3	
	12-month ECL	Lifetime ECL	Lifetime ECL	Total	12-month ECL	Lifetime ECL	Lifetime ECL	Total
Financial assets								
Cash and cash equivalents	224,450	-	-	224,450	399,963	-	-	399,963
Premium receivables	3,546	-	-	3,546	-	-	-	-
Investment securities	4,957,233	-	-	4,957,233	4,330,593	-	-	4,330,593
Statutory deposits	800,000	-	-	800,000	800,000	-	-	800,000
Other receivables	144,530	-	-	144,530	7,004	-	-	7,004
Gross EAD	6,129,759	-	-	6,129,759	5,537,560	-	-	5,537,560
Loss allowance	(134,831)	-	-	(134,831)	(19,991)	-	-	(19,991)
Net EAD	5,994,928	-	-	5,994,928	5,517,569	-	-	5,517,569

Significant increase in credit risk

The criteria for determining whether credit risk has increased significantly vary by portfolio and include quantitative changes in PDs and qualitative factors, including a backstop based on delinquency. The credit risk of a particular exposure is deemed to have increased significantly since initial recognition if, based on the Company's quantitative modelling, the remaining lifetime PD is determined to have increased by more than a predetermined percentage/range. Using its expert credit judgement and, where possible, relevant historical experience, the Company may determine that an exposure has undergone a significant increase in credit risk based on particular qualitative indicators that it considers are indicative of such and whose effect may not otherwise be fully reflected in its quantitative analysis on a timely basis.

The Company monitors the effectiveness of the criteria used to identify significant increases in credit risk by regular reviews to confirm that:

- the criteria are capable of identifying significant increases in credit risk before an exposure is in default; -the criteria do not align with the point in time when an asset becomes 90 days past due; and
- there is no unwarranted volatility in loss allowance from transfers between 12-month PD (stage 1) and lifetime PD (stage 2).

When the terms of a financial asset are modified and the modification does not result in derecognition, the determination of whether the asset's credit risk has increased significantly reflects comparison of:

- its remaining lifetime PD at the reporting date based on the modified terms; with
- the remaining lifetime PD estimated based on data at initial recognition and the original contractual terms.

Definition of default

The Company 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 realising security (if any is held); or
- the borrower is past due more than 90 days on any material credit obligation to the Company

In assessing whether a borrower is in default, the Company considers indicators that are:

- qualitative - e.g., breaches of covenant;
- quantitative - e.g., overdue status and non-payment on 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.

Measuring ECL – Explanation of inputs, assumptions, and estimation techniques

The Expected Credit Loss (ECL) is measured on either a 12-month (12M) or Lifetime basis depending on whether a significant increase in credit risk has occurred since initial recognition or whether an asset is considered to be credit-impaired. Expected credit losses are the discounted product of the Probability of Default (PD), Exposure at Default (EAD), and Loss Given Default (LGD), defined as follows:

- The PD represents the likelihood of a borrower defaulting on its financial obligation (as per "Definition of default and credit-impaired" above), either over the next 12 months (12M PD), or over the remaining lifetime (Lifetime PD) of the obligation.
- EAD is based on the amounts the company expects to be owed at the time of default, over the next 12 months (12M EAD) or over the remaining lifetime (Lifetime EAD). For example, for a revolving commitment, the company includes the current drawn balance plus any further amount that is expected to be drawn up to the current contractual limit by the time of default, should it occur.
- Loss Given Default (LGD) represents the company's expectation of the extent of loss on a defaulted exposure. LGD varies by type of counterparty, type and seniority of claim and availability of collateral or other credit support. LGD is expressed as a percentage loss per unit of exposure at the time of default (EAD). LGD is calculated on a 12-month or lifetime basis, where 12-month LGD is the percentage of loss expected to be made if the default occurs in the next 12 months and Lifetime LGD is the percentage of loss expected to be made if the default occurs over the remaining expected lifetime of the security.

The ECL is determined by projecting the PD, LGD and EAD for each future month and for each individual exposure or collective segment.

These three components are multiplied together and adjusted for the likelihood of survival (i.e. the exposure has not prepaid or defaulted in an earlier month). This effectively calculates an ECL for each future month, which is then discounted back to the reporting date and summed. The discount rate used in the ECL calculation is the original effective interest rate or an approximation thereof.

The Lifetime PD is developed by applying a maturity profile to the current 12M PD. The maturity profile looks at how defaults develop on a portfolio from the point of initial recognition throughout the lifetime of the financial asset. The maturity profile is based on historical observed data and is assumed to be the same across all assets within a portfolio and credit grade band. This is supported by historical analysis. Where there is no loss experience with a particular class of assets, the company obtains and uses the 12 month and lifetime PDs from independent external observable sources that relate to those specific assets.

Forward-looking economic information is also included in determining the 12-month and lifetime expected credit losses. The assumptions underlying the ECL calculation – such as how the maturity profile of the PDs and how collateral values change etc. – are monitored and reviewed on a quarterly basis. The company performs historical analysis and identified the key economic variables impacting credit risk and expected credit losses for each portfolio.

These economic variables and their associated impact on the PD, EAD and LGD vary by financial instrument. Expert judgment has also been applied in this process. Forecasts of these economic variables (the "base economic scenario") are provided by the company's finance team on a quarterly basis and provide the best estimate view of the economy.

In addition to the base economic scenario, the company also provides other possible scenarios along with scenario weightings. The number of other scenarios used is set based on the analysis of each major product type to ensure non-linearities are captured. At 31 December 2025, the company concluded that three scenarios appropriately captured non-linearities.

As with any economic forecasts, the projections and likelihoods of occurrence are subject to a high degree of inherent uncertainty and therefore the actual outcomes may be significantly different to those projected. The company considers these forecasts to represent its best estimate of the possible outcomes and has analysed the non-linearities and asymmetries within the company's different portfolios to establish that the chosen scenarios are appropriately representative of the range of possible scenarios.

Grouping of instruments for losses measured on a collective basis.

The company did not measure impairment on a collective basis throughout the reporting periods. For expected credit loss provisions modelled on a collective basis however, a grouping of exposures is performed on the basis of shared risk characteristics, such that risk exposures within a group are homogeneous.

In performing this grouping, there must be sufficient information for the company to be statistically credible. Where sufficient information is not available internally, the company has considered benchmarking external supplementary data to use for modelling purposes. The characteristics and any supplementary data used to determine groupings are outlined below:

For ECL purposes, the company's financial assets are segmented into sub-portfolios as listed below:

The following table contains an analysis of the credit risk exposure of financial instruments for which an ECL allowance is recognised. The gross carrying amount of financial assets below also represents the company's maximum exposure to credit risk on these assets.

	Stage 1	Stage 2	Stage 3		Stage 1	Stage 2	Stage 3	
	12-month ECL	Lifetime ECL	Lifetime ECL	Total	12-month ECL	Lifetime ECL	Lifetime ECL	Total
Financial assets								
Cash and cash equivalents	224,450	-	-	224,450	399,963	-	-	399,963
Investment securities	4,957,233	-	-	4,957,233	4,330,593	-	-	4,330,593
Other assets	144,530	-	-	144,530	7,004	-	-	7,004
Gross EAD	5,326,213	-	-	5,326,213	4,737,560	-	-	4,737,560
Loss allowance	(134,831)	-	-	(134,831)	(19,991)	-	-	(19,991)
Net EAD	5,191,382	-	-	5,191,382	4,717,569	-	-	4,717,569

Concentration risk

Concentration risk refers to any single exposure or group of exposures large enough to cause credit losses which threaten the Company' ability to maintain its core operations. It is the risk that common factors within a risk type or across risk type cause credit losses or an event occurs within a risk type which results to credit losses.

As at the reporting date, the Company's credit risk exposure were concentrated as follows:

a) Geographical sectors

All credit risk exposures (without taking into account any collateral held or other credit support) are maintained within Nigeria. The reinsurance is ceded to reinsurers also in Nigeria. The Company does not have a significant concentration risk with any reinsurer.

b) Industry sectors

In thousands of naira

	31-Dec-25	31-Dec-24
Financial institutions	5,181,683	4,730,556
Others	144,530	7,004
	5,326,213	4,737,560

The Company is exposed to various industries as shown below:

	31-Dec-25			31-Dec-24		
	Financial institution	Public Sector and others	Total	Financial institution	Public Sector and others	Total
	N'000	N'000	N'000	N'000	N'000	N'000
Cash and cash equivalents	223,022	-	223,022	404,862	-	404,862
Investment securities at amortised cost	2,094,553	2,841,392	4,935,945	2,077,318	2,234,828	4,312,146
Investment securities at fair value through profit or loss	1,338,651	-	1,338,651	195,619	-	277,314
Premium receivables	3,546	-	3,546	-	-	-
Other receivables	-	144,530	144,530	-	7,004	7,004
Reinsurance assets	-	6,890	6,890	-	6,511	6,511
Statutory deposit	800,000	-	800,000	800,000	-	800,000
Total	4,459,772	2,992,812	7,452,585	3,477,799	2,248,343	5,726,142

(c) Liquidity risk

Liquidity risk is the risk that the Company will encounter difficulty in meeting obligations associated with its financial liabilities that are settled by delivering cash or another financial asset. Liquidity risk arises from mismatches in the timing and amounts of cash flows, which is inherent to the Company's operations and investments.

The Company maintains adequate liquid assets and marketable securities sufficient to manage any liquidity stress situation.

i Maturity analysis for financial assets and financial liabilities

The table below presents the cash flows receivable by the Company for financial assets by remaining contractual maturities at the balance sheet date. The amounts disclosed in the table are the contractual undiscounted cash flows because the Company manages the inherent liquidity risk based on expected undiscounted cash flows.

Maturity analysis (contractual undiscounted cashflow basis)

31-Dec-2025	Note	Carrying amount	Gross nominal inflow/ outflow	0-1 year	1 - 3 years	3 - 5 years	Over 5 years
Liabilities							
Investment contract liabilities	26	379,672	398,655	63,059	42,699	73,224	219,673
Other payables	27	623,826	708,041	708,041			-
Lease liabilities	21(b)	180,418	180,418	152,456	27,962		-
Total financial liabilities		1,183,916	1,287,114	923,555	70,661	73,224	219,673
Assets							
Cash and cash equivalents	17	223,022	223,243	223,243	-	-	-
Investment securities at amortised cost	19(a)	4,935,945	5,305,993	3,093,804	211,209	800,392	1,200,588
Investment securities at fair value through profit or loss	19(a)	1,338,651	1,338,651	-	-	-	1,338,651
Premium receivables	18	3,546	3,546	3,546	-	-	-
Reinsurance assets	24	6,890	6,890	6,890	-	-	-
Statutory deposit	22	800,000	800,000	-	-	-	800,000
Other receivables	20	144,530	144,530	7,004	-	-	-
Total financial assets		7,452,585	7,822,854	3,334,488	211,209	800,392	3,339,239
Net financial assets		6,268,668	6,535,740	2,410,932	140,548	727,168	3,119,566
Insurance contract liabilities		2,361,174	2,361,174	373,488	355,109	571,402	1,061,175
Net policyholders' assets/(liabilities)		3,907,495	4,174,566	2,037,445	(214,561)	155,766	2,058,391

31-Dec-2024	Note	Carrying amount	Gross nominal inflow/ outflow	0-1 year	1 - 3 years	3 - 5 years	Over 5 years
Liabilities							
Investment contract liabilities	26	215,816	236,891	37,471	25,373		174,047
Other payables	27	422,164	422,164	346,177	75,987		-
Lease liabilities	21(b)	167,352	167,262	142,943	24,319		-
Total financial liabilities		805,332	826,317	526,591	125,679	-	174,047
Assets							
Cash and cash equivalents	17	404,862	412,875	412,875	-	-	-
Investment securities at amortised cost	19(a)	4,393,841	4,315,864	2,387,654	398,764	688,251	841,195
Investment securities at fair value through profit or loss	19(a)	195,619	195,619	-	-	-	195,619
Premium receivables	18	-	-	-	-	-	-
Reinsurance assets	24	6,511	7,546	7,546	-	-	-
Statutory deposit	22	800,000	800,000	-	-	-	800,000
Other receivables	20	7,004	7,004	7,004	-	-	-
Total financial assets		5,807,837	5,738,908	2,815,079	398,764	688,251	1,836,814
Net financial assets		5,002,505	4,912,591	2,288,488	273,085	688,251	1,662,767
Insurance contract liabilities		1,448,187	1,448,187	355,109	210,337	308,959	573,782
Net policyholders' assets/(liabilities)		3,554,318	3,464,404	1,933,379	62,748	379,292	1,088,985

Maturity analysis (insurance and reinsurance contracts)

The following table provides a maturity analysis of the Groups insurance and reinsurance contracts, which reflects the dates on which the cash flows are expected to occur. Liabilities for remaining coverage measured under the PAA (group life) have been excluded from this analysis. The reinsurance assets have not been presented as the contracts not measured under PAA are not reinsured and the one under PAA (group life) are for a year.

2025	Estimates of present value of future cash flows - 31-Dec-2025						
	1 year or less	1-2 years	2-3 years	3-4 years	4-5 years	More than 5 years	Total
Insurance contracts liabilities	N'000	N'000	N'000	N'000	N'000	N'000	N'000
Family Care Plan	6,440	6,126	4,870	4,555	2,828	6,598	31,417
Family Income Protection Plan	1,871	1,451	1,222	802	725	1,565	7,636
LifeTime Needs	45,628	42,586	48,670	76,047	121,675	273,771	608,377
Educare	119,282	113,602	102,242	130,643	238,565	431,689	1,136,023
	173,221	163,765	157,004	212,047	363,793	713,624	1,783,454

2024

Estimates of present value of future cash flows - 31-Dec-2024

	1 year or less	1-2 years	2-3 years	3-4 years	4-5 years	More than 5 years	Total
	N'000	N'000	N'000	N'000	N'000	N'000	N'000
Insurance contracts liabilities							
Family Care Plan	9,876	28,765	48,986	97,658	(87,543)	(163,004)	(65,262)
Family Income Protection Plan	146	276	257	348	187	106	1,320
LifeTime Needs	37,908	53,833	39,876	19,876	18,765	10,047	180,305
Educare	98,433	109,874	148,765	98,765	87,654	79,779	623,270
	146,363	192,748	237,884	216,647	19,063	(73,072)	739,633

The amounts from insurance contracts liabilities that are payable on demand are set out below:

31 Dec 25

31 Dec 24

	Amount payable on demand	carrying amount	Amount payable on demand	carrying amount
Family Care Plan	6,440	167,813	9,876	161,267
Family Income Protection Plan	1,871	15,944	146	11,927
LifeTime Needs	45,628	639,243	37,908	339,797
Educare	119,282	1,168,482	98,433	739,791
	173,221	1,991,483	146,363	1,252,782

(d) Market risk

Market risk is the risk that changes in market prices such as interest rate, foreign exchange rates will affect the Company's income or the value of its holdings in financial instruments. The objective of the Company's market risk management is to manage and control market risk exposures within acceptable parameters in order to ensure the Company's solvency, while optimizing the return on risk

Management of market risk

The overall authority for market risk is vested by the Board in the Executive Management which sets up limits for each type of risk in aggregate. They are responsible for monitoring, managing and reporting to the Board of Directors. The Company uses derivatives and sensitivity analysis to manage market risks in situations where the impact of market risk is considered significant and where insignificant the resulting exchange loss is recognized within operating expenses.

(i) Exposure to interest rate risk

Interest rate risk is the probability that an unexpected change in interest rates will negatively affect the value and returns on the Company's investments.

Interest rate risk arises from the possibility that changes in interest rates will affect future cash flows or fair values of financial instruments. Interest rate risk arises when the company invests in interest-bearing financial instruments. The company is exposed to the risk that the value of such financial instruments will fluctuate due to changes in the prevailing levels of market interest rates. The company's exposure to interest rate risk is concentrated in its investments in term deposits and short-term placements.

The table below summarizes the interest rate gap position:

In thousands of naira

	31-Dec-25			31-Dec-24		
	Fixed	Non-interest bearing	Carrying amount	Fixed	Non-interest bearing	Carrying amount
Financial assets						
Cash and cash equivalents	-	223,243	223,243	-	412,875	412,875
Treasury Bills	607,453	-	607,453	306,618	-	306,618
Placement	1,904,632	-	1,904,632	2,177,460	-	2,177,460
Bonds	2,233,938	-	2,233,938	1,928,210	-	1,928,210
Other assets	-	144,530	144,530	-	7,004	7,004
Statutory deposit	800,000	-	800,000	800,000	-	800,000
	5,546,024	367,773	5,913,797	5,212,288	419,879	5,632,167
Financial liabilities						
Insurance contract liabilities		3,907,495	3,907,495		3,554,318	3,554,318
Investment contract liabilities	215,816	-	215,816	23,496	0	23,496
Other payables		708,041	708,041		422,164	422,164
Lease liabilities	180,418	-	180,418	167,262	0	167,262
Total financial liabilities	396,234	4,615,536	5,011,770	190,758	3,976,482	4,167,240
Surplus/ (deficit)	5,149,790	(4,247,763)	902,027	5,021,530	(3,556,603)	1,464,927

Interest sensitivity analysis

Profit or loss

Equity

	Impact of 1% increase in interest rates	Impact of 1% decrease in interest rates	Impact of 1% increase in interest rates	Impact of 1% decrease in interest rates
31 Dec 2025				
Interest sensitivity analysis	51,498	(51,498)	51,498	(51,498)

31 Dec 2024	Profit or loss		Equity	
	Impact of 1% increase in interest rates	Impact of 1% decrease in interest rates	Impact of 1% increase in interest rates	Impact of 1% decrease in interest rates
Interest sensitivity analysis	50,215	(50,215)	50,215	(50,215)

(ii) Exposure to foreign exchange risk

The company holds very minimal assets denominated in currencies other than the functional currency. The exchange rate ruling at the date of preparation of the financial statement is used to ascertain the net position of the foreign currency. The financial unit monitors the company's foreign currency position on a monthly basis.

Foreign exchange risk is the exposure of the Company's financial condition to adverse movement in exchange rates. Currently, the Company is only exposed to the risk of adverse movement in exchange rate for United States Dollar.

The summary quantitative data about the Company's exposure to currency risk is as follows:

In thousands of naira	31-Dec-25			31-Dec-24		
	Carrying amount	NGN	USD	Carrying amount	NGN	USD
Cash and cash equivalents	223,243	210,881	12,362	406,406	406,405	6
Investment securities	6,274,596	6,274,596	-	4,589,460	4,589,460	-
Intercompany receivables	12,086	12,086	-	-	-	-
Sundry debtors	117,343	117,343	-	7,004	7,004	-
Statutory deposits	800,000	800,000	-	800,000	800,000	-
Total financial assets	7,427,268	7,414,906	12,362	5,802,870	5,802,869	6

Sensitivity analysis

A reasonably possible strengthening (weakening) of the US dollar against the presentation currency would have affected the measurement of the balances denominated in the currency and affected equity and profit or loss by the amounts shown below. This analysis assumes that all other variables, in particular interest rates, remain constant.

USD (10% movement) In thousands of naira	Profit or loss		Equity net of tax	
	Strengthening	Weakness	Strengthening	Weakness
31 December 2025	61,810	(61,810)	61,810	(61,810)
31 December 2024	30.00	(30.00)	30	(30)

Price risk

The Company's exposure to equity securities price risk arises from investments held by the Company and classified in the balance sheet at fair value through profit or loss (FVPL).

To manage its price risk arising from investments in equity securities, the Company diversifies its portfolio. Diversification of the portfolio is done in accordance with the limits set by the Company. The majority of the Company's equity investments are publicly traded.

Equity price risks

The Company however, monitors the contribution of individual stock to the total stocks holding in a portfolio. The company has exposure to equity price risks arising from investments in equity securities as at 31 December 2024.

	Profit or loss		Equity	
	Impact of 5% in increase equity price	Impact of 5% in decrease equity price	Impact of 5% in increase equity price	Impact of 5% in decrease equity price
Equity as at 31 December 2025	66,933	(66,933)	66,933	(66,933)
Equity as at 31 December 2026	9,781	(9,781)	9,781	(9,781)

(e) Risk prevention strategies

The Company has adopted the risk and control self-assessment model to aid the identification, assessment, and control of risks to prevent them from crystallising. Using this methodology, every activity or process is believed to have inherent risk(s). The model involves upfront risk identification, assessment, quantification, and mitigation. The Company's strategy for preventing risks is to identify the risk ahead and design preventive controls that reduces the impact of the risk when it occurs. In a situation where there is no preventive controls or it will be costly to put such a control, the Company adopts detective or corrective controls. The Company believes that even after controls are put in place there could be residual risks. The Company also evaluates the residual risks and designs a risk treatment plan for such risks with high residual risks

(f) Capital management

The Company's capital management approach is driven by its strategy and organisational requirements, taking into account the regulatory and commercial environment in which it operates. The strategy for assessing and managing the impact of management's business plans on present and future regulatory capital forms an integral part of the Company's strategic plan. Specifically, the Company considers how the present and future capital requirements will be managed and met against projected capital requirements. This is based on the Company's assessment and against the supervisory/regulatory capital requirements taking account of the Company's business strategy and value creation to all its stakeholders. The Company strives to maintain a healthy capital position.

The Company's operations are also subject to regulatory requirements within the jurisdictions in which it operates. The minimum paid up capital requirement as specified by National Insurance Commission (NAICOM) for life insurance business is ₦2 billion. Insurers are also mandated to maintain 10% of this paid-up capital with the Central Bank of Nigeria as Statutory Deposit. In addition, quarterly and annual returns must be submitted to NAICOM on a regular basis.

The regulations prescribed by NAICOM prescribe approval and monitoring of activities and impose certain restrictive provisions to minimise the risk of default and insolvency on the part of the insurance companies to meet unforeseen liabilities as these arise.

The Company has met all of these requirements since it obtained its operating license in November 2020.

Finance Act 2021 - Part IX- Insurance Act

The Federal Government of Nigeria, by Federal Republic of Nigeria Official Gazette, dated 18th 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 -
- the excess of admissible assets over liabilities, less the amount of own shares held by the company,
 - subordinated liabilities subject to approval by the Commission, and
 - 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;

- (b) in the case of a new company -
- Government Bonds and Treasury Bills,
 - Cash and Bank balances, and
 - Cash and cash equivalent.

As an existing company, our capital requirement is as shown below

<i>In thousands of naira</i>	31-Dec-25	31-Dec-24
Share capital	12,556,962	8,000,000
Accumulated deficits	(7,647,543)	(5,746,151)
Deposit for shares	-	2,305,462
Contingency reserve	78,460	42,944
Excess of admissible assets over liabilities	4,987,879	4,602,255
Less the amount of own shares (treasury shares)	-	-
Subordinates' liabilities subject to approval by the Commission	-	-
Any other financial instruments as prescribed by the Commission	-	-
Capital Requirement	4,987,879	4,602,255

(g) Solvency margin

The Insurance Act (Section 24) prescribed that an insurer shall, in respect of its business other than life insurance business, maintain a margin of solvency being the excess of the value of its admissible assets in Nigeria over its liabilities in Nigeria.

Insurance industry regulator measures the financial strength of insurers using a solvency margin model. This test compares insurers' capital against the risk profile. The solvency margin shall not be less than 15 percent of the gross premium income less reinsurance premiums expenses and the minimum paid-up capital, whichever is higher.

The Company's position is as follows:

<i>In thousands of naira</i>	31-Dec-25			31-Dec-24		
Assets	Total	Admissible	Inadmissible	Total	Admissible	Inadmissible
Cash and cash equivalents	223,022	223,022	-	404,862	404,862	-
Treasury bills	607,419	607,419	-	306,590	306,590	-
Placements with financial institutions	1,891,800	1,891,800	-	2,083,000	2,083,000	-
Commercial papers	209,786	209,786	-	-	-	-
Government bonds	2,226,941	2,226,941	-	1,922,556	1,922,556	-
Financial assets at FVTPL	1,338,651	1,338,651	-	277,314	277,314	-
Premium receivables	3,546	3,546	-	-	-	-
Other receivables and prepayment	193,540	-	193,540	141,651	-	141,651
Reinsurance contract assets	6,890	6,890	-	6,511	6,511	-
Property and equipment	883,212	883,212	-	662,182	662,182	-
Intangible assets	45,840	45,840	-	-	-	-
Rights of use assets	203,799	-	203,799	284,177	-	284,177
Statutory deposit	800,000	800,000	-	800,000	800,000	-
Total admissible assets	8,634,447	8,237,107	397,339	6,888,843	6,463,015	425,828

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Liabilities

Insurance contract liabilities	2,361,174	2,361,174	-	1,448,187	1,448,187	-
Investment contract liabilities	379,672	379,672	-	215,816	215,816	-
Current income tax liabilities	6,513	6,513	-	1,951	1,951	-
Other payables	718,791	718,791	-	453,282	453,282	-
Lease liabilities	180,418	180,418	-	167,352	167,352	-
	3,646,568	3,646,568	-	2,286,588	2,286,588	-
Available solvency margin	4,987,878	4,590,539	397,339	4,602,255	4,176,427	425,828

Required solvency margin:

Insurance service results	(1,342,391)			(1,400,820)		
Net income or expense from reinsurance contracts held	(18,976)			(5,764)		
Net premium income	(1,361,367)			(1,406,584)		
Subject to higher of:						
15% of net premium income or	(204,205)			(210,988)		
Minimum capital requirement	2,000,000			2,000,000		
		2,000,000			2,000,000	
Excess solvency margin		2,590,539			2,176,427	
Gross solvency ratio		130%			109%	

Regulatory capital requirement

In accordance with the provisions of the Insurance Act, the company had a solvency margin of N4.73 billion, which is N2.73 billion in excess of the regulatory requirement of N2 billion (minimum capital: life insurance firms) for the year ended 31 December 2025.

NAICOM requires that the company maintain a minimum capital base of N2 billion as at 31 December 2025. During the year, NAICOM increased the minimum capital to N8 billion, effective 1 July 2026. The Company is currently assessing the impact of the increase on its financial statements. The company's capital base was N12.5 billion as at the reporting period.

Asset and Liability Management (ALM)

The company is exposed to financial risks because of its assets and liabilities. Examples of the risk the company is exposed to when managing its assets and liabilities includes, interest rate risk, foreign exchange risk and credit risk. The most important risks managed within the assets and liabilities framework is the interest rate and solvency risk.

The regulators also require that policyholders and shareholders' funds are managed separately.

The Company is regulated in Nigeria by the National Insurance Commission (NAICOM) under the Insurance Act. Section 25 (1) of the Act requires an insurance Company operating in Nigeria to invest and hold investments in Nigeria assets equivalent to not less than the amount of policy holders' funds in such accounts of the insurer.

The policy holders fund of each particular fund shall be the security of the policy holders of that class as though it belonged to an insurer carrying on other business than insurance of that class. These funds shall not be applied directly or indirectly, for any purposes other than those of the class of business to which the fund is applicable.

Hypothecation

The table below hypothecates the total assets of the company into assets that represent insurance funds and shareholders' funds:

	Insurance contracts	Investment contracts	Policyholders fund	Shareholders fund	Total
31 December 2025					
Assets:					
Cash and cash equivalents	128,714	31,347	160,061	63,182	223,243
Investment securities at amortised cost	3,483,991	735,175	4,219,166	716,779	4,935,945
Investment securities at fair value through profit or loss	1,338,651	-	1,338,651	-	1,338,651
Reinsurance contract assets	6,890	-	6,890	-	6,890
Premium receivables	-	-	-	3,546	3,546
Other receivables and prepayment	-	-	-	193,540	193,540
Property and equipment	-	-	-	883,212	883,212
Rights of use assets	-	-	-	203,799	203,799
Statutory deposit	-	-	-	800,000	800,000
TOTAL ASSETS	4,958,246	766,522	5,724,768	2,864,059	8,588,827
Liabilities:					
Insurance contract liabilities	2,361,174	-	2,361,174	-	2,361,174
Investment contract liabilities	-	379,672	379,672	-	379,672
Current income tax liabilities	-	-	-	6,513	6,513
Other payables	-	-	-	718,791	718,791
Lease liabilities	-	-	-	180,418	180,418
TOTAL LIABILITIES	2,361,174	379,672	2,740,846	905,722	3,646,568
Excess in asset cover	2,597,072	386,850	2,983,922	1,958,337	4,942,259

31 December 2024	Insurance contracts	Investment contracts	Policyholders fund	Shareholders fund	Total
Assets:					
Cash and cash equivalents	52,074	56,850	108,924	295,938	404,862
Investment securities at amortised cost	1,215,553	256,500	1,472,053	2,921,788	4,393,841
Investment securities at fair value through profit or loss	195,619	-	195,619	-	195,619
Reinsurance contract assets	6,511	-	6,511	-	6,511
Premium receivables	-	-	-	-	-
Other receivables and prepayment	-	-	-	141,651	141,651
Property and equipment	-	-	-	662,182	662,182
Rights of use assets	-	-	-	284,177	284,177
Statutory deposit	-	-	-	800,000	800,000
TOTAL ASSETS	1,469,757	313,350	1,783,107	5,105,736	6,888,843
Liabilities					
Insurance contract liabilities	1,448,187	-	1,448,187	-	1,448,187
Investment contract liabilities	-	215,816	215,816	-	215,816
Current income tax liabilities	-	-	-	1,951	1,951
Other payables	-	-	-	453,282	453,282
Lease liabilities	-	-	-	167,352	167,352
TOTAL LIABILITIES	1,448,187	215,816	1,664,003	622,585	2,286,588
Excess in asset cover	21,570	97,534	119,104	4,483,151	4,602,255

(h) Fair value of financial assets and liabilities

The Company measures fair values using the following fair value hierarchy, which reflects the significance of the inputs used in making the measurements:

Level 1: Quoted prices (unadjusted) in active markets for identical assets or liabilities.

Level 2: Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices). This hierarchy requires the use of observable market data when available. The Group considers relevant and observable market prices in its valuations where possible.

Level 3: Inputs, for the asset or liability, that are not based on observable market data.

1 Financial instruments measured at fair value

The table below analyses financial instruments and other assets and liabilities measured at fair value at the end of the year, by the level in the fair value hierarchy into which the fair value measurement is categorised:

	31-Dec-25			
	Level 1 N'000	Level 2 N'000	Level 3 N'000	Total N'000
Financial assets at fair value through profit or loss	1,338,651	-	-	1,338,651
	1,338,651	-	-	1,338,651
	31-Dec-24			
	Level 1 N'000	Level 2 N'000	Level 3 N'000	Total N'000
Financial assets at fair value through profit or loss	277,314	-	-	277,314
	277,314	-	-	277,314

2 Financial instruments not measured at fair value

The following table sets out the fair values of financial instruments not measured at fair value and analyses them by the level of the fair value hierarchy into which each fair value measurement is categorised. It does not include fair value information for cash and cash equivalents, receivables and payables, whose carrying amounts are a reasonable approximation of fair value.

	31-Dec-25			
Assets	Level 1 N'000	Level 2 N'000	Level 3 N'000	Total N'000
Financial assets at amortised cost	5,552,101	-	-	-
Total financial assets	5,552,101	-	-	-
Liabilities				
Total financial liabilities	-	-	-	-
	31-Dec-24			
Assets	Level 1 N'000	Level 2 N'000	Level 3 N'000	Total N'000
Financial assets at amortised cost	4,850,264	-	-	4,850,264
Total financial assets	4,850,264	-	-	4,850,264
Liabilities				
Total financial liabilities	-	-	-	-

STATEMENT OF COMPREHENSIVE INCOME FOR THE YEAR ENDED 31 DECEMBER 2025

	Notes	31-Dec-25 N'000	31-Dec-24 N'000
Insurance service revenue	8	2,450,213	939,555
Insurance service expenses	9	(3,792,603)	(2,340,375)
Net expense from reinsurance contracts held	10	(18,976)	(5,764)
Insurance service result		(1,361,367)	(1,406,584)
Interest income using effective interest rate	12	734,349	510,481
Investment expenses	12	(104,281)	(53,309)
Fair value gains on financial assets at fair value through profit or loss	12	405,011	46,876
Dividend income on equity investments	12	4,995	4,838
Impairment (charge)/reversals on financial assets	13	(118,998)	23,470
Foreign exchange loss	14	(727)	(5,495)
Profit on investment contracts liabilities	26	27,197	-
Investment return		947,545	526,861
Finance expense from insurance contracts issued	11a	(205,771)	(123,394)
Finance expense from reinsurance contracts held	11b	-	-
Net financial result		(619,592)	(1,003,117)
Other operating income	15	16,234	57,570
Other operating expenses	16	(1,242,940)	(762,230)
Other finance cost	21(b)	(13,066)	(15,525)
Operating loss		(1,239,771)	(720,185)
Loss before Minimum tax		(1,859,363)	(1,723,302)
Minimum tax	28	(6,513)	(1,951)
Loss after Minimum tax		(1,865,876)	(1,725,253)
Income tax	28	-	-
Loss for the year		(1,865,876)	(1,725,253)
Total other comprehensive loss for the year net of tax		-	-
Total comprehensive loss for the year		(1,865,876)	(1,725,253)
Loss per share - basic/diluted (kobo)	29	(0.22)	(0.22)

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

STATEMENT OF FINANCIAL POSITION AS AT 31 DECEMBER 2025

ASSETS		31-Dec-25	31-Dec-24
	Notes	N'000	N'000
Cash and cash equivalents	17	223,022	404,862
Premium receivables	18	3,546	-
Investment securities:			
Investment securities at amortised cost	19	4,935,945	4,312,146
Investment securities at fair value through profit or loss	19	1,338,651	277,314
Reinsurance contract assets	24	6,890	6,511
Other receivables and prepayment	20	193,540	141,651
Property and equipment	23a	883,212	662,182
Intangible assets	23b	45,840	-
Rights of use assets	21	203,799	284,177
Statutory deposit	22	800,000	800,000
TOTAL ASSETS		8,634,447	6,888,843
LIABILITIES			
Insurance contract liabilities	25	2,361,174	1,448,187
Investment contract liabilities	26	379,672	215,816
Current income tax liabilities	28	6,513	1,951
Other payables	27	718,791	453,282
Lease liabilities	21	180,418	167,352
TOTAL LIABILITIES		3,646,568	2,286,588
EQUITY			
Share capital	29	12,556,962	8,000,000
Deposit for shares	30	-	2,305,462
Contingency reserves	31	78,460	42,944
Accumulated losses	32	(7,647,543)	(5,746,151)
TOTAL EQUITY		4,987,879	4,602,255
TOTAL EQUITY AND LIABILITIES		8,634,447	6,888,843

These financial statements were authorised for issue by the board of directors on the 30th June 2026 and were signed on its behalf by:



Aminatu Abdullahi Oyagbola
Non-Executive Director
FRC/2016/NBA/00000015728



Nelson Akerele
Managing Director
FRC/2019/CIIN/00000019451



Kelvin Gyekye
FRC/2021/PRO/ICAN/01/0000002344
Chief Financial Officer

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

STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31 DECEMBER 2025

		Share capital	Deposit for shares	Contingency Reserve	Accumulated losses	Total equity
		N'000	N'000	N'000	N'000	N'000
Balance at 1 January 2025		8,000,000	2,305,462	42,944	(5,746,151)	4,602,255
Loss for the year	27	-	-	-	(1,865,876)	(1,865,876)
Total comprehensive income for the year		8,000,000	2,305,462	42,944	(7,612,027)	2,736,379
Transfer to contingency reserves	25	-	-	35,516	(35,516)	-
Issue of ordinary shares		2,251,500		-	-	2,251,500
Deposits for shares		2,305,462	(2,305,462)			-
Balance at 31 December 2025		12,556,962	-	78,460	(7,647,543)	4,987,879
Balance at 1 January 2024		8,000,000	-	19,137	(3,997,091)	4,022,046
Loss for the year	27	-	-	-	(1,725,253)	(1,725,253)
Total comprehensive income for the year		8,000,000	-	19,137	(5,722,344)	2,296,793
Transfer to contingency reserves	25	-	-	23,807	(23,807)	-
Deposits for shares		-	2,305,462	-	-	2,305,462
Balance at 31 December 2024		8,000,000	2,305,462	42,944	(5,746,151)	4,602,255

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

STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 31 DECEMBER 2025

	Note	31-Dec-25	31-Dec-24
		N'000	N'000
Cash flows from operating activities:			
Premium received from policyholders	25(c)	3,543,944	2,363,941
Deposits in investment contract liabilities	26	1,390,491	347,854
Reinsurance premiums paid	24	(19,356)	(8,633)
Claims paid	25(c)	(1,567,477)	(1,084,958)
Commission and other insurance acquisitions cost paid	25(c)	(2,611,640)	(2,238,584)
Other operating cashflows	38(i)	455,084	703,378
Withdrawals from investment contract liabilities	26(iii)	(1,199,438)	(155,534)
Cash payment to and on behalf of employees	16	(835,701)	(657,577)
Tax paid	28	(1,951)	-
Net cash from operating activities		(846,043)	(730,113)
Cash flows from investing activities:			
Purchase of properties and equipment	23a	(538,352)	(325,304)
Proceed on disposal of properties and equipment	23a	11,073	19,887
Acquisition of investment securities at amortised cost	19(a)	(6,121,659)	(5,986,148)
Acquisition of investment securities at fair value	19(b)	(656,325)	(66,680)
Redemption of investment securities	19(a)	5,649,730	4,642,942
Interest received	19(a)	63,968	396,573
Dividend received	12	4,995	4,838
Net cash (used in)/ from investing activities		(1,586,570)	(1,313,892)
Cash flows from financing activities:			
Proceed from issue of share capital	29	2,251,500	-
Lease Payments	21	-	(166,206)
Proceed from deposit for shares	30	-	2,305,462
Net cash flow from/(used in) financing activities		2,251,500	2,139,256
Net (decrease)/ increase in cash and cash equivalents	6	(181,113)	95,251
Cash and cash equivalents at beginning of year	6	404,862	315,106
Effect of exchange rate movement on cash held	14	(727)	(5,495)
Cash and cash equivalents at end of year	17	223,022	404,862

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

8 Insurance revenue

<i>In thousands of naira</i>	31-Dec-25	31-Dec-24
Expected benefits incurred	285,418	518,753
Expected expenses incurred	-	(598,512)
Change in the risk adjustment	34,514	68,609
CSM recognised	31,657	262,257
Recovery of acquisition cash flows	671,229	47,954
Contracts measured under GMM	1,022,817	299,061
Expected benefits incurred	1,427,395	640,494
Contracts measured under PAA	1,427,395	640,494
Insurance revenue	2,450,213	939,555

(b) The following tables present an analysis of the insurance revenue recognized in the period

2025	Family Care Plan (FCP)	Family Income Protection Plan (FIPP)	Life Time Needs (LTN)	Educare	Group Life	Total
Expected benefits incurred	134,940	20,181	46,173	84,123	-	285,418
Expected expenses incurred	-	-	-	-	-	-
Loss component: systematic allocation	-	-	-	-	-	-
Change in the risk adjustment for non-financial risk for risk expired	11,760	3,237	6,207	13,310	-	34,514
CSM recognised	31,160	498	-	-	-	31,657
Recovery of acquisition cash flows	132,689	112,192	185,604	240,743	-	671,229
Contracts measured under GMM	310,549	136,108	237,984	338,176	-	1,022,817
Expected benefits incurred	-	-	-	-	1,427,395	1,427,395
Contracts measured under PAA	-	-	-	-	1,427,395	1,427,395
Insurance service revenue	310,549	136,108	237,984	338,176	1,427,395	2,450,213

2024	Family Care Plan (FCP)	Family Income Protection Plan (FIPP)	Life Time Needs (LTN)	Educare	Group Life	Total
Expected benefits incurred	183,196	42,869	144,132	165,966	-	536,163
Expected expenses incurred	(543,896)	(15,469)	(61,738)	(533,563)	-	(1,154,666)
Loss component: systematic allocation	(1,269)	(38,647)	(14,754)	(11,817)	-	(66,487)
Change in the risk adjustment for non-financial risk for risk expired	20,558	10,119	20,192	17,740	-	68,609
CSM recognised	179,330	12,014	40,765	30,148	-	262,257
Recovery of acquisition cash flows	314,746	79,796	139,016	119,627	-	653,185
Contracts measured under GMM	152,665	90,682	267,613	(211,899)	-	299,061
Expected benefits incurred	-	-	-	-	640,494	640,494
Contracts measured under PAA	-	-	-	-	640,494	640,494
Insurance service revenue	152,665	90,682	267,613	(211,899)	640,494	939,555

9 Insurance service expenses

<i>In thousands of naira</i>	31-Dec-25	31-Dec-24
Loss on onerous contracts recognized during the period	(900,167)	(55,826)
Incurred claims and other insurance service expenses	(1,567,477)	(926,369)
Adjustments to liabilities for incurred claims	(159,335)	23,097
Amortisation of insurance acquisition cash flows	(1,633,713)	(853,492)
Miscellaneous Insurance Service Expense Adjustment	468,088	(527,786)
Insurance service expenses	(3,792,603)	(2,340,375)

(b) The tables below show an analysis of insurance service expenses recognised in the period

2025	Family Care Plan (FCP)	Family Income Protection Plan (FIPP)	Life Time Needs (LTN)	Educare	Group Life	Total
Loss on onerous contracts recognized during the period	(64,277)	(135,636)	(331,187)	(369,253)	186	(900,167)
Incurred claims and other insurance service expenses	(150,154)	(15,433)	(236,049)	(366,187)	(799,654)	(1,567,477)
Adjustments to liabilities for incurred claims	-	-	-	-	(159,335)	(159,335)
Amortisation of insurance acquisition cash flows	(132,689)	(112,192)	(185,604)	(240,743)	(962,484)	(1,633,713)
Miscellaneous Insurance Service Expense Adjustment	17,605	(14,250)	183,361	281,371	-	468,088
Insurance service expenses	(329,514)	(277,511)	(569,478)	(694,813)	(1,921,286)	(3,792,603)

2024	Family Care Plan (FCP)	Family Income Protection Plan (FIPP)	Life Time Needs (LTN)	Educare	Group Life	Total
Initial loss on onerous contracts recognised during the period	38	(5,043)	(54,299)	(37,196)	40,674	(55,826)
Incurred claims and other insurance service expenses	(248,518)	(28,526)	(102,828)	(139,250)	(407,247)	(926,369)
Adjustments to liabilities for incurred claims	-	-	-	-	23,097	23,097
Amortisation of insurance acquisition cash flows	(314,746)	(79,796)	(139,016)	(119,627)	(200,306)	(853,492)
Miscellaneous Insurance Service Expense Adjustment	(310,081)	(8,536)	110,170	(319,338)	-	(527,786)
Insurance service expenses	(873,308)	(121,902)	(185,974)	(615,410)	(543,782)	(2,340,375)

10 Net expenses from reinsurance contracts held

<i>In thousands of naira</i>	31-Dec-25	31-Dec-24
<i>Expected expenses for contracts measured under PAA</i>		
Reinsurance allocation	(20,716)	(8,112)
Amounts recoverable for claims	-	2,506
Adjustments to assets for incurred claims	1,740	(158)
Net expense from reinsurance contracts held	(18,976)	(5,764)

11 Insurance and Reinsurance finance expense for contracts issues

11a Insurance finance expense for contracts issued

	<i>Contracts Measured Under GMM and VFA</i>				
2025	Family Care Plan (FCP)	Family Income Protection Plan (FIPP)	Life Time Needs (LTN)	Educare	Total
Interest accreted	(53,446)	(4,768)	(73,329)	(310,797)	(442,341)
Effect of changes in discount rate	(6,855)	1,551	25,041	216,832	236,570
Insurance service expenses	(60,301)	(3,217)	(48,288)	(93,965)	(205,771)

2024	Family Care Plan (FCP)	Family Income Protection Plan (FIPP)	Life Time Needs (LTN)	Educare	Total
Interest accreted	(34,004)	(4,483)	1,853	(85,928)	(122,562)
Effect of changes in discount rate	(1,912)	1,080	-	-	(832)
Insurance service expenses	(35,916)	(3,403)	1,853	(85,928)	(123,394)

11b Reinsurance finance expense for contracts issued

2025	<i>Contracts Measured Under GMM and VFA</i>				
	Family Care Plan (FCP)	Family Income Protection Plan (FIPP)	Life Time Needs (LTN)	Educare	Total
Interest accreted	-	-	-	-	-
Effect of changes in discount rate	-	-	-	-	-
Insurance service expenses	-	-	-	-	-

2024	<i>Contracts Measured Under GMM and VFA</i>				
	Family Care Plan (FCP)	Family Income Protection Plan (FIPP)	Life Time Needs (LTN)	Educare	Total
Interest accreted	-	-	-	-	-
Effect of changes in discount rate	-	-	-	-	-
Insurance service expenses	-	-	-	-	-

12 Investment income

<i>In thousands of naira</i>	31-Dec-25	31-Dec-24
Interest income on placements	184,753	119,843
Interest income on bonds	226,357	254,904
Interest income on treasury bills	74,697	41,830
Interest income on statutory deposit	164,734	93,904
Interest income on commercial paper	83,808	-
Interest income on investment securities measured using effective interest rate	734,349	510,481
Investment expense (see i below)	(104,281)	(53,309)
Net interest income on investment securities	630,068	457,172
Gains on equity instrument	405,011	46,876
Dividend income	4,995	4,838
Income from equity instruments	410,006	51,714
Net investment income	1,040,074	508,886

- (i) The investment expense of N104 million (2024: 53.31m) represents the amount incurred on investment management. They include the amount paid to the investment management team of Coronation Asset Management Limited from an investment arrangement which requires the payment of 1.5% (2024: 1.5%) of assets under management as a fee for management of the Company's investment portfolio.

Investment Income breakdown

	31-Dec-25	31-Dec-24
Shareholder's Investment Income	146,079	137,651
Policyholders Active - Investment Income	588,270	372,830
Income on investment Contracts	27,197	-
Total Interest Income	761,546	510,481

13 Impairment (charge)/reversals on financial assets

<i>In thousands of naira</i>	31-Dec-25	31-Dec-24
Investment securities at amortised costs (see note 19a)	(2,840)	25,014
Other assets (see note 20)	(112,000)	-
Cash and cash equivalents (see note 17)	-	(1,544)
Premium receivable (see note 18)	(4,158)	-
	(118,998)	23,470

14 Foreign exchange loss on bank balances

<i>In thousands of naira</i>	31-Dec-25	31-Dec-24
Foreign exchange loss on bank balances	(727)	(5,495)

15 Other income

<i>In thousands of naira</i>	31-Dec-25	31-Dec-24
Disposal of assets (Property and equipments)	11,073	11,487
Other income	5,162	46,083
	16,234	57,570

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The other income represent income on financial instruments initially classified as fair value by asset managers before appropriate classification to amortised cost.

16 Other operating expenses

In thousands of naira

	31-Dec-25	31-Dec-24
Operating expenses	(979,201)	(583,552)
Other expenses: non-directly attributable expense	(263,738)	(178,678)
	(1,242,940)	(762,230)

	31-Dec-25			31-Dec-24		
	Attributable	Non-attributable	Total	Attributable	Non-attributable	Total
Employee benefits						
Salaries	278,010	134,690	412,700	266,821	90,621	357,442
Bonus	22,766	-	22,766	-	-	-
Housing Allowance	66,849	32,387	99,236	71,809	24,389	96,198
Long Service Award	3,000	-	3,000	-	-	-
Pensions	26,621	12,897	39,518	24,200	8,219	32,419
Group Life	7,017	3,399	10,416	6,266	2,128	8,394
NYSC allowance	-	-	-	555	-	555
Medical	31,472	15,248	46,720	12,098	4,109	16,207
Meal allowance	19,968	9,674	29,642	17,694	6,010	23,704
Clothing Allowance	11,109	5,382	16,491	10,648	3,616	14,264
LTR	4,451	2,156	6,607	618	2,356	2,974
NSITF	5,663	2,744	8,407	4,917	1,670	6,587
Travel/ Vacation Allowance	11,481	5,562	17,043	1,747	6,666	8,413
Utility Allowance	37,250	18,047	55,297	32,142	10,917	43,059
Expat cost	44,486	21,552	66,038	27,405	17,977	45,382
Mortgage subsidy	1,819	-	1,819	1,979	-	1,979
Total staff expenses	571,963	263,738	835,701	478,899	178,678	657,577
Management and operating expenses						
Audit fee expense *	-	30,000	30,000	-	25,000	25,000
Bank charges	-	11,373	11,373	-	6,546	6,546
Depreciation expense – PPE	-	248,562	248,562	-	218,713	218,713
Amortization of intangible assets	-	22,920	22,920	-	-	-
Depreciation expense - ROU	54,145	26,232	80,378	14,658	95,859	110,517
Directors’ fees	-	120,769	120,769	-	133,841	133,841
Donations	4,400	-	4,400	-	-	-
Insurance	63,075	-	63,075	40,733	-	40,733
Office expenses	81,263	67,421	148,684	242,757	32,981	275,738
Professional and consultancy fees	470,257	13,000	483,257	194,583	-	194,583
Repairs and maintenance	16,750	8,115	24,864	16,452	5,002	21,454
Subscriptions	15,417	7,469	22,887	22,206	1,269	23,475
Welfare expenses	29,254	14,173	43,427	16,937	7,970	24,907
Travel expenses	300,967	-	300,967	148,468	-	148,468
Training expenses	9,457	4,582	14,038	17,327	3,765	21,092
Rent**	107,007	51,843	158,849	27,676	6,919	34,595
Utilities	56,709	27,474	84,183	36,513	9,128	45,641
Marketing & advertising	99,360	56,258	155,618	128,717	6,495	135,212
Stamp duty	-	-	-	277	-	277
IT expenses	256,973	269,010	525,983	304,407	30,064	334,471
Total operating expenses	1,565,032	979,201	2,544,234	1,211,711	583,552	1,795,263
Total Management and operating expenses	2,136,996	1,242,940	3,379,935	1,690,610	762,230	2,452,840

* The Auditor's remuneration represents fees for the final audit of the Company for the year ended. In 2025, the external auditor rendered a limited assurance engagement on the management assessment of internal control over financial reporting in line with the FRC guidance for a fee of N6.5 m included in professional and consultancy fees.

** The rent expense relates to short term leases with one year tenor and other rent arrangements that meets the requirement to be exempted for which the entity does not intend to renew and have not been accounted for as a right of use assets rather they have been account for as prepayment.

Breakdown of Operating Expenses per policies

Individual Policies	1,858,328	1,329,098
Group Policies	1,053,382	777,946
Shareholder's share	468,227	345,796
Total Operating Expenses	3,379,938	2,452,840

Breakdown of Operating Expenses

Directly attributable acquisition expense	1,825,799	1,800,209
Directly attributable non acquisition expense	311,197	306,835
Non-directly attributable expense	1,242,940	2,452,840
Total Management and operating expenses	3,379,935	4,559,884

Short-term benefits include salaries and wages, housing allowance, clothing allowance and others. Post-employment benefits include pension contributions on behalf of employees to the pension funds administrators.

The average number of persons employed by the Company during the period was as follows:

	31-Dec-25	31-Dec-24
Executive director including the Managing Director	2	1
Management	8	10
Non-Management	35	36
	45	47

The number of employees of the Company, other than directors, who received emoluments in the following ranges (excluding pension contributions) were:

	31-Dec-25 Number	31-Dec-24 Number
N300,001 - N2,000,000	2	1
N2,000,001 - N4,000,000	4	4
N4,000,001 - N5,500,000	3	3
N5,500,001 - N9,000,000	12	17
N9,000,001 and above	24	22
	45	47

17 Cash and cash equivalents

<i>In thousands of naira</i>	31-Dec-25	31-Dec-24
Cash and cash equivalents comprises of		
Cash in hand	116	6,443
Cash at bank	224,450	318,268
Placements with financial institutions (less than 90day maturity)	-	81,695
	224,566	406,406
Expected credit loss allowance	(1,544)	(1,544)
	223,022	404,862
Current	224,566	406,406

The cash and cash equivalents are also subject to the impairment requirement of IFRS 9, the ECL for 2025 has been recognised on impairment loss for financial asset under the cash and cash equivalents for the reporting period (2024: N1.5 million).

The carrying amounts reported above reasonably approximate fair value at the reporting date.

Movement in ECL on cash and cash equivalents	31-Dec-25	31-Dec-24
Balance, beginning of year	(1,544)	-
Impairment (ECL) charged during the year (see note 13)	-	(1,544)
Closing balance	(1,544)	(1,544)
All ECL balances are in stage 1		

18 Premiums Receivable

<i>In thousands of naira</i>	31-Dec-25	31-Dec-24
Balance as at 1 January	-	-
Gross written premium during the year	3,551,648	2,363,941
Premium received during the year	3,543,944	2,363,941
Impairment loss allowance during the year	(4,158)	-
Balance as at 31 December	3,546	-

Age analysis of premium receivable	No of Policies	Amount (N'000)
Within 14 Days	1	116
Within 15-30 Days	7	3,430
Within 31-90 Days	-	-
Within 91-180 Days	-	-
Above 180 Days	-	-
Total	8	3,546

19 Investment securities

<i>In thousands of naira</i>	31-Dec-25	31-Dec-24
Investment securities at amortised cost	4,935,945	4,312,146
Investment securities at fair value through profit or loss	1,338,651	277,314
Closing balance	6,274,596	4,589,460

Movement in investment securities

Opening balance	4,607,907	3,417,853
Additions	6,777,984	6,052,828
Accrued Interest income	218,678	99,459
Interest received during the year	(63,968)	(396,573)
Redemption during the year	(5,649,730)	(4,681,176)
Fair value gains	405,011	33,821
Impairment (reversals)/ charge for the year	(21,287)	(18,447)
Closing balance	6,274,596	4,507,765

(a) Investment securities at amortised cost

<i>Gross balance</i>		
Treasury bills	607,453	306,618
Placements (with maturity more than 90 days)	1,904,632	2,095,765
Commercial papers	211,209	-
Bonds	2,233,938	1,928,210
	4,957,233	4,330,593

ECL allowance

Treasury bills	(35)	(28)
Placements	(12,832)	(12,765)
Commercial Papers	(1,423)	-
Bonds	(6,998)	(5,654)
	(21,287)	(18,447)

Financial assets at amortised cost net of ECL	4,935,945	4,312,146
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Movement analysis of investment securities at amortised cost

Opening balance	4,330,593	3,322,735
Additions	6,121,659	5,986,148
Accrued Interest income	218,678	99,459
Interest received during the year	(63,968)	(396,573)
Redemption during the year	(5,649,730)	(4,681,176)
	4,957,233	4,330,593
Impairment allowance for the period	(21,287)	(18,447)
Closing balance	4,935,945	4,312,146

Movement in ECL

Opening balance	(18,447)	(43,461)
(Reversals)/ charge in ECL	2,840	(25,014)
Closing balance	(21,287)	(18,447)

Movement analysis of investment securities at amortised cost - Treasury bills

Opening balance	306,618	-
Additions	326,075	366,669
Accrued Interest income	63,072	39,949
Interest received during the year	(1,209)	(1,920)
Redemption during the year	(87,103)	(98,080)
	607,453	306,618
Impairment allowance for the period	(35)	(28)
Closing balance	607,419	306,590

Movement in ECL - Treasury bills

Opening balance	(28)	-
ECL allowance	(7)	(28)
Closing balance	(35)	(28)

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Movement analysis of investment securities at amortised cost - Placements (with maturity more than 90 days)

Opening balance	2,095,765	1,357,714
Additions	4,060,589	5,418,891
Accrued Interest income	28,900	3,124
Interest received during the year	108,796	(139,749)
Redemption during the year	(4,389,417)	(4,544,215)
	1,904,632	2,095,765
Impairment allowance for the period	(12,832)	(12,765)
Closing balance	1,891,800	2,083,000

Movement in ECL - Placements (with maturity more than 90 days)

Opening balance	(12,765)	(21,678)
(Reversals)/ charge in ECL	(67)	8,913
Closing balance	(12,832)	(12,765)

Movement analysis of investment securities at amortised cost - Commercial papers

Opening balance	-	-
Additions	845,211	-
Accrued Interest income	30,328	-
Interest received during the year	59,422	-
Redemption during the year	(723,752)	-
	211,209	-
Impairment allowance for the period	-	-
Closing balance	211,209	-

Movement in ECL - Commercial papers

Opening balance	-	-
(Reversals)/ charge in ECL	-	-
Closing balance	-	-

Movement analysis of investment securities at amortised cost - Bonds

Opening balance	1,928,210	1,965,021
Additions	889,785	200,588
Accrued Interest income	96,379	56,386
Interest received during the year	(230,977)	(254,904)
Redemption during the year	(449,458)	(38,881)
	2,233,938	1,928,210
Impairment allowance for the period	(6,998)	(5,654)
Closing balance	2,226,941	1,922,556

Movement in ECL - Bonds

Opening balance	(5,654)	(21,783)
(Reversals)/ charge in ECL	(1,344)	16,129
Closing balance	(6,998)	(5,654)

Current	3,685,166	3,685,166
Non current	1,250,779	708,675
	4,935,945	4,393,841

(b) Investment securities at fair value through profit or loss

<i>In thousands of naira</i>	31-Dec-25	31-Dec-24
Quoted equity securities	1,057,309	195,619
Mutual funds	281,341	81,695
Financial assets measured at FVTPL	1,338,651	277,314

Movement analysis of investment securities at fair value

Opening balance	277,314	217,702
Additions	656,325	12,736
Fair value gains	405,011	46,876
Closing balance	1,338,649	277,313

Movement analysis of investment securities at fair value - Quoted equity securities

Opening balance	195,619	95,118
Additions	593,334	66,680
Fair value gains	268,356	33,821
Closing balance	1,057,309	195,619

Movement analysis of investment securities at fair value - Mutual Funds

Opening balance	81,695	122,584
Net additions and disposals	62,991	(53,944)
Fair value gains	136,655	13,055
Closing balance	281,341	81,695

All securities are measured at level 1.

All quoted equities are classified as non-current

Non-current	1,338,651	277,314
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20 Other receivables and prepayment

<i>In thousands of naira</i>	31-Dec-25	31-Dec-24
Financial assets		
Intercompany receivables	12,086	-
Sundry debtors (see note a below for details)	117,343	7,004
Deposit for investment	15,101	-
Total Financial assets	144,530	7,004
Non-financial assets		
Prepaid rent	112,124	103,785
Other prepaid expenses	48,886	30,862
Total non-financial assets	161,010	134,647
ECL on financial assets	(112,000)	-
Total other receivables and prepayments	193,540	141,651

- (a) Sundry debtors includes security deposit paid to the lessor and repayable upon termination of the lease (2024: N7 million). The account also includes N112, million unsubstantiated cash balance. The unsubstantiated balance was fully impaired during the year.
- (b) Other prepaid expenses represents amount prepaid with respect to service charge (N24.15 million 2024: N4.49 million) and insurance of assets (N24.73 million, 2024: N26.371 million). This prepaid expenses have not being used as at the end of the reporting period. They are amortised to their respective expense line as they are on a straight line basis.
- (c) The prepaid rent of N112 million relates to amounts paid under an annual (12-month) rent agreement for the Head office premises, with no obligation to renew and no penalty for non-renewal. At the commencement of the annual term, management assessed the contract and concluded it will not exceed 12 months, with no reasonable certainty of extension. Management therefore elected to apply the short-term lease exemption, recognising payments as an expense on a straight-line basis rather than recognising a right-of-use asset and lease liability. The N112 million represents the unexpired portion of the current annual payment.

Movement analysis

Opening balance	141,651	141,651
Additions/(utilisation)	51,889	-
Closing balance	193,540	141,651
Current	141,651	141,651
Non current	51,889	-
	193,540	141,651

21 Rights-of-use assets

<i>In thousands of naira</i>	31-Dec-25	31-Dec-24
Cost		
Opening balance	633,264	434,077
Addition - initial deposit payment	-	199,187
Closing balance	633,264	633,264
Accumulated Depreciation		
Opening balance	349,087	238,570
Charge for the year	80,378	110,517
Closing balance	429,465	349,087
Net book value	203,799	284,177

The lease relates to leased branches and office premises occupied by the Company.

(b) Lease liabilities

<i>In thousands of naira</i>	31-Dec-25	31-Dec-24
(i) Opening balance as at 1 January	167,352	118,846
Additions	-	32,981
Payments made during the period	-	-
Interest expense	13,066	15,525
Closing balance as at	180,418	167,352
The lease liabilities are made up of		
Current	154,200	143,033
Non-current	26,218	24,319
	180,418	167,352
(ii) Amount recognised in profit or loss		
Interest on leases	13,066	15,525
Depreciation of ROU assets (see note 21a)	80,378	110,517
(iii) Amount recognised in cashflow		
Additions to ROU assets	-	166,206
Payment of interest portion of ROU liabilities	-	-
Payment for rent (exempted from IFRS 16)	167,188	138,380
Total payment	167,188	304,586

22 Statutory deposits

The statutory deposit represents the Company's deposit with the Central Bank of Nigeria in compliance with the Insurance Act. The amount is not available for the day-to-day funding operations of the Company. It is therefore regarded as restricted cash. The amount represents 10% of the paid-up share capital as at 31 December 2025 as required by Section 10 (1) of the Insurance Act for an insurer intending to commence insurance business in Nigeria.

<i>In thousands of naira</i>	31-Dec-25	31-Dec-24
Statutory deposits with CBN	800,000	800,000
Reconciliation of movement in statutory deposits		
At the beginning of the year	800,000	800,000
Addition during the year	-	-
At the end of the year	800,000	800,000

23a Property and equipments

<i>2025 (in thousands of naira)</i>	Computer equipment	Furniture and fittings	Motor vehicles	Office equipment	CWIP	Total
As at 01 January 2025	114,533	455,323	444,948	187,105	68,760	1,270,669
Additions	12,466	2,100	477,318	46,468	-	538,352
Disposals/Write-offs	-	-	(55,363)	-	-	(55,363)
Transfer to Intangible assets	-	-	-	-	(68,760)	(68,760)
At 31 December 2025	126,999	457,423	866,903	233,573	-	1,684,898
Accumulated depreciation						
As at 01 January 2025	57,099	170,062	303,335	77,991	-	608,487
Charge for the year	30,373	75,916	101,566	40,706	-	248,562
Disposals	-	-	(55,363)	-	-	(55,363)
At 31 December 2025	87,472	245,978	349,539	118,697	-	801,686
Cost						
As at 01 January 2024	65,480	349,595	383,498	123,287	45,225	967,085
Additions	49,053	105,728	83,850	63,138	23,535	325,304
Reclassification	-	-	(22,400)	-	-	(22,400)
At 31 December 2024	114,533	455,323	444,948	187,105	68,760	1,270,669
Accumulated depreciation						
As at 01 January 2024	31,411	109,368	211,099	51,896	-	403,774
Charge for the year	25,688	60,694	106,236	26,095	-	218,713
Disposals	-	-	(14,000)	-	-	(14,000)
At 31 December 2024	57,099	170,062	303,335	77,991	-	608,487
Net book amount at 31 December 2025	39,527	211,445	517,364	114,876	-	883,212
Net book amount at 31 December 2024	57,434	285,261	141,613	109,114	68,760	662,182

- (i) There were no capitalized borrowing costs related to the acquisition of property and equipment during the year.
- (ii) In the opinion of the directors, the market value of the Company's property and equipment is not less than the value shown in the financial statements.
- (iii) The Company had no capital commitments as at the reporting date.
- (iv) There was no item of property and equipment that has been pledged as security for borrowings as at the year ended 31 December 2025.
- (v) Capital work-in-progress relates to office improvements and computer equipment which were yet to be completed as at the end of the year.
- (vi) An impairment assessment was conducted, and no impairment indicator was identified.
- (vii) Proceed on disposal
- | | | |
|----------------------------|---------------|---------------|
| Cost of asset disposed | 55,363 | 22,400 |
| Accumulated depreciation | (55,363) | (14,000) |
| Gain on disposal | 11,073 | 11,487 |
| Proceed on disposal | 11,073 | 19,887 |

23b Intangible assets

<i>2025 (in thousands of naira)</i>	Computer software	Total
As at 01 January 2025	-	-
Additions	-	-
Transfer from Work in Progress	68,760	68,760
Disposals/Write-offs	-	-
At 31 December 2025	68,760	68,760
Accumulated depreciation		
As at 01 January 2025	-	-
Amortization Charge for the year	22,920	22,920
Disposals	-	-
At 31 December 2025	22,920	22,920
Cost		
As at 01 January 2024	-	-
Additions	-	-
Reclassification	-	-
At 31 December 2024	-	-
Accumulated depreciation		
As at 01 January 2024	-	-
Amortization Charge for the year	-	-
Disposals	-	-
At 31 December 2024	-	-
Net book amount at 31 December 2025	45,840	45,840
Net book amount at 31 December 2024	-	-

* Transfer from work-in-progress relates to the Company's mobile application, which was completed and fully deployed for business use during the year.

24 Reinsurance Contract Assets

<i>In thousands of naira</i>	31-Dec-25	31-Dec-24
Reinsurance Contract Asset	Group Life	Group Life
Asset for Remaining Coverage (ARC)	4,359	5,720
Asset for Incurred Claims (AIC)	2,301	719
Risk adjustment on reinsurance contract assets (Group Life)	230	72
Total reinsurance contract asset	6,890	6,511
Reinsurance contract assets on ARC for Non-onerous (Group Life)	4,359	5,719
Reinsurance contract assets on ARC for onerous (Group Life)	-	1
Reinsurance contract assets on AIC for Group Life	2,301	719
Risk adjustment on reinsurance contract assets (Group Life)	230	72
	6,890	6,511
Current	6,890	6,511

(a) Reinsurance contracts Issued – Contracts measured under PAA

The following table shows the reconciliation from the opening to the closing balances of the net Asset for the remaining coverage and incurred claims issued for insurance.

2025	Asset for remaining coverage		Asset for incurred claims		
	Non-onerous	Onerous	Estimated PV of future cash flows	Risk Adjustment	Total
Opening Reinsurance Contract Assets	5,719	0.6	719	72	6,511
Opening Reinsurance Contract Liabilities	-	-	-	-	-
Net opening balance	5,719	0.6	719	72	6,511
Changes in the statement of profit or loss and OCI					
Allocation of reinsurance premiums	(20,716)	-	-	-	(20,716)
Amounts recovered from reinsurers	-	-	-	-	-
Recoveries on incurred claims and other services	-	-	-	-	-
Recovery of incurred claims	-	-	-	-	-
Onerous contract and changes in the loss	-	(0.6)	-	-	(1)
Adjustments to assets for incurred claims	-	-	1,582	158	1,740
Net expense from Reinsurance contracts held	(20,716)	(0.6)	1,582	158	(18,977)
Finance income/ (expense) from reinsurance					
Effect of movement in exchange rates	-	-	-	-	-
Total changes in the statement of profit or loss and OCI	(20,716)	(0.6)	1,582	158	(18,977)
Investment components excluded from reinsurance service expenses					
Cash flows					
Reinsurance premiums paid	19,356	-	-	-	19,356
Amount received on recovered claims	-	-	-	-	-
Total cash flows	19,356	-	-	-	19,356
Net closing balance	4,359	-	2,301	230	6,890
Closing Reinsurance Contract Assets	4,359	-	2,301	230	6,890
Closing Reinsurance Contract Liabilities	-	-	-	-	-

2024	Asset for remaining coverage		Asset for incurred claims		
	Non-onerous	Onerous	Estimated PV of future cash flows	Risk Adjustment	Total
Opening Reinsurance Contract Assets	2,693	135	740	74	3,642
Opening Reinsurance Contract Liabilities	-	-	-	-	-
Net opening balance	2,693	135	740	74	3,642
Changes in the statement of profit or loss and OCI					
Allocation of reinsurance premiums	(5,606)	-	-	-	(5,606)
Amounts recovered from reinsurers	-	-	-	-	-
Recoveries on incurred claims and other	-	-	-	-	-
Recovery of incurred claims	-	-	-	-	-
Onerous contract and changes in the loss	-	(134)	-	-	(134)
Adjustments to assets for incurred claims	-	0	(21)	(2)	(23)
Net (expense)/income from Reinsurance contracts held	(5,606)	(134)	(21)	(2)	(5,763)
Finance income/ (expense) from reinsurance					
Effect of movement in exchange rates	-	-	-	-	-
Total changes in the statement of profit or loss and OCI	(5,606)	(134)	(21)	(2)	(5,763)
Investment components excluded from reinsurance service expenses					
Cash flows					
Reinsurance premiums paid	8,632	-	-	-	8,632
Amount received on recovered claims	-	-	-	-	-
Total cash flows	8,632	-	-	-	8,632
Non-cash item					
Present Value of Future Cashflows at Inception for NB Groups	-	-	-	-	-
Net closing balance	5,719	0.6	719	72	6,511
Closing Reinsurance Contract Assets	5,719	0.6	719	72	6,511
Closing Reinsurance Contract Liabilities	-	-	-	-	-

25 Insurance contract liabilities			31-Dec-25	31-Dec-24
<i>In thousands of naira</i>				
(a)	Insurance contract liabilities- Non-onerous (LRC)		155,101	139,963
	Insurance contract liabilities/Onerous (LRC)		-	186
	Insurance contract liabilities- Liability for Incurred Claims (LIC)		214,591	55,256
	Estimates of present value of future cashflows		1,783,454	739,633
	Risk adjustments		116,091	81,028
	Contractual service margin		91,938	432,121
			2,361,174	1,448,187

(a) i Insurance contract liabilities						
<i>In thousands of naira</i>						
2025	Family Care Plan (FCP)	Family Income Protection Plan (FIPP)	Life Time Needs (LTN)	Educare	Group Life	Total
Insurance contract liabilities excluding Insurance acquisition cash flows assets and other pre-recognition cash flows	541,381	245,683	1,106,970	1,973,577	554,339	4,421,950
Insurance acquisition cash flows assets	(373,568)	(229,739)	(467,727)	(805,095)	(184,647)	(2,060,776)
Other pre-recognition cash flows	-	-	-	-	-	-
Insurance Contract Liabilities	167,813	15,944	639,243	1,168,482	369,692	2,361,174
Reinsurance contract assets excluding other pre-recognition cash flows	-	-	-	-	(6,890)	(6,890)
Other pre-recognition cash flows	-	-	-	-	-	-
Reinsurance contract assets	-	-	-	-	(6,890)	(6,890)
2024						
Insurance contract liabilities excluding Insurance acquisition cash flows assets and other pre-recognition cash flows	442,138	25,709	562,065	991,924	245,168	2,267,004
Insurance acquisition cash flows assets	(280,871)	(13,782)	(222,268)	(252,133)	(49,763)	(818,817)
Other pre-recognition cash flows	-	-	-	-	-	-
Insurance Contract Liabilities	161,267	11,927	339,797	739,791	195,405	1,448,187
Reinsurance contract assets excluding other pre-recognition cash flows	-	-	-	-	(6,511)	(6,511)
Other pre-recognition cash flows	-	-	-	-	-	-
Reinsurance contract assets	-	-	-	-	(6,511)	(6,511)

(b)	The ageing analysis of outstanding claims reported is as follows:				
		Number of claimants	31-Dec-25	31-Dec-24	
			N'000	N'000	
	0- 90 days		-	-	-
	91- 180 days		-	-	-
	181-270 days		-	-	-
	271-365 days		-	-	-
	Above 365days		-	-	-
			-	-	-
The ageing presented above does not include IBNR					

(c)	Summary of insurance contract liabilities								
(i)	2025	Family Care Plan	Family Income Protection Plan	GMM Total	Lifetime Needs	Educare	VFA Total	PAA (Group life)	Total
	Insurance contracts								
	Insurance contract liabilities								
	Insurance contract balances'	167,813	15,944	183,757	639,243	1,168,482	1,807,725	369,692	2,361,174
	Asset for insurance acquisition cashflow	-	-	-	-	-	-	-	-
	Reinsurance contracts								
	Reinsurance contract assets	-	-	-	-	-	-	6,890	6,890
	Reinsurance contract liabilities	-	-	-	-	-	-	-	-
	2024								
	Insurance contracts								
	Insurance contract liabilities								
	Insurance contract balances	161,267	11,927	173,194	339,797	739,791	1,079,588	195,405	1,448,187
	Asset for insurance acquisition cashflow	-	-	-	-	-	-	-	-
	Reinsurance contracts								
	Reinsurance contract assets	-	-	-	-	-	-	6,511	6,511
	Reinsurance contract liabilities	-	-	-	-	-	-	-	-
(ii)	Summary by measurement model								
	2025				2024				
	2025								
	Summary by measurement model	PAA	GMM	VFA	Total	PAA	GMM	VFA	Total
	Group Life	369,692	-	-	369,692	195,405	-	-	195,405
	Individual Life	-	183,757	1,807,725	1,991,482	-	173,194	1,079,588	1,252,782
	Total	369,692	183,757	1,807,725	2,361,174	195,405	173,194	1,079,588	1,448,187

(iii) Analysis of Insurance Contract Liabilities

Insurance Contract Liabilities - 31 December 2025						
	Estimates of present value of future cash flows	Risk Adjustment	Contractual Service Margin	Liability for incurred claims	Liability for remaining coverage	Total
Family Care Plan	31,417	47,287	89,110	-	-	167,813
Family Income Protection Plan (FIPP)	7,636	5,480	2,828	-	-	15,944
LifeTime Needs	608,377	30,865	-	-	-	639,243
Educare	1,136,023	32,459	-	-	-	1,168,482
Total (GMM & VFA)	1,783,454	116,091	91,938	-	-	1,991,483
Group Life PAA	-	-	-	214,591	155,101	369,692
Total Insurance Contract Liabilities	1,783,454	116,091	91,938	214,591	155,101	2,361,174
2024						
Family Care Plan	(65,262)	20,590	205,939	-	-	161,267
Family Income Protection Plan (FIPP)	1,320	3,087	7,520	-	-	11,927
LifeTime Needs	180,305	40,427	119,065	-	-	339,797
Educare	623,270	16,923	99,598	-	-	739,791
Total (GMM & VFA)	739,633	81,027	432,122	-	-	1,252,782
Group Life PAA	-	-	-	55,256	140,149	195,405
Total Insurance Contract Liabilities	739,633	81,027	432,122	55,256	140,149	1,448,187

The financial statements include insurance contract liabilities calculated under the General Measurement Model (GMM) based on IFRS 17. For contracts with direct participation features, the Variable Fee Approach (VFA) has been applied as a part of the GMM. This method reflects the entity's share of the returns on underlying items, and the measurement of these contracts includes adjustments for the entity's expected future share of investment returns, changes in financial risks, and other factors as specified by IFRS 17

(d) Reconciliation of the liability for remaining coverage and the liability for incurred claims for insurance contract liabilities-Aggregate

Closing balances of the net liability for the remaining coverage and net liability for incurred claims at the entity level, i.e. aggregate of all insurance contracts portfolios issued.

2025	Liability for remaining coverage		Liability for incurred claims		Total
	Non-onerous	Onerous	Estimated PV of future cash flows	Risk Adjustment for non-financial risk	
Opening insurance contract liabilities	1,096,484	296,447	50,233	5,023	1,448,186
Net opening balance	1,096,484	296,447	50,233	5,023	1,448,186
Changes in the statement of profit or loss and OCI					
Insurance revenue	(2,450,213)	-	-	-	(2,450,213)
Insurance service expenses					
Loss on onerous contracts recognized during the period	-	900,167	-	-	900,167
Incurred claims and other insurance service expenses	-	-	1,567,477	-	1,567,477
Adjustments to liabilities for incurred claims	-	-	144,850	14,485	159,335
Amortisation of insurance acquisition cash flows	1,633,712	-	-	-	1,633,712
Miscellaneous Insurance Service Expense Adjustment	(468,088)	-	-	-	(468,088)
Insurance service expense	1,165,624	900,167	1,712,326	14,485	3,792,602
Insurance service result	(1,284,589)	900,167	1,712,326	14,485	1,342,390
Insurance finance expenses from insurance contracts recognised in profit and loss	190,316	15,454	-	-	205,771
Effect of changes in discount rate	-	-	-	-	-
Total insurance service finance income/ expense	190,316	15,454	-	-	205,771
Total amounts recognised in comprehensive income	(1,094,272)	915,622	1,712,326	14,485	1,548,161
Cash flows					
Premiums received	3,543,944	-	-	-	3,543,944
Commission and other insurance acquisitions cost paid *	(2,611,640)	-	-	-	(2,611,640)
Claims Paid	-	-	(1,567,477)	-	(1,567,477)
Other insurance contract expenses paid	-	-	-	-	-
Total cash flows	932,304	-	(1,567,477)	-	(635,173)
Net closing balance	934,515	1,212,068	195,082	19,508	2,361,175

* Commission and other insurance acquisitions cost paid

	Family Care Plan (FCP)	Family Income Protection Plan (FIPP)	Life Time Needs (LTN)	Educare	Group Life	Total
Commission paid	280,378	19,000	105,676	137,697	243,090	785,841
Directly attributable non acquisition expense	157,906	146,493	307,424	525,286	999,886	2,136,996
Commission and other insurance acquisitions cost paid	438,284	165,494	413,101	662,982	1,242,976	2,922,837

2024	Liability for remaining coverage		Liability for incurred claims		Total
	Non-onerous	Onerous	Estimated PV of future cash flows	Risk Adjustment for non-financial risk	
Opening insurance contract liabilities	540,682	264,539	71,230	7,123	883,574
Net opening balance	540,682	264,539	71,230	7,123	883,574
Changes in the statement of profit or loss and OCI					
Insurance revenue	(939,555)	-	-	-	(939,555)
Insurance service expenses					
Loss on onerous contracts recognized during the period	-	55,826	-	-	55,826
Incurred claims and other insurance service expenses	-	-	926,369	-	926,369
Adjustments to liabilities for incurred claims	-	-	(20,997)	(2,100)	(23,097)
Amortisation of insurance acquisition cash flows	853,492	-	-	-	853,492
Miscellaneous Insurance Service Expense Adjustment	369,196	-	158,589	-	527,785
Insurance service expense	1,222,688	55,826	1,063,961	(2,100)	2,340,375
Insurance service result	283,133	55,826	1,063,961	(2,100)	1,400,820
Insurance finance expenses from insurance contracts recognised in profit and loss	147,312	(23,918)	-	-	123,394
Effect of changes in discount rate	-	-	-	-	-
Total insurance service finance income/ expense	147,312	(23,918)	-	-	123,394
Total amounts recognised in comprehensive income	430,445	31,908	1,063,961	(2,100)	1,524,214
Cash flows					
Premiums received	2,363,939	-	-	-	2,363,939
Commission and other insurance acquisitions cost paid	(2,238,582)	-	-	-	(2,238,582)
Claims paid	-	-	(1,084,958)	-	(1,084,958)
Other insurance contract expenses paid	-	-	-	-	-
Total cash flows	125,357	-	(1,084,958)	-	(959,601)
Net closing balance	1,096,484	296,447	50,233	5,023	1,448,187

(i) GMM and VFA Portfolio

2025: Reconciliation of carrying amounts by LRC/LIC: insurance	Liability for Remaining Coverage (LRC)		Liability for Incurred Claims (LIC)		Total
	Non-onerous	Onerous			
Opening insurance contract liabilities	956,520	296,261	-	-	1,252,781
Net opening balance	956,520	296,261	-	-	1,252,781
Changes in the statement of profit or loss and OCI					
Insurance revenue	(1,022,817)	-	-	-	(1,022,817)
Insurance service expenses					-
Losses on onerous contracts and reversals of Losses	-	900,353	-	-	900,353
Incurred claims and other insurance service expenses	-	-	767,823	-	767,823
Adjustments to liabilities for incurred claims	-	-	-	-	-
Amortisation of insurance acquisition cash flows	671,228	-	-	-	671,228
Miscellaneous Insurance Service Expense Adjustment	(468,088)	-	-	-	(468,088)
Total insurance service expenses	203,140	900,353	767,823	-	1,871,316
Investment components	-	-	-	-	-
Insurance service result	(819,678)	900,353	767,823	-	848,499
Insurance finance expenses	190,316	15,454	-	-	205,771
Total change in comprehensive income	(629,361)	915,808	767,823	-	1,054,269
Premiums received	1,966,526	-	-	-	1,966,526
Commission and other insurance acquisitions cost paid	(1,514,271)	-	-	-	(1,514,271)
Claims paid	-	-	(767,823)	-	(767,823)
Total cash flows	452,255	-	(767,823)	-	(315,568)
Net closing balance	779,414	1,212,068	-	-	1,991,483
2024: Reconciliation of carrying amounts by LRC/LIC: insurance					
	Liability for Remaining Coverage (LRC)		Liability for Incurred Claims (LIC)		Total
	Non-onerous	Onerous			
Opening insurance contract liabilities	453,231	223,680	-	-	676,911
Net opening balance	453,231	223,680	-	-	676,911
Changes in the statement of profit or loss and OCI					
Insurance revenue	(299,061)	-	-	-	(299,061)
Insurance service expenses					
Losses on onerous contracts and reversals of Losses	-	96,500	-	-	96,500
Incurred claims and other insurance service expenses	-	-	519,122	-	519,122
Adjustments to liabilities for incurred claims	-	-	-	-	-
Amortisation of insurance acquisition cash flows	653,185	-	-	-	653,185
Miscellaneous Insurance Service Expense Adjustment	527,785	-	-	-	527,785
Total insurance service expenses	1,180,970	96,500	519,122	-	1,796,592
Investment components	(158,589)	-	158,589	-	-
Insurance service result	723,320	96,500	677,711	-	1,497,531
Insurance finance expenses	147,311	(23,918)	-	-	123,393
Total change in comprehensive income	870,631	72,582	677,711	-	1,620,924
Premiums received	1,629,465	-	-	-	1,629,465
Commission and other insurance acquisitions cost paid	(1,996,808)	-	-	-	(1,996,808)
Claims paid	-	-	(677,711)	-	(677,711)
Total cash flows	(367,343)	-	(677,711)	-	(1,045,054)
Net closing balance	956,519	296,262	-	-	1,252,781

(a)	2025: Reconciliation of carrying amounts by LRC/LIC: insurance	Liability for Remaining Coverage (LRC)		Liability for Incurred Claims (LIC)	Total
		Non-onerous	Onerous		
	Opening insurance contract liabilities	161,267	-	-	161,267
	Net opening balance	161,267	-	-	161,267
	Changes in the statement of profit or loss and OCI				
	Insurance revenue	(310,549)	-	-	(310,549)
	Insurance service expenses				
	Losses on onerous contracts and reversals of Losses	-	64,277	-	64,277
	Incurred claims and other insurance service expenses	-	-	150,154	150,154
	Adjustments to liabilities for incurred claims	-	-	-	-
	Amortisation of insurance acquisition cash flows	132,689	-	-	132,689
	Miscellaneous Insurance Service Expense Adjustment	(17,605)	-	-	(17,605)
	Total insurance service expenses	115,084	64,277	150,154	329,514
	Investment components	-	-	-	-
	Insurance service result	(195,466)	64,277	150,154	18,965
	Insurance finance expenses	60,255	46	-	60,301
	Total change in comprehensive income	(135,211)	64,323	150,154	79,266
	Premiums received	489,279	-	-	489,279
	Commission and other insurance acquisitions cost paid	(438,284)	-	-	(438,284)
	Claims paid	-	-	(123,713)	(123,713)
	Total cash flows	50,994	-	(123,713)	(72,719)
	Net closing balance	77,050	64,323	26,441	167,814
	2024: Reconciliation of carrying amounts by LRC/LIC: insurance				
	'Funeral Care Plan (FCP)	Liability for Remaining Coverage (LRC)		Liability for Incurred Claims (LIC)	Total
		Non-onerous	Onerous		
	Opening insurance contract liabilities	133,352	-	-	133,352
	Net opening balance	133,352	-	-	133,352
	Changes in the statement of profit or loss and OCI				
	Insurance revenue	(152,666)	-	-	(152,666)
	Insurance service expenses				
	Losses on onerous contracts and reversals of Losses	-	(38)	-	(38)
	Incurred claims and other insurance service expenses	-	-	248,518	248,518
	Adjustments to liabilities for incurred claims	-	-	-	-
	Amortisation of insurance acquisition cash flows	314,746	-	-	314,746
	Miscellaneous Insurance Service Expense Adjustment	310,082	-	-	310,082
	Total insurance service expenses	624,828	(38)	248,518	873,308
	Investment components	(2,896)	-	2,896	-
	Insurance service result	469,266	(38)	251,414	720,642
	Insurance finance expenses	35,519	38	-	35,557
	Total change in comprehensive income	504,785	-	251,414	756,199
	Premiums received	430,375	-	-	430,375
	Commission and other insurance acquisitions cost paid	(907,245)	-	-	(907,245)
	Claims paid	-	-	(251,414)	(251,414)
	Total cash flows	(476,870)	-	(251,414)	(728,284)
	Net closing balance	161,267	-	-	161,267

(b)	2025: Reconciliation of carrying amounts by LRC/LIC: insurance Family Income Protection Plan (FIPP)	Liability for Remaining Coverage (LRC)		Liability for Incurred Claims (LIC)		Total
		Non-onerous	Onerous			
	Opening insurance contract liabilities	532	11,396	-	-	11,927
	Net opening balance	532	11,396	-	-	11,927
	Changes in the statement of profit or loss and OCI					
	Insurance revenue	(136,108)	-	-	-	(136,108)
	Insurance service expenses					
	Losses on onerous contracts and reversals of Losses	-	135,636	-	-	135,636
	Incurred claims and other insurance service expenses	-	-	15,433	-	15,433
	Adjustments to liabilities for incurred claims	-	-	-	-	-
	Amortisation of insurance acquisition cash flows	112,192	-	-	-	112,192
	Miscellaneous Insurance Service Expense Adjustment	14,250	-	-	-	14,250
	Total insurance service expenses	126,442	135,636	15,433	-	277,511
	Investment components	-	-	-	-	-
	Insurance service result	(9,666)	135,636	15,433	-	141,404
	Insurance finance expenses	1,965	1,252	-	-	3,217
	Total change in comprehensive income	(7,700)	136,888	15,433	-	144,621
	Premiums received	32,232	-	-	-	32,232
	Commission and other insurance acquisitions cost paid	(165,494)	-	-	-	(165,494)
	Claims paid	-	-	(7,343)	-	(7,343)
	Total cash flows	(133,261)	-	(7,343)	-	(140,604)
	Net closing balance	(140,430)	148,284	8,091	-	15,944

	2024: Reconciliation of carrying amounts by LRC/LIC: insurance Family Income Protection Plan (FIPP)	Liability for Remaining Coverage (LRC)		Liability for Incurred Claims (LIC)		Total
		Non-onerous	Onerous			
	Opening insurance contract liabilities	7,982	5,687	-	-	13,669
	Net opening balance	7,982	5,687	-	-	13,669
	Changes in the statement of profit or loss and OCI					
	Insurance revenue	(90,681)	-	-	-	(90,681)
	Insurance service expenses					
	Losses on onerous contracts and reversals of Losses	-	5,043	-	-	5,043
	Incurred claims and other insurance service expenses	-	-	28,526	-	28,526
	Adjustments to liabilities for incurred claims	-	-	-	-	-
	Amortisation of insurance acquisition cash flows	79,796	-	-	-	79,796
	Miscellaneous Insurance Service Expense Adjustment	8,536	-	-	-	8,536
	Total insurance service expenses	88,332	5,043	28,526	-	121,901
	Investment components	(168)	-	168	-	-
	Insurance service result	(2,517)	5,043	28,694	-	31,220
	Insurance finance expenses	3,095	666	-	-	3,761
	Total change in comprehensive income	578	5,709	28,694	-	34,981
	Premiums received	35,989	-	-	-	35,989
	Commission and other insurance acquisitions cost paid	(44,018)	-	-	-	(44,018)
	Claims paid	-	-	(28,694)	-	(28,694)
	Total cash flows	(8,029)	-	(28,694)	-	(36,723)
	Net closing balance	531	11,396	-	-	11,927

(c)	2025: Reconciliation of carrying amounts by LRC/LIC: insurance Life Time Needs (LTN)	Liability for Remaining Coverage (LRC)		Liability for Incurred Claims (LIC)	Total	
		Non-onerous	Onerous			
	Opening insurance contract liabilities	140,153	199,643	-	-	339,797
	Net opening balance	140,153	199,643	-	-	339,797
	Changes in the statement of profit or loss and OCI					
	Insurance revenue	(237,984)	-	-	-	(237,984)
	Insurance service expenses					
	Losses on onerous contracts and reversals of Losses	-	331,187	-	-	331,187
	Incurred claims and other insurance service expenses	-	-	236,049	-	236,049
	Adjustments to liabilities for incurred claims	-	-	-	-	-
	Amortisation of insurance acquisition cash flows	185,604	-	-	-	185,604
	Miscellaneous Insurance Service Expense Adjustment	(183,361)	-	-	-	(183,361)
	Total insurance service expenses	2,243	331,187	236,049	-	569,478
	Investment components	-	-	-	-	-
	Insurance service result	(235,742)	331,187	236,049	-	331,494
	Insurance finance expenses	35,520	12,768	-	-	48,288
	Total change in comprehensive income	(200,222)	343,955	236,049	-	379,782
	Premiums received	519,953	-	-	-	519,953
	Commission and other insurance acquisitions cost paid	(413,101)	-	-	-	(413,101)
	Claims paid	-	-	(187,187)	-	(187,187)
	Total cash flows	106,852	-	(187,187)	-	(80,335)
	Net closing balance	46,784	543,598	48,861	-	639,243
	2024: Reconciliation of carrying amounts by LRC/LIC: insurance Life Time Needs (LTN)	Liability for Remaining Coverage (LRC)		Liability for Incurred Claims (LIC)	Total	
		Non-onerous	Onerous			
	Opening insurance contract liabilities	37,779	154,540	-	-	192,319
	Net opening balance	37,779	154,540	-	-	192,319
	Changes in the statement of profit or loss and OCI					
	Insurance revenue	(267,613)	-	-	-	(267,613)
	Insurance service expenses					
	Losses on onerous contracts and reversals of Losses	-	54,299	-	-	54,299
	Incurred claims and other insurance service expenses	-	-	102,828	-	102,828
	Adjustments to liabilities for incurred claims	-	-	-	-	-
	Amortisation of insurance acquisition cash flows	139,017	-	-	-	139,017
	Miscellaneous Insurance Service Expense Adjustment	(110,170)	-	-	-	(110,170)
	Total insurance service expenses	28,847	54,299	102,828	-	185,974
	Investment components	(24,004)	-	24,004	-	-
	Insurance service result	(262,770)	54,299	126,832	-	(81,639)
	Insurance finance expenses	7,343	(9,196)	-	-	(1,853)
	Total change in comprehensive income	(255,427)	45,103	126,832	-	(83,492)
	Premiums received	675,557	-	-	-	675,557
	Commission and other insurance acquisitions cost paid	(317,755)	-	-	-	(317,755)
	Claims paid	-	-	(126,832)	-	(126,832)
	Total cash flows	357,802	-	(126,832)	-	230,970
	Net closing balance	140,154	199,643	-	-	339,797

(d)	2025: Reconciliation of carrying amounts by LRC/LIC: insurance EduCare	Liability for Remaining Coverage (LRC)		Liability for Incurred Claims (LIC)	Total
		Non-onerous	Onerous		
	Opening insurance contract liabilities	654,569	85,222	-	739,791
	Net opening balance	654,569	85,222	-	739,791
	Changes in the statement of profit or loss and OCI				
	Insurance revenue	(338,176)	-	-	(338,176)
	Insurance service expenses				
	Losses on onerous contracts and reversals of Losses	-	369,253	-	369,253
	Incurred claims and other insurance service expenses	-	-	366,187	366,187
	Adjustments to liabilities for incurred claims	-	-	-	-
	Amortisation of insurance acquisition cash flows	240,743	-	-	240,743
	Miscellaneous Insurance Service Expense Adjustment	(281,371)	-	-	(281,371)
	Total insurance service expenses	(40,628)	369,253	366,187	694,813
	Investment components	-	-	-	-
	Insurance service result	(378,804)	369,253	366,187	356,637
	Insurance finance expenses	92,576	1,389	-	93,965
	Total change in comprehensive income	(286,227)	370,642	366,187	450,602
	Premiums received	925,062	-	-	925,062
	Commission and other insurance acquisitions cost paid	(662,982)	-	-	(662,982)
	Claims paid	-	-	(283,990)	(283,990)
	Total cash flows	262,079	-	(283,990)	(21,910)
	Net closing balance	630,421	455,864	82,197	1,168,483

2024: Reconciliation of carrying amounts by LRC/LIC: insurance EduCare	Liability for Remaining Coverage (LRC)		Liability for Incurred Claims (LIC)	Total
	Non-onerous	Onerous		
Opening insurance contract liabilities	274,118	63,453	-	337,571
Net opening balance	274,118	63,453	-	337,571
Changes in the statement of profit or loss and OCI				
Insurance revenue	211,899	-	-	211,899
Insurance service expenses				
Losses on onerous contracts and reversals of Losses	-	37,196	-	37,196
Incurred claims and other insurance service expenses	-	-	139,250	139,250
Adjustments to liabilities for incurred claims	-	-	-	-
Amortisation of insurance acquisition cash flows	119,627	-	-	119,627
Miscellaneous Insurance Service Expense Adjustment	319,337	-	-	319,337
Total insurance service expenses	438,964	37,196	139,250	615,410
Investment components	(131,521)	-	131,521	-
Insurance service result	519,342	37,196	270,771	827,309
Insurance finance expenses	101,354	(15,426)	-	85,928
Total change in comprehensive income	620,696	21,770	270,771	913,237
Premiums received	487,544	-	-	487,544
Commission and other insurance acquisitions cost paid	(727,790)	-	-	(727,790)
Claims paid	-	-	(270,771)	(270,771)
Total cash flows	(240,246)	-	(270,771)	(511,017)
Net closing balance	654,568	85,223	-	739,791

(ii) 2025 Insurance contracts Issued – Contracts measured under PAA (group life)	Liability for remaining coverage		Liability for incurred claims		Total
	Non-onerous	Onerous	Estimated PV of future cash flows	Risk Adjustment for non-financial risk	
Opening insurance contract liabilities	139,963	186	50,233	5,023	195,405
Net opening balance	139,963	186	50,233	5,023	195,405
Changes in the statement of profit or loss and OCI					
Insurance revenue	(1,427,395)	-	-	-	(1,427,395)
Insurance service expenses					
Initial loss on onerous contracts recognised during the period	-	(186)	-	-	(186)
Incurred claims and other insurance service expenses	-	-	799,654	-	799,654
Adjustments to liabilities for incurred claims	-	-	144,850	14,485	159,335
Amortisation of insurance acquisition cash flows	962,484	-	-	-	962,484
Insurance service expense	962,484	(186)	944,503	14,485	1,921,286
Insurance service result	(464,911)	(186)	944,503	14,485	493,891
Insurance finance expenses from insurance contracts recognised in profit and loss	-	-	-	-	-
Effect of changes in discount rate	-	-	-	-	-
Total insurance service finance income/ expense	-	-	-	-	-
Total amounts recognised in comprehensive income	(464,911)	(186)	944,503	14,485	493,891
Cash flows					
Premiums received	1,577,418	-	-	-	1,577,418
Commission and other insurance acquisitions cost paid	(1,097,369)	-	-	-	(1,097,369)
Claims paid	-	-	(799,654)	-	(799,654)
Other insurance contract expenses paid	-	-	-	-	-
Total cash flows	480,049	-	(799,654)	-	(319,604)
Net closing balance	155,101	-	195,082	19,508	369,692

2024 Insurance contracts Issued – Contracts measured under PAA (group life)	Liability for remaining coverage		Liability for incurred claims		Total
	Non-onerous	Onerous	Estimated PV of future cash flows	Risk Adjustment for non-financial risk	
Opening insurance contract liabilities	87,450	40,860	71,230	7,123	206,663
Net opening balance	87,450	40,860	71,230	7,123	206,663
Changes in the statement of profit or loss and OCI					
Insurance revenue	(640,494)	-	-	-	(640,494)
Insurance service expenses					
Initial loss on onerous contracts recognised during the period	-	(40,674)	-	-	(40,674)
Incurred claims and other insurance service expenses	-	-	407,247	-	407,247
Adjustments to liabilities for incurred claims	-	-	(20,997)	(2,100)	(23,097)
Amortisation of insurance acquisition cash flows	200,306	-	-	-	200,306
Insurance service expense	200,306	(40,674)	386,250	(2,100)	543,782
Insurance service result	(440,188)	(40,674)	386,250	(2,100)	(96,712)
Insurance finance expenses from insurance contracts recognised in profit and loss	-	-	-	-	-
Effect of changes in discount rate	-	-	-	-	-
Total insurance service finance income/ expense	-	-	-	-	-
Total amounts recognised in comprehensive income	(440,188)	(40,674)	386,250	(2,100)	(96,712)
Cash flows					
Premiums received	734,474	-	-	-	734,474
Commission and other insurance acquisitions cost paid	(241,773)	-	-	-	(241,773)
Claims paid	-	-	(407,247)	-	(407,247)
Other insurance contract expenses paid	-	-	-	-	-
Total cash flows	492,701	-	(407,247)	-	85,454
Non-cashflow items					
Present value of future cashflows at inception for new business groups	-	-	-	-	-
Total cashflow	492,701	-	(407,247)	-	85,454
Net closing balance	139,963	186	50,233	5,023	195,405

(e)	Reconciliation of the components of insurance contract liabilities 2025 Reconciliation of carrying amounts by BEL/RA/CSM: GMM & VFA	Liability for remaining coverage	Liability for incurred claims	CSM	Total
		Estimated PV of future cash flows	Risk Adjustment for non-financial risk		
Opening insurance contract liabilities		739,633	81,028	432,121	1,252,781
Net opening balance		739,633	81,028	432,121	1,252,781
Changes in the statement of profit or loss and OCI					
Changes that relate to current service					
CSM recognised in profit or loss for the services received		-	-	(31,657)	(31,657)
Change in the risk adjustment for non financial risk for the risk expired		-	(34,514)	-	(34,514)
Experience adjustments		(738,332)	-	-	(738,332)
Changes that relate to future service					
Changes in estimates that adjust the CSM		730,045	(27,469)	(730,449)	(27,873)
Changes in estimates that result in onerous contract losses or reversal of losses		814,010	(4,250)	-	809,760
Contracts initially recognised in the period		(311,059)	64,197	350,153	103,291
Changes that relate to past service					
Changes that relate to past service - adjustments to the LIC		767,823	-	-	767,823
Insurance service result		1,262,488	(2,035)	(411,954)	848,499
Net Finance Expenses from Insurance Contracts		96,901	37,099	71,771	205,771
Effect of Movements in exchange rates		-	-	-	-
Total insurance service finance income/ expense		96,901	37,099	71,771	205,771
Total amounts recognised in comprehensive income		1,359,389	35,063	(340,182)	1,054,270
Cash flows					
Premiums received		1,966,526	-	-	1,966,526
Commission and other insurance acquisitions cost paid		(1,514,271)	-	-	(1,514,271)
Claims paid		(767,823)	-	-	(767,823)
Other insurance contract expenses paid		-	-	-	-
Total cash flows		(315,568)	-	-	(315,568)
Net closing balance		1,783,454	116,091	91,938	1,991,483
2024 Reconciliation of carrying amounts by BEL/RA/CSM: GMM & VFA					
		Estimated PV	Risk	CSM	Total
Opening insurance contract liabilities		290,148	72,701	314,062	676,911
Net opening balance		290,148	72,701	314,062	676,911
Changes in the statement of profit or loss and OCI					
Changes that relate to current service					
CSM recognised in profit or loss for the services received		-	-	(262,257)	(262,257)
Change in the risk adjustment for non financial risk for the risk expired		-	(68,609)	-	(68,609)
Experience adjustments		1,154,665	-	-	1,154,665
Changes that relate to future service					
Changes in estimates that adjust the CSM		86,299	(66,400)	(305,080)	(285,181)
Changes in estimates that result in onerous contract losses or reversal of losses		-	-	99,983	99,983
Contracts initially recognised in the period		(607,702)	112,884	604,952	110,134
Changes that relate to past service					
Changes that relate to past service - adjustments to the LIC		795,927	-	(47,129)	748,798
Insurance service result		1,429,188	(22,125)	90,468	1,497,532
Net Finance Expenses from Insurance Contracts		65,350	30,451	27,591	123,392
Effect of Movements in exchange rates		-	-	-	-
Total insurance service finance income/ expense		65,350	30,451	27,591	123,392
Total amounts recognised in comprehensive income		1,494,538	8,327	118,060	1,620,924
Cash flows					
Premiums received		1,629,465	-	-	1,629,465
Commission and other insurance acquisitions cost paid		(1,996,808)	-	-	(1,996,808)
Claims paid		(677,711)	-	-	(677,711)
Other insurance contract expenses paid		-	-	-	-
Total cash flows		(1,045,054)	-	-	(1,045,054)
Net closing balance		739,632	81,027	432,121	1,252,781
Other insurance contract expenses paid		-	-	-	-

(i) 2025 Family Care Plan: Reconciliation of carrying amounts by BEL/RA/CSM: GMM	Liability for remaining coverage	Liability for incurred claims		Total
	Estimated PV of future cash flows	Risk Adjustment for non-financial risk	CSM	
Opening insurance contract liabilities	(65,261)	20,591	205,937	161,267
Net opening balance	(65,261)	20,591	205,937	161,267
	-	-	-	-
Changes in the statement of profit or loss and OCI				
Changes that relate to current service				
CSM recognised in profit or loss for the services received	-	-	(31,160)	(31,160)
Change in the risk adjustment for non financial risk for the risk expired	-	(11,760)	-	(11,760)
Experience adjustments	(152,531)	-	-	(152,531)
Changes that relate to future service				
Changes in estimates that adjust the CSM	249,159	13,626	(260,814)	1,971
Changes in estimates that result in onerous contract losses or reversal of losses	59,885	(33)	-	59,852
Contracts initially recognised in the period	(119,183)	15,566	106,055	2,438
Changes that relate to past service				
Changes that relate to past service - adjustments to the LIC	150,154	-	-	150,154
Insurance service result	187,483	17,400	(185,919)	18,965
Net Finance Expenses from Insurance Contracts	(18,087)	9,296	69,091	60,301
Effect of Movements in exchange rates	-	-	-	-
Total insurance service finance income/ expense	(18,087)	9,296	69,091	60,301
Total amounts recognised in comprehensive income	169,397	26,696	(116,827)	79,266
Cash flows				
Premiums received	489,279	-	-	489,279
Commission and other insurance acquisitions cost paid	(411,844)	-	-	(411,844)
Claims paid	(150,154)	-	-	(150,154)
Other insurance contract expenses paid	-	-	-	-
Total cash flows	(72,719)	-	-	(72,719)
Net closing balance	31,417	47,287	89,110	167,813

2024 Family Care Plan: Reconciliation of carrying amounts by BEL/RA/CSM:GMM	Estimated PV of future cash flows	Risk Adjustment for non-financial risk	CSM	Total
Opening insurance contract liabilities	(63,874)	24,192	173,034	133,352
Net opening balance	(63,874)	24,192	173,034	133,352
Changes in the statement of profit or loss and OCI				
Changes that relate to current service				
CSM recognised in profit or loss for the services received	-	-	(179,330)	(179,330)
Change in the risk adjustment for non financial risk for the risk expired	-	(20,558)	-	(20,558)
Experience adjustments	543,896	-	-	543,896
Changes that relate to future service				
Changes in estimates that adjust the CSM	32,777	(19,033)	(16,385)	(2,641)
Changes in estimates that result in onerous contract losses or reversal of losses	-	-	(3,207)	(3,207)
Contracts initially recognised in the period	(212,368)	29,509	187,297	4,438
Changes that relate to past service				
Changes that relate to past service - adjustments to the LIC	378,044	-	-	378,044
Insurance service result	742,349	(10,082)	(11,625)	720,642
Net Finance Expenses from Insurance Contracts	(15,452)	6,480	44,529	35,557
Effect of Movements in exchange rates	-	-	-	-
Total insurance service finance income/ expense	(15,452)	6,480	44,529	35,557
Total amounts recognised in comprehensive income	726,897	(3,602)	32,904	756,199
Cash flows				
Premiums received	430,375	-	-	430,375
Commission and other insurance acquisitions cost paid	(907,245)	-	-	(907,245)
Claims paid	(251,414)	-	-	(251,414)
Other insurance contract expenses paid	-	-	-	-
Total cash flows	(728,284)	-	-	(728,284)
Net closing balance	(65,261)	20,590	205,938	161,267

(ii)	2025 Family Income Protection Plan: Reconciliation of carrying amounts by BEL/RA/CSM - GMM	Liability for remaining coverage	Liability for incurred claims		Total
		Estimated PV of future cash flows	Risk Adjustment for non-financial risk	CSM	
	Opening insurance contract liabilities	1,320	3,087	7,520	11,927
	Net opening balance	1,320	3,087	7,520	11,927
	Changes in the statement of profit or loss and OCI				
	Changes that relate to current service				
	CSM recognised in profit or loss for the services received	-	-	(498)	(498)
	Change in the risk adjustment for non financial risk for the risk expired	-	(3,237)	-	(3,237)
	Experience adjustments	(5,931)	-	-	(5,931)
	Changes that relate to future service				
	Changes in estimates that adjust the CSM	12,329	1,340	(12,838)	831
	Changes in estimates that result in onerous contract losses or reversal of losses	107,590	(2,793)	-	104,797
	Contracts initially recognised in the period	18,857	5,188	5,964	30,008
	Changes that relate to past service				
	Changes that relate to past service - adjustments to the LIC	15,433	-	-	15,433
	Insurance service result	148,278	498	(7,372)	141,404
	Net Finance Expenses from Insurance Contracts	(1,358)	1,895	2,679	3,217
	Effect of Movements in exchange rates	-	-	-	-
	Total insurance service finance income/ expense	(1,358)	1,895	2,679	3,217
	Total amounts recognised in comprehensive income	146,920	2,393	(4,693)	144,621
	Cash flows				
	Premiums received	32,232	-	-	32,232
	Commission and other insurance acquisitions cost paid	(157,403)	-	-	(157,403)
	Claims paid	(15,433)	-	-	(15,433)
	Other insurance contract expenses paid	-	-	-	-
	Total cash flows	(140,604)	-	-	(140,604)
	Net closing balance	7,636	5,480	2,828	15,944
	2024 Family Income Protection Plan: Reconciliation of carrying amounts by BEL/RA/CSM - GMM	Estimated PV of future cash flows	Risk Adjustment for non-financial risk	CSM	Total
	Opening insurance contract liabilities	(5,640)	3,809	15,501	13,669
	Net opening balance	(5,640)	3,809	15,501	13,669
	Changes in the statement of profit or loss and OCI				
	Changes that relate to current service				
	CSM recognised in profit or loss for the services received	-	-	(12,014)	(12,014)
	Change in the risk adjustment for non financial risk for the risk expired	-	(10,119)	-	(10,119)
	Experience adjustments	15,469	-	-	15,469
	Changes that relate to future service				
	Changes in estimates that adjust the CSM	22,724	(2,985)	(20,097)	(358)
	Changes in estimates that result in onerous contract losses or reversal of losses	-	-	(1,837)	(1,837)
	Contracts initially recognised in the period	14,210	10,395	23,760	48,365
	Changes that relate to past service				
	Changes that relate to past service - adjustments to the LIC	(5,448)	-	(2,837)	(8,285)
	Insurance service result	46,955	(2,709)	(13,025)	31,221
	Net Finance Expenses from Insurance Contracts	(3,273)	1,988	5,045	3,760
	Effect of Movements in exchange rates	-	-	-	-
	Total insurance service finance income/ expense	(3,273)	1,988	5,045	3,760
	Total amounts recognised in comprehensive income	43,682	(721)	(7,980)	34,981
	Cash flows				
	Premiums received	35,989	-	-	35,989
	Commission and other insurance acquisitions cost paid	(44,018)	-	-	(44,018)
	Claims paid	(28,694)	-	-	(28,694)
	Other insurance contract expenses paid	-	-	-	-
	Total cash flows	(36,723)	-	-	(36,723)
	Net closing balance	1,319	3,088	7,521	11,927

(iii) 2025 Lifetime needs: Reconciliation of carrying amounts by BEL/RA/CSM - VFA	Liability for remaining coverage	Liability for incurred claims		Total
	Estimated PV of future cash flows	Risk Adjustment for non-financial risk	CSM	
Opening insurance contract liabilities	180,305	40,427	119,065	339,797
Net opening balance	180,305	40,427	119,065	339,797
Changes in the statement of profit or loss and OCI				
Changes that relate to current service				
CSM recognised in profit or loss for the services received	-	-	-	-
Change in the risk adjustment for non financial risk for the risk expired	-	(6,207)	-	(6,207)
Experience adjustments	(221,925)	-	-	(221,925)
Changes that relate to future service				
Changes in estimates that adjust the CSM	285,519	(45,698)	(272,392)	(32,572)
Changes in estimates that result in onerous contract losses or reversal of losses	330,275	(635)	-	329,640
Contracts initially recognised in the period	(152,418)	25,599	153,327	26,509
Changes that relate to past service				
Changes that relate to past service - adjustments to the LIC	236,049	-	-	236,049
Insurance service result	477,499	(26,941)	(119,065)	331,494
Net Finance Expenses from Insurance Contracts	30,908	17,379	-	48,288
Effect of Movements in exchange rates	-	-	-	-
Total insurance service finance income/ expense	30,908	17,379	-	48,288
Total amounts recognised in comprehensive income	508,408	(9,562)	(119,065)	379,781
Cash flows				
Premiums received	519,953	-	-	519,953
Commission and other insurance acquisitions cost paid	(364,239)	-	-	(364,239)
Claims paid	(236,049)	-	-	(236,049)
Other insurance contract expenses paid	-	-	-	-
Total cash flows	(80,335)	-	-	(80,335)
Net closing balance	608,377	30,865	-	639,243
2024 Life Time Needs: Reconciliation of carrying amounts by BEL/RA/CSM - VFA				
	Estimated PV of future cash flows	Risk Adjustment for non-financial risk	CSM	Total
Opening insurance contract liabilities	97,449	28,515	66,355	192,319
Net opening balance	97,449	28,515	66,355	192,319
Changes in the statement of profit or loss and OCI				
Changes that relate to current service				
CSM recognised in profit or loss for the services received	-	-	(40,765)	(40,765)
Change in the risk adjustment for non financial risk for the risk expired	-	(20,192)	-	(20,192)
Experience adjustments	61,738	-	-	61,738
Changes that relate to future service				
Changes in estimates that adjust the CSM	103,219	(30,821)	(241,399)	(169,001)
Changes in estimates that result in onerous contract losses or reversal of losses	-	-	88,619	88,619
Contracts initially recognised in the period	(328,746)	48,599	294,500	14,353
Changes that relate to past service				
Changes that relate to past service - adjustments to the LIC	17,529	-	(33,920)	(16,392)
Insurance service result	(146,261)	(2,414)	67,036	(81,639)
Net Finance Expenses from Insurance Contracts	(1,853)	14,326	(14,326)	(1,853)
Effect of Movements in exchange rates	-	-	-	-
Total insurance service finance income/ expense	(1,853)	14,326	(14,326)	(1,853)
Total amounts recognised in comprehensive income	(148,114)	11,912	52,710	(83,492)
Cash flows				
Premiums received	675,557	-	-	675,557
Commission and other insurance acquisitions cost paid	(317,755)	-	-	(317,755)
Claims paid	(126,832)	-	-	(126,832)
Other insurance contract expenses paid	-	-	-	-
Total cash flows	230,970	-	-	230,970
Net closing balance	180,305	40,427	119,065	339,797

(iv) 2025 EDUCARE: Reconciliation of carrying amounts by BEL/RA/CSM - VFA	Liability for remaining coverage	Liability for incurred claims		Total
	Estimated PV of future cash flows	Risk Adjustment for non-financial risk	CSM	
Opening insurance contract liabilities	623,270	16,923	99,598	739,791
Net opening balance	623,270	16,923	99,598	739,791
Changes in the statement of profit or loss and OCI				
Changes that relate to current service				
CSM recognised in profit or loss for the services received	-	-	-	-
Change in the risk adjustment for non financial risk for the risk expired	-	(13,310)	-	(13,310)
Experience adjustments	(357,945)	-	-	(357,945)
Changes that relate to future service				
Changes in estimates that adjust the CSM	183,039	3,263	(184,405)	1,897
Changes in estimates that result in onerous contract losses or reversal of losses	316,261	(789)	-	315,472
Contracts initially recognised in the period	(58,315)	17,844	84,807	44,336
Changes that relate to past service				
Changes that relate to past service - adjustments to the LIC	366,187	-	-	366,187
Insurance service result	449,227	7,008	(99,598)	356,637
Net Finance Expenses from Insurance Contracts	85,437	8,528	-	93,965
Effect of Movements in exchange rates	-	-	-	-
Total insurance service finance income/ expense	85,437	8,528	-	93,965
Total amounts recognised in comprehensive income	534,664	15,536	(99,598)	450,602
Cash flows				
Premiums received	925,062	-	-	925,062
Commission and other insurance acquisitions cost paid	(580,785)	-	-	(580,785)
Claims paid	(366,187)	-	-	(366,187)
Other insurance contract expenses paid	-	-	-	-
Total cash flows	(21,910)	-	-	(21,910)
Net closing balance	1,136,023	32,459	-	1,168,482
2024 EDUCARE: Reconciliation of carrying amounts by BEL/RA/CSM -VFA				
	Estimated PV of future cash flows	Risk Adjustment for non-financial risk	CSM	Total
Opening insurance contract liabilities	262,213	16,185	59,172	337,571
Net opening balance	262,213	16,185	59,172	337,571
Changes in the statement of profit or loss and OCI				
Changes that relate to current service				
CSM recognised in profit or loss for the services received	-	-	(30,148)	(30,148)
Change in the risk adjustment for non financial risk for the risk expired	-	(17,740)	-	(17,740)
Experience adjustments	533,563	-	-	533,563
Changes that relate to future service				
Changes in estimates that adjust the CSM	(72,421)	(13,561)	(27,199)	(113,181)
Changes in estimates that result in onerous contract losses or reversal of losses	-	-	16,407	16,407
Contracts initially recognised in the period	(80,798)	24,381	99,394	42,977
Changes that relate to past service				
Changes that relate to past service - adjustments to the LIC	405,802	-	(10,372)	395,430
Insurance service result	786,146	(6,920)	48,083	827,309
Net Finance Expenses from Insurance Contracts	85,928	7,657	(7,657)	85,928
Effect of Movements in exchange rates	-	-	-	-
Total insurance service finance income/ expense	85,928	7,657	(7,657)	85,928
Total amounts recognised in comprehensive income	872,074	738	40,426	913,237
Cash flows				
Premiums received	487,544	-	-	487,544
Commission and other insurance acquisitions cost paid	(727,790)	-	-	(727,790)
Claims paid	(270,771)	-	-	(270,771)
Other insurance contract expenses paid	-	-	-	-
Total cash flows	(511,017)	-	-	(511,017)
Net closing balance	623,270	16,923	99,598	739,791

2025							
(f)	Insurance contract liabilities	Group Life	Family Care Plan	Family Income Protection Plan	Lifetime Needs	EduCare	Total
	Liability for Incurred Claims	214,591	-	-	-	-	214,591
	Liability for Remaining Coverage	155,101	-	-	-	-	155,101
	Present value of Cash flows	-	31,417	7,636	608,377	1,136,023	1,783,454
	Risk Adjustment	-	47,287	5,480	30,865	32,459	116,091
	Contractual Service Margin	-	89,110	2,828	-	-	91,938
		369,692	167,813	15,944	639,243	1,168,482	2,361,174
2024							
	Insurance contract liabilities	Group Life	Family Care Plan	Family Income Protection Plan	Lifetime Needs	EduCare	Total
	Liability for Incurred Claims	55,256	-	-	-	-	55,256
	Liability for Remaining Coverage	140,149	-	-	-	-	140,149
	Present value of Cash flows	-	(65,262)	1,320	180,305	623,270	739,633
	Risk Adjustment	-	20,590	3,087	40,427	16,923	81,027
	Contractual Service Margin	-	205,939	7,520	119,065	99,598	432,122
		195,405	161,267	11,927	339,797	739,791	1,448,187
(g)	Reconciliation from the opening to the closing balances of the Contractual Service Margin				31-Dec-25		31-Dec-24
	Opening CSM Balance				432,121		314,062
	CSM for New Business				350,153		604,951
	Interest Expense on Risk Adjustment for Variable Fee				(25,907)		(21,984)
	Interest Accreted to the CSM				71,771		49,575
	CSM Release				(31,657)		(262,257)
	CSM change in estimate using last valuation discount rates				(58,034)		(55,501)
	CSM adjustment due to Risk Adjustment				27,470		70,845
	CSM Variable Fee				(431,910)		(312,980)
	Loss Declared on new business at inception				(103,291)		(110,134)
	Loss Declared				(119,790)		210,116
	Loss to unwind				(10,521)		(47,129)
	Difference in Change in Estimate on inception & last period discount rates for P&L				(8,465)		(7,442)
	Closing CSM Balance				91,938		432,121

31 Dec 25

(h) Expected release of CSM for insurance contracts issued

Expected release of CSM	Family Care Plan	Family Income Protection Plan	Lifetime Needs	EduCare	Total
Year 1	31,160	498	-	-	31,657
Year 2	28,072	947	-	-	29,020
Year 3	22,905	772	-	-	23,677
Year 3+	19,147	634	-	-	19,781
Year 5	16,861	531	-	-	17,392
Year 6	14,914	467	-	-	15,381
Year 7	13,528	390	-	-	13,919
Year 8	11,879	296	-	-	12,176
Year 9	9,952	206	-	-	10,158
Year 10	9,150	162	-	-	9,312
Above Year 10	29,168	459	-	-	29,627
Total CSM	206,737	5,363	-	-	212,100

31 Dec 24					
Expected release of Contractual Service Margin for insurance contracts issued					
Expected release of CSM	Family Care Plan	Family Income Protection Plan	Lifetime Needs	EduCare	Total
Year 1	69,751	3,213	32,864	29,669	135,497
Year 2	57,325	2,718	30,444	26,814	117,301
Year 3	47,040	2,318	25,922	20,735	96,015
Year 4	41,145	1,991	20,745	12,257	76,138
Year 5	36,717	1,517	19,740	1,986	59,960
Year 6	32,910	1,319	20,393	1,812	56,434
Year 7	30,135	999	17,148	-	48,282
Year 8	26,873	690	14,321	-	41,883
Year 9	23,053	578	13,815	-	37,446
Year 10	86,869	3,467	89,167	-	179,503
Above Year 10	-	-	-	-	-
Total CSM	451,815	18,809	284,560	93,274	848,459

Expected release of Contractual Service Margin (CSM) for reinsurance contracts held
The expected release of CSM for reinsurance contracts held during the year was nil.

(i) Insurance contracts issued that are initially recognized in the period
31 Dec 25

	Profitable Contracts Issued	Onerious Contract Issued	Total
Estimates of Present Value of cash outflows	275,923	158,392	434,315
Estimates of Present Value of cash inflows	(670,784)	(74,590)	(745,374)
	(394,862)	83,802	(311,059)
Risk adjustment for non-financial risk	44,708	19,489	64,197
Contractual service margin	350,153	-	350,153
Losses recognised on initial recognition	-	103,291	103,291

Insurance contracts issued that are initially recognized in the period
31 Dec 24

	Profitable Contracts Issued	Onerious Contract Issued	Total
Estimates of Present Value of cash outflows	477,596	143,203	620,799
Estimates of Present Value of cash inflows	(1,161,064)	(67,437)	(1,228,501)
	(683,468)	75,766	(607,702)
Risk adjustment for non-financial risk	78,517	34,368	112,885
Contractual service margin	604,951	-	604,951
Losses recognised on initial recognition	-	110,134	110,134

(j) Analysis of Insurance service revenue

31-Dec-25	Family Care Plan	Family Income Protection Plan	Lifetime Needs	EduCare	Group Life	Total
Expected incurred claims and other expenses	134,940	20,181	46,173	84,123	-	285,418
Experience Adjustment	-	-	-	-	-	-
Loss component: systematic allocation	-	-	-	-	-	-
Release of risk adjustment	11,760	3,237	6,207	13,310	-	34,514
CSM recognised	31,160	498	-	-	-	31,657
Deferred Acquisition Amortization	132,689	112,192	185,604	240,743	-	671,229
Contracts measured under GMM	310,549	136,108	237,984	338,176	-	1,022,817
Contracts measured under PAA	-	-	-	-	1,427,395	1,427,395
Insurance service revenue	310,549	136,108	237,984	338,176	1,427,395	2,450,213
31-Dec-24						
Expected incurred claims and other expenses	183,197	42,869	144,132	165,966	-	536,164
Experience Adjustment	(543,896)	(15,469)	(61,738)	(533,563)	-	(1,154,667)
Loss component: systematic allocation	(1,269)	(38,647)	(14,754)	(11,817)	-	(66,488)
Release of risk adjustment	20,558	10,119	20,192	17,740	-	68,609
CSM recognised	179,330	12,014	40,765	30,148	-	262,257
Deferred Acquisition Amortization	314,746	79,796	139,016	119,627	-	653,185
Contracts measured under GMM	152,666	90,681	267,613	(211,899)	-	299,061
Contracts measured under PAA	-	-	-	-	640,494	640,494
Insurance service revenue	152,666	90,681	267,613	(211,899)	640,494	939,555
Insurance service expenses						
31-Dec-25	Family Care Plan	Family Income Protection Plan	Lifetime Needs	EduCare	Group Life	Total
Initial loss on onerous contracts recognised during the period	(64,262)	(135,636)	(323,576)	(361,704)	186	(884,993)
Incurred claims and other insurance service expenses	(132,563)	(29,683)	(60,297)	(92,365)	(799,654)	(1,114,562)
Adjustments to liabilities for incurred claims	-	-	-	-	(159,335)	(159,335)
Amortisation of insurance acquisition cash flows	(132,689)	(112,192)	(185,604)	(240,743)	(962,484)	(1,633,713)
Miscellaneous Insurance Service Expense Adjustment	-	-	-	-	-	-
Insurance service expenses	(329,514)	(277,511)	(569,478)	(694,813)	(1,921,286)	(3,792,602)
31-Dec-24						
Initial loss on onerous contracts recognised during the period	38	(5,043)	(54,299)	(37,196)	40,674	(55,826)
Incurred claims and other insurance service expenses	(248,518)	(28,526)	(102,828)	(139,250)	(407,247)	(926,369)
Adjustments to liabilities for incurred claims	-	-	-	-	23,097	23,097
Amortisation of insurance acquisition cash flows	(314,746)	(79,796)	(139,016)	(119,627)	(200,306)	(853,492)
Miscellaneous Insurance Service Expense Adjustment	(310,081)	(8,536)	110,170	(319,338)	-	(527,786)
Insurance service expenses	(873,308)	(121,902)	(185,974)	(615,410)	(543,782)	(2,340,375)
Net income or expense from reinsurance contracts held						

31-Dec-25	Family Care Plan	Family Income Protection Plan	Lifetime Needs	EduCare	Group Life	Total
Allocation of reinsurance premiums for contracts measured under PAA	-	-	-	-	(20,716)	(20,716)
Expected recovery of service expenses	-	-	-	-	-	-
Reinsurance RA allocation	-	-	-	-	-	-
Reinsurance CSM allocation	-	-	-	-	-	-
Allocation of reinsurer Insurance revenue	-	-	-	-	(20,716)	(20,716)
Amounts recovered from reinsurers	-	-	-	-	-	-
Recoveries on incurred claims and other	-	-	-	-	-	-
Recovery of incurred claims	-	-	-	-	-	-
Onerous contract and changes in the loss	-	-	-	-	(1)	(1)
Adjustments to assets for incurred claims	-	-	-	-	1,740	1,740
changes in BEL related to reinsurance LIC	-	-	-	-	-	-
changes in RA related to reinsurance LIC	-	-	-	-	-	-
Changes to reinsurance BEL that do not adjust the CSM	-	-	-	-	-	-
Changes to reinsurance RA that do not adjust the CSM	-	-	-	-	-	-
Adjustment for claims and expenses (for VFA)	-	-	-	-	-	-
Amounts recoverable from reinsurer	-	-	-	-	1,739	1,739
Net income or expense from reinsurance contracts held	-	-	-	-	(18,977)	(18,977)
31-Dec-24						
Allocation of reinsurance premiums for contracts measured under PAA						
Expected recovery for claims	-	-	-	-	(5,606)	(5,606)
Expected recovery of service expenses	-	-	-	-	-	-
Reinsurance RA allocation	-	-	-	-	-	-
Reinsurance CSM allocation	-	-	-	-	-	-
Allocation of reinsurer Insurance revenue	-	-	-	-	(5,606)	(5,606)
Amounts recovered from reinsurers	-	-	-	-	-	-
Recoveries on incurred claims and other	-	-	-	-	-	-
Recovery of incurred claims	-	-	-	-	-	-
Onerous contract and changes in the loss	-	-	-	-	(134)	(134)
Adjustments to assets for incurred claims	-	-	-	-	(23)	(23)
changes in BEL related to reinsurance LIC	-	-	-	-	-	-
changes in RA related to reinsurance LIC	-	-	-	-	-	-
Changes to reinsurance BEL that do not adjust the CSM	-	-	-	-	-	-
Changes to reinsurance RA that do not adjust the CSM	-	-	-	-	-	-
Adjustment for claims and expenses (for VFA)	-	-	-	-	-	-
Amounts recoverable from reinsurer	-	-	-	-	(157)	(157)
Net income or expense from reinsurance contracts held	-	-	-	-	(5,763)	(5,763)
Net financial results						
31-Dec-25	Family Care Plan	Family Income Protection Plan	Lifetime Needs	EduCare	Group Life	Total
Investment return						
Interest revenue on financial assets not measured at FVTPL	29,720	2,824	113,209	206,937	65,472.10	418,162
Investment Expenses	(7,411)	(704)	(28,232)	(51,606)	(16,327.36)	(104,281)
Fair value loss						-
Other investment revenue	-	-	-	-	-	-
Net impairment loss on financial assets	(202)	(19)	(769)	(1,406)	(444.72)	(2,840)
Amounts operating income	-	-	-	-	-	-
Net foreign exchange income or expense	(36)	(3)	(137)	(251)	(79.32)	(507)
	22,070	2,097	84,071	153,675	48,621	310,534
Net finance expense from insurance contracts						
Unwind of discount on FCFs: LRC	15,645	(2,089)	(73,329)	(310,797)	-	(370,570)
Unwind of discount on FCFs: LIC	-	-	-	-	-	-
Effect of change in economic assumptions: LRC	(6,855)	1,551	25,041	216,832	-	236,570
Effect of change in economic assumptions: LIC	-	-	-	-	-	-
Interest accretion on CSM	(69,091)	(2,679)	-	-	-	(71,771)
Effect of change in Discount rate assumptions: LRC	-	-	-	-	-	-
Effect of movements in exchange rates: LRC	-	-	-	-	-	-
Effect of movements in exchange rates: LIC	-	-	-	-	-	-
Change in FV of underlying items	-	-	-	-	-	-
FCFs that do not adjust the CSM	-	-	-	-	-	-
	(60,301)	(3,217)	(48,288)	(93,965)	-	(205,771)
Net finance income from reinsurance contracts						
Interest accreted to reinsurance contracts (locked-in rates)	-	-	-	-	-	-
Interest accreted to insurance contracts (current rates)	-	-	-	-	-	-
Change in financial assumptions through OCI	-	-	-	-	-	-
Changes in non-performance risk of reinsurer	-	-	-	-	-	-
Net foreign exchange income or expense	-	-	-	-	-	-
	-	-	-	-	-	-
Movement in insurance contract liabilities	-	-	-	-	-	-
Net financial result	(57,195)	(142,524)	(295,710)	(296,927)	(464,247)	(1,256,603)

Represented by:						
Amount recognised in profit or loss	(57,195)	(142,524)	(295,710)	(296,927)	(464,247)	(1,256,603)
Amount recognised in OCI	-	-	-	-	-	-
	(57,195)	(142,524)	(295,710)	(296,927)	(464,247)	(1,256,603)
Insurance finance income and expenses						
Net finance expenses from insurance contracts						
Recognised in profit or loss	(60,301)	(3,217)	(48,288)	(93,965)	-	(205,771)
Recognised in OCI	-	-	-	-	-	-
	(60,301)	(3,217)	(48,288)	(93,965)	-	(205,771)
Net finance income from reinsurance contracts						
Recognised in profit or loss	-	-	-	-	-	-
Recognised in OCI	-	-	-	-	-	-
	-	-	-	-	-	-
Net financial results						
31-Dec-24	Family Care Plan	Family Income Protection Plan	Lifetime Needs	EduCare	Group Life	Total
Investment return						
Interest revenue on financial assets not measured at FVTPL	58,300	4,312	122,840	267,443	70,641	523,536
Investment Expenses	(5,936)	(439)	(12,508)	(27,232)	(7,193)	(53,309)
Fair value loss	3,766	279	7,936	17,277	4,563	33,821
Other investment revenue	539	40	1,135	2,471	653	4,838
Net impairment loss on financial assets	2,614	193	5,507	11,989	3,167	23,470
Amounts operating income	-	-	-	-	-	-
Net foreign exchange income or expense	(612)	(45)	(1,289)	(2,807)	(741)	(5,495)
	58,670	4,339	123,621	269,141	71,090	526,861
Net finance expense from insurance contracts						
Unwind of discount on FCFs: LRC	13,525	562	1,853	(85,928)	-	(69,988)
Unwind of discount on FCFs: LIC	-	-	-	-	-	-
Effect of change in economic assumptions: LRC	(4,553)	722	-	-	-	(3,831)
Effect of change in economic assumptions: LIC	-	-	-	-	-	-
Interest accretion on CSM	(44,529)	(5,045)	-	-	-	(49,574)
Effect of change in Discount rate assumptions: LRC	-	-	-	-	-	-
Effect of movements in exchange rates: LRC	-	-	-	-	-	-
Effect of movements in exchange rates: LIC	-	-	-	-	-	-
Change in FV of underlying items	-	-	-	-	-	-
FCFs that do not adjust the CSM	-	-	-	-	-	-
	(35,557)	(3,761)	1,853	(85,928)	-	(123,393)
Net finance income from reinsurance contracts						
Interest accreted to reinsurance contracts (locked-in rates)	-	-	-	-	-	-
Interest accreted to insurance contracts (current rates)	-	-	-	-	-	-
Change in financial assumptions through OCI	-	-	-	-	-	-
Changes in non-performance risk of reinsurer	-	-	-	-	-	-
Net foreign exchange income or expense	-	-	-	-	-	-
	-	-	-	-	-	-
Movement in insurance contract liabilities	-	-	-	-	-	-
Net financial result	(697,529)	(30,643)	207,113	(644,096)	162,038	(1,003,116)
Represented by:						
Amount recognised in profit or loss	(697,529)	(30,643)	207,113	(644,096)	162,038	(1,003,116)
Amount recognised in OCI	-	-	-	-	-	-
	(697,529)	(30,643)	207,113	(644,096)	162,038	(1,003,116)
Insurance finance income and expenses						
Net finance expenses from insurance contracts						
Recognised in profit or loss	(35,557)	(3,761)	1,853	(85,928)	-	(123,393)
Recognised in OCI	-	-	-	-	-	-
	(35,557)	(3,761)	1,853	(85,928)	-	(123,393)

25k Outstanding claims by reasons

2025													
	Reasons	0-90days		91-180days		181-270days		271-365days		Above 365days		Total	
		Qty	N'000	Qty	N'000	Qty	N'000	Qty	N'000	Qty	N'000	Qty	N'000
1	Discharged Voucher signed and returned to policyholders		-	-	-	-	-	-	-	-	-	-	-
2	Discharge Vouchers not yet signed		-	-	-	-	-	-	-	-	-	-	-
3	Claims reported but incomplete documentation	-	-	-	-	-	-	-	-	-	-	-	-
4	Claims reported but being adjusted		-	-	-	-	-	-	-	-	-	-	-
5	Claims repudiated		-	-	-	-	-	-	-	-	-	-	-
6	Awaiting adjusters final report		-	-	-	-	-	-	-	-	-	-	-
7	Litigation awarded		-	-	-	-	-	-	-	-	-	-	-
8	Awaiting Lead Insurer's instruction		-	-	-	-	-	-	-	-	-	-	-
9	Third party liability outstanding		-	-	-	-	-	-	-	-	-	-	-
10	Adjusters fee payable		-	-	-	-	-	-	-	-	-	-	-
11	Etc.		-	-	-	-	-	-	-	-	-	-	-
12	Total	-	-	-	-	-	-	-	-	-	-	-	-

2024													
	Reasons	0-90days		91-180days		181-270days		271-365days		Above 365days		Total	
		Qty	N'000	Qty	N'000	Qty	N'000	Qty	N'000	Qty	N'000	Qty	N'000
1	Discharged Voucher signed and returned to policyholders		-	-	-	-	-	-	-	-	-	-	-
2	Discharge Vouchers not yet signed		-	-	-	-	-			-	-	-	-
3	Claims reported but incomplete documentation	-	-	-	-	-	-	-	-	-	-	-	-
4	Claims reported but being adjusted		-	-	-	-	-	-	-	-	-	-	-
5	Claims repudiated		-	-	-	-	-	-	-	-	-	-	-
6	Awaiting adjusters final report		-	-	-	-	-	-	-	-	-	-	-
7	Litigation awarded		-	-	-	-	-	-	-	-	-	-	-
8	Awaiting Lead Insurer's instruction		-	-	-	-	-	-	-	-	-	-	-
9	Third party liability outstanding		-	-	-	-	-	-	-	-	-	-	-
10	Adjusters fee payable		-	-	-	-	-	-	-	-	-	-	-
11	Etc.		-	-	-	-	-	-	-	-	-	-	-
12	Total	-	-	-	-	-	-	-	-	-	-	-	-

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Notes to the financial statements

26 Investment contract liability

<i>In thousands of naira</i>	31-Dec-25	31-Dec-24
Opening balance	215,816	23,496
Deposits during the year	1,390,491	347,854
Interest credited to customers	(27,197)	-
Withdrawals during the year	(1,199,438)	(155,534)
At the end of the year	379,672	215,816
Current	28,845	16,396
Non-current	350,827	199,420
	379,672	215,816

27 Other payables

<i>In thousands of naira</i>	31-Dec-25	31-Dec-24
Financial liabilities:		
Payable for subscription (see (i) below)	-	174,797
Other payables (see (ii) below)	524,335	217,209
Professional services fee payable	69,491	-
Audit fee payable	30,000	25,000
Payable asset retention (see (iii) below)	-	5,158
Total financial liabilities	623,826	422,164
Non-financial liabilities:		
National Housing Fund (NHF)	53	21
National Social Insurance Trust Fund (NSITF)	317	770
Charity Fund	156	90
PAYE payable	43,561	14,044
Pension payable	4,920	-
Stamp duty payable	-	277
VAT Payable	12,165	-
Withholding tax payable	33,793	15,916
Total non-financial liabilities	94,965	31,118
Total other payables	718,791	453,282
Current	453,282	453,282
	718,791	453,282

- i** Payable for subscription represents amount owed to the company's vendor in respect of subscription fee on its core insurance policy administration application.
- ii** Other payables represent amounts owed to suppliers with respect to supplies of consumables and vendors with respect to branding and advertisement. These payables are settled within 30 days.
- iii** Payable asset retention represents outstanding amount accrued on payments to contractors pending the completion of the contract.
- iv** Payable asset retention represents outstanding amount accrued on payments to contractors pending the completion of the contract.

28 Taxation

<i>In thousands of naira</i>	31-Dec-25	31-Dec-24
Tax expenses		
Minimum tax	6,513	1,951
Income tax:	-	-
Technology levy	-	-
Police levy	-	-
Deferred tax	-	-
	-	-
Total tax expenses	6,513	1,951
Income tax liabilities		
Opening balance	1,951	-
Charge for the year	6,513	1,951
Payments	(1,951)	-
Closing balance	6,513	1,951
Current	6,513	1,951
Non-current	-	-
	6,513	1,951
Deferred tax assets		
Balance, beginning of year	-	-
Property and equipment	-	-
De-recognition of Deferred tax	-	-
Total deferred tax asset	-	-

a) Unrecognised deferred tax assets

At the end of the year, the company recorded a deferred tax asset of N2.55 billion (2024: N2.27 billion). However, the deferred tax asset has not been recognised because the directors have determined that it is currently uncertain that there will be future taxable profit against which the tax assets can be utilised. The tax losses do not expire and can be carried forward indefinitely.

Details of unrecognized deferred tax are as follows

At 31 December	2025		2024	
	Gross Amount	Tax effect	Gross Amount	Tax effect
Property and equipment	350,614	105,184	315,039	94,512
Foreign exchange gain	727	218	5,495	1,649
Impairment allowance on Financial Instruments	(138,989)	(41,697)	(19,991)	(5,997)
Fair value gains on equity	405,011	40,501	33,821	3,382
Unutilized capital allowance	(917,563)	(275,269)	(296,137)	(88,841)
Unrelieved tax losses	(7,874,593)	(2,362,378)	(7,580,994)	(2,274,298)
Total	(8,174,794)	(2,533,441)	(7,542,767)	(2,269,593)

Notes to the financial statements

Effective tax reconciliation

In thousands of naira

		31-Dec-25		31-Dec-24
Loss before income tax		(1,859,363)		(1,723,302)
Tax using the statutory corporation tax rate	30%	(557,809)	30%	(516,991)
Non-deductible expenses	-55%	1,019,200	-74%	1,272,247
Exempt income	10%	(183,878)	16%	(275,585)
Unrecognised deductible temporary difference	14%	(263,848)	28%	(479,671)
Minimum tax	0%	6,513	0%	1,951
Total tax charge	-1%	20,178	0%	1,951

29 Share capital

In thousands of naira

	31-Dec-25	31-Dec-24
Issued and fully paid:		
Ordinary shares of N1 each	12,556,962	8,000,000
<i>Movement in share capital:</i>		
At the beginning of the year	8,000,000	8,000,000
Deposit for share capitalized (note 30)	2,305,462	-
Additional capital injection during the year	2,251,500	-
At the end of the year	12,556,962	8,000,000

Share capital are non-current in nature

During the year, the Company issued additional shares to the parent (Enterprise Group Plc.). The shares issued included allocation of shares from the deposit for shares received in December 2024 and additional capital of N2.25 billion injected into the business.

Earnings per share

Basic earnings per share is calculated by dividing the profit attributable to owners of the company by the weighted average number of ordinary shares in issue during the year excluding ordinary shares purchased by the company.

Loss for the year	(1,865,876)	(1,725,253)
Weighted average number of ordinary shares in issue	8,379,747	8,000,000
Basic earnings per share	(0.22)	(0.22)

The Company had no dilutive instruments as at 31 December 2025 (2024: Nil). Hence the basic and diluted earnings per share are equal.

30 Deposit for shares

In December 2024, the Company received N2.3 billion from it parent (Enterprise Group PLC) as deposits for shares, pending final approval from the Corporate Affairs Commission. Based on management's assessment, the deposits are recorded within equity as "Deposits for Shares" under IAS 32, reflecting the Company's unconditional right to retain the funds and the high certainty of regulatory approval. Upon confirmation by the Commission, the amounts was reclassified to share capital and share premium, as applicable.

Movement in deposit for shares

In thousands of naira

	31-Dec-25	31-Dec-24
Opening balance	2,305,462	-
Additions	-	2,305,462
Transfer to Share capital	(2,305,462)	
Closing balance	-	2,305,462

The deposit for share is non-current in nature

Notes to the financial statements

31 Contingency reserve

The statutory contingency reserve is prescribed under Section 21 (1&2) of the Insurance Act. The Company is mandated to maintain a statutory contingency reserve to cover for the fluctuations in securities and variations in statistical estimates. The statutory contingency reserve is credited with an amount of not less than 1% of the gross premium or 10% of the net profits (whichever is greater) and the amount shall accumulate until it reaches the amount of the minimum paid-up capital.

<i>In thousands of naira</i>	31-Dec-25	31-Dec-24
At the beginning of the year	42,944	19,137
Changes in the period:		
- Transfer from retained earnings	35,516	23,807
At the end of the year	78,460	42,944

32 Accumulated loss

The movement in this account during the year was as follows:

<i>In thousands of naira</i>	31-Dec-25	31-Dec-24
At the beginning of the year	(5,746,151)	(3,997,091)
Loss for the year	(1,865,876)	(1,725,253)
Transfer to contingency reserves	(35,516)	(23,807)
At the end of the year	(7,647,543)	(5,746,151)

33 Related parties

Parties are considered to be related if one party has the ability to control the other party or exercise influence over the other party in making financial and operational decisions, or one other party controls both.

The definition includes subsidiaries, associates, joint ventures and the Group's pension schemes, as well as key management personnel.

Parent

The parent company which is also the ultimate parent company is Enterprise Group Plc.

a Transactions with key management personnel

Key management personnel (KMP) have been identified as the executive and non-executive directors of the Company, being those persons having authority and responsibility for planning, directing and controlling the activities of the Company.

KMP, close members of their family, and entities over which KMP or their close family members exercise control are related parties of the Company. Close members of family are those family members who may be expected to influence, or be influenced by, that individual in their dealings with the Company.

(b) Related party transaction

Transactions are entered into by the Company during the year with related parties. Unless specifically disclosed, these transactions occurred under terms that are no less favourable than those with third parties. Details of transactions between Enterprise Life Assurance Company (Nigeria) Limited and related parties are disclosed below:

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Name of Company	Relationship	Nature of transaction	31-Dec-25	31-Dec-24
Enterprise Group Plc.	Parent company	Receivables	-	-

Key management personnel compensation for the year

Directors' emoluments		
Directors' fees and sitting allowances	120,769	133,841
Short term employment benefits	170,651	149,440
Post-employment benefits	8,159	16,681
Total directors emoluments	299,580	299,962

Highest paid director	95,591	95,591
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The fees and other emoluments (excluding pension contributions) fell within the following ranges:

	2025 Number	2024 Number
Less than N5,000,000		
N5,000,001 - N25,000,000	-	-
Above N25,000,000	6	5
Total	6	5

b Intercompany receivables

<i>In thousands of naira</i>	31-Dec-25	31-Dec-24
Enterprise Group Plc Ghana	12,086	-
Total directors emoluments	12,086	-

34 Contravention

The company paid a fine of N1,540 thousand during the year, which was a penalty for the appointment of a head of actuary without pre -informing NAICOM (2024: N500,000). The breach has now been remediated.

35 Events after the reporting period

There were no significant events after the reporting date that could affect the reported amount of assets and liabilities as of the reporting date which have not been adjusted for, or disclosed in the financial statements.

36 Commitments

The Company had no capital commitments at the reporting date.

37 Litigations and contingent liabilities

The Company, in the ordinary course of business, is presently involved in one (1) litigation. The claim is for refund of N1.2 Million premiums paid, general damages in the sum of N5 million and post judgement interest on the principal sum. The parties are currently exploring amicable out-of-court settlement.

Based on the advice of the Company's legal advisers and solicitors, the Directors are of the opinion that while the outcome of the case cannot yet be determined, the potential effect on the Company relates primarily to financial exposure arising from the claim for refund, damages and interest limited to N1.2 and N5 million, albeit no provision has been made in these financial statements.

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38 Other operating cashflows

		31-Dec-25	31-Dec-24
Cash flows from operating	Note	N'000	N'000
Loss before tax		(1,859,363)	(1,723,302)
Adjustments:			
Depreciation charged	23a	248,562	218,713
Amortization charge	23	22,920	-
Net expected credit loss charged/other impairments	13	(118,998)	23,470
Profit on disposal of equipment	15	11,073	11,487
Other income	15	5,162	46,083
Interest income recognized	12	734,349	510,481
Dividend income recognized	12	4,995	4,838
Gains on equity instrument	12	405,011	46,876
Rent paid during the year	21b	(167,188)	(138,380)
Other net investment cashflow		1,075,071	2,892,076
Changes in operating assets and liabilities:			
Increase in reinsurance assets		379	2,869
Increase in insurance contract		912,987	564,613
Increase/(decrease) in investment contract liabilities		163,856	192,320
Increase/(decrease) in other receivables and prepayments		51,889	116,831
Increase/(decrease) in other payables accruals		265,509	181,005
		1,394,620	1,057,638
Tax paid		-	-
All identified cash		(1,301,127)	(2,246,602)
Net cash flow from operating		455,084	703,378

OTHER NATIONAL DISCLOSURES

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Other National Disclosures

Value Added Statement

	31-Dec-25		31-Dec-24	
	₦000	%	₦000	%
Insurance Revenue	2,450,213	-191%	939,555	-66%
Insurance Service expenses	(3,792,603)	295%	(2,340,375)	164%
Operating Expenses	(979,201)	76%	(583,552)	42%
Net (expense)/ income from Reinsurance	(18,976)	1%	(5,764)	0%
Investment Income	1,040,074	-81%	508,886	-36%
Other Income	16,234	-1%	57,570	-4%
Foreign Exchange (loss)/gain	(727)	0%	(5,495)	0%
Value eroded	(1,284,988)	100%	(1,429,175)	100%

Distribution:

Applied to pay:

Staff cost	(835,701)	65%	(657,577)	46%
Government (taxes)	(1,951)	0%	-	0%

Retained in the business

Depreciation	(328,939)	26%	(329,230)	23%
Impairment allowance on financial asset	(118,998)	9%	23,470	-2%
To augment reserves	602	0%	(465,838)	33%
Value eroded	(1,284,988)	100%	(1,429,175)	100%

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Other National Disclosures

Financial summary

<i>In thousands of naira</i>	31-Dec-25	31-Dec-24	31-Dec-23	31-Dec-22	31-Dec-21
Statement of financial position					
Assets					
Cash and cash equivalents	223,022	404,862	315,106	423,309	1,350,133
Premium receivables	3,546	-	-	-	-
Investment securities	6,274,596	4,589,460	3,417,853	4,184,694	4,137,105
Reinsurance contract asset	6,890	6,511	3,642	1,617	5
Other receivables and prepayments	193,540	141,651	24,820	62,815	82,844
Property and equipment	883,212	662,182	563,311	583,965	382,102
Intangible assets	45,840	-	-	-	-
Right-of-use assets	203,799	284,177	195,507	216,671	133,772
Statutory deposits	800,000	800,000	800,000	800,000	800,000
Deferred tax assets	-	-	-	-	603
Total assets	8,634,447	6,888,843	5,320,239	6,273,071	6,886,564
Liabilities					
Insurance contract liabilities	2,361,174	1,448,187	883,574	384,981	(10,334)
Investment contract liabilities	379,672	215,816	23,496	1,967	58,255
Current tax liability	6,513	1,951	-	-	68
Other payables	718,791	453,282	272,277	371,634	165,132
Lease liabilities	180,418	167,352	118,846	102,721	81,756
Total liabilities	3,646,568	2,286,588	1,298,193	861,303	294,877
Equity					
Share capital	12,556,962	8,000,000	8,000,000	8,000,000	8,000,000
Deposit for shares	-	2,305,462	-	-	-
Accumulated deficit	(7,647,543)	(5,746,151)	(3,997,091)	(2,593,667)	(1,409,679)
Contingency reserve	78,460	42,944	19,137	5,435	1,366
Total equity	4,987,879	4,602,255	4,022,046	5,411,768	6,591,687
Total liabilities and equity	8,634,447	6,888,843	5,320,239	6,273,071	6,886,564

Statement of profit or loss and other comprehensive income

	31-Dec-25	31-Dec-24	31-Dec-23	31-Dec-22	31-Dec-21
Insurance Service Results	(1,361,367)	(1,406,584)	1,553,419	(1,282,814)	136,568
Loss before tax	(1,859,363)	(1,723,302)	(1,190,364)	(1,379,277)	(935,774)
Taxation	(6,513)	(1,951)	-	-	-
Loss after tax	(1,865,876)	(1,725,253)	(1,190,364)	(1,379,277)	(935,774)