2025 ANNUAL REPORT & ACCOUNTS

LEADWAY
Insureholdings

Leadway Insureholdings Limited

Annual Report

for the year ended 31 December 2025

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The reports and statements set out below comprise the annual report presented to the shareholder:

Corporate Information

Incorporation number	7262418
Date of incorporation	12 December 2023
Tax Identification Number	31644005-0001
Directors:	
Mr. Odeinteinm Ajumogobia	Chairperson (Appointed wef 10th March, 2025)
Mr. Tunde Alao-Olaifa*	Managing Director (Appointed wef 17th April, 2025)
Mr. Tunde Hassan-Odukale	Non-Executive Director (Appointed wef 10th March, 2025)
Mr. Thomas Huerlimann	Non-Executive Director (Appointed wef 10th March, 2025)
Mr. Hayatu Hadejia	Non-Executive Director (Appointed wef 10th March, 2025)
Mr. Oye Hassan-Odukale**	Non-Executive Director (Appointed wef 12th December, 2023)

*The managing director's received a no objection from NAICOM on 24 May 2025 in relation to his appointment.
**During the period, Mr. Oye Hassan-Odukale retired effective 10th March, 2025.

Company Secretary:	Olumide Hanson FRC/2019/PRO/NBA/004/00000019064
Registered Office:	Constitution Road, Kaduna, Kaduna-North, Kaduna State
Auditors:	KPMG Professional Services KPMG Towers Bishop Aboyade Cole Street Victoria Island, Lagos Tel: (01) 2718955 FRC/2023/COY/267452
Bankers:	Access Bank Plc Citibank Nigeria Limited FBN Bank (Uk) Limited Fidelity Bank Plc First Bank of Nigeria Limited First City Monument Bank Limited FSDH Merchant Bank Nigeria Limited Guaranty Trust Bank Plc Heritage Bank Plc Keystone Bank Nigeria Limited La Fayette Microfinance Bank Optimus Bank Limited Polaris Bank Plc Stanbic IBTC Bank Plc Standard Chartered Bank Cote d'Ivoire Standard Chartered Bank Nigeria Limited Standard Chartered Bank United Kingdom Sterling Bank Plc Union Bank Plc United Bank of Africa Plc Wema Bank Plc Zenith bank Plc

CHAIRPERSON'S STATEMENT – 2025 ANNUAL REPORT OF LEADWAY INSUREHOLDINGS LIMITED

Distinguished Shareholders, Esteemed Members of the Board, Ladies and Gentlemen, it is my pleasure to welcome you to the 2nd Annual General Meeting of Leadway Insureholdings Limited to present the Company's Annual Report and Accounts for the financial year ended 31st December 2025.

YEAR 2025 IN RETROSPECT

The year 2025 was characterized by a complex global economic landscape. According to the International Monetary Fund (IMF), global Gross Domestic Product (GDP) growth slowed slightly from 3.3% in 2024 to 3.2% in 2025 as economies adjusted to a backdrop of elevated geopolitical tensions, persistent protectionist pressures and lingering policy uncertainty. Inflation, although moderating, remained above target in some advanced economies, and global risks such as fragmented trade flows and financial market vulnerabilities continued to weigh on sentiment.

For Nigeria, 2025 was a year of macroeconomic consolidation as the domestic economy strengthened meaningfully despite the global headwinds. The Central Bank of Nigeria (CBN) reported that real GDP grew by 3.89%, up from 3.38% in 2024, driven by improvements in both oil and non-oil sectors, including agriculture, services and crude oil production.

On the inflation front, 2025 witnessed a remarkable and sustained disinflation trend as headline inflation declined significantly from elevated levels exceeding 34% at the close of 2024 to approximately 15.15% in December 2025, following the rebasing of the Consumer Price Index to a 2024 base year in January 2025. The foreign exchange market also recorded relative stability during the year, with the Naira strengthening modestly from approximately ₦1,538 to the US Dollar at the beginning of the year to close at approximately ₦1,429 per Dollar by year-end, supported by increased foreign reserves, higher non-oil export receipts and the Central Bank of Nigeria's continued tight monetary policy stance, while gross international reserves exceeded $42 billion.

Cote d'Ivoire's economy continued to demonstrate strong resilience and sustained growth momentum in 2025, further reinforcing its position as one of West Africa's leading and top performing economies. Real GDP growth remained robust, supported by strong domestic demand, sustained public and private sector investments and favorable trade conditions, while inflation remained relatively moderate and within manageable levels. The continued stability of the FCFA and the country's commitment to structural and economic reforms further strengthened investor confidence and economic expansion across key sectors. Cote d'Ivoire's strong economic performance in 2025 continued to positively impact the operations and performance of our Company's subsidiaries within the region.

Overall, year 2025 represented a period of resilience and sustained progress for our Company and subsidiaries as they subsidiaries demonstrated remarkable flexibility and forward-thinking leadership in successfully navigating both global and local economic challenges, emerging stronger and more resilient.

INSURANCE INDUSTRY PERFORMANCE

The Nigerian insurance industry in 2025 demonstrated remarkable resilience and recorded unprecedented growth despite prevailing macroeconomic headwinds, achieving one of its strongest performances in recent history. The industry recorded a total Gross Premium Written of ₦2.30 trillion for the full year 2025, representing an exceptional 47.3% year-on-year growth from ₦1.56 trillion in 2024, significantly outperforming Nigeria's broader economic growth and underscoring the sector's increasing relevance within the country's financial ecosystem. Total insurance revenue also grew strongly, while industry assets approached the ₦5 trillion mark, reflecting sustained expansion and improved market capacity.

During the year, the Nigerian Insurance Industry Reform Act (NIIRA) 2025 was signed into law, marking a significant legislative transformation of the insurance sector through enhanced regulatory oversight, stronger corporate governance standards, increased capital requirements and the ongoing recapitalization exercise. These reforms are expected to deepen insurance penetration, strengthen consumer confidence, attract investment and further position the Nigerian insurance sector as a critical pillar of the nation's financial system and economic development agenda.

Similarly, the insurance market in Cote d'Ivoire continued to demonstrate steady growth and resilience in 2025, supported by sustained economic expansion, improving financial inclusion and increasing insurance awareness across the region. The market continued to benefit from a stable regulatory environment and expanding demand for both Life and Non-Life insurance products, further strengthening the performance and growth prospects of our subsidiaries in the region.

Notice is hereby given that the 2nd Annual General Meeting of LEADWAY INSUREHOLDINGS LIMITED will convene virtually via Cisco Webex on Tuesday, 19th May, 2026 at 1:00pm for the following purposes:

Ordinary Business

1. To receive and consider the Audited Financial Statements for the year ended 31st December, 2025 and the reports of the Directors and Auditors thereon.
2. To re-elect Mr. Hayatu Hadejia as a director, who in accordance with Section 285 (1& 2) of the Companies and Allied Matters Act, 2020, retires by rotation, but is eligible and offers himself for re-election.
3. To consider and, if thought fit, pass the following Resolution without amendment: "That Messrs. KPMG Professional Services, shall not be and are hereby not re-appointed as the auditors of the Company at the said Annual General Meeting and in their stead the firm of Messrs. PricewaterhouseCoopers (PwC) be and are hereby appointed auditors of the Company."
4. To authorize the Directors to fix the remuneration of the Auditors.
5. To disclose the remuneration of Managers.

Special Business

To consider and if thought fit to pass the following resolutions:

7. To appoint KPMG Professional Services as the External Consultant for the Board and Corporate Governance Evaluation for the year ending 31st December, 2026
8. That Directors be and are hereby authorized to do all such acts and deeds which the Board in its absolute discretion may deem necessary and expedient for the purpose of giving effect to the above resolutions without being required to seek any further approval of members of the Company and the members shall be deemed to have given approval thereto expressly by the authority of this resolution.

By Order of the Board

Olumide Hanson
Company Secretary
FRC/2019/PRO/NBA/004/00000019064
121/123, Funso Williams Avenue,
Iponri, Surulere, Lagos.

NOTES:

1. A member of the Company entitled to attend and vote at the meeting is entitled to appoint a proxy to attend and vote instead of him/her. To be valid, executed forms of proxy should be deposited at the Office of the Company Secretary, Leadway Insureholdings Limited, 121/123, Funsho Williams Avenue, Surulere, Lagos, or sent via email to c-secretariat@leadway.com not later than 48 hours before the time of holding the meeting.
2. The Register of Members and their shareholding is available for inspection, at the office of the Company Secretary during normal business hours, from the date of this notice until the close of business on Friday, 15th May, 2026.

FINANCIAL RESULTS
Against the backdrop of a challenging yet progressively stabilizing macroeconomic environment, the Company's subsidiary in Nigeria delivered an exceptional financial performance in the 2025 financial year, one that firmly reinforced its position as Nigeria's foremost composite insurer and demonstrates the inherent resilience of its diversified business model. The Company's subsidiaries in Cote d'Ivoire also demonstrated growth and resilience during the year.
The Group Insurance Revenue closed at ₦247.5billion while the Group Profit Before Tax (PBT) was ₦51billion and the Company's PBT stood at ₦14.8billion recovering from a standalone loss position in 2024. The performance was largely due to the contribution from Leadway Assurance Company Limited, the Company's Nigerian subsidiary.
The Group Total Assets closed ₦1.2trillion principally from investments in financial assets while the Group Total Liabilities stood at ₦972billion. On a standalone basis, the Company's Total Assets was ₦228billion while Total Liabilities was ₦229million.

FUTURE OUTLOOK
Looking ahead to 2026 and beyond, we remain confident in our Company's ability to deliver sustainable growth and achieve its strategic objectives through its subsidiaries despite prevailing global and regional uncertainties. We anticipate a moderately improved economic environment, supported by projected GDP growth, gradual moderation in inflation, continued monetary policy stability and improved exchange rate management. We also expect the continued implementation of the Nigerian Insurance Industry Reform Act 2025, increased insurance awareness and penetration, further adoption of digital distribution channels and innovations in product design and pricing to sustain robust growth within the insurance industry.
We anticipate that the ongoing recapitalization exercise in the Nigerian insurance industry and evolving regulatory framework will promote a more competitive landscape, strengthen operational standards, deepen public confidence and attract further investment into the sector. Similarly, the Cote d'Ivoire insurance market is expected to maintain its strong growth trajectory, supported by sustained economic expansion, increasing financial inclusion and growing demand for insurance products across the Francophone West African region.

As a customer-centric and strategy-focused organization, we remain committed to strengthening our risk management capabilities, accelerating our digital transformation journey, exploring strategic partnerships and expansion opportunities while ensuring full compliance with evolving regulatory requirements. As a group, we also remain committed to Environmental, Social and Governance (ESG) principles, recognizing their growing relevance to sustainable long-term value creation.

With a strengthened capital base, enhanced operational efficiency and unwavering commitment to excellence, we are well positioned to capitalize on emerging opportunities and continue delivering superior value to all our stakeholders in the years ahead.

CONCLUSION
Esteemed shareholders, the performance of 2025 has reaffirmed our Company's resilience, adaptability and visionary leadership in navigating complex market conditions. Our achievements reflect the strength of our operational framework, the unwavering commitment of our workforce and the enduring trust and loyalty of our policyholders and customers.

On behalf of the Board, I wish to express my profound appreciation to our shareholders for their unwavering confidence and continued support.

Thank you.

H. Odeinteinm Ajumogobia (SAN)
Chairperson
FRC/2025/PRO/DIR/003/499007
18 March, 2026

Directors Report

The directors have pleasure in presenting their annual report on the affairs of Leadway Insureholdings Limited ("the Company") and the subsidiaries ("the Group") together with the consolidated and separate financial statements and the auditor's report for the period ended 31 December 2025.

Legal form and principal activity

The Company was incorporated in Nigeria as a private limited liability company in December, 2023 and is licensed by the National Insurance Commission to operate as an insurance holding company in December 2024.

The Company is principally engaged to undertake and carry on business as an investment company, invest in risk companies and acquire and hold shares, stocks, debentures, bonds, obligations or securities of companies or partnership firms of body corporates as may be approved by the board of the Company in Nigeria or any country or place outside Nigeria.

Subsidiary companies

a. The Company wholly owns Leadway Assurance Company Limited holding 99.99% of its shares, 56% direct equity interest in Leadway IARD and 100% ownership of VIE limited as at 31 December, 2025. Leadway VIE Limited also holds 29.99% equity interest in Leadway IARD. Consequently, the Company's effective interest in Leadway IARD is 85.99%, comprising both direct and indirect holdings.

All subsidiaries are consolidated in the financial statements of the Company for the year ended 31 December 2025.

Operating results

Full details of the financial position, results of operations and cash flows of the group are set out in these consolidated annual report.

The highlights of the Group and Company's operating results for the for the period ended 31 December 2025 is as follows:

		Group	Group*	Company	Company*
		31-Dec-25	31-Dec-24	31-Dec-25	31-Dec-24
		N'000	N'000	N'000	N'000
Revenue	**34**	**247,576,935**	**32,837,625**	**-**	**-**
Profit/(loss) before minimum tax		**51,011,215**	**9,419,543**	**14,849,007**	**(2,000)**
Minimum tax	31	-	(1,194,705)	-	-
Profit/(loss) after minimum tax before income tax		**51,011,215**	**8,224,838**	**14,849,007**	**(2,000)**
Income tax expense		(11,992,056)	(3,133,811)	-	-
Profit/(loss) for the period		**39,019,159**	**5,091,027**	**14,849,007**	**(2,000)**
Other comprehensive income		**9,645,618**	**11,899,157**	**-**	**-**
Total comprehensive income/ (loss)		**48,664,777**	**16,990,184**	**14,849,007**	**(2,000)**
Profit/ (loss) attributable to:					
- Owners of the Company		38,820,989	4,943,302	14,849,007	(2,000)
- Non-controlling interest		198,170	147,725	-	-
		39,019,159	**5,091,027**	**14,849,007**	**(2,000)**

The profit/(loss) attributable to the owners of the parent for the period has been retained within the Group.

		Group 31-Dec-25	Group* 31-Dec-24	Company 31-Dec-25	Company* 31-Dec-24
Transfer to:					
- Contingency reserve		7,756,298	4,689,201	-	-
- Retained earnings /(loss)		(44,463,622)	254,101	14,849,007	(2,000)
		(36,707,324)	**4,943,302**	**14,849,007**	**(2,000)**

* The financial statements as at 31 December 2024 cover a one month period

Dividends

b. The dividend declared in 2025 and paid in 2025 was an interim cash dividend of ₦14.799billion, representing ₦103.78kobo per share (2024: nil).

Directors and their interest

In accordance with sections 301 and 302 of the Companies and Allied Matters Act of Nigeria, 2020, Every company shall keep a register showing as respects each director of the company the number, description and amount of shares in, debentures of the company or any other corporate body. The directors who held office, together with their direct and indirect interests in the shares of the company, were as follows:

		(Number of 50k ordinary shares in thousands)			
		Direct	**Indirect**	**Direct**	**Indirect**
		31-Dec-25	**31-Dec-25**	**31-Dec-24**	**31-Dec-24**
Mr. Odeinteinm Ajumogobia	Chairperson	-	-	-	-
Mr. Tunde Alao-Olaifa*	Managing Director	-	-	-	-
Mr. Tunde Hassan-Odukale	Non-Executive Director	1	-	1	-
Mr. Thomas Huerlimann	Non-Executive Director	-	-	-	-
Mr. Hayatu Hadejia	Non-Executive Director	-	-	-	-
Mr. Oye Hassan-Odukale**	Non-Executive Director	-	-	-	-

Retirement and appointment of Directors

*The managing director's received a no objection from NAICOM on 24 May 2025 in relation to his appointment.

**During the period, Mr. Oye Hassan-Odukale retired effective 10th March, 2025.

Directors Report

Analysis of shareholding

The analysis of the distribution of the shares of the Company is as follows:

	31 December 2025			
	No of shareholders	**Percentage of shareholders**	**No of holdings ('000)**	**Percentage of holdings**
Share range				
Above 100,000,000	1	50%	142,605,189	99.99%
Below 100,000,000	1	50%	1	0.01%
Total	**2**	**100%**	**142,605,190**	**100%**

	31 December 2024			
	No of shareholders	**Percentage of shareholders**	**No of holdings ('000)**	**Percentage of holdings**
Share range				
Above 100,000,000	1	50%	142,605,189	99.99%
Below 100,000,000	1	50%	1	0.01%
Total	**2**	**100%**	**142,605,190**	**100%**

Shareholders with Substantial Interest in Shares

Name of shareholders	**Nationality of shareholder**	**No. of holdings ('000)**	**Percentage of holdings**
Leadway Holdings Limited	Nigeria	142,605,189	99.99%
Mr. Babatunde Hassan-Odukale	Nigeria	1	0.01%

Property and equipment

Information relating to changes in property and equipment is given in Note 10 to these consolidated and separate financial statements.

Donations and charitable gifts

During the period, the Company did not make any donation.

Post balance sheet events

There were no other events subsequent to the financial statement date which require adjustment to or disclosure in the consolidated and separate financial statements.

Diversity in Employment

The group is an equal opportunity employer. Its recruitment process is devoid of any form of racial, gender or religious bias. The group boasts of a diverse and modern workforce made up of individuals (male and female) with varying skills, backgrounds and experiences. The inclusive environment promotes equity and self-belief among employees and discourages all forms of discrimination.

Employment of disabled persons

The Group operates a non-discriminatory policy in the consideration of applications for employment, including those received from disabled persons. The Group's policy is that the most qualified and experienced persons are recruited for appropriate job levels irrespective of an applicant's state of origin, ethnicity, religion or physical condition. In the event of any employee becoming disabled in the course of employment, the Group is in a position to arrange appropriate training to ensure the continuous employment of such a person without subjecting him/her to any disadvantage in his/her career development. Currently, the group has 3 persons in its employment with physical disability.

Health, safety and welfare of employees

The Group maintains business premises designed with a view to guaranteeing the safety and healthy living conditions of its employees and customers alike. Employees are adequately insured against occupational and other hazards.
The Group also operates a contributory pension plan in line with the Pension Reform Act, 2014. It is also fully compliant with the provisions of the Employee Compensation Act. Employees are also covered under the Group Personal Accident and Workmen's Compensation Insurance schemes.

Employee involvement and training

The Group encourages participation of employees in arriving at decisions in respect of matters affecting their well-being. Thus, the Group provides opportunities for employees to deliberate on issues affecting them, with a view to making inputs to decisions thereon. The Group places a high premium on the development of its manpower. Consequently, employees are sponsored for various training courses both locally and internationally.

Directors' interests in contracts

In accordance with sections 302 and 303 of the Companies and Allied Matters Act of Nigeria, 2020, none of the directors has notified the Company of any declarable interest in contracts deliberated by the Company during the period.

Directors Report

Auditors

Messrs KPMG professional services have completed their maximum term of eight (8) consecutive years as allowed by NAICOM regulations, as external auditors of the subsidiary Leadway Assurance Company Limited, a new auditor will be appointed subject to approval of shareholders at the next Annual General Meeting.

BY ORDER OF THE BOARD

Olumide Hanson
FRC/2019/NBA/00000019064
Company Secretary
121/123 Funso Williams Avenue
Iponri
Lagos
18 March, 2026

Statement of Directors' Responsibilities in relation to the consolidated and separate financial statements for the year ended 31 December 2025

The Directors accept responsibility for the preparation of the consolidated and separate 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, 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 further accept responsibility for maintaining adequate accounting records as required by the Companies and Allied Matters Act, (CAMA) 2020 Laws of the Federation of Nigeria, 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.

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

SIGNED ON BEHALF OF THE DIRECTORS BY:

Mr. Odeinteinm Ajumogobia	Mr. Tunde Alao-Olaifa
Chairperson	Managing Director
FRC/2025/PRO/DIR/003/499007	FRC/2025/PRO/ANAN/001/783771
18 March, 2026	18 March, 2026

CORPORATE GOVERNANCE REPORT OF LEADWAY INSUREHOLDINGS LIMITED FOR THE YEAR ENDED 31 DECEMBER 2025

INTRODUCTION

Leadway Insureholdings Limited ("Leadway Insureholdings" or "the Company") is committed to adhering with high standards of good corporate governance at all levels of its operations. The Board of Directors has continued to ensure the implementation of corporate governance principles that guarantee fairness, accountability and transparency in all its dealings within and outside the Company. Leadway Insureholdings complies with all laws, regulations, rules and guidelines, applicable to insurance business, including the Code of Business Ethics and the Nigerian Code of Corporate Governance issued by the Financial Reporting Council (FRC) of Nigeria.

a. COMPOSITION OF DIRECTORS

The Board of Leadway Insureholdings comprised a total of five (5) directors as at 31 December 2025. This includes the Chairperson, who is an Independent Non-Executive Director), the Managing Director, and three (3) Non-Executive Directors. The members of the Board are reliable, skilled and bring to the Board decades of experience and expertise which positively impact the oversight responsibility of the Board. Their level of expertise has manifested in the strategic direction of the company and high quality of management policies formulated over the years.

b. SEPARATION OF THE ROLE OF THE CHAIRPERSON FROM THE MANAGING DIRECTOR

The way and manner the company structured the roles of the Chairperson and the Managing Director has assisted in averting overlap of roles. The Chairperson who is first among equals is responsible for the overall leadership of the Board and for creating an enabling environment for the effectiveness of individual directors, while the Managing Director is responsible for the day-to-day running of the company to achieve overall efficiency of management controls. This is done in accordance with the Nigerian Code of Corporate Governance, 2018.

c. DIVERSITY

Leadway Insureholdings understands that diversity is fundamental to the success and sustainability of the company and enriches discussions among directors, better reflects the company's relationship with all of its stakeholders and allows for improved stewardship from a risk- management perspective. The company has its diversity policy and has committed to establish measurable objectives for achieving diversity on the Board and within management positions.

The company currently operates as a non-operating insurance holding company but intends to continue to create a diverse and inclusive culture by deliberately promoting increased women representation in Board appointments, Management positions and overall employees, based on availability of vacancy and appropriately-skilled candidates particularly in all its subsidiaries. The company remains committed to improving other dimensions on diversity to reflect global best standard and will reflect its efforts in future disclosures.

d. PROCESS OF BOARD APPOINTMENT

The process for the selection, nomination and appointment of a candidate to the Board is essential to ensure the Company has an optimum combination of experience and commitment towards achieving the effectiveness of the Board.

Potential candidates are identified by referrals of suitably qualified individuals by other Directors; and/or engaging external consultants that will present diverse candidates from the pool of candidates sourced.

Due to the structure of the Company, the Board did not delegate its oversight responsibility to the Nomination, Remuneration and Governance Board Committee. As such, the Board being guided by the Succession and Diversity policies in its engagement, is saddled with the responsibility to interview suitable candidates, having regard to the expertise, integrity, qualification, age, experience, positive attributes, independence, competency, relationships, industry standing, gender diversity, background, professional skills and personal qualities required to operate successfully as director.

Following the approval of the National Insurance Commission (NAICOM), Mr. Odein Ajumogobia, Mr. Tunde Hassan-Odukale, Mr. Thomas Huerlimann, Mr. Hayatu Hadejia, and Mr. Tunde Alao-Olaifa were appointed as inaugural members of the Board.

Board Training and Induction

The Chairperson, in conjunction with the Company Secretary, is responsible for ensuring that induction programmes are conducted for new Directors and a continuing education programme is in place for all Directors. The Continuing education is expected to assist directors to consistently familiarize themselves with their roles and responsibilities, Corporate Governance, the Company's strategic plan, operations, and the business environment within which the company operates.

New directors undergo an Orientation and Induction programme which holds within three months of the director's appointment and entail an engagement with the Management of the company coordinated by the Company Secretary. The various sessions provide directors with understanding of the company's business, current strategy/business plan, organizational structure, delegation of authority, Board annual plan, Corporate Governance and Risk Management information, the company's Board approved policies and Code of Conduct. The session also provides an insight into the Financial and Capital Management of the Company.

Directors are encouraged to attend internal and external seminars and workshops that are organized on the financial standards, new development within Corporate Governance and Mandatory trainings organized by the regulator, in order to enhance their skills and knowledge.

During the year, the directors of the company attended the following trainings/seminars to enhance their knowledge in the discharge of their duties within the company.

- Training for Leadway Directors on the Impact of the New Tax Laws.
- Training for Directors on Solvency Control and Intervention Framework.
- Insurance Directors Conference 2025 organized by National Insurance Commission and College of Insurance and Financial Management on Corporate Governance.

e. DIRECTORS STANDING FOR RE-ELECTION

In compliance with Section 285 (1 & 2) of the Companies and Allied Matters Act 2020, one-third of the company's directors are required to retire by rotation at the Annual General Meeting (AGM). This is applicable to directors who have been longest in office since their last election.

Consequently, Mr. Hayatu Hadejia is up for retirement and is eligible for re-election. He has offered himself for re-election.

The Board is proposing his re-election to the Shareholders for approval, having satisfied itself that he is qualified based on his valuable contributions at Board meetings, deliverables on the expectations in relation to his role and responsibilities and continuing value to the Board through in-depth reasoning, knowledge, experience and expertise.

f. BOARD RESPONSIBILITY

The Board is saddled with the responsibility of making policies for the company, reviewing corporate performance, monitoring strategic decisions while ensuring regulatory compliance, safeguarding shareholders' interest and fulfilling the expectations of stakeholders. The Board met five (5) times in the last financial year and through their leadership, the company was able to achieve its set objectives. The record of the attendance is provided below:

	Meetings Held	**1**	**2**	**3**	**4**	**5**
	Names	**17th April, 2025**	**8th May, 2025**	**5th August, 2025**	**12th November, 2025**	**15th December, 2025**
1	Mr. Odein Ajumogobia (Non-Executive, Independent)	√	√	√	√	√
2	Mr. Thomas Huerlimann (Non-Executive)	√	√	√	√	√
3	Mr. Tunde Hassan-Odukale (Non-Executive)	√	√	√	√	√
4	Mr. Hayatu Hadejia (Non-Executive)	√	√	√	√	√
5	Mr. Tunde Alao-Olaifa	*	*	√	√	√

	(Managing)					

Key:
(√) - Present **(*)** Not Yet a Director

g. CUMMULATIVE YEARS OF SERVICE

1. TENURE OF DIRECTORS

The tenure of the Managing Director is determined by the Board taking into account performance, the existing succession planning mechanism, continuity of the Board and the need for continuous refreshing of the Board.

The tenure of each of the company's Non-Executive Directors is for a defined period and can be re-elected for additional terms subject to satisfactory performance and approval by the shareholders. However, the principles of Nigerian Code of Corporate Governance 2018 and the NAICOM Corporate Governance Guidelines 2021 caps the tenure of Independent Non-Executive Directors and Non-Executive Directors at a cumulative term of nine (9) years.

In the same vein, the NAICOM Circular on Tenure Limits for Executives provides for a maximum term of ten (10) years for Managing Directors and Executive Directors and a cumulative tenure of fifteen (15) years for Executive Directors that are elevated to Managing Director position.

	Directors	**Date of Appointment**	**Years of Service**
1.	Mr. Odein Ajumogobia (Non-Executive, Independent)	17th April, 2025	8 months
2.	Mr. Thomas Huerlimann (Non-Executive)	17th April, 2025	8 months
3.	Mr. Tunde Hassan-Odukale (Non-Executive)	17th April, 2025	8 months
4.	Mr. Hayatu Hadejia (Non-Executive)	17th April, 2025	8 months
5.	Mr. Tunde Alao-Olaifa (Managing)	23rd May, 2025	7 months

2. EXTERNAL AUDITOR

KPMG Professional Services was selected and approved as the External Auditor by the Company's shareholders at the 2025 Annual General Meeting, after going through a rigorous tender process and a careful review of the value proposition of the bidders. The company also considered the extent of their commitment to avoid potential conflict of interests in relation to non-audit services and ensure the independence of the auditor.

Mr. Akinyemi Ashade serves as the Audit Partner for the 2025 financial audit following his appointment as Audit Engagement Partner in 2025. The audit of the 2025 financial year will also constitute the firm's final engagement, as a new external auditor will be proposed for appointment, subject to the requisite approval of the shareholders of the company.

3 STATEMENT ON AVAILABILITY OF CODE OF BUSINESS CONDUCT AND ETHICS

The company has a Board approved Code of Business Conduct and Ethics which sets out broad principles and practices that guide each and every member of the Board, Management and employees in their conduct and decision making for the company.

The directors, management and employees are abreast with the Code of Business Conduct and Ethics and have declared their understanding of their fiduciary duty to shareholders and other stakeholders of the Company.

4 HIGHLIGHTS OF HUMAN RESOURCES MANAGEMENT

HUMAN RESOURCE POLICY HIGHLIGHTS

The Company continues to review her governance frame works, risks as well as proactively design human resource practices that will enable it thrive as dynamics of the workplace evolves. The Human Resources policies are reviewed periodically as part of the company's commitment to ensure continued applicability and growing changes in the Human Resource space and workspace dynamism.

In furtherance of our strategy, we will continue to embrace multiple change management approaches that guarantee a Customer experience culture that provides value to our stakeholders.

- **Performance Management Policy** is to establish and maintain a performance culture, creating an enabling environment for employees to develop their abilities and achieve optimal possible potential to ensure a workplace where the staff performance review process is fair, consistently applied and shall not be perceived nor used as a punitive system. The process is designed to measure the achievement of individual and company strategic goals.

- **Recruitment & Selection Policy** seek to attract, select, recruit and retain people with the right skill set, expertise, experience and qualifications to meet business aspirations, whilst offering a rewarding and fulfilling career with opportunities for growth and personal development. The recruitment process is driven by the Workforce plan, utilizing the Build, Borrow, Buy and Bounce strategy.

- **Compensation & Benefit Policy** adopts a compensation philosophy that ensures employees are equitably remunerated within competitive market salary scales to drive and reward excellent performance while utilizing global recognized frameworks. The aim is to maintain a pay structure that attracts, motivates and retains the highest caliber of talents at all levels. These include recognition awards, short and long term incentives pay as well as non-monetary rewards, benefits and perquisites.

WORKPLACE INITIATIVES

- **Capability Building** – One of such is Leader-led sessions on a Group-wide basis, a business continuity initiative that ensures knowledge transfer across the company. It provides the opportunity to directly address knowledge gaps from day to day operation and increase breadth of knowledge in teams. The Group has instituted job rotation and expansions, mentorship and coaching frameworks, Talent Exchange programme and pipeline building, Quarterly Performance Reviews where we proactively assess market dynamics and align our strategies accordingly. We strategically partnered with Functional Experts to drive expertise in functional areas, thereby skilling employees, ensuring they are at par with colleagues globally.
- **Employee Engagement and Support** – The Company recognizes that employee engagement is a key driver of productivity which directly impacts profitability. Consequently, the Company and its subsidiaries have implemented multifaceted initiatives to feel the pulse of the workforce and creating tools and drivers for such engagements that drive workplace productivity. These include Annual Engagement Surveys, Town Halls and Village Meetings, Open days, Dial in sessions, CSR events, focus group sessions, power clusters etc. In addition, the all entities within the Group practice customized onboarding systems, Team Bonding, Happy Hour, motivational talks, career conversations.
- **Diversity and Inclusion** – As an equal opportunity organization, the company being a non-operating holding company, through its subsidiaries is committed to an inclusive culture that respects and embraces the diversity of employees, clients and community. This aims to attract, develop and retain the best people from all culture, ethnicity, gender, abilities, background and experiences.

- **Culture Audit**- This is a detailed assessment of the organization's culture to help us determine overall working environment, employee sentiments, and unspoken rules around employee interactions and team communication. This will assist the company to determine the critical areas to focus on towards positively increasing employee experience, drive focus on our customer centric culture and achieve our aspirations over the next few years.

5 HIGHLIGHTS OF CASES OF CLAW BACK

In line with the company's Claw Back policy, the Board has reviewed the company's account and financial performance to ascertain if there has been undeserved award arising from the company's account and financial performance that has been materially false, misstated, misleading, erroneous, or there has been instances of misdemeanour, fraud, material violation of Company policy or material regulatory infractions.

The Board has assured itself that there is no incidence necessitating the company to recover excess or undeserved reward, such as bonuses, incentives, share of profits, or any performance-based reward, from Directors and senior employees.

6 FINES AND PENALTIES

The Board has satisfied itself that there was no breach of any law or regulations and none of the actions of the company translated to a fine or penalty within the year 2025 that requires a disclosure.

7 NATURE OF ANY RELATED PARTY TRANSACTIONS

This has been disclosed in notes 37.

8 DIRECTORS' RENUMERATION POLICY

The Directors' Remuneration Policy of Leadway Insureholdings was initially approved in 2025 and shall apply for a period of three (3) years except there is an earlier review to ensure its continued appropriateness and applicability. The remuneration of Non-Executive Directors which is not necessarily market leading but reflective of the prudence and conservatism of the company without undermining sufficient remuneration commensurate with the dedication and responsibility of directors.

The remuneration of directors takes into primary consideration the performance of the company and prevailing economic situation.

KEY ASPECTS OF THE REMUNERATON POLICY OF DIRECTORS

NON-EXECUTIVE DIRECTORS

Category-Fixed/Variable	Component	Component description
Fixed	Fees	A fixed annual sum provided to Non-Executive Directors for their ongoing contribution to the Board and as an incentive to attract and retain talent. This is payable on a quarterly basis.
Fixed	Meeting/ Sitting allowance	A payment made to Non-Executive Directors on a per-meeting basis. This is condition on attendance (physical or virtual) which is a prerequisite for remittance.
Fixed	Medical Allowance	A fixed annual amount paid to Non-Executive Directors for the medical needs and upkeep. This is payable on the first working day of every year.

Highlights of the remuneration paid to directors is contained in "Notes 28" in this report.

9 SUMMARY OF RISK MANAGEMENT FRAMEWORK

The Summary of the Risk Management Framework is contained in the Risk Management disclosures on page 20.

10 STATEMENT ON THE COMPANY'S ESG ACTIVITIES

a. Governance of Sustainability

At Leadway Insureholdings, we understand that robust governance is vital for embedding sustainability into our business strategy and operations. Our governance framework identifies, assesses, and manages sustainability-related risks and opportunities in line with our corporate objectives. By integrating sustainability into Board and management-level decisions, we reinforce our dedication to long-term value creation for all stakeholders.

As a holding company, Leadway Insureholdings ensures that its ESG governance structures, policies, and reporting processes are cascaded across all subsidiary entities, enabling group-wide consistency, accountability, and alignment with our sustainability objectives.

The Board oversees sustainability, ensuring its integration within our enterprise risk management approach. Regular updates on sustainability performance, risks, and opportunities are reported, enabling the Board to stay informed and engaged on core sustainability matters. This oversight provides strategic direction by ensuring that sustainability factors are built into our risk management, corporate strategy, and key business decisions.

The Head, Enterprise Risk Management (ERM) plays a pivotal role in managing sustainability-related risks and opportunities across the Group, working through the ESG Unit to coordinate these efforts. Responsibilities include identifying and assessing risks that may impact the business, developing and implementing mitigation strategies, and ensuring that opportunities for sustainable growth are maximized. The ESG Unit supports the Head ERM in monitoring sustainability performance and preparing updates for the Board, ensuring transparency and accountability.

To support effective governance, Leadway Insureholdings has established a robust set of policies, controls, and procedures to manage sustainability-related risks and opportunities. This includes the application of our ESG Framework, which comprises:

- **Strategic Key Risk Indicators (KRIs)** that track ESG-related risks linked to strategic initiatives;
- **ESG Key Performance Indicators (KPIs)** that monitor progress on initiatives related to our material sustainability topics; and
- **Sustainability Reporting Metrics** based on IFRS S1, IFRS S2, and relevant SASB Standards that reflect our regulatory and stakeholder reporting requirements.

Through this governance structure, Leadway Insureholdings is well-positioned to navigate the evolving sustainability landscape, proactively addressing risks and seizing opportunities that contribute to long-term business resilience and stakeholder value.

b. Our Sustainability Strategy

We acknowledge the critical role that sustainability plays in ensuring the long-term success and resilience of our business. Our sustainability strategy is designed to integrate the assessment of environmental, social and governance risks into our existing business decision-making and risk management procedures, ensuring that sustainability considerations are embedded in how we plan, operate, and create value.

We have identified five key ESG pillars that guide our sustainability efforts: Community & Customer Resilience, Workforce Evolution, Governance & Transparency, Innovation for Shared Value, and Environmental Responsibility. These pillars are interconnected and mutually reinforcing, enabling us to address the complex sustainability challenges and opportunities that we face.

In 2025, the Group strengthened the foundation of its approach by establishing the ESG Unit as a standalone function within the Enterprise Risk Management team aiming to improve coordination and oversight of ESG-related risks and opportunities. This supports our strategic posture, which recognises ESG risks as transverse, adopts an African lens in identifying relevant sustainability themes for the insurance sector, and formalises legacy activities that inherently contribute to sustainable development.

Our strategy for managing sustainability-related risks and opportunities is built around a comprehensive risk assessment and management framework. We assess and review potential E&S risks associated with all underwriting, investment processes, and other internal processes. This enables us to identify, mitigate, and manage sustainability-related risks that could impact our business. In addition to managing risks, we actively seek opportunities to enhance competitiveness, operational efficiency, and stakeholder trust by integrating sustainability insights into our business model.

Aligned with the 2025–2029 strategic cycle of the Group, we also defined priority ESG focus areas that will guide implementation going forward. Social efforts will concentrate on expanding protection for vulnerable groups through inclusive products, fair claims handling, and improved access for underserved Nigerians. Governance priorities will strengthen accountability and transparency, especially in third-party retail and micro-insurance distribution channels. Environmental efforts will focus on monitoring claims exposure for weather-impacted policies and observing the implications of the Climate Act, 2021, on underwriting and investment activities. From 2026, our KPIs will increasingly align with these focus areas to drive measurable improvement.

Through this strategic approach, we aim to strengthen our long-term resilience, enhance stakeholder trust, and contribute positively to the environment and society.

c. Sustainability Performance Report

We are committed to transparency and accountability in our sustainability performance. Below, we report on our progress against key metrics for each of our 5 ESG pillars:

i. **Community & Customer Resilience**

We are dedicated to fostering strong, resilient communities and delivering exceptional customer experiences. We leverage innovation, technology, and digitalisation to drive customer satisfaction and community resilience. Our goal is to promote financial inclusion, maximise value, and strengthen social resilience in the communities where we operate, ultimately building trust and long-term relationships with our customers and stakeholders.

ii. **Workforce Evolution**

At Leadway Insureholdings, we believe that our people are our greatest asset. We are committed to fostering a work environment that promotes growth, development, and well-being. By providing open communication, continuous training, and support, we empower employees across all the subsidiaries to succeed and thrive. Our culture is built on our iSCORE principles, which guide our interactions and decision-making. We recognize and reward our employees in a way that makes them feel valued, encouraging them to become brand ambassadors for our organisation. This commitment to employee development is reflected in our investment in various training programs.

iii. **Governance & Transparency**

Effective governance and transparency are essential for responsible investment management. We recognize the importance of integrating Environmental, Social, and Governance (ESG) factors into our investment decision-making processes to drive long-term sustainability and success. Our approach to ESG integration is designed to enhance risk management, improve decision-making, and contribute to a more sustainable future. Our governance framework ensures that our ESG performance is regularly monitored, reported, and subject to external assurance.

iv. **Innovation for Shared Value**

Embracing innovation is crucial for driving growth, sustainability, and social impact in today's fast-paced business landscape. By fostering a culture of creativity and experimentation, we unlock new opportunities to develop customer-centric solutions and responsible investment options that address pressing societal needs. Through our commitment to innovation, we aim to protect our clients from Environmental, Social, and Governance (ESG) risk factors while driving economic performance and ensuring our long-term competitiveness and sustainability.

v. **Environmental Responsibility**

Leadway Insureholdings is committed to understanding and managing the environmental impacts of our operations. We apply the operational control approach in line with the GHG Protocol Corporate Standard, tracking emissions from assets that we own and manage. The company’s subsidiaries commenced emissions reporting began in 2024 with the measurement of Scope 1 emissions from petrol and diesel consumption and Scope 2 emissions from grid electricity at our Head Office in Iponri, Lagos. In 2025, a key subsidiary of the company, Leadway Assurance Company Limited (LAC) expanded this boundary to include other major company-owned facilities such as Leadway Marble House and the Abuja Office, as well as emissions from all company-owned vehicles across locations. This approach reflects ongoing commitment to monitoring and progressively reducing our operational carbon footprint.

d. Beyond monitoring carbon emissions, LAC also made significant investments in improving its environmental responsibility by expanding renewable energy integration through the introduction of a fleet of twelve (12) electric vehicles.

Conclusion:
As we continue to refine our sustainability performance, we remain committed to strengthening the quality, reliability, and completeness of our data. We will continue to improve our data collection, validation, and reporting processes, supported by enhanced technology solutions that enable more efficient and accurate tracking of our sustainability metrics. We also aim to deepen internal accountability and build the capabilities required across our teams to sustain high-quality disclosures, especially as sustainability reporting becomes both a compliance obligation and a strategic requirement. These ongoing efforts will ensure that our reporting remains credible, decision-useful, and aligned with global standards as our sustainability ambition continues to grow.

11 STATEMENT ON THE BOARD'S LEVEL OF APPLICATION OF THE CORPORATE GOVERNANCE CODE

The Board of Leadway Insureholdings is committed to ensuring compliance with the best practice of Corporate Governance and will continue to improve its effectiveness to ensure that it becomes a leading practice reference in Corporate Governance for others to emulate.

BY ORDER OF THE BOARD

Olumide Hanson
FRC/2019/PRO/NBA/004/00000019064
Company Secretary
121/123 Funsho Williams Avenue
Iponri, Surulere,
Lagos.

18 March, 2026

Summary of Risk Management Framework

Introduction

STATEMENT ON THE COMPANY'S ENVIRONMENTAL, SOCIAL, AND CORPORATE GOVERNANCE (ESG) ACTIVITIES

a. Governance of Sustainability
At Leadway Insureholdings, we recognise that effective governance is essential for integrating sustainability into our business strategy and operations. Our governance framework ensures that sustainability-related risks and opportunities are identified, assessed, and managed in alignment with our corporate objectives. By embedding sustainability into decision-making at both the board and management levels, we reinforce our commitment to long-term value creation for all stakeholders.
Oversight of sustainability matters is the responsibility of the Board Enterprise Risk Management and Technical Committee, which ensures that sustainability is integrated into our enterprise risk management framework. The Committee receives regular updates on sustainability risks and opportunities, enabling the Board to remain informed and engaged in key sustainability issues. Through this oversight, the Board provides strategic direction and ensures that sustainability considerations are factored into our risk management processes, corporate strategy, and major business decisions.

The Group Chief Risk Officer (CRO) plays a pivotal role in managing sustainability-related risks and opportunities. This responsibility includes identifying and assessing risks that may impact the business, developing and implementing strategies to mitigate those risks, and ensuring that opportunities for sustainable growth are maximised. The CRO also leads internal efforts to monitor sustainability initiatives, reporting regularly to the Board Enterprise Risk Management and Technical Committee to ensure transparency and accountability.
To support effective governance, Leadway Insureholdings has established a robust set of policies, controls, and procedures to manage sustainability-related risks and opportunities. These include regular reviews and updates to sustainability policies, periodic reporting to the Board, and an annual review of our sustainability strategy and goals to ensure alignment with emerging trends, regulatory requirements, and stakeholder expectations.
Through this governance structure, Leadway Insureholdings is well-positioned to navigate the evolving sustainability landscape, proactively addressing risks and seizing opportunities that contribute to long-term business resilience and stakeholder value.

b. Our Sustainability Strategy
We acknowledge the critical role that sustainability plays in ensuring the long-term success and resilience of our business. Our sustainability strategy is designed to integrate the assessment of environmental and social (E&S) risks into our existing business decision-making and risk management procedures.
We have identified five key ESG pillars that guide our sustainability efforts: Community & Customer Resilience, Workforce Evolution, Governance & Transparency, Innovation for Shared Value, and Environmental Responsibility. These pillars are interconnected and mutually reinforcing, enabling us to address the complex sustainability challenges that we face.
Our strategy for managing sustainability-related risks and opportunities is built around a comprehensive risk assessment and management framework. We assess and review potential E&S risks associated with all underwriting, investment processes, and other internal processes. This enables us to identify, mitigate, and manage sustainability-related risks that could impact our business. We also recognise the opportunities that sustainability presents. By integrating sustainability into our business model, we can drive innovation, improve efficiency, and enhance our reputation. Our sustainability strategy is designed to capitalise on these opportunities while minimising the risks associated with sustainability.

The sustainability-related risks and opportunities that could reasonably be expected to affect our prospects are wide-ranging. We face risks associated with climate change, regulatory changes, and shifting societal expectations. However, we also see opportunities to drive growth, improve customer engagement, and enhance our competitiveness. Our sustainability strategy is designed to address these risks and opportunities, while ensuring that our business model and value chain are resilient and sustainable.
By integrating sustainability into our business decision-making and risk management procedures, we are confident that we can drive long-term success and resilience while making a positive impact on the environment and society.

c. Sustainability Risk Management

Our approach to managing sustainability-related risks is embedded within our broader enterprise risk management framework. We continuously assess climate-related risks, regulatory developments, and societal expectations that may impact our business. This proactive approach allows us to identify and mitigate potential risks while leveraging emerging opportunities.

Key focus areas include:
- Climate Risk Management: Assessing potential impacts of climate change on our underwriting and investment portfolios and implementing mitigation strategies.
- Regulatory Compliance: Ensuring alignment with local and international sustainability regulations, including IFRS Sustainability Disclosure Standards.
- Stakeholder Engagement: Engaging with customers, employees, regulators, and other stakeholders to align our sustainability efforts with their evolving expectations.
- Innovation and Sustainable Growth: Developing solutions that integrate ESG considerations into insurance products and investment strategies, ensuring long-term business resilience.

d. Forward Looking Sustainability Iniatives

Building on our existing governance and strategy framework, we remain committed to advancing sustainability within our organisation. Our future sustainability initiatives include:
- Conducting a comprehensive materiality assessment to reassess our key ESG priorities.
- Enhancing our sustainability data collection and reporting framework to improve transparency and accountability.
- Strengthening our risk management approach to address emerging sustainability risks, particularly in relation to climate resilience and regulatory changes.
- Leveraging technology and innovation to drive sustainable growth and enhance customer engagement.

Leadway Assurance remains dedicated to embedding sustainability into our business operations, ensuring that we create long-term value for all stakeholders while contributing to a more sustainable and resilient future.

Corporate Governance Changes in Ownership Structure

In 2024, Leadway Assurance obtained the approval of its regulator; the National Insurance Commission (NAICOM) to restructure into an insurance holding company in furtherance of the business optimization strategy the Company.
Subsequent to the approval of NAICOM, shareholders at the Extraordinary General Meeting held on 13th December, 2024 approved the restructure thereby making Leadway Assurance a wholly owned subsidiary of Leadway Insureholdings Limited (a wholly owned subsidiary of Leadway Holdings Limited).

Leadway Insureholdings Limited is an insurance holding company having control of all insurance related entities within the Leadway ecosystem. This move became necessary to further solidify our goal to ensure delivery of optimized value to our Shareholders and other Stakeholders. Leadway Insureholdings Limited is committed to further strengthening the corporate governance practices and oversight at Leadway Assurance.

In 2025, Leadway Insureholdings Limited further strengthened its portfolio through the acquisition of significant controlling interests in Leadway IARD and Leadway VIE, increasing its total number of subsidiaries to three.

Statement of Corporate Responsiblity in relation to the consolidated and separate 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/CEO and Financial Controller, hereby certify the financial statements of Leadway Insureholdings Limited for the year ended 31 December 2025 as follows:

a. That we have reviewed the audited consolidated and separate financial statements of the Group and Company for the year ended 31 December 2025.

b. That the audited consolidated and separate financial statements do not contain any untrue statement of material fact or omit to state a material fact, which would make the statements misleading, in the light of the circumstances under which such statement was made.

c. The audited consolidated and separate financial statements and all other financial information included in the statements fairly present, in all material respects, the financial condition and results of operation of the Group and Company as of and for the year ended 31 December 2025.

d. That we are responsible for establishing and maintaining internal controls and have designed such internal controls to ensure that material information relating to the Group and Company and its subsidiaries is made known to us by other officers of the Company during the year ended 31 December 2025.

e. That we have evaluated the effectiveness of the Group's internal controls within 90 days prior to the date of the audited consolidated and separate financial statements, and certify that the Group internal controls are effective as of that date;

f. 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 actions with regard to significant deficiencies and material weaknesses.

g. We have disclosed to the Group's auditors and Board of directors.

i. there are no significant deficiencies in the design or operation of internal controls which could adversely affect the Group'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

ii. there is any fraud that involves management or other employees who have a significant role in the Group's internal control.

SIGNED ON BEHALF OF THE DIRECTORS BY:

Mr. Tunde Alao-Olaifa
Managing Director
FRC/2025/PRO/ANAN/001/783771
18 March, 2026

Mr. Oluwaseyi Ogundeyi
Financial Controller
FRC/2014/ICAN/0000000692
18 March, 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, Tunde Alao-Olaifa, the Chief Executive Officer, certify that:

(a) I have reviewed the Report on the Effectiveness of Internal Control over Financial Reporting as of 31 December 2025 of Leadway Insureholdings Limited (“the Company”) (and its subsidiaries (together "the Group");

(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 Group’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, and its consolidated subsidiaries, is made known to us by others within those entities, 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 Group’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 Group’s other certifying officer and I have disclosed, based on our most recent evaluation of internal control system, to the Group’s auditor and the audit committee:

1) That there are no significant deficiencies or material weaknesses in the design or operation of the internal control system which are reasonably likely to adversely affect the Group’s ability to record, process, summarize and report financial information; and

2) That there is no fraud, whether or not material, that involves management or other employees who have a significant role in the Group’s internal control system.

(f) The Group’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.

Mr. Tunde Alao-Olaifa
Managing Director
'FRC/2025/PRO/ANAN/001/783771
18 March 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, Oluwaseyi Ogundeyi, the Financial Controller, certify that:

(a) I have reviewed the Report on the Effectiveness of Internal Control over Financial Reporting as of 31 December 2025 of Leadway Insureholdings Limited ("the Company") (and its subsidiaries (together "the Group");

(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 Group'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, and its consolidated subsidiaries, is made known to us by others within those entities, 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 Group'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 Group's other certifying officer and I have disclosed, based on our most recent evaluation of internal control system, to the Group's auditor and the audit committee:

1) That there are no significant deficiencies or material weaknesses in the design or operation of the internal control system which are reasonably likely to adversely affect the Group's ability to record, process, summarize and report financial information; and

2) That there is no fraud, whether or not material, that involves management or other employees who have a significant role in the Group's internal control system.

(f) The Group'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.

Mr. Oluwaseyi Ogundeyi
Financial Controller
FRC/2014/ICAN/0000000692
18 March 2026

Report On The Effectiveness Of Internal Control Over Financial Reporting As Of 31 December 2025

The management of Leadway Insureholdings Limited ("the Company") is responsible for establishing and maintaining adequate internal control over financial reporting as required by the Financial Reporting Council of Nigeria Act 2011 (as amended).

The management of Leadway Insureholdings Limited assessed the effectiveness of internal control over financial reporting of the Company and its subsidiaries (together "the Group") 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 Leadway Insureholdings 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 consolidated and seperate financial statements included in this Annual Report, issued an unmodified conclusion on the effectiveness of the Group'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 appears 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.

Mr. Tunde Alao-Olaifa	**Mr. Oluwaseyi Ogundeyi**
Managing Director	**Financial Controller**
'FRC/2025/PRO/ANAN/001/783771	FRC/2014/ICAN/0000000692
18 March 2026	18 March 2026

KPMG Professional Services
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Independent Auditor's Limited Assurance Report

To the Shareholders of Leadway Insureholdings 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 Leadway Insureholdings Limited ("the Company") and its subsidiaries (together "the Group") 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 Leadway Insureholdings Limited ("the Company") and its subsidiaries (together "the Group") 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 consolidated and separate financial statements of Leadway Insureholdings Limited in accordance with the International Standards on Auditing, and our report dated 19 May 2026 expressed an unmodified opinion of those consolidated and 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 Leadway Insureholdings 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 Report on the Effectiveness of Internal Control over Financial Reporting.

Our responsibility is to express a conclusion on the Group'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 Group'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 skepticism 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.

Akinyemi Ashade, FCA
FRC/PRO/2013/ICAN/004/00000000786
For: KPMG Professional Services
Chartered Accountants
19 May 2026
Lagos, Nigeria

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To the Shareholders of **Leadway Insureholdings Limited**

Report on the Audit of the Consolidated and Separate Financial Statements

Opinion

We have audited the consolidated and separate financial statements of Leadway Insureholdings Limited ("the Company) and its subsidiaries (together, "the Group"), which comprise:

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

In our opinion, the accompanying consolidated and separate financial statements give a true and fair view of the consolidated and separate financial position of the Group and Company and its subsidiaries as at 31 December 2025, and of its consolidated and separate financial performance and consolidated and separate cash flows for the year then ended in accordance with IFRS Accounting Standards and in the manner required by the Companies and Allied Matters Act (CAMA), 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.

Basis for opinion

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

Key audit matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated and separate financial statements of the current period. These matters were addressed in the context of our audit of the consolidated and separate financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

<table>
<tr><th colspan="2">Valuation of Insurance Contract Liabilities
Refer to Note 4 Critical accounting estimates and judgments and Note 16 Insurance contract liabilities.</th></tr>
<tr><th>The Key Audit Matter</th><th>How the matter was addressed in our audit</th></tr>
<tr><td>The Group and Company have significant life and non-life insurance contract liabilities. The valuation of insurance contract liabilities involves high estimation uncertainties and significant judgment over uncertain future outcomes. The measurement of insurance liabilities consists of the Liability for Remaining Coverage (LRC) and the Liability for Incurred Claims (LIC).

The Group and Company use both the Premium Allocation Approach (PAA) and General Measurement Model (GMM) under IFRS 17. The PAA is applied for the measurement of the groups of insurance contracts in the non-life and group life segment while the GMM is applied for the measurement of the groups of insurance contracts in the individual life segment.

The result of the director's assessments regarding the calculation of the liability for incurred claims depends on inputs, the choice of actuarial methods and the precision of the Group's judgment in determining actuarial assumptions. Key assumptions with the greatest impact on the carrying of non-life insurance contracts involve economic assumptions about inputs such as inflation rate, discount rates as well estimated future payments for claims, acquisition cashflows and the risk adjustment for non-financial risk hence the eventual outcome is uncertain.

The key actuarial assumptions used in the valuation of life insurance contract liabilities are judgmental, particularly with respect to the discount rates, lapse and surrender rates, mortality, longevity and morbidity rates, expense, risk adjustment, assets for acquisition cashflows and the amortization of the contractual service margin.

The level of complexity, the assumptions and judgment involved in estimating these amounts make insurance contract liabilities a matter of significance to our audit.</td><td>Our audit procedures included the following:

• We evaluated the design, implementation and operating effectiveness of key controls implemented by the Group and the Company which includes review of data used for the valuation of insurance contract liabilities.

• We evaluated the Group's methodology to determine and allocate expected premium receipts to periods.

• We tested the completeness and accuracy of the data used in determining the assumptions, as well as for the actuarial calculations.

• We assessed the appropriateness of the disclosures in the consolidated and separate financial statements related to the liability for incurred claims associated with the premium allocation approach and the general measurement model, considering the requirements of the relevant accounting standards.

• We engaged our Actuarial specialists to perform the following additional procedures:

o evaluate management's PAA eligibility assessment, accuracy of insurance cohorts and the computation of insurance revenue for selected portfolios for each cohort under PAA and the GMM.

o evaluate 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.

o assess the assumptions used in estimating</td></tr>
</table>

Valuation of Insurance Contract Liabilities Refer to Note 4 Critical accounting estimates and judgments and Note 16 Insurance contract liabilities.	
The Key Audit Matter	***How the matter was addressed in our audit***
	risk adjustments to evaluate whether it is in line with the requirements of the relevant accounting standard and industry practices. ○ assess whether the method/ model for determining future cash flows is in line with the requirements of the relevant accounting standard and standard industry practices.

Other information

The Directors are responsible for the other information. The other information comprises the Corporate information, Director's report, Statement of directors' responsibilities in relation to the consolidated and separate financial statements, Corporate governance report, Statement on the Board's level of application of the corporate governance code, Summary of risk management framework, Statement of corporate responsibility, **Audit Committee report,** Management certification of Internal Control over Financial reporting, Report on the effectiveness of Internal control over financial reporting, and Other national disclosures, but does not include the consolidated and separate financial statements and our auditor's report thereon.

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

In connection with our audit of the consolidated and separate financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the consolidated and separate financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of the Directors for the Consolidated and Separate Financial Statements

The Directors are responsible for the preparation of consolidated and separate financial statements that give a true and fair view in accordance with IFRS Accounting Standards and in the manner required by the Companies and Allied Matters Act (CAMA), 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, 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 consolidated and separate financial statements, the directors are responsible for assessing the Group and company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the Group and Company or to cease operations, or have no realistic alternative but to do so.

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

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

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

- Identify and assess the risks of material misstatement of the consolidated and separate financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group and Company's internal control.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.

- Conclude on the appropriateness of the directors' use of the going concern basis of accounting and based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group and Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated and separate financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group and Company to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the consolidated and separate financial statements, including the disclosures, and whether the consolidated and separate financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

- Plan and perform the group audit to obtain sufficient appropriate audit evidence, regarding the financial information of the entities or business units within the group, as a basis for forming an opinion on the group financial statements. We are responsible for the direction, supervision and review of the audit work performed for the purposes of the group audit. We remain solely responsible for our audit opinion.

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

Report on other legal and regulatory requirements

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.

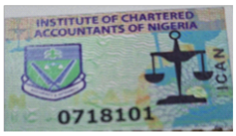
iii. The Company’s statement of financial position and statement of profit or loss and other comprehensive income are in agreement with the books of account.

Penalties

The Company did not pay any penalty in respect of contravention of the National Insurance Commission Guidelines and Circulars during the year ended 31 December 2025 (2024: Nil).

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 Group’s internal control over financial reporting as of 31 December 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 19 May 2026. That report is included in the annual report.



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

Company information and material accounting policies

1 General information

Leadway Insureholdings Limited is a company incorporated and domiciled in Nigeria. The address of its registered office is Constitution Road, Kaduna, Kaduna-North, Kaduna State, Nigeria. The Company was incorporated as a private limited liability company in December 2023 and is licensed by the National Insurance Commission to operate an insurance holding company.

The Company is principally engaged to undertake and carry on business as an investment company, invest in risk companies and acquire and hold shares, stocks, debentures, bonds, obligations or securities of companies or partnership firms of body corporates as may be approved by the board of the Company in Nigeria or any country or place outside Nigeria.

At 31 December 2025, the company holds 99.99% shareholding in Leadway Assurance Company Limited, 56% direct equity interest in Leadway IARD and 100% ownership of VIE limited as at 31 December, 2025. Leadway VIE Limited also holds 29.99% equity interest in Leadway IARD. Consequently, the Company's effective interest in Leadway IARD is 85.99%, comprising both direct and indirect holdings. VIE Limited and IARD are life and general insurance companies, respectively, based in Côte d'Ivoire (Ivory Coast).

The consolidated and separate financial statements of the Group for the for the year ended 31 December 2025 comprise the Company and its subsidiary (together referred to as the "Group" and individually as" Group entities"). These financial statements were authorised for issue by the directors on the 18th of March 2026.

1.1 *Basis of preparation*

These consolidated and separate financial statements have been prepared in accordance with IFRS Accounting Standards issued by the International Accounting Standards Board (IFRS Accounting Standards) and and and in a manner required by the Companies and Allied Matters Act, 2020, the Financial Reporting Council of Nigeria Act 2011 (as amended) and the Nigerian Insurance Industry Reform Act and relevant National Insurance Commission of Nigeria ("NAICOM") circulars.
The consolidated and separate financial statements have been prepared under the historical cost convention except for the following:
i. Financial instruments at fair value through profit or loss

ii. Fair value through other comprehensive income

iii. Investment properties measured at fair value

iv. Revaluation of land and buildings measured at fair value

v. Insurance liabilities measured at fair value of estimated future cashflows

Use of estimates : The preparation of consolidated and separate financial statements in conformity with IFRS requires the use of certain critical accounting estimates. The estimates and underlying assumptions are reviewed on an ongoing basis. Revision to estimates are recognised prospectively. The areas where assumptions and estimates are significant to the preparation of the consolidated and separate financial statements are disclosed in note 4.

Use of judgements : In preparation of financial statements, management is expected to exercise its judgement in the process of applying the group's accounting policies and the reported amount of assets, liabilties, income & expenses, actual results may differ from these estimates. The areas involving a high degree of judgement or complexity that are significant to the consolidated and separate financial statements are disclosed in note 4.

Functional currency & presentation currency: The consolidated and separate financial statements are presented in Nigerian currency (Naira) which is the company's functional currency. Except otherwise indicated, financial information presented in Naira have been rounded to the nearest (N '000).

1.2 New standards and interpretations not yet effective

The following new or revised standards and amendments which have a potential impact on the Group are not yet effective for the year ended 31 December 2025 and have not been applied in preparing these consolidated and separate financial statements. The Group also plans to apply all the standards and amendments disclosed below once they are applicable. However, the Group's assessments of the new standards and amendments is not yet concluded but is expected to have no significant impact on our Group operations and financial position.

Company information and material accounting policies

IFRS	Key Requirements	Possible impact on consolidated and separate financial statements
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 amendment is not expected to have a significant impact on the annual financial statements. The Board of Directors assessment is ongoing.
IFRS 18 Presentation and Disclosures in Financial Statement	Under current IFRS Accounting Standards, companies use different formats to present their results, making it difficult for investors to compare financial performance across companies. IFRS 18 promotes a more structured income statement, as set out below. In particular, it introduces a newly defined 'operating profit' subtotal and a requirement for all income and expenses to be classified into three new distinct categories based on a company's main business activities. The Standard is effective as from 1 January 2027	The amendment is not expected to have a significant impact on the annual financial statements. The Board of Directors assessment is ongoing.
Amendments to IFRS 10 and IAS 28 - Sale or Contribution of Assets between an Investor and its Associate or Joint Venture	The amendments require the full gain to be recognised when assets transferred between an investor and its associate or joint venture meet the definition of a 'business' under IFRS 3 Business Combinations. Where the assets transferred do not meet the definition of a business, a partial gain to the extent of unrelated investors' interests in the associate or joint venture is recognised. The definition of a business is key to determining the extent of the gain to be recognised. W hen a parent loses control of a subsidiary in a transaction with an associate or joint venture (JV), there is a conflict between the existing guidance on consolidation and equity accounting. Under the consolidation standard, the parent recognises the full gain on the loss of control. But under the standard on associates and JVs, the parent recognises the gain only to the extent of unrelated investors' interests in the associate or JV. In either case, the loss is recognised in full if the underlying assets are impaired.The IASB has decided to defer the effective date for these amendments indefinitely.	The amendment is not expected to have a significant impact on the annual financial statements. The Board of Directors assessment is ongoing.

The above-mentioned amendments does not have any material impact on the Company. There are no other IFRSs or IFRIC interpretations that are not yet effective that would be expected to have a material impact on the Company.

2 Material Accounting Policies

The Group has consistently applied the following accounting policies to all periods presented in these consolidated and separate financial statements, unless mentioned otherwise.

2.1 Cash and cash equivalents

Cash and cash equivalents include cash in hand, bank and call deposits and other short-term highly liquid investments with original maturities of three months or less, which are subject to insignificant risk of changes in their fair value and used by the Group to manage its short term commitments. Cash and cash equivalents are measured at amortised cost in the statement of financial position.

2.2 Financial Instruments

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity. The Group applied the classification and measurement requirements for financial instruments under IFRS 9 'Financial Instruments' which includes three principal classification categories for financial assets: measured at amortised cost, fair value through other comprehensive income (FVOCI) and fair value through profit or loss (FVTPL).

The classification of financial assets under IFRS 9 is generally based on the business model in which a financial asset is managed and its contractual cash flow characteristics. IFRS 9 eliminates the previous IAS 39 categories of held-to-maturity investments, loans and receivables, and available-for-sale financial assets. Under IFRS 9, derivatives embedded in contracts where the host is a financial asset in the scope of IFRS 9 are not separated. Instead, the hybrid financial instrument as a whole is assessed for classification. IFRS 9 has not had a significant effect on the Group's accounting policies for financial liabilities.

2.2.1 i. Classification of financial instruments

Classification

i. Recognition and initial measurement

The Group recognises and classifies its financial assets under IFRS 9, into the following measurement categories:

- those to be measured at fair value through other comprehensive income (FVOCI) (either with or without recycling),
- those to be measured at fair value through profit or loss (FVTPL); and
- those to be measured at amortised cost.

The classification depends on the Group's business model (i.e. business model test) for managing financial assets and the contractual terms of the financial assets cash flows (i.e. solely payments of principal and interest – SPPI test).

The Company also classifies its financial liabilities as liabilities at fair value through profit or loss and liabilities at amortised cost. Management determines the classification of the financial instruments at initial recognition.

Business model assessment

The business model reflects how the Group manages assets in order to generate cash flows. That is, it reflects whether the Group's objective is solely to collect the contractual cash flows from assets or to collect both the contractual cash flows and cash flows arising from the sale of assets. If neither of these is applicable (for example, financial assets are held for trading purposes), the financial assets are classified as part of the other business model and measured at FVTPL. Factors considered by the Group in determining the business model for a group of assets include past experience on how the cash flows for these assets were collected, how the assets performance is evaluated and reported to key management personnel, how risks are assessed and managed, and how managers are compensated.

The Group's business model for the investments underlying direct participating contracts is to hold to collect and sell contractual cash flows. The proceeds from the contractual cash flows of the financial assets are used to settle insurance contract liabilities as they become due. To ensure that the contractual cash flows from the financial assets are sufficient to settle those liabilities, the Group undertakes significant buying and selling activity on a regular basis, to rebalance its portfolio of assets and to meet cash flow needs as they arise. Securities held for trading are held principally for the purpose of selling in the near term or are part of a portfolio of financial instruments that are managed together and for which there is evidence of a recent actual pattern of short-term profit-taking. These securities are classified in the other business model and measured at FVTPL.

The business model is to hold assets to collect contractual cash flows or to collect contractual cash flows and sell, the Group assesses whether the financial instruments' cash flows represent SPPI (the SPPI test). In making this assessment, the Group considers whether the contractual cash flows are consistent with a basic lending arrangement (that is, interest includes only consideration for the time value of money, credit risk, other basic lending risks and a profit margin that is consistent with a basic lending arrangement). Where the contractual terms introduce exposure to risk or volatility that is inconsistent with a basic lending arrangement, the related financial asset is classified and measured at FVTPL. Financial assets with embedded derivatives are considered in their entirety when determining whether their cash flows are SPPI. The Group reclassifies debt investments only when its business model for managing those assets changes. The reclassification takes place from the start of the first reporting period following the change. Such changes are expected to be very infrequent, and none occurred during the period.

The Group might also irrevocably designate financial assets at FVTPL if doing so significantly reduces or eliminates a mismatch created by assets and liabilities being measured on different bases. The Group has determined that an accounting mismatch is reduced if financial assets backing insurance contracts in the Life Risk, Savings (except for underlying assets) and Property and Casualty product lines are measured at FVTPL. For these instruments, the Group has applied the option to designate these financial assets at FVTPL Financial assets that are held for trading or managed and whose performance is evaluated on a fair value basis are measured at FVTPL because they are neither held to collect contractual cash flows nor held both to collect contractual cash flows and to sell financial assets.

The business model assessment is based on reasonably expected scenarios without taking 'performing' or 'watchlist' or "non-performing" scenarios into account. If cash flows after initial recognition are realised in a way that is different from the Group's original expectations, the Group does not change the classification of the remaining financial assets held in that business model, but incorporates such information when assessing newly originated or newly purchased financial assets going forward.

Assessment whether contractual cash flows are solely payments of principal and interest
The most significant elements of interest within a lending arrangement are typically the consideration for the time value of money and credit risk. To make the SPPI assessment, the Group applies judgement and considers relevant factors such as the currency in which the financial asset is denominated, and the year for which the interest rate is set. In contrast, contractual terms that introduce a more than de minimis exposure to risks or volatility in the contractual cash flows that are unrelated to a basic lending arrangement do not give rise to contractual cash flows that are solely payments of principal and interest on the principal amount outstanding. In such cases, the financial asset is required to be measured at FVTPL. In assessing whether the contractual cash flows are solely payments of principal and interest, the Group considers the contractual terms of the instrument. This includes assessing whether the financial asset contains a contractual term that could change the timing or amount of contractual cash flows such that it would not meet this condition. In making the assessment, the Group considers:

* Contingent events that would change the amount and timing of cash flows;
* Leverage features;
* Prepayment and extension terms; terms that limit the Group's claim to cash flows from specified assets (e.g. non-recourse asset features); and Financial assets with embedded derivatives are considered in their entirety when determining whether their cash flows are solely payment of principal and interest.

A financial liability is classified at fair value through profit or loss if it is classified as held-for-trading or designated as such on initial recognition. Directly attributable transaction costs on these instruments are recognised in profit or loss as incurred. Financial liabilities at fair value through profit or loss are measured at fair value and changes therein, including any interest expense, are recognised in profit or loss. Other non-derivative financial liabilities are initially measured at fair value less any directly attributable transaction costs.

Reclassifications
Financial assets are not reclassified subsequent to their initial recognition, except in the year after the Group changes its business model for managing financial assets that are debt instruments. A change in the objective of the Group's business occurs only when the Group either begins or ceases to perform an activity that is significant to its operations (e.g., via acquisition or disposal of a business line).
The following are not considered to be changes in the business model:

* A change in intention related to particular financial assets (even in circumstances of significant changes in market conditions)
* A temporary disappearance of a particular market for financial assets
* A transfer of financial assets between parts of the entity with different business models.

When reclassification occurs, the Group reclassifies all affected financial assets in accordance with the new business model. Reclassification is applied prospectively from the 'reclassification date'. Reclassification date is 'the first day of the first reporting year following the change in business model. Gains, losses or interest previously recognized are not restated when reclassification occurs.

2.2.2 Subsequent measurements

The subsequent measurement of financial assets depends on its initial classification:

Debt instuments - amortized cost

A financial asset is measured at amortized cost if it meets both of the following conditions and is not designated as at FVTPL:

* The asset is held within a business model whose objective is to hold assets to collect contractual cash flows; and
* 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 gain or loss on a debt securities that is subsequently measured at amortized cost and is not part of a hedging relationship is recognized in profit or loss when the asset is derecognized or impaired. Interest income from these financial assets is determined using the effective interest method and reported in profit or loss as 'Investment income'. The amortized cost of a financial instrument is the amount at which it was measured at initial recognition, minus principal repayments, plus or minus the cumulative amortization using the effective interest method of any difference between the initial amount recognized and the maturity amount, minus any loss allowance.

The effective interest method is a method of calculating the amortised cost of a financial instrument (or group of instruments) and of allocating the interest income or expense over the relevant year. The effective interest rate is the rate that exactly discounts estimated future cash payments or receipts over the expected life of the instrument or, when appropriate, a shorter year, to the instrument's gross carrying amount.

Debt instuments - Fair value through other comprehensive income (FVOCI)

Investment in debt instrument is measured at FVOCI only if it meets both of the following conditions and is not designated as at FVTPL:

•the asset is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets; and 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 debt instrument is subsequently measured at fair value. Gains and losses arising from changes in fair value are included in other comprehensive income (OCI) and accumulated in a separate component of equity. Impairment gains or losses, interest revenue and foreign exchange gains and losses are recognized in profit or loss. Upon disposal or derecognition, the cumulative gain or loss previously recognized in OCI is reclassified from equity to profit or loss and recognized as realized gain or loss. Interest income from these financial assets is determined using the effective interest method and recognized in profit or loss as investment income. The treatment for equity instrument at FVTOCI.

Debt instuments - Fair value through profit or loss (FVTPL)

Financial assets that do not meet the criteria for amortized cost or FVOCI are measured at fair value through profit or loss. The gain or loss arising from changes in fair value of a debt securities that is subsequently measured at fair value through profit or loss and is not part of a hedging relationship is included directly in the profit or loss and reported as 'Net fair value gain/loss' in the year in which it arises. Interest income from these financial assets is recognized in profit or loss as investment income.

Equity instruments

Based on the irrevocable election made at initial recognition, where equity instruments are measured at FVOCI, the Group present subsequent changes in fair value in OCI. This election is made on an investment-by-investment basis. Where the Group's management has elected to present fair value gains and losses on equity investments in other comprehensive income, there is no subsequent reclassification of fair value gains and losses to profit or loss. Dividends from such investments continue to be recognised in profit or loss when the Group's right to receive payments is established unless the dividend clearly represents a recovery of part of the cost of the investment. Changes in the fair value of financial assets at fair value through profit or loss are recognised in 'Net fair value gain/loss in the profit or loss**.** The Group chooses to apply the FVOCI option for equity instruments that are classified as FVOCI.

For equity instruments recognised at FVTPL, the fair value changes are recognised in profit or loss.

2.2.3 Financial liabilities

The Group classifies its financial liabilities, other than financial guarantees and loan commitments, as measured at amortized cost or fair value through profit and loss

Investment contracts

Investment contracts are those contracts that transfer financial risk with no significant insurance risk.
Investment contracts with guaranteed and fixed terms are initially measured at fair value less transaction cost that are incremental and directly attributable to the acquisition or issue of the contract.

The Group re-estimates at each reporting date the expected future cashflows and recalculate the carrying amount of the financial laibility by calculating the present value of estimated future cashflows using the financial liability's original effective interest rate. Any adjustment is immediately recoginsed as income or expense in the statement of comprehensive income.

Trade and Other Payables

Trade and other payables are recognised initially at fair value and subsequently measured at amortised cost using the effective interest method. The fair value of a non-interest bearing liability is its discounted repayment amount. If the due date of the liability is less than one year, discounting is omitted and the payable stated at the invoice amount.

2.2.4 Impairment of financial assets

(i) **Overview of the Expected Credit Losses (ECL) principles**

The Group recognizes loss allowances for ECL on the following financial instruments that are not measured at FVTPL:
•Financial assets that are debt instruments measured at amortized cost and FVOCI
In this section, the instruments mentioned above are all referred to as 'financial instruments' or 'assets'. Equity instruments are not subject to impairment under IFRS 9. The ECL allowance is based on the credit losses expected to arise over the life of the asset (the lifetime expected credit loss or LT ECL), unless there has been no significant increase in credit risk since origination, in which case, the allowance is based on the 12 months' expected credit loss. Loss allowances for account receivable are always measured at an amount equal to lifetime ECL. The Group has established a policy to perform an assessment, at the end of each reporting year, of whether a financial instrument's credit risk has increased significantly since initial recognition, by considering the change in the risk of default occurring over the remaining life of the financial instrument.

Based on the above process, the Group groups its financial instruments into Stage 1, Stage 2, and Stage 3 as described below:
•Stage 1: When financial assets are first recognised, the Company recognises an allowance based on 12 month ECLs. Stage 1 asset also include facilities where the credit risk has improved and the asset has been reclassified from Stage 2.
•Stage 2: When a financial asset has shown a significant increase in credit risk since origination, the Company records an allowance for the LT ECLs. Stage 2 asset also include facilities, where the credit risk has improved and the asset has been reclassified from Stage 3.
•Stage 3: Financial assets considered credit-impaired. The Company records an allowance for the LT ECLs. If, in a subsequent year, credit quality improves and reverses any previously assessed significant increase in credit risk since origination, depending on the stage of the lifetime – stage 2 or stage 3 of the ECL bucket, the Group would continue to monitor such financial assets for a probationary year of 90 days to confirm if the risk of default has decreased sufficiently before upgrading such exposure from Lifetime ECL (Stage 2) to 12-months ECL (Stage 1).

In addition to the 90 days probationary year above, the Group also observes a further probationary year of 90 days to upgrade from Stage 3 to 2. For financial assets for which the Group has no reasonable expectations of recovering either the entire outstanding amount, or a proportion thereof, the gross carrying amount of the financial asset is reduced. This is considered a (partial) derecognition of the financial asset.

(ii) **Impairment of financial assets**

The Group considers a financial asset to be in default when:

-The counterparty is unlikely to pay its credit obligations (e.g., based on market information).
-The counterparty fails to meet its obligation, being 90 days past due.

In assessing default, the Group uses the following indicators:
1. Primary Indicators:
Significant downgrades in external or internal credit ratings since initial recognition:
Downgrade of two notches or more within the investment grade category.
Downgrade from investment grade to non-investment grade.
Downgrade within non-investment grade categories.

2.Secondary Indicators:
Qualitative factors: Indicators of financial distress or breaches of covenants.
Quantitative factors: Overdue status and non-payment of another obligation by the same issuer to the Group.
3. Backstop Indicators:
Days past due:
-Stage 1: 30 days or less past due.
-Stage 2: More than 30 days but less than 90 days past due.
-Stage 3: 90 days or more past due.
The Group defines the maximum period for estimating expected credit losses (ECL) as the maximum exposure period to credit risk. A financial asset is assumed not to have significantly increased in credit risk since initial recognition if it has low credit risk at the reporting date, which is equivalent to investment grade.

As a backstop, the Group considers SICR to occur no later than when an asset is more than 30 days past due, determined without considering any grace periods that might be available to the borrower.

(ii) **The calculation of ECLs**
The Group calculates ECLs based on a three probability-weighted scenarios to measure the expected cash shortfalls, discounted at an approximation to the EIR. A cash shortfall is the difference between the cash flows that are due to an entity in accordance with the contract and the cash flows that the entity expects to receive.
The mechanics of the ECL calculations are outlined below and the key elements are as follows:
•PD: The Probability of Default is an estimate of the likelihood of default over a given time horizon. A default may only happen at a certain time over the assessed year, if the facility has not been previously derecognised and is still in the portfolio.
•EAD: The Exposure at Default is an estimate of the exposure at a future default date, taking into account expected changes in the exposure after the reporting date, including repayments of principal and interest, whether scheduled by contract or otherwise, expected drawdowns on committed facilities, and accrued interest from missed payments.
•LGD: The Loss Given Default is an estimate of the loss arising in the case where a default occurs at a given time.

It is based on the difference between the contractual cash flows due and those that the lender would expect to receive, including from the realisation of any collateral. It is usually expressed as a percentage of the EAD.
When estimating Expected Credit Losses (ECLs), the Group considers three scenarios: base case, optimistic, and downturn. Each scenario is associated with different Probability of Default (PD), Exposure at Default (EAD), and Loss Given Default (LGD) estimates. When relevant, the assessment of multiple scenarios also includes expectations regarding the recovery of defaulted assets, considering the probability of asset cure and the value of collateral or proceeds from asset sales. Impairment losses and releases are accounted for separately from modification losses or gains, which are adjustments to the financial asset's gross carrying value.

Stage 1: The 12-month ECL is calculated as the portion of Lifetime ECLs representing defaults that could occur within the 12 months following the reporting date. The Group calculates the 12-month ECL allowance based on the expected probability of default within the next 12 months. These default probabilities are applied to a forecast EAD, multiplied by the expected LGD, and discounted using an approximation to the original Effective Interest Rate (EIR). This calculation is performed for each of the three scenarios mentioned above.

Stage 2: When a financial asset has experienced a significant increase in credit risk since origination, the Group records an allowance for the lifetime ECLs. The methodology is similar to Stage 1, including the use of multiple scenarios, but the PD and LGD are estimated over the remaining life of the asset. Expected cash shortfalls are discounted using an approximation to the original EIR.

Stage 3: For credit-impaired assets, the Group recognizes the lifetime ECLs. The method is similar to that used for Stage 2 assets, with the PD set to 100%.

2.2.5 Debt instruments measured at fair value through OCI

The ECLs for debt instruments measured at FVOCI do not reduce the carrying amount of these financial assets in the statement of financial position, which remains at fair value. Instead, an amount equal to the allowance that would arise if the assets were measured at amortised cost is recognised in OCI as an accumulated impairment amount, with a corresponding charge to profit or loss. The accumulated loss recognised in OCI is recycled to the profit and loss upon derecognition of the assets.

2.2.6 **Forward-looking information**

In its ECL models, the Group relies on a broad range of forward-looking information as economic inputs, such as:

*GDP growth
*Inflation rates
The inputs and models used for calculating ECLs may not always capture all characteristics of the market at the date of the financial statements. To reflect this, qualitative adjustments or overlays are occasionally made as temporary adjustments when such differences are significantly material.

2.2.7 **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 market 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.

If a market for a financial instrument is not active, then the Company establishes fair value using a valuation technique. The chosen valuation technique makes maximum use of market inputs, relies as little as possible on estimates specific to the Company, incorporates all factors that market participants would consider in setting a price and is consistent with accepted economic methodologies for pricing financial instruments.

The best evidence of the fair value of a financial instrument at initial recognition is the transaction price – i.e. the fair value of the consideration given or received. However, in some cases the initial estimate of fair value of a financial instrument on initial recognition may be different from its transaction price. If this estimated fair value is evidenced by comparison with other observable current market transactions in the same instrument (without modification or repackaging) or based on a valuation technique whose variables include only data from observable markets, then the difference is recognised in profit or loss on initial recognition of the instrument. In other cases, the fair value at initial recognition is considered to be the transaction price and the difference is not recognised in profit or loss immediately but is recognised over the life of the instrument on an appropriate basis or when the instrument is redeemed, transferred or sold, or the fair value becomes observable.

Fair value of fixed income liabilities is not less than the amount payable on demand, discounted from the first date on which the amount could be required to be paid.

2.2.8 **Derecognition of financial assets and liabilities**

Derecognition of financial assets:
The Group derecognises a financial asset when the contractual rights to the cash flows from the financial asset expire, or when it transfers the financial asset in a transaction in which substantially all the risks and rewards of ownership of the financial asset are transferred or in which the Group neither transfers nor retains substantially all the risks and rewards of ownership and it does not retain control of the financial asset. Any interest in such derecognised asset financial asset that is created or retained by the Group is recognised as a separate asset or liability. On derecognition of a financial asset, the difference between the carrying amount of the asset (or the carrying amount allocated to the portion of the asset transferred), and consideration received (including any new asset obtained less any new liability assumed) is recognised in profit or loss.

Derecognition of financial liabilities:
The Group derecognises financial liabilities when, and only when its contractual obligations are discharged or cancelled, or expired. When an existing financial liability is replaced by another from the same lender on substantially different terms or the terms of an existing liability are substantially modified, such an exchange or modification is treated as a derecognition of the original liability and the recognition of a new liability, and the difference in the respective carrying amounts is recognized in profit or loss.

2.2.9 **Write off**

The Group writes off a financial asset (and any related allowances for impairment losses) when the Group determines that the assets are uncollectible. Financial assets are written off either partially or in their entirety. This determination is reached after considering information such as the occurrence of significant changes in the borrower/issuer's financial position such that the borrower/issuer can no longer pay the obligation, or that proceeds from collateral will not be sufficient to pay back the entire exposure. If the amount to be written off is greater than the accumulated loss allowance, the difference is first treated as an addition to the allowance that is then applied against the gross carrying amount. Any subsequent recoveries are credited to impairment loss on financial assets. However, financial assets that are written off could still be subject to enforcement activities in order to comply with the Group's procedures for recovery of amount due.

Company information and material accounting policies

2.2.10 Offsetting financial instruments

Financial assets and liabilities are set off and the net amount presented in the statement of financial position when, and only when, there is a legally enforceable right to set off the recognized amounts and intends either to settle on a net basis or to realise the asset and settle the liability simultaneously.

2.3 Basis of consolidation

(i) ***Subsidiaries***

Subsidiaries are entities (including structured entities) over which the group has control. The group controls an entity when the group is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity. Subsidiaries are fully consolidated from the date on which control is transferred to the group. They are deconsolidated from the date that control ceases. Subsidiaries are investees controlled by the Group. The Group controls an investee when it is exposed to, or has rights to, variable returns from its involvement with the investee and has the ability to affect those returns through its power over the investee. The financial statements of subsidiaries are included in the consolidated and separate financial statement from the date on which control commences until the date on which control ceases. The financial statements of subsidiaries are consolidated from the date the Group acquires control, up to the date that such effective control ceases. Changes in the Group's interest in a subsidiary that do not result in a loss of control are accounted for as equity transactions (transactions with owners). Any difference between the amount by which the non-controlling interest is adjusted and the fair value of the consideration paid or received is recognised directly in equity and attributed to the Group.

The financial statements have been prepared using uniform accounting policies for like transactions and other events in similar circumstances. Investments in subsidiary companies are carried at cost less any accumulated impairment losses in the Company's separate financial statements.

(ii)

Business Combination

The Group applies the acquistion method to account for Business Combinations and acquisition-related costs are expensed as incurred.

The consideration transferred in the acquisition is generally measured at fair value as are the identifiable net assets acquired.

If the business combination is achieved in stages, fair value of the acquirer's previously held equity interest in the acquiree is re-measured to fair value at the acquisition date through profit or loss.

Any contingent consideration to be transferred by the Group is recognised at fair value at the acquisition date. Subsequent changes to the fair value of the contingent consideration that is deemed to be an asset or liability is recognised in compliance with IFRS 9 either in profit or loss or as a change to other comprehensive income. Contingent consideration that is classified as equity is not re-measured, and

its subsequent settlement is accounted for within equity.

Goodwill is initially measured as the excess of the aggregate of the consideration transferred and the fair value of non- controlling interest over the net identifiable assets acquired and liabilities assumed. If this consideration is lower than the fair value of the net assets of the subsidiary acquired, the difference is recognised in profit or loss.

(iii) ***Changes in ownership interests in subsidiaries without change of control***

Transactions with non-controlling interests that do not result in loss of control are accounted for as equity transactions – that is, as transactions with the owners in their capacity as owners. The difference between fair value of any consideration paid and the relevant share acquired of the carrying value of net assets of the subsidiary is recorded in equity. Gains or losses on disposals to non-controlling interests are also recorded in equity.

(iv) ***Disposal of subsidiaries***

When the group ceases to have control, it derecognises the assets and liabilities of the subsidiary, any related NCI and other components of equity. Any resulting gain or loss is recognised in statement of profit or loss, any retained interest in the entity is remeasured to its fair value at the date when control is lost, with the change in carrying amount recognised in statement of comprehensive income. The fair value is the initial carrying amount for the purposes of subsequently accounting for the retained interest as an associate, joint venture or financial asset. In addition, any amount previously recognised in other comprehensive income in respect of that entity is accounted for as if the group had directly disposed of the related assets or liabilities. This may mean that amounts previously recognised in other comprehensive income are reclassified to statement of comprehensive income.

2.4 Foreign currency translation

Transactions and balances

Foreign currency transactions are translated into the respective functional currency of the Group entities using the exchange rates prevailing at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at year-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in the statement of comprehensive income.

Monetary assets and liabilities denominated in foreign currencies are translated into the functional currency at the exchange rate at the reporting date. Non-monetary assets and liabilities that are measured at fair value in a foreign currency are translated into the functional currency at the exchange rate on the date when the fair value was determined. Non-monetary assets that are measured based on historcial cost in a foreign currency are translated at the exchange rate on the date of the transaction.

Foreign exchange gains and losses that relate to borrowings are presented in the statement of comprehensive income within ‘finance

Changes in the fair value of debt securities denominated in foreign currency and classified as available for sale are analysed between translation differences resulting from changes in the fair value of the security, and translation differences arising from changes in amortised cost. Translation differences related to changes in amortised cost are recognised in statement of comprehensive income while translation related to changes in fair value are recognised in other comprehensive income.

Translation differences on non-monetary financial assets and liabilities held at fair value through statement of comprehensive income are reported as part of the fair value gain or loss. Translation differences on non-monetary financial assets such as equities classified as available-for-sale financial assets are included in ‘other comprehensive income’. except on impairment, in which case foreign currency differences that have been recognised in OCI are reclassified to profit or loss.

The assets and liabilities of foreign operations including goodwill and fair value adjustments arising on acquisition are translated at the exchange rate on the reporting date. The income and expenses of foreign operations are translated at the exchange rate at the dates of transactions.
Foreign currency differences on foreign operations are recognised in OCI and accumulated in the translation reserve, except to the extent that the translation difference is allocated to NCI.

2.5 Investment contracts

Investment contracts are those contracts that transfer financial risks with no significant insurance risk. Financial risk is the risk of a possible future change in one or more of a specified interest rate, security price, commodity price, foreign exchange rate, index of prices or rates, credit rating or credit index or other variable, provided in the case of a non-financial variable that the variable is not specific to a party to the contract.
The Group enters into investment contracts with guarantee returns and other busine ses of savings nature. Those contracts are termed investment contract liabilities and are initially measured at fair value and subsequently at amortised cost.

2.6 Investment property

Investment property comprises investment in land or buildings held primarily to earn rentals or capital appreciation or both.

The Group's investment property is initially recognized at cost including transaction costs. The carrying amount includes the cost of replacing part of an existing investment property at the time that cost is incurred if the recognition criteria are met; and excludes cost of day to day servicing of an investment property. An investment property is subsequently measured at fair value with any change therein recognised in statement of profit or loss. Fair values are determined individually, on a basis appropriate to the purpose for which the property is intended and with regard to recent market transactions for similar properties in the same location.

Fair values are reviewed annually by independent valuer, holding a recognized and relevant professional qualification and with relevant experience in the location and category of investment property being valued.

Subsequent expenditure on investment property is capitalized only if future economic benefit will flow to the Group; otherwise they are expensed as incurred.

Investment properties are disclosed separate from the Property and equipment used for the purposes of the business.

Company information and material accounting policies

The Group separately accounts for a dual purpose property as investment property if it occupies only an insignificant portion. Otherwise, the portion occupied by the Group is treated as property and equipment.
Any gain or loss or loss on disposal of investment property (calculated as the difference between the net proceeds from disposal and the carrying amount of the item) is recognised in statement of comprehensive income. When investment property that was previously classified as property, plant and equipment is sold, any related amount included in the revaluation reserve is transferred to retained earnings.

2.7 Statutory deposit

These deposits represent bank balances required by the insurance regulators of the Group to be placed with relevant central banks of Group's operating jurisdictions. These deposits are stated at cost. Interest on statutory deposits is recognized as earned in other receivables and the corresponding amount is recognised in statement of comprehensive income within investment income.

2.8 Intangible assets

(i) *Goodwill*

Goodwill that arises upon the acquisition of subsidiaries is included in intangible assets. Subsequent to initial recognition, goodwill is measured at cost less accumulated impairment losses. Goodwill has an indefinite useful life and it is tested annually for impairment.

Goodwill is allocated to cash-generating units or groups of cash-generating units for the purpose of impairment testing. The allocation is made to those cash-generating units or groups of cash-generating units that are expected to benefit from the business combination in which the goodwill arose identified in accordance with IFRS 3.

Goodwill has an indefinite useful life and is tested annually as well as whenever a trigger event has been observed for impairment by comparing the present value of the expected future cash flows from a cash generating unit with the carrying value of its net assets, including attributable goodwill and carried at cost less accumulated impairment losses. Impairment losses on goodwill are not reversed. Gains and losses on the disposal of an entity include the carrying amount of goodwill relating to the entity sold.

(ii) *Purchased software*

Recognition of software acquired is only allowed if it is probable that future economic benefits to this intangible asset are attributable and will flow to the Group.

Subsequent expenditure on software assets is capitalised only when it increases the future economic benefits embodied in the specific asset to which it relates. All other expenditure is expensed as incurred. Amortisation is recognised in statement of comprehensive income on a straight-line basis over the estimated useful life of the software, from the date that it is available for use. The estimated useful life of software is three years subject to annual reassessment.

(iii) De-recognition of software

The carrying amount of an item of software shall be derecognised on disposal when no future economic benefits are expected from its use or disposal. Gains and losses on disposal of assets are determined by comparing proceeds with their carrying amounts and are recognized in the statement of comprehensive income in the year of de-recognition.

2.9 Property and equipment

Recognition & measurement

Property and equipment comprise land and buildings and other properties owned by the Group.

Items of Property and equipment are carried at cost less accumulated depreciation and impairment losses except for land and building which is carried at revalued amount. Cost includes expenditure that is directly attributable to the acquisition of the asset.

Subsequent costs

Subsequent costs are included in the asset’s carrying amount or recognized as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Group and the cost of the item can be measured reliably. All other repairs and maintenance costs are charged to the statement of comprehensive income during the financial period in which they are incurred.

Company information and material accounting policies

Subsequent costs on replacement parts on an item of property are recognized in the carrying amount of the asset and the carrying amount of the replaced or renewed component is derecognized.

Subsequent measurement

All items of property and equipment except land and buildings are subsequently measured at cost less accumulated depreciation and impairment losses.

Land and buildings

Land and buildings are subsequently carried at revalued amounts, being fair value at the date of revaluation less subsequent accumulated depreciation and impairment losses, if any. They are valued on an open market basis by qualified property valuers at each reporting date. Land is however not depreciated.

When an individual property is revalued, any increase in its carrying amount (as a result of revaluation) is transferred to a revaluation reserve, except to the extent that it reverses a revaluation decrease of the same property previously recognised as an expense in the statement of statement of comprehensive income.

When the value of an individual property is decreased as a result of a revaluation, the decrease is charged against any related credit balance in the revaluation reserve in respect of that property. However, to the extent that it exceeds any surplus, it is recognised as an expense in the statement of statement of comprehensive income.

In accordance with IAS 16 par 35, when Land and buildings are revalued, any accumulated depreciation at the date of the revaluation is eliminated against the gross carrying amount of the asset and the net amount restated to the revalued amount.

Depreciation

Depreciation is calculated on property and equipment excluding land on the straight line basis to write down the cost of each asset to its residual value over its estimated useful life.

Depreciation begins when an asset is available for use and ceases at the earlier of the date that the asset is derecognised or classified as held for sale in accordance with IFRS 5.

The estimated useful lives for the current and comparative periods are as follows:

Land	-	Not depreciated
Buildings	-	50 years
Office equipment	-	5 years
Computer equipment	-	3 years
Furniture and fittings	-	5 years
Motor vehicles	-	4 years

Capital work in progress is not depreciated. The Group's capital work in progress relates to capital expenditure on properties to be for the company's activities. Upon completion it is transferred to the relevant asset category. Depreciation methods, useful lives and residual values are reassessed at each reporting date.

De-recognition

The carrying amount of an item of property and equipment shall be derecognised on disposal when no future economic benefits are expected from its use or disposal. Gains and losses on disposal of assets are determined by comparing proceeds with their carrying amounts and are recognized in the statement of comprehensive income in the year of de-recognition.

Re-classification to investment property

When the use of a property changes from owner-occupied to investment property, the property is re-measured to fair value and reclassified accordingly.
Any gain arising on this re-measurement is recognised in statement of comprehensive income to the extent that it reverses a previous impairment loss on the specific property with any remaining gain recognised in OCI and presented in revaluation reserve.
Any loss is recognised in statement of comprehensive income. However, to the extent that an amount is included in revaluation surplus for that property, the loss is recognised in OCI and reduces the revaluation surplus in equity.

2.10 Leases

The Group initially adopted IFRS 16 Leases from 1 January 2019.
IFRS 16 introduced a single, on-balance sheet accounting model for leases. As a result, the Group, as a lessee has recognized the right-of-use assets representing its right to use the underlying assets. Lessors accounting remains similar to previous accounting policies.
The major lease transaction wherein the Group is a lessee relates to the lease of the subsidiary's operating branches in several locations.

(i) Definition of a lease

A contract is, or contains a lease if the contract conveys a right to control the use of an identified asset for a period of time in exchange for consideration. The change in definition of a lease mainly relates to the concept of control. IFRS 16 distinguishes between leases and service contracts on the basis of whether the use of an identified asset is controlled by the customer. Control is considered to exist if the customer has:
* The right to obtain substantially all of the economic benefits from the use of an identified asset; and
* The right to direct the use of that asset.
The Group applies the definition of a lease and related guidance set out in IFRS 16 to all lease contracts entered into or modified on or after 1 January 2019 (whether it is a lessor or a lessee in the lease contract).

At inception or on reassessment of a contract that contains a lease component, the Group allocates the consideration in the contract to each lease and non-lease component on the basis of their relative stand-alone prices. However, for leases of properties in which it is a lessee, the Group has elected not to separate non-lease components and will instead account for the lease and non-lease component as a single component.

(ii) As a Lessee

Leases, under which the Group possess a contract that conveys the right to control the use of an identified asset for a period of time in exchange for consideration is disclosed in the Group's statement of financial position and recognized as a leased asset.

To assess whether a contract conveys the right to control the use of an identified asset for a period of time, the Group assesses whether, throughout the period of use, it has both of the following:
(a) the right to obtain substantially all of the economic benefits from use of the identified asset, and
(b) the right to direct the use of the identified asset.
The Group recognizes expenses associated with these leases as an expense on straight line basis over the lease term.
The Group presents right-of-use assets as a separate class under ‘property and equipment’.

(iii) As a lessor

The group leases out it's investment property, including own property and right-of-use assets. The group has classified these leases as operating leases.
The group is not required to make any adjustments on transition to IFRS 16 for leases in which it acts as a lessor, except for a sub-lease.

(iv) Right of Use

The Group recognizes a right-of-use asset which are measured in line with IFRS 16 and a lease liability at the lease commencement date. The right-of-use asset is initially measured at cost, and subsequently at cost less any accumulated depreciation and impairment losses, and adjusted for certain remeasurements of the lease liability.

The lease liability (where applicable) 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 Group's incremental borrowing rate. Generally, the Group uses its incremental borrowing rate as the discount rate.

The lease liability (where applicable) is subsequently increased by the interest cost on the lease liability and decreased by lease payment
made (i.e measured at ammortised cost using the effective interest rate method). It is remeasured when there is a change in future lease payments arising from a change in an index or rate, a change in the estimate of the amount expected to be payable under a residual value guarantee, or as appropriate, changes in the assessment of whether a purchase or extension option is reasonably certain to be exercised or a termination option is reasonably certain not to be exercised.
The Group has applied judgement to determine the lease term for some lease contracts in which it is a lessee that include renewal options. The assessment of whether the Group is reasonably certain to exercise such options impacts the lease term, which significantly affects the amount of lease liabilities and right-of-use assets recognized.

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2.11 Impairment of non financial assets

The Group’s non financial assets with carrying amounts other than investment property are reviewed at each reporting date to determine whether there is any indication of impairment. If any such indication exists then the asset’s recoverable amount is estimated. For intangible assets that have indefinite useful lives or that are available for use, the recoverable amount is estimated each year at the same time.

Company information and material accounting policies

An impairment loss is recognised if the carrying amount of an asset or its cash generating unit exceeds its recoverable amount. A cash generating unit is the smallest identifiable asset group that generates cash flows that largely are independent from other assets and groups. Impairment losses are recognised in statement of comprehensive income.

The recoverable amount of an asset or cash generating unit is the greater of its value in use and its fair value less costs to sell. In assessing value in use, the estimated future cash flows are 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.

2.12 Insurance Contracts

The Group enters into insurance contracts as its primary business activities. Insurance contracts are those that the Group accepts significant insurance risk from another party (the policy holder) by agreeing to compensate the policy holder or other beneficiary, if a specified uncertain future event (the insured event) adversely affects the policy holder or the other beneficiary. The Group as a guide defines significant insurance risk as the possibility of having to pay benefit on the occurrence of an insured event that are at least 10% more than the benefit payable if the insured event did not occur.

The Group classifies financial guarantee contracts and account for these as insurance contracts in accordance with IFRS 17.

(a) Classification of insurance contracts

The Group classifies insurance contracts into life and non-life insurance contracts. The group also makes a distinction between Short and Long term insurance contracts as follows:

	Short Term	**Long Term**
Non- Life contracts	Agric	
	Bond	
	Engineering	
	Fire	
	General Accident	
	Marine	
	Motor	
	Special Risks	Special Risks
Life Contracts		Annuity
		Funeral
		Credit Life
		Endowment
		Term Assurance
	Group Life	

(i) *Non life insurance contract*

These contracts are accident, casualty and property insurance contracts.

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

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

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

(ii) ***Life insurance contract***

These contracts insure events associated with human life (for example, death or survival) over a long duration.

-Indivdual and group life insurance contracts

Individual life contracts are usually long term insurance contracts and span over one year while the group life insurance contracts usually cover risk within one year. A liability for contractual benefits that are expected to be incurred in the future when the premiums are recognised. The liability is determined as the sum of the expected discounted value of the benefit payments and the future administration expenses that are directly related to the contract, less the expected discounted value of the theoretical premiums that would be required to meet the benefits and administration expenses based on the valuation assumptions used. The liability is based on assumptions as to mortality, persistency, maintenance expenses and investment income that are established at the time the contract is issued.

-Annuity contracts

These contracts insure customers from consequences of events that would affect the ability of the customers to maintain their current level of income. There are no maturity or surrender benefits. The annuity contracts are fixed annuity plans. Policy holders make a lump sum payment recognised as part of premium in the period when the payment was made. Constant and regular payments are made to annuitants based on terms and conditions agreed at the inception of the contract and throughout the life of the annuitants. The annuity funds are invested in long tailed government bonds and reasonable money markets instruments to meet up with the payment of monthly/quarterly annuity payments. The annuity funds liability is actuarially determined based on assumptions as to mortality, persistency, maintenance expenses and investment income that are established at the time the contract is issued.

Company information and material accounting policies

2.13 IFRS 17 - Insurance Contracts

2.13.1 Summary of measurement methods

The company uses both the Premium Allocation Approach (PAA) and General Measurement Model (GMM) under IFRS 17. The PAA is applied for the measurement of the groups of insurance contracts that meets the requirements while the GMM is applied for the measurement of the groups of insurance contracts that satisfies the requirement.

2.13.2 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 policyholer additional amounts that are significant in any single scenario with commercial substance even if the insured event is extremely unlikely or the expected present value of the contingent cash flows is a small proportion of the expected present value of the remaining cash flows from the insurance contract.

The company 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.

The company assesses whether the above conditions and criteria are met using its expectations at the issue date of the contracts and will not reassess the conditions afterwards, unless the contract is modified,

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.

2.13.3 Separating components from insurance and reinsurance contracts

Some insurance contracts issued by the company 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.
The company first considers the need to separate distinct embedded derivatives and investment components before assessing the need to separate any non-insurance services component.

(i) Separating embedded derivatives

When an embedded derivative is not closely releatd to the host insurance contract, it should be separated and accounted for under IFRS 9 as if it was a standalone derivative and measured at FVTPL. Where IFRS 9 considers the embedded derivative as closely related to the host insurance contract then the embedded derivative is not separated and is accounted for applying IFRS 17 together with the host insurance contract. The company has not identified any embedded derivative in an insurance contract that requires to be separated from the host.

(ii) Separating investment components

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).

Company information and material accounting policies

In determining whether investment and insurance components are highly interrelated the company assesses whether the company 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 distict investment components that requires to be seperated from the host

(iii) **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.

(iv) **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.

2.13.4 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.

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 for all products except the annuity product for which the company adopted the monthly cohort . Each portfolio is then further disaggregated into two 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;

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.

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 company 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.
To determine groups that have significant possibility of becoming onerous, the company uses confidence intervals to stress test the cashflows.

Risk adjustment confidence intervals for GMM not profitable at 90% this will be onerous, profitable at 90% this will be onerous marginally profitable, profitable at 95% will be highly profitable. PAA follow the same model but apply 75% confidence level.

Company information and material accounting policies

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.

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 company 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.

To determine groups that have significant possibility of becoming onerous, the company carries profitability testing where fulfilment cashflows are calculated using a risk adjustment at 75th confidence interval. A profit figure is caluated and Profitable contracts are aggregated into a profitable group and loss making contracts are aggregated into an onerous group.

All groups include only contracts issued within a 12-month period. The composition of groups established at initial recognition is not subsequently reassessed.Group life are accounted forby applying the premium allocation approach (PAA), the company assumes that contracts are not onerous on initial recognition, unless there are facts and circumstances indicating otherwise. The company assesses the likelihood of changes in applicable facts and circumstances to determine whether contracts not onerous on initial recognition belong to a group with no significant possibility of becoming onerous in the future.

If the facts and circumstances indicate that some contracts are onerous, the company performs an additional assessment to determine whether some contracts are onerous. In making the assessment, the company uses information about estimates provided by its internal reporting. Such information about estimates includes combined loss ratio, financial analysis available as part of management information, relevant market-wide based information indicating that the portfolio of business.

2.13.5 Recognition

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

· the beginning of the coverage period of the company of contracts;
· the date when the first payment from a policyholder in the company 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.

2.13.6 Contract boundaries

Insurance contract:

A contract is an arrangement that binds one or both of the parties involved. If both parties are bound equally, the boundary of the contract is generally clear. Similarly, if neither party is bound, there is no genuine contract, thus:

• The outer limit of the existing contract is the point at which the entity is no longer required to provide coverage and the policyholder has no right of renewal. Beyond that outer limit, neither party is bound.
• The Group is no longer bound by the existing contract at the point at which the contract confers on the Group the practical ability to reassess the risk presented by a policyholder and, as a result, the right to set a price that fully reflects that risk.

The measurement of a group of insurance contracts includes all the cash flows expected to result from the contracts in the group, reflecting estimates of policyholder behavior. Thus, to identify the future cash flows that will arise as the entity fulfils its obligations, it is necessary to determine the contract boundary that distinguishes whether future premiums, and the resulting benefits and claims, arise from:

• Existing insurance contracts. If so, those future premiums, and the resulting benefits and claims, are included in the measurement of the group of insurance contracts

Or

• Future insurance contracts. If so, those future premiums, and the resulting benefits and claims, are not included in the measurement of the group of existing insurance contracts

Company information and material accounting policies

As such, the Group does not recognize a liability or asset relating to expected premiums or expected claims outside the boundary as such amounts relates to future insurance contracts. However, the Group recognizes an asset for acquisition cash flows paid before the related group of insurance contracts is recognized.

The measurement of a group of contracts includes all of the future cash flows within the boundary of each contract in the group. Compared with the current accounting, the Group expects that for certain contracts the IFRS 17 contract boundary requirements will change the scope of cash flows to be included in the measurement of existing recognised contracts, as opposed to future unrecognised contracts. The period covered by the premiums within the contract boundary is the 'coverage period', which is relevant when applying a number of requirements in IFRS 17.

In determining which cash flows fall within a contract boundary, the Group considers its substantive rights and obligations arising from the terms of the contract, and also from applicable laws and regulations. The Group 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 Group can compel the policyholder to pay the premiums or the Group has a substantive obligation to provide the policyholder with services.
A substantive obligation to provide services ends when:
· the Group 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 Group must have the practical ability to reprice the portfolio to fully reflect risk from all policyholders' and the Group'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 Group considers all risks that policyholders would transfer had it issued the contracts (or portfolio of contracts) at the reassessment date. Similarly, the Group 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 Group practical ability to reprice existing contracts takes into account all contractual, legal and regulatory restrictions. In doing so, the Group disregards restrictions that have no commercial substance. The Group 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.

In estimating expected future cash flows of contracts, the Group 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 Group to deliver cash at a present or future date.

The Group assesses the contract boundary at initial recognition and at each subsequent reporting date to include the effect of changes in circumstances on the Group's substantive rights and obligations.

• The Group has the practical ability to reassess the risks of the particular policyholder and, as a result, can set a price or level of benefits that fully reflects those risks
Or
Both of the following criteria are satisfied:
• The Group has the practical ability to reassess the risks of the portfolio of insurance contracts that contain the contract and, as a result, can set a price or level of benefits that fully reflects the risk of that portfolio
• The pricing of the premiums up to the date when the risks are reassessed does not take into account the risks that relate to periods after the reassessment date.
A liability or asset relating to expected premiums or claims outside the boundary of the insurance contract is not recognised. Such amounts relate to future insurance contracts.

Reinsurance contracts:
Cashflows are within the contract boundary if they arise from substantive rights and obligations that exist during the reporting period in which the Group is compelled to pay amounts to the reinsurer or has a substantive right to receive services from the reinsurer. A substantive right to receive services from the reinsurer ends when the reinsurer:
- has a practical ability to reassess the risks transferred to it and can set a price or level of benefits that fully reflects those reassessed risks; or
- has a substantive right to terminate the coverage.

The contract boundary for insurance and reinsurance contracts is reassessed at each reporting date to include the effect of changes in circumstances on the Group's substantive rights and obligations and, therefore, may change overtime.

Company information and material accounting policies

2.13.7 **Measurement of insurance contracts issued**

The Group uses different measurement approaches, as follows:

No	Class of Busine:	Classification	Measurement Model
1	Agriculture	Insurance Contract	PAA
2	Motor	Insurance Contract	PAA
3	Fire	Insurance Contract	PAA
4	Engineering	Insurance Contract	PAA
5	Marine	Insurance Contract	PAA
6	General Accident	Insurance Contract	PAA
7	Special Risk	Insurance Contract	PAA
8	Bond	Insurance Contract	PAA
9	Group Life	Insurance Contract	PAA
10	Annuity	Insurance Contract	GMM
11	Credit Life	Insurance Contract	GMM
12	Term Assurance	Insurance Contract	GMM
13	Endowment	Insurance Contract	GMM
14	Funeral	Insurance Contract	GMM
15	Deposit Administ	Insurance Contract	GMM
16	Reinsurance contract within contract boundary of one year or less (item 1 to 9 above)	Reinsurance Contract	PAA

(i) **Measurement on initial recognition for contracts other than PAA**

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.

(ii) ***Fulfilment cash flows (FCF) within contract boundary***

The FCF are the current unbiased and probability-weighed 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 group 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;

· for deferred variable annuity, investment-linked insurance policies and investment contract with discretionary participation features, payments that vary based on the returns on underlying items and resulting from any embedded guarantees;

· 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 that arise directly from existing insurance contracts, or that can be attributed to them on a reasonable and consistent basis;

· 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

. Cash inflows from recoveries (Salvage) on future claims covered by existing insurance contract to the extent that they do not qualify for recognition as separate assets, potential cash inflows from recoveries on past claims

Company information and material accounting policies

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 provided.
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.

2.13.8 Discount Rate

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 disaggregate the changes in time value of money and financial risk between profit or loss and other comprehensive income. The Company has opted not to adopt the OCI option. 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.

The Company measures the time value of money using discount rates that reflect the liquidity characterictics 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.
In determining discount rates for cash flows that do not vary based on the returns of underlying items, the Company uses the ‘Bottom-up approach’ to estimate discount rates by adjusting a liquid risk-free yield curve to reflect the differences between the liquidity characteristics of the financial instruments that underlie the rates observed in the market and the liquidity characteristics of the insurance contracts.

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 Company, result in a change to the determination of the discount rates at the date of initial recognition and the discount rate applicable to the Company on initial recognition is then revised from the start of the reporting period in which the new contracts are added to the Company.

Furthermore, the yield curve was estimated using the Smith-WilsonYield Curve model with the ultimate Forward Rate (UFR) of 13.28% which is under the assumption that yields stay flat after the longest available tenoor bond. However, no prudence margin was included as required by the standard.

2.13.9 Risk adjustment for non-financial risk

The Company measures the compensation it would require for bearing the uncertainty about the amount and timing of cash flows arising from insurance contracts, other than financial risk separately as an adjustment for non-financial risk. The Company uses the cost of capital method in estimating the risk adjustment. The level of capital and the cost of capital rate that feed this estimation technique are calibrated from the Company economic capital's approach within which the Company estimates the impact of non-financial risks. The economic capital approach includes a quantitative measure of the Company's risk appetite which allows the measure of a specific measure of the Company’s non-financial risk and the degree of its risk aversion for financial reporting purposes.

(i) 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 and any other asset or liability previously recognised for cash flows related 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.

Company information and material accounting policies

(ii) **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 insurance contracts but directly attributable to the portfolio at a portfolio level and then allocates them to the Company of newly written and renewed contracts on a systematic and rational basis. The company adopts the same pattern of coverage units as the CSM amortization for the allocation of insurance acquisition cashflows.

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.

(iii) **Subsequent measurement under the general 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 derecognised. The current estimate of LIC comprises the fulfilment cash flows related to past service allocated to the groups 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:
(i) 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; or
(ii) 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.

Company information and material accounting policies

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:
i) the effect of any new contracts added to the group;
ii) interest accreted on the carrying amount of CSM measured at the discount rates determined at initial recognition;
iii) 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;

iv) the effect of any currency exchange differences on the CSM; and
v) 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.
The company adjusts for CSM in the same order documented above.

(iv) **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 Company 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 Company 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 actually became payable. Both these amounts are measured at the discount rates applicable when the contracts in the Company were initially recognised.

The following adjustments do not relate to future service and thus do not adjust the CSM:
· Changes in fulfilfment 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 adjustment relating to insurance service expenses excluding those that relate to Premium received and Insurance service expense

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.

(v) **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.

Company information and material accounting policies

In determining a number of coverage units, the Company exercises judgement in estimating the likelihood of insured events occurring and policyholder behaviours to the extent that they affect expected period of coverage in the Company, 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 annuity policies, a method based on the expected benefits for each group 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 the PAA products, a method based on the passage of time is applied.

2.13.10 Insurance contracts under the premium allocation approach

The Company applies the PAA to the measurement of its Group life insurance contracts with a coverage period of each contract in the Company of one year or less. Where the contracts are beyond a year, a PAA eligibility test will be conducted for this product.

On initial recognition, the Company measures the LRC at the amount of premiums received in cash less of insurance acquisition cashflows at that date. For all groups of insurance contracts that PAA applies, the Company applies a policy of amortising insurance acquisition cash flows over the coverage period of the group.

The carrying amount of the LRC at the end of each subsequent reporting period represents the carrying amount at the start of the reporting period adjusted for the following:
(i) the premiums received in the period and the amount recognised as insurance revenue for insurance contract services provided in that period;
(ii) any amounts relating to the amortisation of insurance acquisition cash flows recognised as an expense in the reporting period; and
(iii) any adjustment to a financing component and any investment component paid or transferred to the liability for incurred claims.

The Company discounts the liability for remaining coverage to reflect the time value of money and financial risk for such insurance contracts where a significant financing component for products measured with PAA

The carrying amount of the LIC is measured similar to GM. However, for those claims that the Company expects to be paid within one year or less from the date of incurring, the Company does not adjust future cash flows for the time value of money and the effect of financial risk. While claims expected to take more than one year to settle are discounted. For the purpose of discounting, the company has adopted the locked-in rate.

Applying the PAA, the insurance revenue is measured at the amount allocated from the expected premium receipts excluding any investment component. The allocation is done on the basis of the passage of time unless the expected pattern of release from risk differs significantly from the passage of time, in which case it is recognised on the expected timing of incurred claims and benefits. The Company applies judgement in determining the basis of allocation.

If facts and circumstances lead the Company to believe that a group under PAA has become onerous, the Company tests it for onerousness. If the amount of the fulfilment cash flows exceeds the carrying amount of the LRC, the Company recognise a loss in profit or loss and increases the LRC for the corresponding amount.

(i) 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 Company'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.

Company information and material accounting policies

A group of insurance contracts becomes onerous (or more onerous) on subsequent measurement if the following amounts exceed the carrying amount of the CSM:
- 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
- unfavourable changes relating to future service in the fulfiment 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 nonfinancial risk and from incurred insurance services expenses.

(ii) Reinsurance contracts held

Recognition

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.

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 and the date an underlying onerous group of contracts is recognised given that the company entered into the related reinsurance contract held in the group of reinsurance contracts held at or before that date.

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 notice for new business ceded. The Company includes within the contracts boundary only cash flows arising from such notice period because it does not have substantive rights or obligations beyond that point.

Company information and material accounting policies

(iii) Reinsurance contracts held measured under the PAA

The Company measures group life and group credit life reinsurance contracts applying the PAA. Under the PAA, the initial measurement of the asset equals the reinsurance premium paid. The Company measures the amount relating to remaining service by allocating the premium paid over the coverage period of the group. For all reinsurance contracts held, the allocation is based on the passage of time.

Where the reinsurance contracts held covers a group of onerous underlying insurance contracts, the Company adjusts the carrying amount of the asset for remaining coverage and recognises a gain when, in the same period, it reports a loss on initial recognition of an onerous group of underlying insurance contracts or on additional loss from an already onerous group of underlying insurance contracts. The recognition of this gain results in the accouting for the loss recovery component of the asset for the remaining coverage of a group of reinsurance contracts held. This component is subsequently adjusted for any applicable changes.

2.13.11 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;
- results in a different contract boundary; ; SIIL consider 3 months beyond the contract boundary of the original contract as substantially different.
- includes in a different group of contracts.

(b) 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. For insurance contracts accounted for applying the PAA, the Company adjusts insurance revenue prospectively from the time of the contract modification.

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.

Company information and material accounting policies

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 derecognised 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.

2.13.12 Presentation

The Company has presented separately in the its 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 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 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.

(i) Insurance revenue not measured under the PAA

As the Company provides insurance services under a group of insurance contracts issued, it reduces its LRC and recognises insurance revenue, which is measured at the amount of consideration the Company expects to be entitled to in exchange for those services.

For groups of insurance contracts measured under the GMM, insurance revenue consists of the following:
The sum of the changes in the LRC including
a) the insurance service expense incurred in the period measured at the amounts expected at the beginning of the period, excluding:
- amounts allocated to the loss component;
- amounts relating to risk adjustment for non-financial risk not including;
- repayments of investment components;
- insurance acquisition expenses;

b) amounts related to income tax that are specifically chargeable to the policyholder
c) the change in the risk adjustment for non-financial risk, excluding:
- changes included in insurance finance income or expense aas detailed in section J
- changes that relate to future service that adjust the CSM as detailed in subsequent measurement in section G2; and

Company information and material accounting policies

- amounts allocated to the loss component of the liability for remaining coverage arising from changes in the risk adjustment for non-financial risk recognised in profit or loss because of the release from risk.;
d) the amount of CSM for the services provided in the period;
e) experience adjustments for premium receipts (and any related cash flows such as insurance acquisition cash flows) that relate to current or past services, if any.

The portion of premiums that can be seen as recovering those acquisition cash flows are included in the insurance service expenses in each period. Both amount are measured on the same basis used for the allocation of the CSM to profit or loss under d) above.

When applying the PAA, the Company recognises insurance revenue for the period based on the passage of time by allocating premium receipts including premium experience adjustments to each period of service. However, when the expected pattern of release from risk during the coverage period differs significantly from the passage of time, then premium receipts are allocated based on the expected pattern of incurred insurance service expense. The Company issues insurance policies with different expected pattern of occurrence of claims. For those groups of contracts, revenue is recognised based on the expected pattern of claim occurrence.

At the end of each reporting period, the Company considers whether there was a change in facts and circumstances indicating a need to change, on a prospective basis, the premium receipt allocation due to changes in the expected pattern of claim occurrence for new and existing groups.

(ii) **Insurance service expense**

Insurance service expense arising from group insurance contracts issued comprises of:
· changes in the LIC related to claims and expenses incurred in the period excluding repayment of investment components;
· changes in the LIC related to claims and expenses incurred in prior periods (related to past service);
· other directly attributable expenses incurred in the period;
· amortisation of insurance acquisition cash flows, which is recognised at the same amount in both insurance service expense and insurance contract revenue; and
· changes in the LRC related to future service that do not adjust the CSM, because they are changes in the loss components of onerous groups of contracts.

(iii) **Income or expenses from reinsurance contracts held**

The Company presents income or expenses from a group of reinsurance contracts held and reinsurance finance income or expenses in profit or loss for the period separately. Income or expenses from reinsurance contracts held are split into the following two amounts:
· amount recovered from reinsurers; and
· an allocation of the reinsurance premiums paid, provided that together they equal total income or expenses from reinsurance contracts held.
The Company presents cash flows that are contingent on claims as part of the amount recovered from reinsurers. Ceding commissions that are not contingent on claims of the underlying contracts are presented as a deduction in the premiums to be paid to the reinsurer which is then allocated to profit or loss.

(iv) **Insurance finance income and expenses**

Insurance finance income or expenses present the effect of the time value of money and the change in the time value of money, together with the effect of financial risk and changes in financial risk.

(v) **The use of OCI presentation for insurance finance income and expense**

The Company has an accounting policy choice to either present all of the period’s insurance finance income or expenses in profit or loss or to split the amount between profit or loss and other comprehensive income (OCI). In considering the choice of presentation of insurance finance income or expenses, the Company considers the assets held for that portfolio and how they are accounted for. For all the products, the company has opted not to disaggregate insurance finance income or expenses between recognised in profit or loss and in OCI.

Company information and material accounting policies

The Company may reassess its accounting policy choice during the duration of a group of direct participating contracts when there is a change in whether the Company holds the underlying items or no longer holds the underlying items. When such change occurs, the Company includes the amount accumulated in OCI by the date of change as a reclassification adjustment to profit or loss spread across the period of change and future periods based on the method and on the assumptions that applied immediately before the date of change.

(vi) For PAA contracts

When applying the PAA, the Company does not discount the liability for remaining coverage to reflect the time value of money and financial risk for group life and credit life with a coverage period of one year or less.

The Company adjusts the LRC for the time value of money for group life and credit life policies with a coverage period longer than one year. The Company does not disaggregates insurance finance income or expense between profit or loss and OCI.

(vii) For contracts with cash flows not affected by underlying items

For contracts with cash flows not affected by underlying items, the Company has elected to present all insurance finance income or expenses in profit or loss

2.13 Provisions

A provision is recognised if, as a result of a past event, the Group has a present legal or constructive obligation that can be estimated reliably, and it is probable that an outflow of economic benefits will be required to settle the obligation.

Provisions are determined by discounting the expected future cash flows discounted at a rate that reflects current market assessments of the time value of money and the risks specific to the obligation.

2.14 Employee benefits

Short-term benefits

Short-term employee benefit obligations include wages, salaries and other benefits which the Group has a present obligation to pay, as a result of employees' services provided up to the balance sheet date. The accrual is calculated on an undiscounted basis, using current salary rates. Short term benefits are expensed as the related service is provided.

A provision is recognised for the amount expected to be paid under short-term cash bonus or profit-sharing plans if the Group 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.

Company information and material accounting policies

Post employment benefits

The Group operates a defined contributory retirement scheme as stipulated in the Pension Reform Act 2004. Under the defined contribution scheme, the Group pays fixed contributions of 10% to a separate entity – Pension Fund Administrators; employees also pay 8% to the same entity. Once the contributions have been paid, the Group retains no legal or constructive obligation to pay further contributions if the Fund does not hold enough assets to finance benefits accruing under the retirement benefit plan. The Group's obligations are recognised in the statement of comprehensive income.

Termination benefits

Termination benefits are payable whenever an employee's employment is terminated before the normal retirement date or whenever an employee accepts voluntary redundancy in exchange for these benefits. The Group recognizes termination benefits when it is demonstrably committed either to terminate the employment of current employees according to a detailed formal plan without possibility of withdrawal, or to provide termination benefits as a result of an offer made to encourage voluntarily redundancy if it is probable that the offer will be accepted and the number of acceptances can be estimated. Benefits falling due more than 12 months after balance sheet date are discounted to present value.

2.15 Income tax

Income tax expense comprises current tax. It is recognised in profit or loss except to the extent that it relates to a business combination, or items recognised directly in equity or in other comprehensive income.
The Group had determined that interest and penalties relating to income taxes, including uncertain tax treatments, do not meet the definition of income taxes, and therefore are accounted for under IAS 37 Provisions, Contingent Liabilities and Contingent Assets. The related expenses are recognised in other expenses.

(i) Current tax

Current tax comprises the expected tax payable or receivable on the taxable income or loss for the year and any adjustment to the 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 3%.
- Nigeria Police Trust Fund levy is computed on net profit (i.e. profit after deducting all expenses and taxes from revenue earned by the Group during the year) at 0.005%.
- National Agency for Science and Engineering Infrastructure (NASENI) levy is computed on profit before tax at 0.25%.

Total amount of tax payable under section of 57 of the Nigerian Tax Act 2025 is determined through the effective tax rate of 15%. where the company effective tax rate is lower than 15%, a top up tax for the difference is required. Taxes based on profit for the year are treated as Income tax in line with IAS 12.

Company information and material accounting policies

Effective Tax Rate

The Nigerai Tax Act 2025 replaced the minimum tax under CITA. In line with effective tax rate, the act prescribes 15% as effective tax rate for companies with turnover above N50 billion or part of a multinational group with revenue above ¬750,000. However, where the company effective tax rate (cover tax divided by total income) is lower than 15%, such company shall recompute and pay an additional tax that makes its effective tax rate.

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 realised.

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 recognised amounts, and intends either to settle on a net basis, or to realise 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 realised.

(ii) Deferred taxation

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:

- 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;
- temporary differences related to investments in subsidiaries to the extent that the Group 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; and
- 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. Future taxable profits are determined based on the reversal of relevant taxable temporary differences.

If the amount of taxable temporary differences is insufficient to recognise a deferred tax asset in full, then future taxable profits, adjusted for reversals of existing temporary differences, are considered, based on the business plans of the Group. 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; such reductions are reversed when the probability of future taxable profits improves.

Company information and material accounting policies

Unrecognised deferred tax assets are reassessed at each reporting date and recognised to the extent that it has become probable that future taxable profits will be available 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.
The measurement of deferred tax reflects the tax consequences that would follow from the manner in which the Group expects, at the reporting date, to recover or settle the carrying amount of its assets and liabilities.
Deferred tax assets and liabilities are offset only if certain criteria are met.

2.16 Share capital and reserves

Share capital and share premium

The Group classifies ordinary shares and share premium as equity when there is no obligation to transfer cash or other assets.

Incremental costs directly attributable to issue of shares are recognised as deductions from equity net of any tax effects.

Dividend on ordinary shares

Dividend distribution to the Group's shareholders is recognised as a liability in the consolidated and separate financial statements in the period in which the dividends are approved by the Group's shareholders. Dividends that are proposed but not yet declared are disclosed in the notes to the financial statements. Dividends on the Group's ordinary shares are recognised in equity in the period in which they are paid or, if earlier, approved by the Group's shareholders.

(a) Contingency reserves

The Group maintains contingency reserves in accordance with the provisions of the Insurance Act 2003 to cover fluctuations in securities and variations in statistical estimates at the rate equal to the higher of 3% of total premium or 20% of the total profit after taxation until the reserve reaches the greater of minimum paid up capital or 50% of net premium for non-life business. Contingency reserve for life business is credited with the higher of 1% of gross premium and 10% of profit after taxation.

(b) Assets revaluation reserves

Assets revaluation reserves represents the fair value differences on the revaluation of items of Property and equipment as at the reporting date.

(c) Fair value reserves

Fair value reserves represents the fair value gains or losses on valuation of financial assets measured at fair value through OCI.

Company information and material accounting policies

(d) Common control deficit

Common control deficit represents the excess of consideration paid over net assets acquired in a transaction between entities under common control.

2.17 Earnings per share

The Group presents basic and diluted earnings per share for its ordinary shares. Basic earnings per share are calculated by dividing the profit attributable to ordinary shareholders of the group by the number of shares outstanding during the year.

Diluted Earnings per share is determined by dividing the statement of comprehensive income attributable to ordinary shareholders by the weighted average number of ordinary shares adjusted for the bonus shares issued.

2.18 Revenue recognition

Revenue comprises the fair value for services, net of value-added tax, after eliminating revenue within the Group. Revenue is recognised as follows:

(i) *Insurance contracts:*

See accounting policy 2.13 b(i) for recognition of premium on insurance

(ii) *Investment and other operating income*

Investment income comprises interest income earned on short-term deposits, rental income and income earned on trading of securities including all realised and unrealised fair value changes, interest income on loans and finance leases, dividends and foreign exchange differences. Investment income is accounted for on an accrual basis.

Other operating income comprises fee income and profit on disposal of property

(iii) *Dividend income*

Dividend income for available for sale equities are recognised when the right to receive payment is established.

Revenue arising from asset management and other related services offered by the Group are recognised in the accounting period in which the services are rendered.

The fulfillment cash flows for our insurance contracts include directly attributable expenses, such as claims handling costs and policy acquisition costs. Non-attributable expenses, such as general administrative overheads, are recognized in profit or loss as incurred.

2.19 Measurement and Allocation of expense

The fulfillment cash flows for our insurance contracts include directly attributable expenses, such as claims handling costs and policy
acquisition costs. Non-attributable expenses, such as general administrative overheads, are recognized in profit or loss as incurred.

Consolidated and Separate Statements of Financial Position

As at 31 December 2025

	Leadway Dec	**Group**	**Group**	**Company**	**Company**
(All amounts in thousands of Nigerian Naira unless otherwise stated)	**Notes**	**31-Dec-25**	**31-Dec-24**	**31-Dec-25**	**31-Dec-24**
ASSETS					
Cash and cash equivalents	5	130,325,327	132,985,567	315,750	-
Premium receivables	6	245,551	352,286	-	-
Investment securities	7	-	-		
- Financial assets at fair value through profit or loss	7.1	482,059,314	297,731,307	-	-
- Financial assets at fair value through other comprehensive income	7.2	86,137,059	79,261,006	-	-
- Financial assets at amortized cost	7.3	165,243,142	146,791,030	-	-
Reinsurance contracts assets	16.b	220,624,063	269,415,354	-	-
Other receivables and prepayments	8	12,802,266	23,138,566	31,150	8,000,000
Loans and advances	9	23,203,509	828,359	-	-
Property and equipment	10	13,886,901	11,186,863	185,053	-
Investment properties	11	54,289,779	39,217,862	-	-
Investment in subsidiaries	12	-	-	227,913,608	220,168,304
Intangible assets	14	315,148	2,078,485	-	-
Deferred tax assets	13	28,826,803	29,377,255	-	-
Statutory deposits	15	500,000	500,000	-	-
TOTAL ASSETS		**1,218,458,861**	**1,032,863,940**	**228,445,562**	**228,168,304**
LIABILITIES					
Insurance contract liabilities	16.a	824,339,349	685,808,075	-	-
Investment contract liabilities	20	37,654,444	36,250,267	-	-
Current income tax liabilities	18	8,391,771	2,775,549	-	-
Trade payables	17	38,360,765	49,983,968	-	-
Deferred tax liabilities	13	37,463,885	33,145,094	-	-
Other liabilities	19	26,455,424	12,972,824	229,968	2,000
TOTAL LIABILITIES		**972,665,638**	**820,935,777**	**229,968**	**2,000**
EQUITY					
Equity Attributable to Equity Holders of Parent					
Issued and paid up share capital	21a	142,605	142,605	142,605	142,605
Share premium	21b	228,025,699	228,025,699	228,025,699	228,025,699
Common control acquisition deficit	21d(iv)	(28,155,208)	(33,082,600)	-	-
Contingency reserve	21d(i)	33,116,824	25,360,526	-	-
Accumulated (loss)/earnings	21c	(44,463,622)	(55,801,204)	47,290	(2,000)
Fair value reserves	21d(iii)	33,214,179	29,762,042	-	-
Assets revaluation reserves	21d(iii)	3,981,084	2,721,326		
Translation reserves	21d(iii)	19,158,148	14,224,425	-	-
TOTAL EQUITY ATTRIBUTABLE TO OWNERS OF THE COMPANY		**245,019,709**	**208,631,493**	**228,215,594**	**228,166,304**
Non controlling interest	22	773,514	575,344	-	-
TOTAL EQUITY		**245,793,223**	**211,928,163**	**228,215,594**	**228,166,304**
TOTAL EQUITY AND LIABILITIES		**1,218,458,861**	**1,032,863,940**	**228,445,562**	**228,168,304**

SIGNED ON BEHALF OF THE BOARD OF DIRECTORS ON 18th March 2026 by:

Mr. Tunde Alao-Olaifa	Mr. Odeinteinm Ajumogobia	Mr. Oluwaseyi Ogundeyi
FRC/2025/PRO/ANAN/001/783771	FRC/2025/PRO/DIR/003/499007	FRC/2014/ICAN/0000000692
Managing Director	**Chairman**	**Financial Controller**

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

Consolidated and Separate Statements of Profit or Loss and Other Comprehensive Income
For the year ended 31 December 2025

		Group	Group	Company	Company
(All amounts in thousands of Nigerian Naira unless otherwise stated)	**Notes**	**31-Dec-25**	**31-Dec-24***	**31-Dec-25**	**31-Dec-24***
Insurance revenue	34	**247,576,935**	**32,837,625**	-	-
Insurance service expenses	34	(125,571,057)	(7,886,507)	-	-
Insurance service result from insurance contracts issued		122,005,878	24,951,118	-	-
Allocation of reinsurance premiums	35	(76,139,128)	(13,906,586)	-	-
Amounts recoverable from reinsurers for incurred claims	35.b	(24,039,722)	(18,852,541)	-	-
Net expenses from reinsurance contracts held		(100,178,850)	(32,759,127)	-	-
Insurance service result		**21,827,028**	**(7,808,009)**	-	-
Investment income	25	100,491,569	6,300,250	99,157	-
(loss)/profit on investment contracts	25(a)	(1,898,930)	196,823	-	-
Net impairment loss	30	(619,918)	(31,466)	-	-
Net fair value gain/(loss) on assets at fair value	26	53,003,882	6,755,199	(9,444)	-
Net investment income		**150,976,603**	**13,220,806**	**89,713**	-
Net finance expenses from insurance contracts issued	36	(90,985,887)	(4,001,257)	-	-
Net finance income from reinsurance contracts held	36.a	(3,325,396)	302,831	-	-
Net insurance finance expenses		**(94,311,283)**	**(3,698,426)**	-	-
Net insurance and investment result		**78,492,348**	**1,714,371**	**89,713**	-
Other operating (loss)/income	27	(10,984,370)	18,215,241	15,000,000	1,811
Employee benefit expenses	28	(723,606)	(491,349)	-	-
Other operating expenses	29	(15,773,157)	(10,018,720)	(240,706)	(3,811)
Profit/ (loss) before minimum tax		**51,011,215**	**9,419,543**	**14,849,007**	**(2,000)**
Minimum tax	31	-	(1,194,705)	-	
Profit/ (loss) after minimum tax before income tax		51,011,215	8,224,838		
Income tax expense	31	(11,992,056)	(3,133,811)	-	-
Profit/ (loss) for the year		**39,019,159**	**5,091,027**	**14,849,007**	**(2,000)**
Other comprehensive income:					
Items that may be subsequently reclassified to the profit or loss account:					
Changes in Asset Fair value through OCI assets net of taxes	7.2d	3,061,173	7,384,928	-	-
Fair value changes on insurance finance expenses -OCI	16	(7,918,188)	-	-	-
Items within OCI that will not be reclassified to profit or loss:					
Gain on revaluation of properties and equipment net of tax	10	1,259,758	623,159	-	-
Foreign currency transaltion differences	21d	4,933,723	3,891,070		
Net changes in Asset Fair value through OCI financial instruments	7.2d	8,309,152	-		
Other comprehensive income for the period		**9,645,618**	**11,899,157**	-	-
Total comprehensive income/(loss) for the period		**48,664,777**	**16,990,184**	**14,849,007**	**(2,000)**
Profit attributable to:					
- Owners of the Company		38,820,989	4,943,302	14,849,007	(2,000)
- Non-controlling interest		198,170	147,725	-	-
Profit/ (loss) for the period		**39,019,159**	**5,091,027**	**14,849,007**	**(2,000)**
Total Comprehensive income/ (loss) attributable to:					
- Owners of the Company		48,466,607	16,842,459	14,849,007	(2,000)
- Non-controlling interest		198,170	147,725	-	-
Total comprehensive income/ (loss) for the period		**48,664,777**	**16,990,184**	**14,849,007**	**(2,000)**

* The financial results for 2024 cover a one month reporting period.

Basic Earnings per share(kobo)					
from continuing operations	21(v)	272	35	104	-
Basic and diluted earnings per share(kobo)	21(v)	272	35	104	-

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

Consolidated Statement of Changes in Equity
For the year ended 31 December 2025

(All amounts in thousands of Nigerian Naira unless otherwise stated)	***Notes***	**ATTRIBUTABLE TO OWNERS OF THE PARENT**										
		Share capital	**Share premium**	**Accumulated loss**	**Common control acquisition deficit**	**Fair value reserve on Available for sale financial assets**	**Contingency reserve**	**Asset revaluation reserve**	**Translation Reserve**	**Total**	**Non controlling interest**	**Total**
Group 2025												
As at 1 January 2025		**142,605**	**228,025,699**	**(55,801,204)**	**(33,082,600)**	**29,762,042**	**25,360,526**	**2,721,326**	**14,224,425**	**211,352,819**	**575,344**	**211,928,163**
Profit for the period		-	-	38,820,989	-	-	-	-		38,820,989	198,170	**39,019,159**
Other comprehensive income												
Gain on acquisition of subsidiaries				(4,927,392)	4,927,392							
Net changes in Asset Fair value through OCI financial instruments				-	-	3,452,137	-	-		3,452,137	-	**3,452,137**
Fair value gain on properties		-	-	-	-	-	-	1,259,758		1,259,758	-	**1,259,758**
Foreign currency translation reserve		-	-	-	-	-	-	-	4,933,723	4,933,723	-	**4,933,723**
Total comprehensive income for the period		**-**	**-**	**33,893,597**	**4,927,392**	**3,452,137**	**-**	**1,259,758**	**4,933,723**	**48,466,607**	**198,170**	**48,664,777**
Transaction with owners and directly												
Transfer to contingency reserve		-	-	(7,756,298)	-	-	7,756,298	-	-	-	-	**-**
Cash dividend paid to equity holders		-	-	(14,799,717)	-	-	-	-	-	(14,799,717)	-	**(14,799,717)**
Total transactions with owners		**-**	**-**	**(22,556,015)**	**-**	**-**	**7,756,298**	**-**	**-**	**(14,799,717)**	**-**	**(14,799,717)**
As at 31 December 2025		**142,605**	**228,025,699**	**(44,463,622)**	**(28,155,208)**	**33,214,179**	**33,116,824**	**3,981,084**	**19,158,148**	**245,019,709**	**773,514**	**245,793,223**

Consolidated Statement of Changes in Equity

		ATTRIBUTABLE TO OWNERS OF THE PARENT										
(All amounts in thousands of Nigerian Naira unless otherwise stated)	***Notes***	**Share capital**	**Share premium**	**Accumulated loss**	**Common control acquisition deficit**	**Fair value reserve on Available for sale financial assets**	**Contingency reserve**	**Asset revaluation reserve**	**Translation Reserve**	**Total**	**Non controlling interest**	**Total**
Group 2024												
As at 1 December 2024		**142,605**	**228,025,699**	**(56,055,305)**	**(33,082,600)**	**22,377,114**	**20,671,325**	**2,098,167**	**10,333,355**	**194,510,360**	**427,619**	**194,937,979**
Profit for the period		-	-	4,943,302	-	-	-	-	-	4,943,302	147,725	**5,091,027**
Other comprehensive income												
Net changes in Asset Fair value through OCI financial instruments				-	-	7,384,928	-	-	-	7,384,928	-	**7,384,928**
Fair value gain on property and equipment net of tax		-	-	-	-	-	-	623,159	**3,891,070**	4,514,229	-	**4,514,229**
Foreign currency translation reserve		-	-	-	-	-	-	-		-	-	-
Total comprehensive income for the period		-	-	**4,943,302**	-	**7,384,928**	-	**623,159**	**3,891,070**	**16,842,459**	**147,725**	**16,990,184**
Transaction with owners and directly												
Transfer to contingency reserve		-	-	(4,689,201)	-	-	4,689,201	-		-	-	-
Cash dividend paid to equity holders		-	-	-	-	-	-	-		-	-	-
Total transactions with owners		-	-	**(4,689,201)**	-	-	**4,689,201**	-	-	-	-	-
As at 31 December 2024		**142,605**	**228,025,699**	**(55,801,204)**	**(33,082,600)**	**29,762,042**	**25,360,526**	**2,721,326**	**14,224,425**	**211,352,819**	**575,344**	**211,928,163**

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

Separate Statement of Changes in Equity
For the year ended 31 December 2025

(All amounts in thousands of Nigerian Naira unless otherwise stated)	***Notes***	**Share capital**	**Share premium**	**Retained earnings**	**Fair value reserve on Financial assets at fair value through OCI**	**Contingency reserve**	**Asset revaluation reserve**	**Total**
Company 2025								
As at 1 January 2025		**142,605**	**228,025,699**	**(2,000)**	**-**	**-**	**-**	**228,166,304**
Profit for the period		-	-	14,849,007	-	-	-	14,849,007
Other comprehensive income								
Net changes in asset fair value through OCI financial instruments		-	-	-	-	-	-	-
ECL impairment (reversal & charged on FVOCI)				-				-
Net amount transferred to Income statement					-			-
Fair value gain on property and equipment net of tax		-	-	-	-	-	-	-
Total comprehensive income for the period		**-**	**-**	**14,847,007**	**-**	**-**	**-**	**243,015,311**
Transaction with owners & directly in equity:								
Transfer to contingency reserve		-	-	-	-	-	-	**-**
Dividend paid to equity holders		-	-	(14,799,717)	-	-	-	(14,799,717)
Total transactions with owners of equity		**-**	**-**	**(14,799,717)**	**-**	**-**	**-**	**(14,799,717)**
As at 31 December 2025		**142,605**	**228,025,699**	**47,290**	**-**	**-**	**-**	**228,215,594**

Separate Statement of Changes in Equity

(All amounts in thousands of Nigerian Naira unless otherwise stated)	***Notes***	**Share capital**	**Share premium**	**Retained earnings**	**Fair value reserve on Financial assets at fair value through OCI**	**Contingency reserve**	**Asset revaluation reserve**	**Total**
Company 2024								
As at 1 December 2024		**142,605**	**228,025,699**	**-**	**-**	**-**	**-**	**228,168,304**
Loss for the period		-	-	(2,000)	-	-	-	(2,000)
Other comprehensive income				-				
Net changes in asset fair value through OCI financial instruments		-	-	-	-	-	-	-
ECL impairment (reversal & charged on FVOCI)		-	-	-		-	-	-
Net amount transferred to Income statement					-	-	-	-
Fair value gain on property and equipment net of tax		-	-	-	-	-	-	-
Total comprehensive income for the period		**-**	**-**	**(2,000)**	**-**	**-**	**-**	**(2,000)**
Transaction with owners & directly in equity:								
Transfer to contingency reserve		-	-	-	-	-	-	-
Cash dividend paid to equity holders				-				-
Total transactions with owners of equity		**-**	**-**	**-**	**-**	**-**	**-**	**-**
As at 31 December 2024		**142,605**	**228,025,699**	**(2,000)**	**-**	**-**	**-**	**228,166,304**

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

Consolidated and Separate Statements of Cash Flows
For the year ended 31 December 2025

(All amounts in thousands of Nigerian Naira unless otherwise stated)	Notes	Group 31-Dec-25	Group 31-Dec-24	Company 31-Dec-25	Company 31-Dec-24
Operating activities					
Cash used in operations	40a	187,436,376	(227,913,975)	23,045,825	(8,000,000)
Income tax paid	18	11,992,056	(1,547,829)	-	-
Net cash used in operating activities		**199,428,432**	**(229,461,804)**	**23,045,825**	**(8,000,000)**
Cash flows from investing activities					
Other income/(loss)	27	(10,187,906)	450,220	-	-
Foreign Currency Translation	21d	4,933,723	-	-	-
Proceeds on disposal of property and equipment	10	32,373	3,488	-	-
Purchase of property and equipment	10	(4,469,037)	(372,168)	(185,054)	-
Purchase of intangible assets	14	1,366,033	(23,845)	-	-
Net proceed from Investment securities	7.3	(163,500,802)	54,896,385	-	-
Increase in investment property	11	(13,812,159)	(2,360,528)	-	-
Investment in subsidiary	14	-	-	(7,745,304)	(220,168,304)
Net cash used in investing activities		**(185,637,775)**	**130,116,048**	**(7,930,358)**	**(220,168,304)**
Cash flows from financing activities					
Dividend paid to equity holders		(14,799,717)		(14,799,717)	
Purchase of shares		-	228,168,304	-	-
Net cash generated from in financing activities		**(14,799,717)**	**228,168,304**	**(14,799,717)**	**(228,168,304)**
Net increase in cash and cash equivalents		(1,009,059)	128,822,548	315,750	-
Cash and cash equivalents at beginning of period		132,985,567	-	-	-
Effect of exchange rate fluctuations on cash held	27	(1,651,181)	4,163,019	-	-
Cash and cash equivalent at end of year	5	**130,325,327**	**132,985,567**	**315,750**	**-**

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

Notes to the consolidated and separate financial statements

3 Enterprise Risk Management Statement (ERM) Statement

Introduction

Leadway Insureholdings Limited applies an enterprise-wide risk management approach to proactively identify and address both current and emerging risks. This ensures mitigation of downside exposures while leveraging inherent opportunities to create value. The ERM Framework guides consistent alignment with strategic goals, supports management actions, and sets risk tolerances for unavoidable vulnerabilities.

Purpose

Business units are responsible for monthly risk reviews, applying controls, promoting a risk-aware culture, escalating material risks, and collaborating with ERM on mitigation planning and reporting.50:57

Risk Management Strategy

We acknowledge that risk cannot be fully eliminated, but we aim to reduce its severity and likelihood through targeted responses. Our ERM policy adopts an enterprise-wide view to effectively manage material risks that threaten our operations and sustainability as an insurance provider.

External Perspectives

Regulation and regulatory compliance, continues to be a external drivers of our Enterprise Risk Management process. Howbeit, operating management is a key program driver of the ERM process, with the involvement of key groups, i.e. Boards and committees, internal audit and Senior management.

Risk Governance, Roles & Responsibilities

Our risk governance focuses on directing and controlling the management of risks within the company by articulating the roles and responsibilities for the board, management, and employees. The policy adopts the three lines of defense model of risk management governance that revolves around the Board, Risk Management Committee and the Audit Committee.

Roles and Responsibilities

The Board

The Board holds ultimate accountability for risk oversight, including approving the risk framework, setting risk appetite, evaluating control effectiveness, and ensuring independent audits of the ERM framework.

Board Risk & Technical committee

- This committee reviews and approves the risk framework and strategy, fosters a strong risk culture, and challenges risk data and related judgment calls.

Board Finance, Investment and General Purpose Committee

- This committee supports the Board in overseeing investment matters, manager selection, and policy compliance, meeting quarterly to review investment performance and risks.

Risk Owners in the Business Units

Business units are responsible for monthly risk reviews, applying controls, promoting a risk-aware culture, escalating material risks, and collaborating with ERM on mitigation planning and reporting.

Risk Champions in the Business Units

Risk champions promote risk awareness, support control implementation, coordinate accurate risk data collection, and monitor the effectiveness of mitigation efforts.

Enterprise Risk Management Division

- The ERM Division facilitates risk management across the company, provides guidance, reviews business proposals, perform stress testing, develops KRIs and key risk appetite metrics and ensures compliance with risk policies and regulatory impacts.

Internal Audit

- Internal Audit adopts a risk-based approach to evaluate controls, design audit plans based on risk, support ERM effectiveness, and challenge management9s risk assessments and mitigation strategies.

Notes to the consolidated and separate financial statements

Risk Landscape

Leadway Assurance maintains a structured and comprehensive risk universe that reflects the breadth of exposures inherent in our business model. This universe spans financial, insurance, operational, legal/regulatory, and strategic risk domains, with cross-cutting themes such as ESG, cyber resilience, and model integrity integrated into our framework. Our risk taxonomy provides the foundation for consistent identification and classification of material risks across the Group. All identified risks are subject to periodic assessment, with material exposures monitored through defined thresholds and escalation protocols. Risk insights are regularly reported to executive management and the relevant Board Committees, ensuring appropriate oversight and a proactive response to emerging threats within an evolving external environment.

3.1 Capital Management Policies, Objectives and Approach

Approach to capital management

Leadway optimizes capital structure to maximize value for shareholders and policyholders. Capital is actively managed across assets, liabilities, and risks, with quarterly assessments to ensure adequacy and resilience under evolving conditions. The Group targets a capital coverage ratio of 1.5x32x and risk-adjusted returns aligned with strategic goals.

Primary capital sources include retained earnings and shareholder equity, supported by reinsurance to mitigate large losses. Capital needs are projected using Value at Risk and Solvency II standards, with quarterly reviews by Actuarial and ERM teams. An annual ORSA is conducted per regulatory requirements.

The table below summarises the maximum authorized capital across the group and the paid up capital held as follows:

	Group 31-Dec-25 N'000	Company 31-Dec-25 N'000	Group 31-Dec-24 N'000	Company 31-Dec-24 N'000
Maximum Regulatory Capital	5,000,000	5,000,000	5,000,000	5,000,000
Paid up capital	10,142,605	10,142,605	10,142,605	10,142,605
surplus	5,142,605	5,142,605	5,142,605	5,142,605

The Group has different requirements depending on the specific operations which it engages in. The Group's main business is undertaking and carrying on business as an Investment Company.

The Nigeria Insurance Industry Reform Act (NIIRA 2025) was signed into Law in July 2025. The act prescribed two type of capital for operators in the industry. The Minimum Capital Requirement and The Risk Base Capital. The higher of the two is the capital for each company. The minimum capital according to section 15 of the act prescribes, N15b for Non-Life business, N10b for Life and N35b for reinsurance company. The act commenced immediately it was signed into Law. The regulator is presently working on the minimum capital requirement (MCR) as the first stage and will release guideline for Risk Base Capital at a latter time. Our self assessment based on the new guideline released by the regulator, showed that net asset as at 31st Dec 2025 is far above the Minimum Capital Requirement.

Notes to the consolidated and separate financial statements

3 Enterprise Risk Management Statement (ERM) Statement (continued)

3.2 Asset and Liability Management

(a) Hyppthecation of Assets (Group)

For the period 1 January 2025 to 31 December 2025

(All amounts in thousands of Nigerian Naira unless otherwise stated)

Group 2025	Non Life		Life				
	Shareholder's fund	Policy holder's Fund	Shareholder's fund	Deposit Admin. Fund	Annuity Fund	Policy holder's Fund (LIFE)	TOTAL
Assets							
Cash and cash equivalents							
Bank Placements	8,382,732	54,161,962	2,702,163	1,497,134	20,366,195	5,813,561	92,923,747
Bank and Cash Balances	2,960,478	19,183,822	238,346	134,866	3,545,856	528,451	26,591,819
Trade receivables	165,252	-	80,299	-	-	-	245,551
Investment securities:							-
Treasury Bills	99,578	10,175,526	671,223	8,140,237	121,113	10,844,242	30,051,919
Government Bonds	61,276,207	83,271,912	19,095,563	10,710,729	387,344,523	30,783,239	592,482,173
Corporate bonds	-	-	-	865,018	4,150,144	2,078,017	7,093,179
Quoted Securities	8,725,329	429,699	5,945,861	751,306	4,357,729	4,367,750	24,577,674
Unquoted Securities	11,904,368	-	1,598,020	-	-	-	13,502,388
Commercial paper	-	879,916	-	1,044,157	1,424,344	6,066,664	9,415,081
Term Loan	18,289,894	-	552	-	-	-	18,290,446
Reinsurance contracts assets	-	215,211,957	-	-	-	3,069,379	218,281,336
Insurance contract assets	-	-	-	-	-	-	-
Other receivables and prepayments	3,357,058	-	8,828,527	-	-	-	12,185,586
Loans and advances	45,208	-	26,420	796,730	-	-	868,358
Property and equipment	7,313,146	-	5,245,157	-	-	-	12,558,303
Investment properties	245,038	-	22,492,028	-	-	5,739,397	28,476,463
Investment in subsidiaries	20,073,691	-	18,291,995	-	-	-	38,365,686
Deferred tax assets	-	-	28,826,803	-	-	-	28,826,803
Intangible assets	162,591	-	54,265	-	-	-	216,856
Statutory deposits	300,000	-	200,000	-	-	-	500,000
Total:	**143,300,570**	**383,314,795**	**114,297,222**	**23,940,176**	**421,309,904**	**69,290,699**	**1,155,453,366**
Liabilities							
Trade payables & other liabilities	34,482,837		13,524,430	-	-	-	48,007,267
Current income tax liabilities	7,249,362	-	664,874	-	-	-	7,914,236
Insurance contract liabilities	-	333,601,400	-	-	412,377,910	65,766,498	811,745,808
Investment contract liabilities	-	-	-	22,718,980	-	-	22,718,980
Deferred tax liabilities	37,463,885	-	-	-	-	-	37,463,885
TOTAL:	**79,196,084**	**333,601,400**	**14,189,304**	**22,718,980**	**412,377,910**	**65,766,498**	**927,850,176**
Surplus	**64,104,486**	**49,713,395**	**100,107,918**	**1,221,196**	**8,931,994**	**3,524,201**	**227,603,190**

(a) Hyppthecation of Assets (Group)

For the period 1 December 2024 to 31 December 2024

(All amounts in thousands of Nigerian Naira unless otherwise stated)

Group 2024	**Non Life**		**Life**				
	Shareholder's fund	**Policy holder's Fund**	**Shareholder's fund**	**Deposit Admin. Fund**	**Annuity Fund**	**Policy holder's Fund (LIFE)**	**TOTAL**
Assets							
Cash and cash equivalents							
Bank Placements	30,153,977	70,329,771	2,669,358	1,862,343	5,354,236	7,477,299	117,846,984
Bank and Cash Balances	2,280,684	7,972,125	551,009	359,859	1,034,593	2,940,312	15,138,582
Trade receivables	334,216	-	18,070	-	-	-	352,286
Investment securities:							-
Treasury Bills	-	2,215,973	191,464	6,843,397	-	5,594,863	14,845,697
Government Bonds	31,552,641	97,076,144	8,691,635	12,325,261	238,427,189	31,278,257	419,351,127
Corporate bonds	783,065	-	-	1,232,923	2,015,364	1,773,801	5,805,153
Quoted Securities	4,418,940	196,623	8,595,784	239,251	9,216,953	1,250,280	23,917,831
Unquoted Securities	13,057,487	-	11,116,525	-	-	861,198	25,035,210
Comercial paper	16,982,522	7,379,063	1,649,294	84,901	-	4,711,320	30,807,100
Term Loan	3,996,448	24,224	552	-	-	-	4,021,224
Reinsurance contracts assets	-	265,816,838	-	-	-	3,598,516	269,415,354
Insurance contract assets	-	-	-	-	-	-	-
Other receivables and prepayments	5,893,281	1,703,472	-	-	-	14,052,594	21,649,347
Loans and advances	42,964	-	119,472	665,923	-	-	828,359
Property and equipment	2,879,033	3,126,453	4,544,824	636,553	-	-	11,186,863
Investment properties	1,000,000	7,068,131	666,667	2,431,902	-	28,051,162	39,217,862
Investment in subsidiaries	-	-	-	-	-	-	-
Deferred tax assets	-	-	29,377,255	-	-	-	29,377,255
Intangible assets	323,044	-	3,244,662	-	-	-	3,567,706
Statutory deposits	300,000	-	200,000	-	-	-	500,000
Total:	**113,998,302**	**462,908,817**	**71,636,571**	**26,682,313**	**256,048,335**	**101,589,602**	**1,032,863,940**
Liabilities							
Trade payables & other liabilities	10,198,767	41,982,686	3,687,093	-	-	7,086,248	62,954,794
Current income tax liabilities	1,657,492	-	1,118,057	-	-	-	2,775,549
Insurance contract liabilities	-	387,287,259	-	-	249,492,795	49,028,020	685,808,074
Reinsurance contract liabilities	-	-	-	-	-	-	
Investment contract liabilities	-	-	12,323,645	23,926,622	-	-	36,250,267
Deferred tax liabilities	33,145,093	-	-	-	-	-	33,145,093
TOTAL:	**45,001,352**	**429,269,945**	**17,128,795**	**23,926,622**	**249,492,795**	**56,114,268**	**820,933,777**
Surplus	**68,996,950**	**33,638,872**	**54,507,776**	**2,755,691**	**6,555,540**	**45,475,334**	**211,930,163**

***** The hypothecation of assets represents a mandatory disclosure for Leadway Assurance, as it forms a significant component of the Group's financial position**

Notes to the consolidated and separate financial statements

3 Enterprise Risk Management Statement (ERM) Statement (continued)

3.3 Financial risk management

The Group is exposed to a range of financial risks through its financial instrument, reinsurance assets and insurance liabilities. The key financial risk is that in the long term its investments proceeds are not sufficient to fund the obligations arising from its insurance and investment contracts. The most important components of the financial risks are:

- Credit risks
- Liquidity risks
- Market risks

3.3.1 Credit risks

The Group is exposed to credit risk from counterparties such as issuers, reinsurers, brokers, and policyholders. The Group mitigates this through defined policies, exposure limits, and regular monitoring.
Collateral and guarantees are required where necessary, and reinsurance is placed only with well-rated counterparties. Limits are based on counterparty creditworthiness and are reviewed annually. Customer receivables are monitored, and intermediary commissions offset potential defaults.

The Group has policies in place to mitigate its credit risks.

In evaluating credit risk (impairment), the group determines impairment on loans that are not specifically impaired using a model in line with the requirements of IFRS as follows:

Impairment = EAD * PD * LGD

the parameters are defined as follows:

1. Probability of default (PD) : This is the probability that a counterparty will default on an exisiting commitment usually over a 12 months period

2. Loss given default (LGD) : This is the portion of a loan or receivable determined to be irrecoverable, our methods considers prior period experience, other qualitative factors and future economic prospect

3. Exposure at default (EAD): This represents the amount that is due or outstanding at the time of default.

3.3.1.1 Maximum exposure to credit risk

		Group	Group	Company	Company
		31-Dec-25	**31-Dec-24**	**31-Dec-25**	**31-Dec-24**
Cash and cash equivalents (See note 1 below)	5	130,325,327	132,985,567	133,685	-
Premium receivables	6	245,551	352,286	-	-
Investment securities:					
- Fair value through profit or loss (See note 2	7.1	482,059,314	297,731,307	-	-
-Financial asset at fair value though other	7.2	86,137,059	79,261,006	-	-
Amortised cost	7.3	165,243,142	146,791,030		
Reinsurance contracts assets	16.b	220,624,063	269,415,354	-	
Other receivables	8	12,802,266	23,138,566	31,150	8,000,000
Loans and advances	9	23,203,509	828,359	-	-
Statutory deposits	15	500,000	500,000	-	
Total assets exposed to credit risk		**1,121,140,230**	**951,003,475**	**164,835**	**8,000,000**

1. Cash and cash equivalents excludes the balance in hand which is not exposed to credit risk.
2. Assets measured at fair value through profit or loss and fair value through other comprehensive income do not include the balance of equity securities in these classes of asset as equity securities are not exposed to credit risk.
3. Reinsurance Assets only includes amount recoverable on claims reported (excluding IBNR) and amount due from reinsurers. The balance on prepaid reinsurance is excluded from this analysis.
4. Other receivables excludes prepayments and other non financial assets. (see note 8)

The Group's investment portfolio is exposed to credit risk through its fixed income and money market instruments. The contribution of the fixed Income & money market instruments to the Group's investment is as follows:

3.3.1.: Counterparty risk

(a) Cash and cash equivalent

The group and company's counterparty exposure of its cash and cash equivalent is represented below:

Counterparty	Group 31-Dec-25	Group 31-Dec-24	Company 31-Dec-25	Company 31-Dec-24
National banks	100,310,528	98,732,957	315,750	-
Foreign banks	9,174,166	14,012,117	-	-
Investment banks	20,840,633	20,234,559	-	-
(This is net of cash in hand)	**130,325,327**	**132,979,633**	**315,750**	**-**

Counterparty	Group 31-Dec-25	Group 31-Dec-24	Company 31-Dec-25	Company 31-Dec-24
National banks	77%	74%	100%	-
Foreign banks	7%	11%	-	-
Investment banks	16%	15%	-	-
	100%	**100%**	**100%**	**0%**

(b) Investment securities

The group and company's counterparty exposure of its investment securities is represented below:

Counterparty	Group 31-Dec-25	Group 31-Dec-24	Company 31-Dec-25	Company 31-Dec-24
Federal Government of Nigeria	614,735,406	432,135,426	-	-
State Government in Nigeria	3,432,219	2,287,881	-	-
Corporates with acceptable risk ratings	16,608,518	5,805,153	-	-
	634,776,143	**440,228,460**	**-**	**-**

(c) Premium receivables

Credit risk exposure to trade receivables arises from the 30 days window given by NAICOM in the "No Premium No Cover" policy. This give the brokers latitude to withhold premium collected from the insured for 30 days before remittance. However, they are expected to issue their credit note and remit the premium on or before the expiration of the 30 days grace period. Brokers who fail to remit are reported on a quarterly basis to NAICOM and are subject to the downgrading process in line with the Group's policy. The Group's risk exposure to credit risk is low as the receipt of insurance premium from the insured is a pre-condition for the issuance of insurance cover.

	Note	Group 31-Dec-25	Group 31-Dec-24	Company 31-Dec-25	Company 31-Dec-24
Gross Trade receivables	6	668,659	793,573	-	-
Less Impairment allowance:	6	(423,108)	(441,287)	-	-
Net Trade receivables		**245,551**	**352,286**	-	**-**

(d) Loans and advances

The Company's exposure to credit risk arising from brokered business is relatively moderate and the risk is managed by the Group's internal rating model for brokers. Our credit risk internal rating model is guided by several weighted parameters which determine the categorization of brokers the Group transacts businesses with.

	Note	Group 31-Dec-25	Group 31-Dec-24	Company 31-Dec-25	Company 31-Dec-24
Gross Loans & Advance	6	23,206,456	6,483,628	-	-
Less Impairment allowance:	6	(2,947)	(114,834)	-	-
Net Loans and advance		**23,203,509**	**6,368,794**	-	**-**

Notes to the consolidated and separate financial statements

(e) Reinsurance Contract Assets

Reinsurance contract is executed only with reinsurers with a minimum acceptable credit rating. Management monitors the credit worthiness of reinsurers by reviewing their annual financial statements and through ongoing communications. Reinsurance treaties are reviewed annually by management prior to renewal of reinsurance contracts.

	Note	Group	Group	Company	Company
		31-Dec-25	31-Dec-24	31-Dec-25	31-Dec-24
Gross	6	220,624,063	269,415,356	-	-

3.3.2 Liquidity risks

Liquidity risk is the risk that an entity will encounter difficulty in meeting obligations associated with financial instruments. In respect of catastrophic events there is also a liquidity risk associated with the timing differences between gross cash out–flows and expected reinsurance recoveries.

The following policies and procedures are in place to mitigate the company's exposure to liquidity risk:

i The Company's tailored Liquidity risk policy is the umbrella policy that guides the assessment and determination of all material risks impacting its liquidity position. Compliance with the policy is monitored and exposures and breaches are reported to the company's risk committee. The policy is regularly reviewed in line with organizational changes (inclusion of new products or changes to existing ones) as well as changes in the risk environment. With regards to liquidity risk, this policy is also supported by the investment guidelines that sets out asset allocations, portfolio limit structures, in order to ensure sufficient funding available to meet insurance and investment contracts obligations.

ii Liquidity Stress Testing: The liquidity stress test is conducted quarterly and incorporates market-wide and company specific stress scenerios. Leadway Assurance's liquidity risk stems primarily from the need to cover potential extreme loss events and constraints that limit the monetization of assets. The core objective of liquidity risk management is to retain sufficient liquidity in the form of high quality liquid assets and cash to meet potential funding requirements arising from an extreme loss event.

Our stress test assumptions were drawn from the Covid pandemic experience, the 2008 financial market crisis and business experience. The adequacy of our liquidity is assessed for variety of time horizons including 30 day, 90 days and 1 year.

In line with the Board approved appetite for liquidity risk, the expectation is that at all times and in all plausible hypothhetical scenarios, the available liquidity resources of the company should exceed liquidity needs.

Credit quality analysis

The tables below set out information about the credit quality of financial assets measured at amortised cost and FVOCI debt investment securities without taking into account collateral or other credit enhancement. Unless specifically indicated, for financial assets the amounts in the table represent gross carrying amounts.

			31 December 2025	
In thousands of naira	**Stage 1**	**Stage 2**	**Stage 3**	**Total**
High Investment Grade	1,046,604	-	-	1,046,604
Medium Investment Grade	31,276,925	-	-	31,276,925
Non-Investment Grade	263,543,774	-	4,002	263,547,776
Substandard/Speculative Grade	52,003,572	4,712	165,941	52,174,225
Gross carrying amount	347,870,875	4,712	169,943	348,045,530
Loss allowance	(567,585)	(67)	(135,188)	(702,840)
Carrying amount	**347,303,290**	**4,645**	**34,755**	**347,342,690**

			31 December 2024	
In thousands of naira	**Stage 1**	**Stage 2**	**Stage 3**	**Total**
Medium Investment Grade	70,043,262	1,112,368	-	71,155,630
Substandard/Speculative Grade	245,442,472	4,940	185,369	245,632,781
Gross carrying amount	315,485,733	1,117,308	185,369	316,788,410
Loss allowance	(331,369)	(93)	(178,824)	(510,286)
Carrying amount	**315,154,364**	**1,117,215**	**6,545**	**316,278,124**

Notes to the consolidated and separate financial statements

3 Enterprise Risk Management Statement (ERM) Statement (continued)

Maturity analysis (contractual undiscounted cash flow basis for non–derivatives)

Using the behavioural pattern of our funding sources over time, the Group's expected cash flows on some financial assets and liabilities to vary significantly from the contractual cash flows. As part of management of liquidity risk arising from financial liabilities, the Group maintains a portfolio of highly marketable and diverse assets that can be easily liquidated in the event of an unforeseen interruption of cash flow.

The table below shows the undiscounted cash flow on the Group's financial assets and liabilities and on the basis of the earliest possible contractual maturity. The gross nominal inflow/outflow disclosed in the table is the contractual, undiscounted cash flows on the financial assets and liabilities. Whilst the table below have been prepared based on the contractual maturities, the maturity profile based on the behavioural pattern of the assets and liabilities observed over a very long period (five years) presents management with a reliable basis to manage the inherent liquidity risks.

Group			Contractual maturities of financial assets and liabilities					
31 December 2025	**Notes**	**Carrying amount**	**Gross nominal**	**0-3 months**	**3-6 months**	**6-12 months**	**1-5 years**	**Over 5 years**
Assets								
Cash and cash equivalents	5	130,517,475	130,517,475	130,517,475	-	-	-	-
Trade receivables	6	668,659	668,659	668,659	-	-	-	-
Investment securities - FVTPL	7.1	482,059,314	482,059,314	4,458,299	3,051,574	12,474,470	114,396,040	347,678,931
Investment securities - FVTOCI	7.2	86,137,061	86,137,061	3,724,958	413,722	-	79,255,463	2,742,918
Investment securities - Financial assets at amortised cost	7.3	165,243,142	165,243,142	8,170,639	10,284,817	20,187,173	119,748,921	6,851,592
Reinsurance Contract assets	16.b	220,624,063	220,624,063	24,667,359	16,610,858	117,394,752	61,951,092	-
Other receivables - financial assets	8	12,802,266	12,802,266	12,802,266	-		-	-
Loans and Advances	9	23,203,509	23,203,509	190,244	600,772	210,270	22,202,222	-
Statutory deposit	15	500,000	500,000	-	-	-	-	500,000
Total financial assets		**1,121,755,488**	**1,121,755,488**	**185,199,899**	**30,961,743**	**150,266,665**	**397,553,738**	**357,773,441**
Trade payables	17	38,360,765	38,360,765	34,523,498	3,837,267	-	-	-
Other liabilities - financial liabilities	19	26,455,424	26,455,424	19,185,369	1,428,046	1,817,513	2,077,158	1,947,336
Insurance contract liabilities	16.a	824,339,349	824,339,349	93,768,122	16,234,916	121,761,871	267,876,117	324,698,323
Investment contract liabilities	20	37,654,444	37,654,444	1,974,615	771,723	2,495,396	24,377,766	8,034,944
Total financial liabilities		**926,809,982**	**926,809,982**	**149,451,604**	**22,271,952**	**126,074,780**	**294,331,041**	**334,680,603**
Gap		**194,945,506**	**194,945,506**	**35,748,295**	**8,689,790**	**24,191,885**	**103,222,697**	**23,092,838**

Company			Contractual maturities of financial assets and liabilities					
31 December 2025	**Note**	**Carrying amount**	**Gross nominal**	**0-3 months**	**3-6 months**	**6-12 months**	**1-5 years**	**Over 5 years**
Assets								
Cash and cash equivalents	5	315,750	315,750	315,750	-	-	-	-
Trade receivables	6	-	-	-	-	-	-	-
Investment securities - FVTPL	7.1	-	-	-	-	-	-	-
Investment securities - FVTOCI	7.2	-	-	-	-	-	-	-
Investment securities - Financial assets at amortised cost	7.3	-	-	-	-	-	-	-
Reinsurance Contract assets	16.b	-	-	-	-	-	-	-
Insurance contract assets		-	-	-	-	-	-	-
Other receivables - financial assets	8	31,150	31,150	31,150	-	-	-	-
Loans and advances	9	-	-	-	-	-	-	-
Statutory deposit	15	-	-	-	-	-	-	-
Total financial assets		**346,900**	**346,900**	**346,900**	**-**	**-**	**-**	**-**
Trade payables	17	-	-	-	-	-	-	-
Other liabilities - financial liabilities	19	229,968	229,968	229,968	-	-	-	-
Insurance contract liabilities	20	-	-	-	-	-	-	-
Investment contract liabilities	16.a	-	-	-	-	-	-	-
Total financial liabilities		**229,968**	**229,968**	**229,968**	**-**	**-**	**-**	**-**
Gap		**116,932**	**116,932**	**116,932**	**-**	**-**	**-**	**-**

Group			Contractual maturities of financial assets and liabilities					
31 December 2024	**Notes**	**Carrying amount**	**Gross nominal**	**0-3 months**	**3-6 months**	**6-12 months**	**1-5 years**	**Over 5 years**
Assets								
Cash and cash equivalents	5	132,985,566	132,985,566	132,985,566	-	-	-	-
Trade receivables	6	352,285	352,285	352,285	-	-	-	-
Investment securities - FVTPL	7.1	297,755,530	297,755,530	3,259,653	3,456,783	599,110	36,616,634	253,823,349
Investment securities - FVTOCI	7.2	79,236,782	79,236,782	5,635,674	5,635,674	4,333,209	22,150,419	44,771,824
Investment securities - Financial assets at amortised cost	7.3	145,141,735	145,141,735	1,160,755	2,240,495	30,400,925	67,625,609	43,713,951
Reinsurance Contract assets	16.b	269,415,354	269,415,354	30,445,870	20,502,074	131,080,446	87,386,964	-
Other receivables - financial assets	8	29,933,770	29,933,770	16,131,516	3,456,789	10,345,465	-	-
Loans and Advances		6,483,444	6,483,444			3,630,728		
Statutory deposit	15	500,000	500,000	-	-	-	-	500,000
Total financial assets		**961,804,466**	**961,804,466**	**189,971,319**	**36,004,994**	**180,389,883**	**215,919,162**	**342,809,124**

Notes to the consolidated and separate financial statements

3 Enterprise Risk Management Statement (ERM) Statement (continued)

	Note	Carrying amount	Gross nominal	0-3 months	3-6 months	6-12 months	1-5 years	Over 5 years
Trade payables	17	37,443,720	37,433,720	23,725,338	8,522,200	3,355,521	-	-
Other liabilities - financial liabilities	19	36,124,553	36,124,553		9,043,694			
Insurance contract liabilities	16.a	685,808,078	685,808,078	2,180,271	16,141,153	3,747,137	17,098,588	12,065,436
Investment contract liabilities	20	36,250,268	36,250,268		1,158,835			
Total financial liabilities		**795,626,619**	**795,616,619**	**66,432,078**	**34,865,882**	**153,161,808**	**209,941,397**	**331,215,453**
Gap		**166,177,847**	**166,187,847**	**123,539,241**	**1,139,111**	**27,228,075**	**5,977,765**	**11,593,671**

Company

31 December 2024	**Note**	**Carrying amount**	**Gross nominal**	**0-3 months**	**3-6 months**	**6-12 months**	**1-5 years**	**Over 5 years**
			Contractual maturities of financial assets and liabilities					
Reinsurance Contract assets	16.b	-	-	-	-	-	-	-
Loans and advances	9	-	-	-	-	-	-	-
Other receivables - financial assets	8	8,000,000	8,000,000	-	-	8,000,000	-	-
Other liabilities - financial liabilities	19	2,000	2,000	-	2,000	-	-	-
Total financial liabilities		**2,000**	**2,000**	**-**	**2,000**	**-**	**-**	**-**
Gap		**7,998,000**	**7,998,000**	**-**	**(2,000)**	**8,000,000**	**-**	**-**

(f) Market risks

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises three types of risk: foreign exchange rates (currency risk), market interest rates (interest rate risk) and market prices (price risk).

The Group's enterprise risk management policy sets out the assessment and determination of what constitutes market risk . Compliance with the policy is monitored and exposures and breaches are reported to the company risk committee. The policy is reviewed regularly for pertinence and for changes in the risk environment.

- Guidelines are set for asset allocation and portfolio limit structure, to ensure that assets back specific policyholder's liabilities and that assets are held to deliver income and gains for policyholders which are in line with expectations of the policyholders.
- The Group stipulates diversification benchmarks by type of instrument and geographical area, as the Group is exposed to guaranteed bonuses, cash and annuity options when interest rates falls.

(g) Foreign currency risk

Currency risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates.

The Group's principal transactions are carried out in Naira and its exposure to foreign exchange risk arise primarily with respect to US dollar and CFA.

The Group's financial assets are primarily denominated in the same currencies as the related insurance and investment contract liabilities. The main foreign exchange risk arises from recognised assets and liabilities denominated in currencies other than those in which insurance and investment contract liabilities are expected to be settled.

The table below summarises the Group's financial assets and liabilities by major currencies. Note that irrespective of the currency in which the assets are held, the amounts disclosed against individuals currencies are the Naira equivalent of the respective currencies. The exchange rates applied for each of the listed currencies (USD 1429(2025) USD 1538.25(2024), GBP1933.58 (2025), GBP1924.83(2024), EURO 1687.29 (2025), EURO 1594.89(2024), CFA franc 2.5766(2025), 2.6705 (2024) used have been obtained from reliable sources depicting reliable market transactions on 31 Decembers 2025.

Group

31 December 2025	**Notes**	**Other in Naira value (₦)**	**USD (Absolute values)**	**US Dollars (Naira Equivalent)**	**GBP (Absolute values)**	**UK Pound (Naira Equivalent)**	**EURO (Absolute values)**	**Euro (Naira Equivalent)**	**CFA (Absolute values)**	**CFA (Naira Equivalent) Franc CFA**	**Total**
Exchange / Cross Rates											
Cash and cash equivalents	5	56,844,139	47,774	68,269,044	31	60,710	70	286,068	1,888,290	4,865,366	130,325,327
Trade receivables	6	1,472,762	-	-	-	-	-	-	-	-	1,472,762
Investment securities - FVTPL	7.1	449,613,307	12,018	17,173,148	-	-	-	-	5,927,524	15,272,859	482,059,314
Investment securities - FVTOCI	7.2	44,210,775	29,322	41,900,518	-	-	-	-	10,000	25,766	86,137,059
Investment securities - Financial assets at amortised cost	7.3	36,837,793	74,787	106,871,297	-	-	10,490	17,669,281	1,499,950	3,864,771	165,243,142
Reinsurance contract assets	16.b	94,860,515	86,369	123,420,820	-	-	-	-	909,232	2,342,726	220,624,061
Other receivables - financial assets	8	12,802,266	-	-	-	-	-	-	-	-	7,526,771
Loans and advances	9	23,203,509	-	-	-	-	-	-	-	-	1,001,286
Statutory deposits	15	500,000	-	-	-	-	-	-	-	-	500,000
Total financial assets		**720,345,065**	**250,270**	**357,634,827**	**31**	**60,710**	**10,560**	**17,955,349**	**10,234,996**	**26,371,488**	**1,094,889,721**
Trade payables	17	38,360,765	-	-		-	-	-	-	-	1,924,665
Other liabilities	19	26,455,424	-	-		-	-	-	-	-	33,878,713
Insurance contract liabilities	16.a	490,043,113	225,124	321,702,695		-	-	-	4,887,659	12,593,541	824,339,349
Investment contract liabilities	20	22,718,980	-	-		-	-	-	5,796,578	14,935,464	37,654,444
Total financial liabilities		**577,578,282**	**225,124**	**321,702,695**	**-**	**-**	**-**	**-**	**10,684,237**	**27,529,005**	**897,797,171**
Net FCY exposure		**142,766,783**	**25,146**	**35,932,132**	**31**	**60,710**	**10,560**	**17,955,349**	**(449,241)**	**(1,157,517)**	**197,092,550**

Notes to the consolidated and separate financial statements

3 Enterprise Risk Management Statement (ERM) Statement (continued)

Company

31 December 2025	**Note**	**Naira (₦)**	**USD (Absolute values)**	**US Dollars (Naira Equivalent)**	**GBP (Absolute values)**	**UK Pound (Naira Equivalent)**	**EURO (Absolute values)**	**Euro (Naira Equivalent)**	**CFA (Absolute values)**	**CFA (Naira Equivalent) Franc CFA**	**Total**
Exchange / Cross Rates			-		-		-		-		
Cash and cash equivalents	5	315,750	-	-	-	-	-	-	-	-	-
Other receivables - financial assets	8	31,150	-	-	-	-	-	-	-	-	-
Total financial assets		**346,900**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
Trade payables	17	-	-	-	-	-	-	-	-	-	-
Other liabilities	19	229,968	-	-	-	-	-	-	-	-	-
Total financial liabilities		**229,968**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
Net FCY exposure		**116,932**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**

Group

31 December 2024	**Notes**	**Other in Naira value (₦)**	**USD (Absolute values)**	**US Dollars (Naira Equivalent)**	**GBP (Absolute values)**	**UK Pound (Naira Equivalent)**	**EURO (Absolute values)**	**Euro (Naira Equivalent)**	**CFA (Absolute values)**	**CFA (Naira Equivalent) Franc CFA**	**Total**
Exchange / Cross Rates											
Cash and cash equivalents	5	42,479,806	57,007	87,691,555	18	34,580	1,639	2,614,025	62,011	165,600	133,106,241
Trade receivables	6	352,285	-	-	-	-	-	-	-	-	352,285
Investment securities - FVTPL	7.1	293,406,324	2,827	4,349,206	-	-	-	-	-	-	297,758,357
Investment securities - FVTOCI	7.2	37,718,590	26,991	41,518,192	-	-	-	-	-	-	79,263,773
Investment securities - Financial assets at amortised cost	7.3	27,229,887	66,054	101,607,288	-	-	10,223	16,304,560	-	-	145,218,012
Reinsurance contract assets	16b	117,368,571	98,844	152,046,783	-	-	-	-	-	-	269,514,198
Insurance contract assets	-		-	-	-	-	-	-	-	-	-
Other receivables - financial assets	8	29,933,770	-	-	-	-	-	-	-	-	21,933,770
Loans and advances	9	6,483,444	-	-	-	-	-	-	-	-	6,483,444
Statutory deposits	15	500,000	-	-	-	-	-	-	-	-	500,000
Total financial assets		**555,472,677**	**251,723**	**387,213,024**	**18**	**34,580**	**11,862**	**18,918,585**	**62,011**	**165,600**	**954,130,080**
Trade payables	17	49,705,462	-	-	-	-		-	-		49,705,462
Other liabilities	19	20,466,579	-	-	-	-		-	-		20,466,579
Insurance contract liabilities	16.a	406,987,422	174,021	267,687,803	-	-		-	-		674,849,246
Investment contract liabilities	20	23,926,622	-	-	-	-		-	-		23,926,622
Reinsurance contract liabilities											
Total financial liabilities		**501,086,085**	**174,021**	**267,687,803**	**-**	**-**	**-**	**-**	**-**	**-**	**768,947,909**
Net FCY exposure		**54,386,592**	**77,702**	**119,525,221**	**18**	**34,580**	**11,862**	**18,918,585**	**62,011**	**165,600**	**185,182,171**

Company

31 December 2024	**Note**	**Naira (₦)**	**USD (Absolute values)**	**US Dollars (Naira Equivalent)**	**GBP (Absolute values)**	**UK Pound (Naira Equivalent)**	**EURO (Absolute values)**	**Euro (Naira Equivalent)**	**CFA (Absolute values)**	**CFA (Naira Equivalent) Franc CFA**	**Total**
Exchange / Cross Rates			-		-		-				
Cash and cash equivalents	5	-	-	-	-	-	-	-	-	-	-
Trade receivables	6	-	-	-	-	-	-	-	-	-	-
Investment securities - FVTPL	7.1	-	-	-	-	-	-	-	-	-	-
Investment securities - FVTOCI	7.2	-	-	-	-	-	-	-	-	-	-
Investment securities - amortised cost	7.3	-	-	-	-	-	-	-	-	-	-
Reinsurance contracts assets	16b	-	-	-	-	-	-	-	-	-	-
Insurance contract assets		-	-	-	-	-	-	-	-	-	-
Other receivables - financial assets	8	8,000,000	-	-	-	-	-	-	-	-	-
Loans and advances	9	-	-	-	-	-	-	-	-	-	-
Statutory deposits	15	-	-	-	-	-	-	-	-	-	-
Total financial assets		**8,000,000**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
Trade payables	17	-	-	-	-	-	-	-	-	-	-
Other liabilities	19	2,000	-	-	-	-	-	-	-	-	-
Insurance contract liabilities	16.a	-	-	-	-	-	-	-	-	-	-
Investment contract liabilities	20	-	-	-	-	-	-	-	-		(44,463,622)
Reinsurance contract liabilities											
Total financial liabilities		**2,000**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**(44,463,622)**
Net FCY exposure		**7,998,000**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**44,463,622**

Notes to the consolidated and separate financial statements

3 Enterprise Risk Management Statement (ERM) Statement (continued)

Foreign currency sensitivity

The tables below shows the sensitivity of the Group's profit before tax to appreciation or depreciation of the naira in relation to other currencies. Based on the past years behaviour, it is reasonable to assume 800 basis points appreciation and 800 basis points depreciation of the Naira holding all other variables constant.

Group

Currency	Change in variables	31 December 2025 Impact on profit before tax	31 December 2025 Impact on equity	31 December 2024 Impact on profit before tax	31 December 2024 Impact on equity
US Dollar	+ 500 basis points	3,593,213	4,183,383	5,976,261	4,183,383
Pound sterling	+ 500 basis points	6,071	1,210	1,729	1,210
Euro	+ 500 basis points	1,798,535	662,150	945,929	662,150
Franc CFA	+ 500 basis points	18,258	5,796	8,280	5,796
Total		**5,416,077**	**4,852,539**	**6,932,199**	**4,852,539**
US Dollar	- 500 basis points	(3,593,213)	(4,183,383)	(5,976,261)	(4,183,383)
Pound sterling	- 500 basis points	(6,071)	(1,210)	(1,729)	(1,210)
Euro	- 500 basis points	(1,798,535)	(662,150)	(945,929)	(662,150)
Franc CFA	- 500 basis points	(18,258)	(5,796)	(8,280)	(5,796)
Total		**(5,416,077)**	**(4,852,539)**	**(6,932,199)**	**(4,852,539)**

(h) Interest rate risks:

Interest rate risk is the risk that the value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates.

Exposure to this risk primarily results from timing differences in the repricing of assets and liabilities as they mature (fixed rate instruments) or contractually repriced (floating rate instruments).

The Group monitors this exposure through periodic reviews of the assets and liability position. Estimates of cash flows, as well as the impact of interest rate fluctuations relating to the investment portfolio and insurance provisions are modeled and reviewed .

The overall objective of these strategies is to limit the net change in value of assets and liabilities arising from interest rate movements.

While it is more difficult to measure the interest sensitivity of insurance liabilities than that of the related assets, to the extent that such sensitivities are measurable then the interest rate movements will generate asset value changes that substantially offset changes in the value of the liabilities relating to the underlying products. The table below details the interest rate sensitivity analysis of the Group as at 31 December 2025 holding all other variables constant. Based on historical data, 100 basis points change is deemed to be reasonably possible and are used when reporting interest rate risk.

Group

31 December 2025

		Non-interest bearing	0-3 months	3-6 months	6-12 months	1-5 years	Over 5 years	Total
Cash and cash equivalents (fixed)	5	6,553	130,318,774	-	-	-	-	130,325,327
Investment securities - FVTPL	7.1	19,794,292	19,232,913	3,051,574	12,474,470	79,827,134	347,678,931	482,059,314
Investment securities - FVTOCI	7.2	14,330,011	22,197,653	413,722	-	46,452,756	2,742,918	86,137,060
Investment securities - Financial assets at amortised cost		-	12,221,261	6,234,195	20,187,173	119,748,921	6,851,592	165,243,142
Loans and advances	9	71,104	189,297	526,741	214,144	22,202,223	-	23,203,509
Statutory deposits	15	-	-	-	-	-	500,000	500,000
Total		**34,201,960**	**184,159,898**	**10,226,232**	**32,875,787**	**268,231,034**	**357,773,441**	**887,468,352**
Investment contract liabilities	20	-	2,079,577	812,744	2,628,040	23,672,036	8,462,047	37,654,444
Total		**-**	**2,079,577**	**812,744**	**2,628,040**	**23,672,036**	**8,462,047**	**37,654,444**
Gap		**34,201,960**	**182,080,321**	**9,413,488**	**30,247,747**	**244,558,998**	**349,311,394**	**849,813,908**
Cumulative gap		**34,201,960**	**216,282,281**	**225,695,769**	**255,943,516**	**500,502,514**	**849,813,908**	**1,699,627,816**
Impact on profit before tax			15,441,860.00	17,711,897.00	20,855,003.00	44,592,118	79,632,737	**178,233,616**
Taxation at 2.11%			2,316,279.00	2,656,785.00	3,128,250.00	6,688,818	11,944,911	**26,735,042**
Impact on equity			13,125,581.00	15,055,113.00	17,726,753.00	37,903,301	67,687,827	**151,498,574**

31 December 2024

		Non-interest bearing	0-3 months	3-6 months	6-12 months	1-5 years	Over 5 years	Total
Cash and cash equivalents (fixed)	5	5,933	132,997,432	-	-	-	-	133,003,365
Investment securities - FVTPL	7.1	30,246,972	2,928,527	-	809,851	36,002,629	227,767,550	297,755,530
Investment securities - FVTOCI	7.2	30,077,201	3,452,342	913,470	2,604,179	13,823,533	28,366,057	79,236,782
Investment securities - Financial assets at amortised cost		-	1,160,755	2,240,495	30,400,925	67,625,609	43,713,951	145,141,735
Loans and advances	9	-	354,245	713,179	3,630,728	1,785,291	-	6,483,444
Statutory deposits	15	-	-	-	-	-	500,000	500,000
Total		**60,330,106**	**140,893,301**	**3,867,144**	**37,445,683**	**119,237,062**	**300,347,558**	**662,120,856**
Investment contract liabilities	20	-	2,180,271	1,158,835	3,747,137	17,098,588	12,065,436	36,250,268
Total		**-**	**2,180,271**	**1,158,835**	**3,747,137**	**17,098,588**	**12,065,436**	**36,250,268**
Gap		**60,330,106**	**138,713,030**	**2,708,309**	**33,698,546**	**102,138,474**	**288,282,122**	**625,870,587**
Cumulative gap		**60,330,106**	**199,043,136**	**201,751,445**	**235,449,991**	**337,588,465**	**625,870,587**	**625,870,587**
Impact on profit before tax			19,904,314	20,175,145	23,544,999	33,758,847	62,587,059	159,970,364
Taxation at 2.11%			454,899	461,089	538,104	771,534	1,430,382	3,656,008
Impact on equity			19,449,415	19,714,056	23,006,895	32,987,313	61,156,677	156,314,356

Notes to the consolidated and separate financial statements

3 Enterprise Risk Management Statement (ERM) Statement (continued)

Company
31 December 2025

		Non-interest	0-3 months	3-6 months	6-12 months	1-5 years	Over 5 years	Total
Cash and cash equivalents (fixed)	5	-	315,750	-	-	-	-	315,750
Investment securities - FVTPL	7.1	-	-	-	-	-	-	-
Investment securities - FVTOCI	7.2	-	-	-	-	-	-	-
Investment securities - Financial assets at amortised cost		-	-	-	-	-	-	-
Loans and advances	9	-	-	-	-	-	-	-
Statutory deposits	15	-	-	-	-	-	-	-
Total		**-**	**315,750**	**-**	**-**	**-**	**-**	**315,750**
Investment contract liabilities	20	-	-	-	-	-	-	-
Total		**-**	**-**	**-**	**-**	**-**	**-**	**-**
Gap		**-**	**315,750**	**-**	**-**	**-**	**-**	**315,750**
Cumulative gap		**-**	**315,750**	**-**	**-**	**-**	**-**	**315,750**

Company
31 December 2024

		Non-interest	0-3 months	3-6 months	6-12 months	1-5 years	Over 5 years	Total
Cash and cash equivalents (fixed)	5	-	-	-	-	-	-	-
Investment securities - FVTPL	7.1	-	-	-	-	-	-	-
Investment securities - FVTOCI	7.2	-	-	-	-	-	-	-
Investment securities - Financial assets at amortised cost		-	-	-	-	-	-	-
Loans and advances	9	-	-	-	-	-	-	-
Statutory deposits	15	-	-	-	-	-	-	-
Total		**-**	**-**	**-**	**-**	**-**	**-**	**-**
Investment contract liabilities	20	-	-	-	-	-	-	-
Total		**-**	**-**	**-**	**-**	**-**	**-**	**-**
Gap		**-**	**-**	**-**	**-**	**-**	**-**	**-**
Cumulative gap		**-**	**-**	**-**	**-**	**-**	**-**	**-**

Interest rate risk is the risk that the value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates.

(h) Equity price risk

The Group manages its exposure to equity price risk through adherence to investment in eligible equities as approved by the Board and in line with NAICOM investment guidelines. Management Investment Committee establishes and approves a list of eligible stocks in line with approval as approved by the Board through its Board Investment Committee. The investment decisions are subject to authorization(s) levels.

Management Investment Committee

1. An investment which would result in exposure to the invested company for not greater than 5% of the issue under consideration i.e. Equities, Bonds etc.
2. Investment in any unquoted stock with value less than N500m.

Board Investment Committee

i. An investment which would result in exposure to the invested company for greater than 5% of the issue under consideration.
ii. Any investment where the value of total exposure to the invested corporate on completion, as a percentage of total Leadway's Asset Under Management will exceed 2.5% as at the time of the investment.
iii. An Investment in any unquoted stock with value greater than N500m.
iv. Investment in a start-up venture with value over N100m.
v. Investments in a company, which will result in the Leadway having control of management.
vi. Securities lending, leveraged investments, derivatives or hedging.

We have exposure to equity risk through asset/liability mismatches, including our investments in equity securities held in our investment portfolio. Changes in equity prices create risk that the resulting changes in asset values will differ from the changes in the value of the liabilities. Additionally, changes in equity prices may impact other items including, but not limited to investment income of the Company.

This was based on All Share Index the (ASI) which closed at 45% as at 2025 year end, and we decided to use best of judgement (BOJ) of 12% to be conservative.

	Group	Group	Company	Company
	31-Dec-25	31-Dec-24	31-Dec-25	31-Dec-24
Financial assets	+/- 500 basis points	+/- 500 basis points	+/- 500 basis points	+/- 500 basis points
Listed equities (FVTPL)	1,385,600	2,093,944	-	-
Listed equities(FVOCI)	353,872	638,248	-	-
Unlisted equities (FVOCI)	649,229	1,786,065	-	-
Impact on profit before tax	1,385,600	2,093,944	-	-
Tax charge of (ETR) 15%	(207,840)	(47,856)	-	-
Impact on profit after tax	**1,177,760**	**2,046,088**	**-**	**-**
Impact on equity	**2,180,861**	**4,470,401**	**-**	**-**

Notes to the consolidated and separate financial statements

3 Enterprise Risk Management Statement (ERM) Statement (continued)

3.4 Fair values of financial assets and liabilities

Accounting classification, measurement basis and fair values
The table below sets out the Group's classification of each class of financial assets and liabilities, and their fair values

Group

31 December 2025	Notes	At fair value through P/L	Amortised cost	At fair value through OCI	Other financial liabilities at amortised cost	Total carrying amount	Fair Value
Assets							
Cash and cash equivalents	5	-	130,325,327	-	-	130,325,327	130,325,327
Trade receivables	6	-	245,551	-	-	245,551	245,551
Investment securities - FVTPL	7.1	482,059,314	-	-	-	482,059,314	482,059,314
Investment securities - FVTOCI	7.2	-	-	86,137,059	-	86,137,059	86,137,059
Investment securities - Financial assets at amortised cost	7.3	-	165,243,142	-	-	165,243,142	165,243,142
Reinsurance contract assets	16.b	-	220,624,063	-	-	220,624,063	220,624,063
Other receivables	8	-	12,802,266	-	-	12,802,266	12,802,266
Loans and advances	9		23,203,509	-		23,203,509	23,203,509
Statutory deposits	15	-	500,000	-	-	500,000	500,000
Total		**482,059,314**	**552,943,857**	**86,137,059**	**-**	**1,121,140,230**	**1,121,140,230**
Liabilities							
Trade payables	17	-	-	-	38,360,765	38,360,765	38,360,765
Other liabilities	19	-	-	-	26,455,424	26,455,424	26,455,424
Insurance contract liabilities	16.a	-	-	-	824,339,349	824,339,349	824,339,349
Investment contract liabilities	20	-	-	-	37,654,444	37,654,444	37,654,444
Total		**-**	**-**	**-**	**926,809,982**	**926,809,982**	**926,809,982**

Company

31 December 2025	Notes	At fair value through P/L	Amortised cost	At fair value through OCI	Other financial liabilities at amortised cost	Total Carrying amount	Fair Value
Assets							
Cash and cash equivalents	5	-	315,750	-	-	315,750	315,750
Trade receivables	6	-	-	-	-	-	-
Investment securities - FVTPL	7.1	-	-	-	-	-	-
Investment securities - FVTOCI	7.2	-	-	-	-	-	-
Investment securities - Amortised Cost	7	-	-	-	-	-	-
Reinsurance contract assets	16.b	-	-	-	-	-	-
Other receivables	8	-	31,150	-	-	31,150	31,150
Loans and advances	9	-	-	-	-	-	-
Statutory deposits	15	-	-	-	-	-	-
Total		**-**	**346,900**	**-**	**-**	**346,900**	**346,900**
Liabilities							
Trade payables	17	-	-	-	-	-	-
Other liabilities	19	-	-	-	236,375	236,375	236,375
Insurance contract liabilities	16.a	-	-	-	-	-	-
Investment contract liabilities	20	-	-	-	-	-	-
Reinsurance contract liabilities		-	-	-	-	-	-
Total		**-**	**-**	**-**	**236,375**	**236,375**	**236,375**

Group

31 December 2024	Notes	At fair value through P/L	Amortised cost	At fair value through OCI	Other financial liabilities at amortised cost	Total carrying amount	Fair Value
Assets							
Cash and cash equivalents	5	-	132,985,566	-	-	132,985,566	132,985,566
Trade receivables	6	-	352,285	-	-	352,285	352,285
Investment securities - FVTPL	7	297,755,530	-	-	-	297,755,530	297,755,530
Investment securities - FVTOCI	7	-	-	79,236,782	-	79,236,782	79,236,782
Investment securities - Financial	7	-	145,141,735	-	-	145,141,735	145,141,735
Reinsurance contract assets	16.b	-	269,415,354	-	-	269,415,354	269,415,354
Other receivables	8	-	21,933,770	-	-	21,933,770	21,933,770
Loans and advances	9		6,483,444	-		6,483,444	6,483,444
Statutory deposits	15	-	500,000	-	-	500,000	500,000
Total		**297,755,530**	**576,812,153**	**79,236,782**	**-**	**953,804,465**	**953,804,465**
Liabilities							
Trade payables	17	-	-	-	37,433,720	37,433,720	37,433,720
Other liabilities	19	-	-	-	36,122,553	36,122,553	36,122,553
Insurance contract liabilities	16.a	-	-	-	685,808,078	685,808,078	685,808,078
Investment contract liabilities	20	-	-	-	36,250,268	36,250,268	36,250,268
Reinsurance contract liabilities							
Total		**-**	**-**	**-**	**795,614,618**	**795,614,618**	**795,614,618**

Company

31 December 2024	Notes	At fair value through P/L	Amortised cost	At fair value through OCI	Other financial liabilities at amortised cost	Total Carrying amount	Fair Value
Assets							
Cash and cash equivalents	5	-	-	-	-	-	-
Trade receivables	6	-	-	-	-	-	-
Investment securities - FVTPL	7	-	-	-	-	-	-
Investment securities - FVTOCI	7	-	-	-	-	-	-
Investment securities - Amortise	7	-	-	-	-	-	-
Reinsurance contract assets	16.b	-	-	-	-	-	-
Other receivables	8	-	8,000,000	-	-	8,000,000	8,000,000
Loans and advances	9	-	-	-	-	-	-
Statutory deposits	15	-	-	-	-	-	-
Total		**-**	**8,000,000**	**-**	**-**	**8,000,000**	**8,000,000**
Liabilities							
Trade payables	17	-	-	-	-	-	-
Other liabilities	19	-	-	-	2,000	2,000	2,000.00
Insurance contract liabilities	16.a	-	-	-	-	-	-
Investment contract liabilities	20	-	-	-	-	-	-
Reinsurance contract liabilities		-	-	-	-	-	-
Total		**-**	**-**	**-**	**2,000**	**2,000**	**2,000**

Notes to the consolidated and separate financial statements

3 Enterprise Risk Management Statement (ERM) Statement (continued)

3.4.1 Fair value hierarchy

The Group's accounting policy on fair value measurement is disclosed in note 2.18(c), The table below analyses financial instruments carried at fair value, by valuation method. The different levels have been defined as follows:

Level 1: Quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date.

Level 2: inputs other than quoted prices included within level 1 that are observable for the asset or liability, either directly (that is, as prices) or indirectly (that is, derived from prices). These may include quoted prices for similar assets or liabilities in active markets or quoted prices for identical or similar assets and liabilities in markets that are not active.

Level 3: techniques which use inputs which have a significant effect on the recorded fair value that are not based on observable market data (that is, unobservable inputs). It also includes financial instruments whose fair values could not be reliably determined and so they were measured at cost.

(a) The following table presents the financial assets and liabilities that are measured at fair value as at 31 December 2025. See note 7.1 for non-financial assets that are measured at fair value.

Financial Instruments at Fair Value

Group

31 December 2025

All amounts are in thousands of Naira unless otherwise stated

Assets		**Level 1**	**Level 2**	**Level 3**	**Total**
Investment securities:	***Note***				
Fair value through profit or loss	*7.1*				
- Equity securities		38,067,152	-	-	38,067,152
- Federal government bond		419,766,444	-	-	419,766,444
- State government		16,942,009	3,000,000	-	19,942,009
- Corporate bonds		4,283,709	-	-	4,283,709
Fair value through other comprehensi	*7.2*				
- Listed equity securities		5,055,309	-	-	5,055,309
- Unlisted equity securities		-	33,028,498		33,028,498
- Listed debt securities		47,053,252	1,000,000	-	48,053,252
Amortised cost	7.3				
- Equity securities		-	-	-	-
- Federal government bond		123,773,648			123,773,648
- State government		545,052			545,052
- Corporate bonds		2,809,470			2,809,470
- Other debt instruments		19,647,463	18,467,509		38,114,972
Total		**677,943,508**	**55,496,007**	**-**	**733,439,515**

Company

31 December 2025

All amounts are in thousands of Naira unless otherwise stated

Assets	**Note**	**Level 1**	**Level 2**	**Level 3**	**Total**
Investment securities:					
Fair value through profit or loss	*7.1*				
- Equity securities		-	-	-	-
- Federal government bond		-	-	-	-
- State government		-	-	-	-
- Corporate bonds		-	-	-	-
Fair value through other comprehensi	*7.2*	-			-
- Listed equity securities		-	-	-	-
- Unlisted equity securities		-	-	-	-
- Listed debt securities		-	-	-	-
Amortised cost	7.3				
- Equity securities					-
- Federal government bond		-	-		-
- State government		-	-		-
- Corporate bonds		-	-		-
- Other debt instruments		-	-		-
Total		**-**	**-**	**-**	**-**

Notes to the consolidated and separate financial statements

3 Enterprise Risk Management Statement (ERM) Statement (continued)

Group
31 December 2024

All amounts are in thousands of Naira unless otherwise stated

Assets		Level 1	Level 2	Level 3	Total
Investment securities:	***Note***				
Fair value through profit or loss	*7.1*				
- Equity securities		14,806,292	-	-	14,806,292
- Federal government bond		263,423,851	-	-	263,423,851
- State government		1,717,768	-	-	1,717,768
- Corporate bonds		2,366,938	-	-	2,366,938
Fair value through other comprehensi	*7.2*				
- Listed equity securities		4,467,785	-	-	4,467,785
- Unlisted equity securities		-	15,974,172		15,974,172
- Listed debt securities		27,463,208	-	-	27,463,208
Amortised cost	7.3				
- Equity securities		-	-	-	-
- Federal government bond		117,563,374	-		117,563,374
- State government		-	-		-
- Corporate bonds		2,655,150	-		2,655,150
- Other debt instruments		19,687,614	73,344,803		93,032,417
Total		**454,151,980**	**89,318,975**	**-**	**543,470,955**

Company
31 December 2024

All amounts are in thousands of Naira unless otherwise stated

Assets	Note	Level 1	Level 2	Level 3	Total
Investment securities:					
Fair value through profit or loss	*7.1*				
- Equity securities		-	-	-	-
- Federal government bond		-	-	-	-
- State government		-	-	-	-
- Corporate bonds		-	-	-	-
Fair value through other comprehensi	*7.2*	-			-
- Listed equity securities		-	-	-	-
- Unlisted equity securities		-	-	-	-
- Listed debt securities		-	-	-	-
					-
Amortised cost	7.3				
- Equity securities		-	-		-
- Federal government bond		-	-		-
- State government		-	-		-
- Corporate bonds		-	-		-
- Other debt instruments		-	-		-
Total		**-**	**-**	**-**	**-**

There were no transfers between levels 1 and 2 during the period.

(i) *Financial instruments in level 1*

The fair value of financial instruments traded in active markets is based on quoted market prices at the balance sheet date. A market is regarded as active 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. The quoted market price used for financial assets held by the group is the current bid price.

Notes to the consolidated and separate financial statements

3 Enterprise Risk Management Statement (ERM) Statement (continued)

(ii) Financial instruments in Level 2

The fair value of financial instruments that are not traded in an active market is determined by using valuation techniques. These valuation techniques maximise the use of observable market data where it is available and rely as little as possible on entity specific estimates. If all significant inputs required to fair value an instrument are observable, the instrument is included in level 2.

If one or more of the significant inputs is not based on observable market data, the instrument is included in Level 3.

Specific valuation techniques used to value financial instruments include:
(i) Quoted market prices or dealer quotes for similar instruments;
(ii) Other techniques, such as discounted cash flow analysis, are used to determine fair value for the remaining financial instruments

The Group's level 2 corporate bonds, state bonds and unlisted equities were valued using quoted market prices for similar

(iii) Financial instruments in level 2
The following table presents the changes in Level 2 instruments for the period 1 December 2025 to 31 December 2025

All amounts are in thousands of Naira unless otherwise stated

Equity securities - FVTOCI	Group	Company	Group	Company
	31-Dec-25	31-Dec-25	31-Dec-24	31-Dec-24
Opening balance	34,177,263	-	14,748,323	-
Acquisitions	1,325,821	-	24,594,791	-
Disposals	(24,965,021)	-	(16,462,813)	-
Changes in fair value recognised in other comprehensive income	8,044,409	-	11,296,962	-
Balance, end of year	18,582,472	-	34,177,263	-

Varying valuation techniques in determining the fair value of Level 2 item, are as follows:

Valuation technique		Unobservable inputs	Range of unobservable inputs (probability - weighted average)	Relationship of unobservable inputs to fair value
Market Approach		P/BV multiples EV/EBITDA multiples	0.9x - 3.36x 5.73x - 7.16x	The higher the multiples the higher the fair value of the asset.

EV/EBITDA or P/E valuation multiple - the company determines appropriate comparable public company/ies based on industry, size, developmental stage, revenue generation and strategy. The company then calculates a trading multiple for each comparable company identified. The multiple is calculated by either dividing the quoted price of the comparable company by its net income (P/E).

Financial instruments not measured at fair value

The following table sets out fair values of financial instruments not measured at fair value and analyses them by level in the fair value hierarchy into which each fair value measurement is categorised.

Group
31 December 2025
All amounts are in thousands of Naira unless otherwise stated

Assets	Note	Level 1	Level 2	Level 3	Total
Cash and cash equivalents			130,325,327		130,325,327
Investment at Amortised cost:					
State bonds		545,052	-	-	545,052
Corporate bonds		22,456,933	18,467,509	-	40,924,442
Federal government bonds		123,773,648	-	-	123,773,648
Trade receivables			245,551	-	245,551
Loans and advances			23,203,509	-	23,203,509
Reinsurance contracts assets			220,624,063	-	220,624,063
Other receivables			12,802,266	-	12,802,266
Statutory deposits			500,000	-	500,000
Total financial assets		**146,775,633**	**406,168,225**	**-**	**552,943,858**

Notes to the consolidated and separate financial statements

3 Enterprise Risk Management Statement (ERM) Statement (continued)

Liabilities					
Investment contract liabilities				37,654,444	37,654,444
Trade payables				38,360,765	38,360,765
Other liabilities				26,455,424	26,455,424
Total financial liabilities		**-**	**-**	**102,470,633**	**102,470,633**

Company
31 December 2025
All amounts are in thousands of Naira unless otherwise stated

Assets		**Level 1**	**Level 2**	**Level 3**	**Total**
Cash and cash equivalents		-	315,750	-	315,750
nvestment securities:					
State bonds		-	-	-	-
Corporate bonds		-	-	-	-
Federal government bonds		-	-	-	-
Federal government treasury bills		-	-	-	-
Available for sale: Unlisted equity at cost		-	-	-	-
Trade receivables		-	-	-	-
Loans and advances		-	-	-	-
Reinsurance Contract assets		-	-	-	-
Other receivables		-	31,150	-	31,150
Statutory deposits		-	-	-	-
Total financial assets		**-**	**346,900**	**-**	**346,900**
Liabilities					
Investment contract liabilities		-	-	-	-
Trade payables		-	-	-	-
Other liabilities		-	-	236,375	236,375
Total financial liabilities		**-**	**-**	**236,375**	**236,375**

Group
31 December 2024
All amounts are in thousands of Naira unless otherwise stated

Assets	**Note**	**Level 1**	**Level 2**	**Level 3**	**Total**
Cash and cash equivalents			132,985,566		132,985,566
Investment at Amortised cost:					
State bonds		577,665	-	-	577,665
Corporate bonds		2,630,539		-	2,630,539
Federal government bonds		80,941,050	-	-	80,941,050
Federal government treasury bills			-	-	-
Available for sale: Unlisted equity at cost		-	-	-	-
Trade receivables			352,285	-	352,285
Loans and advances			774,588	-	774,588
Reinsurance contracts assets			3,943,100	-	3,943,100
Other receivables			2,024,417	-	2,024,417
Statutory deposits			500,000	-	500,000
Total financial assets		**84,149,254**	**140,579,956**	**-**	**224,729,210**
Liabilities					
Investment contract liabilities				36,250,268	36,250,268
Trade payables			37,433,720	-	37,433,720

Notes to the consolidated and separate financial statements

3 Enterprise Risk Management Statement (ERM) Statement (continued)

Other liabilities		36,122,553		36,126,553
Total financial liabilities	-	73,556,273	36,250,268	109,810,541

Company
31 December 2024
All amounts are in thousands of Naira unless otherwise stated

Assets	**Level 1**	**Level 2**	**Level 3**	**Total**
Cash and cash equivalents	-	-	-	-
Investment securities:				
State bonds	-	-	-	-
Corporate bonds	-	-	-	-
Federal government bonds	-	-	-	-
Federal government treasury bills	-	-	-	-
Available for sale: Unlisted equity at cost	-	-	-	-
Trade receivables	-	-	-	-
Loans and advances	-	-	-	-
Reinsurance Contract assets	-	-	-	-
Other receivables	-	8,000,000	-	8,000,000
Statutory deposits	-	-	-	-
				-
Total financial assets	**-**	**8,000,000**	**-**	**8,000,000**
Liabilities				
Investment contract liabilities	-	-	-	-
Trade payables	-	-	-	-
Other liabilities	-	-	2,000	2,000
Total financial liabilities	**-**	**-**	**2,000**	**2,000**

Notes to the consolidated and separate financial statements

3 Enterprise Risk Management Statement (ERM) Statement (continued)

The fair value for financial assets and liabilities that are not carried at fair value were determined respectively as follows:

(i) **Cash**

Included in the balances of cash and cash equivalents are cash and balances with banks and short term placement. The carrying amount of cash and cash equivalents is a reasonable approximation of fair value.

(ii) **Loans and advances**

The estimated fair value of loans and advances represents the discounted amount of estimated future cashflows expected to be received. Expected future cashflows are discounted at the current market rate to determine the fair value.

(iii) **Trade receivables, Other Receivables, Reinsurance Contract Assets, Trade payables and Other liabilities**

The estimated fair value of receivables and payables with no stated maturity which includes no interest payables and receivables is the amount repayable or received on demand. The carrying amounts are reasonable approximation of their fair values which are payable on demand.

(iv) **Investment contract liabilities**

Investment contracts are those that do not transfer significant insurance risk from the contract holder to the issuer. The carrying amount of investment contract liability is a reasonable approximation of fair value.

3.5 Management of Insurance Risk

The Group issues contracts that transfer insurance risk or financial risk or both. This section summarizes these risks and the way the Group manages them.

Insurance risk

Insurance risk arises from accepting risks which turn out to be inappropriate or pricing the risks accepted inappropriately. The principal risk that the Group faces under its insurance contracts is that the actual claims and benefits 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 could vary from year to year from the level established using statistical techniques.
Our insurance underwriting strategy has been developed in such a way that the types of insurance risks accepted are diversified to achieve a sufficiently large population of risks to reduce the
variability of the expected outcome. Insurance risk is increased by the lack of risk diversification in terms of type and amount of risk, geographical location and type of industry covered.

Non-life insurance contracts

(a) Frequency and severity of claims: The frequency and severity of claims can be affected by several factors. The most significant are the increasing level of awards for the damages suffered as a result of road accidents. The Group manages these risks through its underwriting strategy, adequate reinsurance arrangements and proactive claims handling and investigations.

Underwriting limits are in place to enforce appropriate risk selection criteria.The reinsurance arrangements include treaty and excess of loss coverage, it helps to mitigate the Group's risk of total
net insurance losses, increases our underwriting capacity, reduces our exposures to catastrophic risk and gives us an opportunity of benefit from the reinsurers' expertise.

b) Sources of uncertainty in the estimation of future claim payments
Claims on non-life insurance contracts are payable on a claims-occurrence basis. The Group is liable for all insured events that occurred during the term of the contract. There are several variables that affect the amount and timing of cash ûows from these contracts. These mainly relate to the inherent risks of the business activities carried out by individual contract holders and the risk management procedures adopted. The reserves held for these contracts comprises a provision for Incured but not Reported (IBNR), a provision for reported claims not yet paid and a provision for unearned premiums at the end of the reporting period.

Notes to the consolidated and separate financial statements

3 Enterprise Risk Management Statement (ERM) Statement (continued)

(c) Process used to decide on assumptions

Depending on the volume of data in the reserving classes, the appropriate methodologies were used. Two methods were used for the projection of claims. The Basic Chain Ladder Method (BCL) and a Loss ratio method, adjusted for assumed experience to date. In more recent years and where the claim development seems slower than in the past, the Bornheutter 3 Ferguson Method was used based on expected loss ratios. Claims data was grouped into triangles by accident year. Payment development patterns were used instead of the reporting year patterns to allow for the longer
tail development that would be seen in payment/settlement delays as well as to allow for the movement of partial payments in the data.

Non-life insurance contract liabilities: The discounted inflation adjusted chain ladder method (IABCL) was applied for reserving in respect of non-life risk, with the exception of special risk policies reserved using the Expected Loss Ratio Approach. The discounted inflation adjusted chain ladder method (IABCL) method involves historical paid losses adjusted for inflation using the corresponding inflation index in each of the accident years to the year of valuation and then accumulated to their ultimate values for each accident year to obtain the projected outstanding claims.

The projected outstanding claims are then further multiplied by the future inflation index from the year of valuation to the future. The Expected Loss Ratio Approach was adopted for the special risk sub-category of non-life risks due to the volume of data available being too small to be credible when using a statistical approach. Under this method, the ultimate claims is obtained by assuming loss ratio. Paid claims already emerged is then deducted for from the estimated ultimate claims.

The provision for Liability for Incurred Claims (LIC) & Liability for remaining coverage, was determined for each line of business on both gross and net of reinsurance basis. A yearly cohort from year 2007 has been adopted in building the historical claims.

Year	Inflation index	Accumulated inflation index
2009	15.1	414.9%
2010	13.9	347.4%
2011	11.8%	292.8%
2012	10.3%	251.3%
2013	12.0%	281.5%
2014	8.0%	184.4%
2015	8.3%	163.3%
2016	9.6%	143.1%
2017	18.5%	121.8%
2018	15.4%	87.2%
2019	11.3%	62.3%
2020	11.4%	45.8%
2021	15.0%	31.0%
2022	13.9%	13.9%
2023	21.3%	18.9%
2024	28.9%	19.9%
2025	23.5%	27.0%

Key assumptions

Material judgment is required in determining the liabilities and, in particular, in the choice of assumptions. Assumptions in use are based on past experience, current internal data, external market indices and benchmarks which reflect current observable market prices and other published information. Assumptions and prudent estimates are determined at the date of valuation and no credit is taken for possible beneficial effects of voluntary withdrawals. Assumptions are further evaluated on a continuous basis in order to ensure realistic and reasonable reserves are set aside to meet liabilities.

The key assumptions to which the estimation of liabilities is particularly sensitive to are as follows:

Mortality and morbidity rates

Our assumptions are based on standard industry and national tables, according to the type of contract written . They are adjusted when appropriate to reflect historical experience of the portfolio. An increase in rates on products other than life annuities will lead to a larger number of expected claims (and claims could occur sooner than anticipated), which will increase the reserve and reduce reported profits for the shareholders. For Life annuities, the converse will be true.

Longevity

Our assumptions are based on standard industry and national tables, according to the type of contract written . They are adjusted when appropriate to reflect historical experience of the portfolio. An appropriate, but not excessive prudent allowance is made for expected future improvements. An increase in longevity rates will lead to an increase in the expected number of annuity payments to be made, which will increase the reserve and reduce reported profits for the shareholders.

Notes to the consolidated and separate financial statements

3 Enterprise Risk Management Statement (ERM) Statement (continued)

Investment return
An increase in investment return would lead to a reduction in reserves and an increase in reported profits for the shareholders

Expenses
Operating expense assumption reflects the projected costs of maintaining and servicing in3force policies and associated overhead expenses. The current level of expenses is taken as an appropriate expense base, adjusted for expected expense inflation if appropriate.

Investment Contract Liabilities
The following table outlines the deposit based (DA) products)

	Name	Features
1	Deferred annuity plan	This product meets protection and savings needs of a policyholder towards funding an annuity pension at retirement. Contributions from policy holder are to be invested in a fund. The accumulated return on the investment as well as the invested amount is due on maturity. Payment of Sum Assured + Savings account balance upon death.Minimum policy term is 3 years. On choosing critical illness and/or PTD riders, payment of sum assured on the riders + Savings account balance in the event of claim.
2	Leadway Investment Plan	Single Premium endowment assurance that pays the higher of "Invested single premium plus an additional 20% of invested Single Premium" and "Accumulated value of single premium" on death or maturity. The 20% of Single Premium is subject to a maximum death risk benefit of N5 million. On Maturity, the guaranted accumulated value of the premium is paid. A guaranteed amount (known at inception) is paid upon maturity of the investment. Policyholders can avail additional Life Cover, Critical illness and PTD cover.
3	Personal Savings Plan	Deposit Based Savings. Death benefit is sum assured + savings account balance upon death.
4	Education Target Plan	Payment of Sum Assured + Savings account balance upon death, Minimum policy term is 3 years, on choosing critical illness and/or PTD riders, payment of sum assured on the riders.
5	Leadway Savings Plan	Payment of Sum Assured + Savings account balance upon death. A t maturity, account deposit balance is paid. On choosing critical illness and/or PTD riders, payment of sum assured on the riders + Savings account balance in the event of claim.
6	Custodian	Deposit based savings, Risk component is the outstanding premium payable. It is thus a decreasing term assurance with start sum assured equal to contracted total premium. Risk benefit is funded by the Nil and partial allocations on the premiums. The structure for Nil and Partial allocation. Year 1- 75%allocation.Year 2 to year 4 - 90% allocation.Year 6 afterwards- 97% allocation. The product is running off.
7	Individual Deposit Admin	The life cover granted during the policy shall be future unpaid premiums up to cessation date provided the policy is in force. This policy has nil allocation between 4 months to 8 months during which the overhead cost of the Company are met. If term assurance is not opted for, 100% premium will be transferred to the policyholder's account for investment purpose. When policyholder dies, the balance in the policyholder's account plus total premium due after death and before maturity is payable to the beneficiary. If the policyholder surrenders or terminates the policy; the balance in the policyholder's account is payable. On maturity, accumulated balance in the policy holder's account is paid or instalment payment of the maturity benefit through the period of child's education.
8	Pearl	Deposit based savings. No risk cover. The product is running off. No new business.
9	Group Deposit Admin	Guaranteed interest (renewable annually) on all deposits received from employer. Contribution to the fund can be on individual basis or on pool basis. If a member leaves the service of the employer before normal retirement date, accrued benefit up to withdrawal date in respect of employee's and employer's contribution shall be paid to the member. Pension option: In the event of the benefit becoming payable; it could be applied in whole or in part to secure a Pension. This pension is payable at equal intervals to the member until he dies, however the payment is guaranteed for a predefined period. If a member leaves the service of the employer before normal retirement date, accrued benefit up to withdrawal date in respect of employee's and employer's contribution shall be paid to the member. If a member dies before the expiration of the guaranteed period a cash sum shall be payable.

Notes to the consolidated and separate financial statements

4 Critical accounting estimates and judgement.

In preparing these consolidated and separate financial statements, management makes estimates and judgements that affect the reported amounts of assets and liabilities within the next financial year. Estimates and judgements are continually evaluated and based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

(A) Key sources of estimation uncertainty

The following are key estimations that the directors have utilised in the process of applying the Group's accounting policies and which have the most significant impact on the amounts recognised in financial statements.

(i) Insurance contract assets and liabilities and reinsurance contract assets and liabilities

By applying IFRS 17 to measurement of insurance contracts issued and reinsurance contracts held, the Group has made estimations in the following key areas. They form part of the overall balances of insurance contract assets and liabilities and reinsurance contract assets and liabilities:

- Future cash flows
- Discount rates
- Allocation rate for insurance finance income or expenses
- Risk adjustment for non-financial risk
- Allocation of assets for insurance acquisition cash flows to current and future groups of contracts

Every area, including the Group's estimation methods and assumptions used and other sources of estimation uncertainty are discussed below. As at 31 December 2024 the Group's total carrying amount of:

- Insurance contracts issued that are liabilities was ₦N685,808,075
- Reinsurance contracts issued that are assets was ₦N269,415,354

(ii) The Group considers contractual, legal and regulatory restrictions when making its assessment and applies judgement to decide whether these restrictions have commercial substance. See Note 1.G for more details

Investments in unquoted equity securities that are classified as equity securities at fair value available for sale financial instrument in line with the accounting policies as set out in note 2.6 of the statement of significant accounting policies. See note 3.4 for the valuation methodology for the determining the fair value.

(iii) Deferred tax asset

Deferred tax assessment relates to availability of future taxable profit against which carry-forward tax losses can be used. See note 13 for details.

(B) Key Judgement Areas

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

(i) **Assessment of significance of insurance risk:** The Group 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 Group 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 the occurrence of an 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 judgement is required are those that transfer financial and insurance risk and result in the latter being the smaller benefit provided.

Notes to the consolidated and separate financial statements

4 Critical accounting estimates and judgement.

The application of judgement in this area is aided by the Group's processes to filter contracts where the additional amounts referred to above are more than 5% but less than 10% of the amounts paid if the insured event does not occur. Additional amounts that are less than 5% are considered by the Group as insignificant. A specialist unit conducts all these judgemental classifications under IFRS 17 to maintain consistency across the Group. This assessment is performed after the separation of non-closely related derivatives, distinct investment components and promises to transfer distinct goods and non-insurance services.

(ii) **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, Leaway Assurance determines whether the rights and obligations are different when looked at together compared to when looked at individually and whether the compnay is unable to measure one contract without considering the other.

(iii) **Consideration whether there are investment components**: Leaway Assurance considers all terms of contracts it issues to determine whether there are amounts payable to the policyholder in all circumstances, regardless of contract cancellation, maturity, and the occurrence or non-occurrence of an insured event. Some amounts, once paid by the policyholder, are repayable to the policyholder in all circumstances. The Group considers such payments to meet the definition of an investment component, irrespective of whether the amount repayable varies over the term of the contract as the amount is repayable only after it has first been paid by the policyholder. The Group does not have any contracts with investment component.

(iv) **Separation of non-insurance components from insurance contracts**

The Group issues insurance contracts that include insurance coverage services, such as a deposit component, an investment management service, an embedded derivative, and other goods or services. In the event that Leaway Assurance issues a contract or contracts of this type, some of these parts may need to be separated and accounted for by applying other relevant Standards, while others remain inside the insurance measurement model. The Group apply significant judgement in determining whether components meets the criteria for separation and should be separated. See Note 1 below for more details.

(v) Separation of insurance components of an insurance 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. In such cases, separate insurance elements shall be recognised. Overriding the ‘single contract’ unit of account presumption involves significant judgement and is not an accounting policy choice. When determining whether a legal contract reflects its substance or not, the Group considers the interdependency between different risks covered, the ability of all components to lapse independently, and the ability to price and sell the components separately. However, the Group does not have any insurance contracts with components that need separation.

(vi) Determination of the contract boundary: The measurement of a group of insurance contracts includes all the future cash flows arising within the contract boundary. In determining which cash flows fall within a contract boundary, the Group considers its substantive rights and obligations arising from the terms of the contract, from applicable law, regulations and customary business practices. Cash flows are considered to be outside of the contract boundary if the Group has the 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 does not consider the risks beyond the reassessment date. The Group 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.

4 Critical accounting estimates and judgement.

(vii) Identification of portfolios: The Group defines a portfolio as insurance contracts subject to similar risks and managed together. Contracts within the same product line 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. For some product lines, where 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 Group considers such risk to be different from contracts it originally issued and aggregates such contracts in separate portfolios by product line. For investment-linked insurance policies, the Group 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 shall also be considered separate portfolios due to different insurance risks.

(viii) Level of aggregation: The Group applies judgement when distinguishing between contracts that have no significant possibility of becoming onerous and other profitable contracts

(ix) Assessment of directly attributable cash flows: The Group uses 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 the individual contracts in a group, or to the group itself, or the portfolio of insurance contracts to which the group belongs. When estimating fulfilment cash flows, the Group also allocates fixed and variable overheads fulfilment cash flows directly attributable to the fulfilment of insurance contracts. See Note 1.H for more details.

(x) Assessment of eligibility for PAA: For group life and group credit life contracts with a coverage period extending beyond one year, the Group elects to apply the PAA if at the inception of the group of contracts, the Group reasonably expects that it will provide a liability for remaining coverage that would not differ materially from the General Model. The Group exercises judgement in determining whether the PAA eligibility criteria are met at initial recognition. See Note 1.H.3 for more details

(xi) Assessment of the eligibility for meeting the criteria for direct participating contracts: 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 Group assesses whether a contract meets the definition of a direct participating contract using the Group's expectations existing at the inception of the contract. The Group does not have any contract with direct participating feature.

(xii) Assessment of significance of modification: As explained in Note 1.K, the Group derecognises the original contracts and recognises the modified contract as a new contract, if the derecognition criteria are met. The Group applies judgement to assess whether the modified terms of the contract would result in the original contract meeting the criteria for derecognition.

(xiii) 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 requires judgement. The Group considers that the benefits of diversification occur 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 groups of insurance contracts for which it has been considered in aggregate. The Group considers that the risk adjustment for non-financial risk allocated to any individual group, as the cost of uncertainty, cannot be negative. Accordingly, when determining the allocation, correlations of non-financial risk between groups are ignored. This is because they have already been considered as part of the diversification benefits in determining the overall Group-level risk adjustment. The Group allocates the total entity-level risk adjustment to groups based on the percentage of the group's expected fulfilment cash flows to the total expected fulfilment cash flows.

Notes to the consolidated and separate financial statements

4 Critical accounting estimates and judgement.

(xiv) 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. In general, the Group will apply a straight-line amortisation of CSM over the coverage period of each group of policies. Specifically, the Group selects the appropriate method on a portfolio-by-portfolio basis. In determining the appropriate method, the Group 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 the period and the quantity of benefits expected to be received by the policyholder. For contracts providing both insurance coverage and investment-related services or both insurance coverage and investment-return services, the Group exercises judgement in determining the scaling factor applied in the weighting of benefits determined at initial recognition. The weights are recalculated in each subsequent period, reflecting historical experience and changes in assumptions for future periods that are determined at the reporting date. This shall apply to contracts that do not meet the PAA eligibility criteria to which the General Measurement Models has been applied.

Notes to the consolidated and separate financial statements

(All amounts in thousands of Nigerian Naira unless otherwise stated)	Group 2025	Group 2024	Company 2025	Company 2024
5 Cash and cash equivalents				
Cash on hand	190,159	5,933	182,064	-
Cash at bank	31,270,878	15,145,533	-	-
Tenored deposits	99,056,438	117,927,908	133,686	-
	130,517,475	133,079,374	315,750	-
ECL Impairment - Bank	(9,329)	(12,884)	-	-
ECL Impairment - Placement	(182,819)	(80,923)	-	-
	130,325,327	**132,985,567**	**315,750**	**-**

Tenored deposits are made up of placements with banks and other financial institutions with less than 3 months maturity from the date of acquisition. The carrying amounts disclosed above reasonably approximates fair value at the reporting date.

	Group 2025	Group 2024	Company 2025	Company 2024
6 Premium receivables				
(a) Premium receivable comprises the following:				
Non-Life Insurance receivables	518,801	705,466	-	-
Life Insurance receivables (see note b below)	149,858	88,107	-	-
Gross Premium receivables	**668,659**	**793,573**	**-**	**-**
Less Impairment allowance:				
Non-Life business (See note 30)	(353,549)	(371,250)	-	-
Life business (See note 30)	(69,559)	(70,037)	-	-
	(423,108)	(441,287)	-	-
Net Premium receivables	**245,551**	**352,286**	**-**	**-**
Insurance receivable is analysed as follows:				
Due from Brokers	245,551	352,286	-	-
	245,551	352,286	-	-
Split between non-current and current portions				
Current	245,551	352,286	-	-

(b) The age analysis of gross insurance receivables as at the end of the year is as follows:

	Group 2025	Group 2024	Company 2025	Company 2024
Analysis of premium debtors in days				
0 - 30 days	245,551	352,286	-	-
Above 30 days	-	-	-	-
	245,551	**352,286**	**-**	**-**
(c) Movements in Premium receivable (Regulatory Disclosures)				
Opening Balance				
- Non Life Business	38,346	2,270,503	-	-
- Life Business	18,070	3,424,212	-	-
	56,416	**5,694,715**	**-**	**-**
Premium Written				
- Non Life Business	143,570,316	131,724,397	-	-
- Life Business	190,769,908	85,781,070	-	-
	334,340,224	**217,505,467**	**-**	**-**

Notes to the consolidated and separate financial statements

(All amounts in thousands of Nigerian Naira unless otherwise stated)	**Group** 2025	**Group** 2024	**Company** 2025	**Company** 2024
Commission expenses				
- Non Life Business	21,096,291	17,361,956	-	-
- Life Business	10,563,998	5,618,777	-	-
	31,660,289	**22,980,733**	**-**	**-**
Net cash Inflow	**302,736,351**	**200,219,449**	**-**	**-**
Insurance premium received	302,067,692	199,425,876	-	-
	668,659	**793,573**	**-**	**-**
Less Impairment allowance:				
Non-Life business (See note 30)	(353,549)	(371,250)	-	-
Life business (See note 30)	(69,559)	(70,037)	-	-
	(423,108)	**(441,287)**	**-**	**-**
Net Premium receivables as at 31 December 2025	**245,551**	**352,286**	**-**	**-**

(d) The movement in allowance for impairment for Premium debtor is as follows:

Life business				
Balance, beginning of year	(441,288)	(713,455)	-	-
Charge for the year	18,179	342,205	-	-
Balance, end of year	**(423,109)**	**(371,250)**	**-**	**-**
Non-life business				
Balance, beginning of year	(371,250)	(646,381)	-	-
Charge for the year	17,701	576,344	-	-
Balance, end of year	**(69,559)**	**(70,037)**	**-**	**-**
Balance, beginning of year	(70,037)	(1,359,836)	-	-
Charge for the year	478	918,548	-	-
Balance, end of year	**(423,109)**	**(441,288)**	**-**	**-**

7 Investment securities

The Group's investment securities are summarised below by measurement category in the table below:

Financial assets at fair value through profit or loss (see note 7.1 below)	482,059,314	297,731,307	-	-
Financial asset at fair value through other comprehensive income (see note 7.2 below)	86,137,061	79,261,006	-	-
Financial asset at amortized cost (see note 7.3 below)	165,243,142	146,791,030	-	-
	733,439,517	**523,783,343**	**-**	**-**
Current	59,007,451	32,464,893	-	-
Non Current	674,432,065	491,318,450	-	-
	733,439,517	**523,783,343**	**-**	**-**

The assets comprised in each of the categories above are detailed in the tables below:

Notes to the consolidated and separate financial statements

(All amounts in thousands of Nigerian Naira unless otherwise stated)	Group 2025	Group 2024	Company 2025	Company 2024
7.1 Financial assets at fair value through profit or loss				
Designated at fair value through profit or loss				
Debt securities:				
- Listed	**443,992,163**	**267,817,827**	-	-
Fair value through profit or loss				
Equity securities:				
- Listed	**38,067,151**	**29,913,480**	-	-
	482,059,314	**297,731,307**	-	-

7.1a Debt securities include bonds N424,269,220 while 2024 (N260,210,232), treasury bills N18,636,214 while 2024 (N7,298,326) and commercial papers N1,305,795 while 2024 (N309,269).

	Group 2025	Group 2024	Company 2025	Company 2024
Current	38,067,151	3,787,636	-	-
Non Current	443,992,163	293,943,671	-	-
	482,059,314	**297,731,307**	-	-
Movement in financial assets at fair value through profit or loss				
Opening balance	297,731,307	271,033,324	-	-
Additions	281,164,106	98,384,017	-	-
Disposals	(131,815,682)	(43,627,300)	-	-
Derecognition	(11,116,486)			
Gain on disposals	2,492,056	103,240	-	-
Accrued Interest on bonds	55,143,138	40,772,481	-	-
Interest received	(52,703,889)	(40,081,281)	-	-
Exchange loss	(373,439)	(474,553)	-	-
Fair value changes	41,538,203	(28,378,621)	-	-
Closing balance	**482,059,314**	**297,731,307**	-	-

7.2 Financial asset at fair value through other comprehensive income

Certain unquoted investment securities listed below for which fair values could not be reliably estimated have been carried at cost less impairment. There are no active markets for these equity instruments, fair value information are therefore not available making it impracticable for the group to fair value these investments. The group does not intend to dispose any of these investments within the next financial year.

	Group 2025	Group 2024	Company 2025	Company 2024
Equity securities at fair value				
- Listed	5,055,309	9,117,829	-	-
- Unlisted (see note a(i) below)	33,028,498	25,539,435	-	-
Debt securities:				
- Listed	48,061,475	45,144,221	-	-
	86,145,282	**79,801,485**	-	-
Less: allowance for impairment loss (see note b below)				
- Unlisted	-	(480,000)	-	-
Less: allowance for impairment ECL	(8,223)	(60,479)	-	-
Total fair value through other comprehensive income	**86,137,059**	**79,261,006**	-	-

Notes to the consolidated and separate financial statements

(All amounts in thousands of Nigerian Naira unless otherwise stated)	Group 2025	Group 2024	Company 2025	Company 2024
Current	3,972,613	3,972,613	-	-
Non Current	82,164,446	75,288,393	-	-
	86,137,059	**79,261,006**	**-**	**-**

b The movement in the allowance for impairment losses on available for sale unquoted equities is as follows:

	Group 2025	Group 2024	Company 2025	Company 2024
Balance, beginning of year	-		-	-
Balance, end of year	**-**		**-**	**-**

c Movement in financial asset at fair value through other comprehensive income:

	Group 2025	Group 2024	Company 2025	Company 2024
Opening balance	79,261,006	67,049,423	-	-
Additions	24,729,656	48,001,667	-	-
Disposals	(27,193,509)	(62,014,051)	-	-
Derecognition	(18,887,483)			
Transferred	18,863,259			
Gain on Disposal	973,777	1,870,969	-	-
Fair value changes (see note (i) below)	11,370,325	11,207,715	-	-
Exchange gains/(loss)	(3,929,322)	12,626,511	-	-
Interest received	(4,437,882)	(2,677,791)	-	-
Impairment	(52,862)	(60,479)	-	-
Accrued Interest on bonds & treasury bill	5,440,094	3,257,042	-	-
Closing balance	**86,137,059**	**79,261,006**	**-**	**-**

d Analysis of Fair value changes on financial asset at fair value through other comprehensive income

	Group 2025	Group 2024	Company 2025	Company 2024
Opening balance	25,608,105	14,400,390	-	-
Increase in Fair value- Equities	8,309,152	11,494,794	-	-
increase/(Decrease) in Fair value- Debt instruments	3,061,173	(289,381)	-	-
Closing balance	**36,978,430**	**25,605,803**	**-**	**-**

e The debt securities comprises of bond N44,177,963 while 2024 (N195,073) and treasury bill N3,928,152, while 2024 (N44,949,148).

7.3 Financial asset at amortized cost

	Group 2025	Group 2024	Company 2025	Company 2024
Debt securities:				
- Listed	165,283,557	147,109,116	-	-
Less: allowance for impairment ECL	(40,415)	(318,086)	-	-
	165,243,142	146,791,030	-	-
Current	15,596,839	24,704,643	-	-
Non-current	149,646,303	122,086,387	-	-
	165,243,142	146,791,030	-	-

(b) **Movement in financial assets designated as amoritzed cost:**

	Group 2025	Group 2024	Company 2025	Company 2024
Opening balance	146,791,030	105,844,474	-	-
Additions	55,107,448	27,842,581	-	-
Disposal	(35,696,999)	(28,161,986)	-	-
Exchange gain/(loss)	(6,121,320)	37,578,689	-	-
Accrued interests	18,788,256	16,369,102	-	-
Interest received	(13,228,592)	(12,363,744)	-	-
ECL Impairments	(396,681)	(318,086)		
Total Held to maturity financial assets (Note 7.3)	**165,243,142**	**146,791,030**	**-**	**-**

Notes to the consolidated and separate financial statements

(All amounts in thousands of Nigerian Naira unless otherwise stated)	Group 2025	Group 2024	Company 2025	Company 2024
For cashflow anlaysis, the net cash movemnt in investment securities is shown below				
Purchase				
FVTPL	281,164,106	98,384,017	-	-
FVOCI	24,729,656	48,001,667	-	-
Amortised costs	55,107,448	27,842,581	-	-
Total purchase	**361,001,210**	**174,228,265**	**-**	**-**
Disposals				
FVTPL	(131,815,682)	(43,627,300)	-	-
FVOCI	(27,193,509)	(62,014,051)	-	-
Amortised costs	(35,696,999)	(28,161,986)	-	-
Total disposal	**(194,706,190)**	**(133,803,337)**	**-**	**-**
8 Other receivables and prepayments				
Financial assets:				
Accrued interest receivable	20,885	380,961	-	-
Rental income receivable	474,765	496,778	-	-
Dividend receivable	110,442	94,156	-	-
Receivable from Leadway Hotel, Leadway Pensure, & Leadway Trustee (see note "i")	1,816,557	726,102	-	-
Sundry debtors	3,466,315	20,096,091	31,150	8,000,000
	5,888,964	**21,794,088**	**31,150**	**8,000,000**
Non financial assets:				
Prepayment (see note "ii" below)	2,031,901	975,861	-	-
Deposit for shares (see note "a" below)	5,017,861	477,660	-	-
	7,049,761	**1,453,521**	**-**	**-**
Gross other receivables	**12,938,726**	**23,247,609**	**31,150**	**8,000,000**
Less: Impairment allowance on:				
Financial asset				
Dividend receivable	(38,305)	(38,305)	-	-
Sundry debtors	(96,530)	(65,102)	-	-
Total Impairment losses on Non- Financial asse	**(134,835)**	**(103,407)**	**-**	**-**
Non-financial assets				
Allowance for impairment ECL	(1,625)	(5,636)	-	-
Total impairment losses on non- financial assets	**(1,625)**	**(5,636)**	**31,150**	**8,000,000**
Total impairment on financial and non financial assets	**(136,460)**	**(109,043)**	-	-
Net other receivables	**12,802,266**	**23,138,566**	**31,150**	**8,000,000**
Current	12,767,616	15,103,915	-	-
Non Current	34,650	34,650	31,150	8,000,000
	12,802,266	**15,138,565**	**31,150**	**8,000,000**

i. The receivable amount are due from related parties on technical service fees..

ii. Prepayment relates to our advance payments:IT expenses (N1.16 billion), Insurance of Company asset (N226 billion), Subscription (N19.72million), Rent and Rates (N74.14million), Staff Welfare (N7.33million) and Advertisement expenses (N6.82 million). (2024: IT expenses (N526.7million), Insurance of Company asset (N305.27million), subscription (N400million), Rent and Rates (N73.32 million), Consultancy and Prof. fees (N41.3million).

iii. Included in the sundry debtor for company are Withholding tax credit (N494million), tax credit assets (N495milllion).

Notes to the consolidated and separate financial statements

(All amounts in thousands of Nigerian Naira unless otherwise stated)	Group 2025	Group 2024	Company 2025	Company 2024

8 Other receivables and prepayments

a. Deposit for shares relates to payments made for the acquisition of shares in unquoted companies which had not been allotted as at period end. Detail is shown below.

	Company's name	Nature of business	31-Dec-2025	31-Dec-2024
i	Housing Solution Fund	Real estate	-	50,000
ii	GTCo	Shares	-	178,000
iii	FCMB	Shares	-	249,660
iv	Sterling shares	Shares	1,001,000	-
v	Presco shares	Shares	4,016,861	-
	Total		**5,017,861**	**477,660**

The movement in deposit for shares is as follows:

	Group 2025	Group 2024	Company 2025	Company 2024
Balance, beginning of period	477,660	50,000	-	-
Addition	4,540,201	427,660	-	-
Balance, end of year	**5,017,861**	**477,660**	**-**	**-**

b. The movement in allowance for impairment of other receivable is as follows:

	Group 2025	Group 2024	Company 2025	Company 2024
Balance, beginning of year	(109,043)	(107,473)	-	-
Writeback	5,636	738	-	-
Charge for the year (see note 30)	-	(2,308)	-	-
Balance, end of year	**(103,407)**	**(109,043)**	**-**	**-**

Notes to the consolidated and separate financial statements

(All amounts in thousands of Nigerian Naira unless otherwise stated)	**Group** 2025	**Group** 2024	**Company** 2025	**Company** 2024
9 Loans and Advances				
Staff loans	71,627	83,184	-	-
Agency loan	135,876	89,205	-	-
Loan to policy holders	796,730	661,595	-	-
Loans isued by the subsidiary	22,202,222	-		
	23,206,456	**833,984**	**-**	**-**
Allowance for impairment ECL:				
- Staff Loans	(523)	(740)	-	-
- Agency loans	(1,668)	(241)	-	-
- Policy holders loans	(756)	(4,644)	-	-
	(2,947)	**(5,625)**	**-**	**-**
Net Loans and advances	**23,203,509**	**23,200,831**	**-**	**-**
Current	343,193	161,294	-	-
Non Current	22,860,316	667,065	-	-
	23,203,509	**828,359**	**-**	**-**
(i) The movement in allowance for impairment of loans is as follows:				
Balance, beginning of year (A)	(5,625)	(3,900)	-	-
Charge/ (credit) for the year : (see note ii below)				
- Staff Loans	218	(119)	-	-
- Agency loans	(1,428)	1,049	-	-
- Policy holders loans	3,888	(2,655)	-	-
Subtotal (B)	**2,678**	**(1,725)**	**-**	**-**
Balance, end of year (A+B)	**(2,947)**	**(5,625)**	**-**	**-**

Collective impairment was recorded for all loans and advances which are not specifically impaired in recognition of the credit risk inherent in all loans

(ii) Movement in loans and advances is as follows:	Group 2025	Group 2024	Company 2025	Company 2024
Balance beginning of year	828,359	774,588	-	-
Additional loans granted	22,817,883	543,170	-	-
Loan repayment received	(494,264)	(530,352)	-	-
Accrued interests	48,853	42,678	-	-
Impairment writeback/ (charge)	2,678	(1,724)	-	-
Balance end of year	**23,203,509**	**828,359**	**-**	**-**

Notes to the consolidated and separate financial statements

10 Property and equipment

10.1 Group - 2025	**Land**	**Building**	**Furniture & fittings**	**Motor vehicles**	**Office equipment**	**Computer equipment**	**Right of Asset Use**	**Capital Work in progress**	**Total**
Cost or valuation									
Balance, beginning of period	1,191,907	2,571,070	2,512,759	4,865,922	2,303,204	3,333,395	636,787	2,444,995	19,860,039
Additions	-	149,762	2,002,453	2,913,069	573,092	1,081,250	45,408	391,570	7,156,603
Disposal	-	-		(41,757)	-	-	-	-	(41,757)
Derecognition			(1,276,729)	(967,468)	(400,070)	(449,344)		(166,449)	(3,260,060)
Revaluation gain	753,126	506,632	-	-	-	-	-	-	1,259,758
Revaluation gains reversals	-	-	-				-		-
Write off	-	-	-	-	-	-	-	-	-
Balance, end of year	**1,945,033**	**3,227,464**	**3,238,483**	**6,769,766**	**2,476,226**	**3,965,301**	**682,195**	**2,670,116**	**24,974,583**
Accumulated depreciation									
Balance, beginning of period	-	-	2,153,381	3,831,323	1,540,471	3,089,880	458,344	-	11,073,397
Charge for the period	-	2,818	196,161	716,625	325,103	419,057	75,626	-	1,735,390
Disposal	-	-	-	(10,621)	-	-	-	-	(10,621)
Transfers	-	-	(565,169)	(684,852)	(133,519)	(326,945)	-	-	(1,710,485)
Reversal of accumulated depreciation due to revaluation	-	-	-	-	-	-	-	-	-
Balance, end of year	**-**	**2,818**	**1,784,373**	**3,852,475**	**1,732,055**	**3,181,992**	**533,970**	**-**	**11,087,681**
Net book value end of year	**1,945,033**	**3,224,646**	**1,454,110**	**2,917,291**	**744,171**	**783,309**	**148,225**	**2,670,116**	**13,886,901**
Net book value beginning of period	**1,191,907**	**2,643,196**	**1,215,729**	**1,962,213**	**1,017,460**	**605,046**	**178,443**	**2,444,995**	**11,186,863**

10.2 Company - 2025	**Land**	**Building**	**Furniture & fittings**	**Motor vehicles**	**Office equipment**	**Computer equipment**	**Right of Asset Use**	**Capital Work in progress**	**Total**
Cost									
Balance, beginning of period	-	-	-	-	-	-	-	-	-
Additions	-	-	-	-	-	-	-	185,053	185,053
Disposal	-	-	-	-	-	-	-	-	-
Revaluation gain	-	-	-	-	-	-	-	-	-
Write off	-	-	-	-	-	-	-	-	-
Balance, end of year	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**185,053**	**185,053**
Accumulated depreciation									
Balance, beginning of period	-	-	-	-	-	-	-	-	-
Charge for the period	-	-	-	-	-	-	-	-	-
Disposal	-	-	-	-	-	-	-	-	-
Reversal of accumulated depreciation due to revaluation	-	-	-	-	-	-	-	-	-
Balance, end of year	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
Net book value end of year	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**185,053**	**185,053**
Net book value beginning of period	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**

Notes to the consolidated and separate financial statements

(i) Fair values of land and buildings

On a determined basis, the Group engages the services of external, indpendent and qualified valuers to determine the fair value of the group's land and buildings. As at 31 December 2025, the fair values of the land and buildings have been determined by Gboyega Fatimilehin (FRC/2013/NIESV/00000000754) for Diya Fatimilehin & Co., Estate Surveyor and Valuers (FRC/2013/NIESV/00000002773). See note 11 for the analysis of the fair valuation method used for land and building.
Consequent to the adjusted revaluation of the Group's land and buildings at 31 December 2025, the accumulated depreciation at that date was eliminated against the gross carrying amount of the properties and the net amount adjusted to the revalued amount.

(ii) The Group had no capital commitments as at the reporting date.

(iii) No leased assets are included in property and equipment.

(iii) No borrowing cost was capitalised as borrowing liability does not relate to purchase of property and equipment.

(iv) The Right of Use assets relate to leased properties and are measured in line with IFRS 16

(v) Capital work in progress is not depreciated. The Group's capital work in progress relates to capital expenditure on properties to be for the company's activities. Upon completion it is transferred to the relevant asset category. Depreciation methods, useful lives and residual values are reassessed at each reporting date.

(vi) The group did not recognise any lease liability for the period as management has determined that there is no economic incentive that will significantly influence or reasonably ascertain renewals of any of it's leased rental properties

(vii) There are no restriction to the use of the Group's properties.

10.1 Group - 2024	**Land**	**Building**	**Furniture & fittings**	**Motor vehicles**	**Office equipment**	**Computer equipment**	**Right of Asset Use**	**Capital Work in progress**	**Total**
Cost or valuation									
Balance, beginning of period	846,593	2,293,225	2,512,759	4,971,817	2,226,739	3,333,787	636,787	2,644,697	19,466,404
Additions	-	-	-	-	76,465	-	-	295,703	372,168
Disposal	-	-		(105,895)	-	(392)	-	-	(106,287)
Revaluation gain	345,314	349,971	-	-	-	-	-	-	695,285
Revaluation gains reversals	-	(72,126)	-				-		(72,126)
Write off	-	-	-	-	-	-	-	(495,405)	(495,405)
Balance, end of year	**1,191,907**	**2,643,196**	**2,512,759**	**4,865,922**	**2,303,204**	**3,333,395**	**636,787**	**2,444,995**	**19,860,039**
Accumulated depreciation									
Balance, beginning of period	-	-	791,385	2,193,909	909,307	2,107,058	402,342	-	6,404,001
Charge for the period	-	72,126	505,645	777,829	376,437	621,683	56,002	-	2,409,722
Disposal	-	-	-	(68,029)	-	(392)	-	-	(68,421)
Reversal of accumulated depreciation due to revaluation	-	(72,126)	-	-	-	-	-	-	(72,126)
Balance, end of year	**-**	**-**	**1,297,030**	**2,903,709**	**1,285,744**	**2,728,349**	**458,344**	**-**	**8,673,176**
Net book value end of year	**1,191,907**	**2,571,070**	**1,215,729**	**1,962,213**	**1,017,460**	**605,046**	**178,443**	**2,444,995**	**11,186,863**
Net book value beginning of period	**846,593**	**2,270,064**	**560,163**	**960,083**	**858,819**	**750,108**	**78,029**	**2,644,697**	**8,968,556**

Notes to the consolidated and separate financial statements

10.2 Company - 2024	**Land**	**Building**	**Furniture & fittings**	**Motor vehicles**	**Office equipment**	**Computer equipment**	**Right of Asset Use**	**Capital Work in progress**	**Total**
Cost									
Balance, beginning of period	-	-	-	-	-	-	-	-	-
Additions	-	-	-	-	-	-	-	-	-
Disposal	-	-	-	-	-	-	-	-	-
Revaluation gain	-	-	-	-	-	-	-	-	-
Write off	-	-	-	-	-	-	-	-	-
Balance, end of year	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
Accumulated depreciation									
Balance, beginning of period	-	-	-	-	-	-	-	-	-
Charge for the period	-	-	-	-	-	-	-	-	-
Disposal	-	-	-	-	-	-	-	-	-
Reversal of accumulated depreciation due to revaluation	-	-	-	-	-	-	-	-	-
Balance, end of year	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
Net book value end of year	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
Net book value beginning of period	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**

(i) Fair values of land and buildings
and buildings have been determined by Gboyega Fatimilehin (FRC/2013/NIESV/00000000754) for Diya Fatimilehin & Co., Estate Surveyor and Valuers (FRC/2013/NIESV/00000002773). See note 11 for the analysis of the fair valuation method used for land and building.

(ii) The Group had no capital commitments as at the reporting date.

(iii) No leased assets are included in property and equipment.

(iii) No borrowing cost was capitalised as borrowing liability does not relate to purchase of property and equipment.

(iv) The Right of Use assets relate to leased properties and are measured in line with IFRS 16

(v) Capital work in progress is not depreciated. The Group’s capital work in progress relates to capital expenditure on properties to be for the company’s activities. Upon completion it is transferred to the relevant asset

(vi) The group did not recognise any lease liability for the period as management has determined that there is no economic incentive that will significantly influence or reasonably ascertain renewals of any of it's leased

(vii) There are no restriction to the use of the Group's properties.

Non financial instruments measured at fair value

The following table sets out fair values of non financial instruments measured at fair value and analyses them by level in the fair value hierarchy into which each fair value measurement is categorised.

Group
31 December 2025
All amounts are in thousands of Naira unless otherwise stated

Assets	**Level 1**	**Level 2**	**Level 3**	**Total**
Property and equipment				
- Land	-	1,191,907	-	-
- Building	-	2,571,070	-	-
Total	**-**	**3,762,977**	**-**	**-**

Company
31 December 2025
All amounts are in thousands of Naira unless otherwise stated

Assets	**Level 1**	**Level 2**	**Level 3**	**Total**
Property and equipment				
- Land	-	-	-	-
- Building	-	-	-	-
Total	**-**	**-**	**-**	

Valuation techniques used to derive level 2 fair values

Level 2 fair values of land and buildings have been derived using the market valuation approach. Sales prices of comparable land and buildings in close proximity are adjusted for differences in key attributes such as property size and age.

Group
31 December 2024
All amounts are in thousands of Naira unless otherwise stated

Assets	**Level 1**	**Level 2**	**Level 3**	**Total**
Property and equipment				
- Land	-	1,191,907	-	-
- Building	-	2,571,070	-	-
Total	**-**	**3,762,977**	**-**	**-**

Company
31 December 2024
All amounts are in thousands of Naira unless otherwise stated

Assets	**Level 1**	**Level 2**	**Level 3**	**Total**
Property and equipment				
- Land	-	-	-	-
- Building	-	-	-	-
Total	**-**	**-**	**-**	

Valuation techniques used to derive level 2 fair values

Level 2 fair values of land and buildings have been derived using the market valuation approach. Sales prices of comparable land and buildings in close proximity are adjusted for differences in key attributes such as property size and age.

Notes to the consolidated and separate financial statements

(All amounts in thousands of Nigerian Naira unless otherwise stated)	Group 2025	Group 2024	Company 2025	Company 2025
11 Investment properties				
Office property	38,465,544	27,511,726	-	-
Residential property	15,824,235	11,706,136	-	-
	54,289,779	**39,217,862**	-	-
Non Current	54,289,779	39,217,862	-	-
	54,289,779	**39,217,862**	-	-
(a) The movement in investment properties during the year is shown below:				
Balance, beginning of the period	39,217,862	29,605,162	-	-
Additions during the period	3,825,303	2,360,528	-	-
Fair value gain	11,246,614	7,252,172	-	-
As at end of the year	**54,289,779**	**39,217,862**		-

(b) The Group's investment properties are held for the purpose of capital appreciation and rental income generation under operating lease arrangements (All leases are cancellable). The Group's investment properties were revalued by Diya Fatimilehin & Co, Estate Surveyors and Valuers (FRC/2013/NIESV/00000002773) using the Comparative approach method of valuation to arrive at the open market value as at 31 December 2025. Fair value gains have been recognized in the income statement in line with the fair value model of IAS 40. Rental income on investment property included in the statement of comprehensive income for the year is N1.289 billion (note 25) (2024:N102 million) for the group. The titles of all of the group's properties are fully perfected (except Thomas Wyatt House property).

(c) The Thomas Wyatt House property is subject of an ongoing litigation. Our Legal experts are of the view that Leadway Assurance Company has a high probability of success based on the facts of the case and that there is no other encumbrance to the full realization of the property. There is no income being realized from the property.

(d) **Non financial instruments measured at fair value**

The following table sets out fair values of non financial instruments measured at fair value and analyses them by level in the fair value hierarchy into which each fair value measurement is categorised

Group
31 December 2025

All amounts are in thousands of Naira unless otherwise stated

Assets	**Level 1**	**Level 2**	**Level 3**	**Total**
Investment properties				
- Office property	-	38,465,544	-	38,465,544
- Residential property	-	15,824,235	-	15,824,235
Total	**-**	**54,289,779**	**-**	**54,289,779**

Group
31 December 2024

All amounts are in thousands of Naira unless otherwise stated

Assets	**Level 1**	**Level 2**	**Level 3**	**Total**
Investment properties				
- Office property	-	23,850,008	-	23,850,008
- Residential property	-	15,367,855	-	15,367,855
Total	**-**	**39,217,863**	**-**	**39,217,863**

Company
31 December 2025

All amounts are in thousands of Naira unless otherwise stated

Assets	**Level 1**	**Level 2**	**Level 3**	**Total**
Investment properties				
- Office property	-	-	-	-
- Residential property	-	-	-	-
Total	**-**	**-**	**-**	**-**

Company
31 December 2025

All amounts are in thousands of Naira unless otherwise stated

Assets	**Level 1**	**Level 2**	**Level 3**	**Total**
Investment properties				
- Office property	-	-	-	-
- Residential property	-	-	-	-
Total	**-**	**-**	**-**	**-**

Valuation techniques used to derive level 2 fair values

Level 2 fair values of land and buildings have been derived using the market valuation approach. Sales prices of comparable land and buildings in close proximity are adjusted for differences in key attributes such as property size and age.

Notes to the consolidated and separate financial statements

(All amounts in thousands of Nigerian Naira unless otherwise stated)	Group 2025	Group 2024	Company 2025	Company 2025

12 Investment in subsidiary

(a) The Company's investment in subsidiary is as stated below:

Leadway Assurance Company Limited	220,168,304	220,168,304
Leadway IARD	2,070,574	-
Leadway Vie	5,674,730	-
	227,913,608	**220,168,304**

(i) Breakdown of Investment in subsidiary is analysed as follows:

Balance at the beginning of the period	220,168,304	-
Additions	7,745,304	220,168,304
Balance at the end of the period	**227,913,608**	**220,168,304**

(ii) Disclosures on Acquisition of IARD and VIE

Carrying amount of the investment in IARD and VIE	12,672,696
Consideration Paid	7,745,304
Gain on Acquisition	**4,927,392**

In 2025,the Company acquired Leadway IARD and VIE from Leadway Assurance Company Limited. The acquisition was accounted for such that the consideration transferred was equal to the carrying amount of the identifiable net assets acquired, resulting in no goodwill or bargain purchase gain recognized.

(b) Nature of investments in subsidiary

Name of entity	**Nature of business**	**Country of incorporation**	**Proportion of ordinary shares directly/indirectly held by parent (%)**	**Proportion of ordinary shares held by non-controlling interest (%)**
Leadway Assurance Company Limited	Life and General Insurance	Nigeria	99.99%	0.01%
Leadway IARD	General Insurance	Ivory Coast	56%	44.00%
Leadway VIE	Life Insurance	Ivory Coast	100%	0.00%

The percentage holding in Leadway Assurance Company Limited is; 99.99%. Leadway Insureholding Limited also holds 56% and 100% of VIE.

The table below summarises the financial information of all the Parent's subsidiary before any intra-group elimination.

31-Dec-25	**LAC**	**VIE**	**IARD**	**LIHL**	**Elimination**	**Group**
Assets						
Cash and cash equivalents	119,515,565	3,204,139	7,289,873	315,750	-	130,325,327
Trade receivables	245,551	-	-	-	-	245,551
Investment securities						
- Financial assets at fair value through profit or loss	466,786,455	6,649,985	8,622,874.29	-	-	482,059,314
- Financial assets at fair value through other comprehensive income	86,111,293	-	25,766.00	-	-	86,137,059
- Financial assets at amortized cost	160,795,837	4,447,305	-	-	-	165,243,142
Reinsurance contracts assets	218,281,335	82,298	2,260,427.31	-	-	220,624,061
Other receivables and prepayments	12,052,655	-	748,579	1,032	-	12,802,266
Loans and advances	1,001,286	15,753,560	6,448,664	-	-	23,203,509
Property and equipment	12,558,305	778,474	365,068	185,053	-	13,886,901
Investment properties	47,978,890	5,445,152	865,738	-	-	54,289,779
Investment in subsidiaries	-	-	-	227,913,608	(227,913,608)	-
Intangible assets	216,859	4,080	94,209	-	-	315,148
Statutory deposits	500,000	-	-	-	-	500,000
Deferred tax assets	28,826,803	-	-	-	-	28,826,803
Total Assets	**1,154,870,834**	**36,364,993**	**26,721,198**	**228,415,444**	**(227,913,609)**	**1,218,458,860**
Liabilities						
Insurance contract liabilities	811,745,808	1,902,197	10,691,344	-	-	824,339,349
Investment contract liabilities	22,718,980	14,935,464	-	-	-	37,654,444
Trade payables	33,814,384	139,593	4,315,179	91,609	-	38,360,765
Current income tax liabilities	7,914,237	357,179	120,355	-	-	8,391,771
Deferred tax liabilities	37,463,885	-	-	-	-	37,463,885
Other liabilities	13,815,585	7,332,340	5,077,529	229,968	-	26,455,422
Total liabilities	**927,472,879**	**24,666,773**	**20,204,407**	**321,577**	**-**	**972,665,636**
Equity						
Issued and paid up share capital	10,000,000	5,549,341	2,565,000	142,605	(18,114,341)	142,605
Share premium	588,575	-	-	228,025,699	(588,575)	228,025,699
Common acquisition control deficit	-	-	-	-	(33,082,600)	(33,082,600)
Contingency reserve	33,109,227	7,597	-	-	1.00	33,116,825
Retained earnings	150,866,364	-11,131,169	5,057,192	47,290	(184,375,907)	(39,536,230)
Fair value reserves	33,214,179	-	0	-	-	33,214,179
Other reserves	3,981,084	16,430,684	(590,379)	-	3,317,844	23,139,232
Total equity	**231,759,429**	**10,856,453**	**7,031,813**	**228,215,594**	**-232,843,579**	**245,019,710**
Non-controlling interest	-	-	-	-	773,514	773,514
Total liabilities and equity	**1,159,232,308**	**35,523,226**	**27,236,220**	**229,310,685**	**-232,843,580**	**1,218,458,860**

31-Dec-24	**LAC**	**VIE**	**IARD**	**LIHL**	**Elimination**	**Group**
Assets						
Cash and cash equivalents	132,985,567	-	-	-	-	132,985,567
Trade receivables	352,286	-	-	-	-	352,286
Investment securities		-	-	-	-	
- Financial assets at fair value through profit or loss	297,731,307	-	-	-	-	297,731,307
- Financial assets at fair value through other comprehensive income	79,261,006	-	-	-	-	79,261,006
- Financial assets at amortized cost	146,791,030	-	-	-	-	146,791,030
Reinsurance contracts assets	269,415,354	-	-	-	-	269,415,354
Other receivables and prepayments	15,138,566	-	-	8,000,000	-	23,138,566

Notes to the consolidated and separate financial statements

(All amounts in thousands of Nigerian Naira unless otherwise stated)		Group 2025	Group 2024	Company 2025	Company 2025	
Loans and advances	828,359	-	-	-	-	828,359
Property and equipment	11,186,863	-	-	-	-	11,186,863
Investment properties	39,217,862	-	-	-	-	39,217,862
Investment in subsidiaries	-	-	-	220,168,304	(220,168,304)	-
Intangible assets	2,078,485	-	-	-	-	2,078,485
Statutory deposits	500,000.00	-	-	-	-	500,000.00
Deferred tax assets	29,377,255	-	-	-	-	29,377,255
Total Assets	**1,024,863,940**	**-**	**-**	**228,168,304**	**-220,168,304**	**1,032,863,940**
Liabilities						
Insurance contract liabilities	685,808,075	-	-	-	-	685,808,075
Investment contract liabilities	36,250,267	-	-	-	-	36,250,267
Trade payables	49,983,968	-	-	-	-	49,983,968
Current income tax liabilities	2,775,549	-	-	-	-	2,775,549
Deferred tax liabilities	33,145,094	-	-	-	-	33,145,094
Other liabilities	12,970,824	-	-	2,000	-	12,972,824
Total liabilities	**820,933,777**	**-**	**-**	**2,000**	**-**	**820,935,777**
Equity						
Issued and paid up share capital	10,000,000	-	-	142,605	(10,000,000)	142,605
Share premium	588,575	-	-	228,025,699	(588,575)	228,025,699
Common control acquisition deficitr	-	-	-	-	(33,082,600)	(33,082,600)
Contingency reserve	25,360,526	-	-	-	-	25,360,526
Accumulated (loss)/earnings	150,866,364	-	-	(2,000)	(196,332,213)	(45,467,849)
Fair value reserves	29,762,042	-	-	-	-	29,762,042
Other reserves	6,612,396	-	-	-	-	6,612,396
Total equity	**223,189,903**	**-**	**-**	**228,166,304**	**-240,003,388**	**211,352,819**
Non-controlling interest	-	-	-	-	575,344	575,344
Total liabilities and equity	**1,044,123,680**	**-**	**-**	**228,168,304**	**-239,428,044**	**1,032,863,940**

Summarised consolidated and separate statements of profit or loss and other comprehensive income

31-Dec-25	**LAC**	**VIE**	**IARD**	**LIHL**		**Group**
Insurance revenue	225,363,708	1,221,189	20,992,039	-		247,576,935
Profit before minimum tax	49,358,265	267,887	1,543,818	14,849.01		51,011,215
Minimum tax	-	-	-	-		-
Profit after minimum tax before income tax	49,358,265	267,887	1,543,818	14,849.01		51,011,215
Income tax expense	(11,862,726)	(7,760)	(129,330)	-		(11,992,056)
Profit for the year	**37,495,539**	**260,127**	**1,414,488**	**14,849.01**		**39,019,159**
Other comprehensive income	4,711,895	1,368,167	(10,135,003)	-		9,645,618
Total comprehensive income for the year	**42,207,434**	**1,628,294**	**(8,720,515)**	**14,849**		**48,664,777**

Summarised consolidated and Separate statements of profit or loss and other comprehensive income

31-Dec-24	**LAC**	**VIE**	**IARD**	**LIHL**		**Group**
Insurance revenue	32,837,625	-	-	-		32,837,625
Profit before minimum tax	9,419,543	-	-	(2000)		9,419,543
Minimum tax	-		-	-		-
Profit after minimum tax before income tax	9,419,543	-	-	-2,000		9,419,543.00
Income tax expense	(4,328,516)		-	-		(4,328,516)
Profit for the year	**5,091,027**	-	-	(2000)		5,091,027.00
Other comprehensive income	11,899,157		-	-		11,899,157
Total comprehensive income for the year	**16,990,184**		-	**(2,000)**		**16,990,184**

Notes to the consolidated and separate financial statements

(All amounts in thousands of Nigerian Naira unless otherwise stated)	Group 2025	Group 2024	Company 2025	Company 2024
13 **Deferred taxation**				

Deferred income tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets against current tax liabilities and when the deferred income taxes assets and liabilities relate to income taxes levied by the same taxation authority on either the taxable entity or different taxable entities where there is an intention to settle the balances on a net basis.

The movement in deferred tax liabilities account during the year was as follows:

	Group 2025	Group 2024	Company 2025	Company 2024
Deferred tax liability				
Balance, Beginning of year	(3,767,839)	(1,409,256)	-	-
Charge to income statement (see note 31)	(37,463,883)	(2,358,583)	-	-
	(41,231,722)	**(3,767,839)**	**-**	**-**
Net Deferred Tax Liabilities (See note "13.1" below)	**(41,231,722)**	**(3,767,839)**	**-**	**-**
Property and equipment	856,888	682,461	-	-
Other Non-Current Assets and liabilities	(7,434,809)	(4,357,846)	-	-
Unrealized exchange difference	(1,412,766)	948,239	-	-
Unrelieved tax losses	7,990,687	30,856,017		
Net deferred tax asset - Life Business	**-**	**28,128,871**	**-**	**-**
Net deferred tax liability is attributable to the following:				
Property and equipment	(1,145,410)	664,505	-	-
Other Non-Current Assets and liabilities	(3,581,254)	(476,108)	-	-
Unrealised exchange difference	(32,737,221)	(36,589,266)	-	-
Unrelieved tax losses	-	5,913,415	-	-
Net deferred tax liabilities - Non Life Business	**(37,463,885)**	**(30,487,454)**	**-**	**-**
Opening deferred tax assets - Life Business	**29,377,255**	**1,248,384**	**-**	**-**
Charge to income statement (see note 36)	(550,452)	-	-	-
Net deferred tax asset - Life Business	**28,826,803**	**1,248,384**	**-**	**-**
Opening deferred tax liabilities - General Business	**(33,145,094)**	**(2,657,640)**	**-**	**-**
Charge to income statement (see note 36)	(4,318,791)	(30,487,454)	-	-
Net deferred tax liabilities - General Business	**(37,463,885)**	**(33,145,094)**	**-**	**-**
Deferred tax liability	(37,463,885)	(33,145,094)	-	-
Deferred tax asset	28,826,803	1,248,384	-	-
Net Deferred Tax Liabilities	**(8,637,082)**	**(31,896,710)**	**-**	**-**

13.1 Movements in temporary differences as at 31 December 2025

	Group				Company			
	Balance at 1 January 2025	**Recognised in profit or loss**	**Recognised in other comprehensive income**	**Balance at 31 December 2025**	**Balance at 1 January 2025**	**Recognised in profit or loss**	**Recognised in other comprehensive income**	**Balance at 31 December 2025**
Property and equipment	2,551,856	(288,521)	-	2,263,335	-		-	-
Other non current assets	(5,058,557)	(11,016,063)	-	(16,074,620)	-		-	-
Provisions	1,293,656	(1,412,766)	-	(119,110)	-		-	-
Unrealised exchange gain	(59,314,236)	(32,737,221)	-	(92,051,457)	-		-	-
Unrelieved tax losses	56,759,442	7,990,686	-	64,750,128	-		-	-
	(3,767,839)	**(37,463,885)**	**-**	**(41,231,724)**	**-**		**-**	**-**

(37,463,885)	-

13.1 Movements in temporary differences during the period 1 December 2024 to 31 December 2024

	Group				Company			
	Balance at 1 January 2024	**Recognised in profit or loss**	**Recognised in other comprehensive income**	**Balance at 31 December 2024**	**Balance at 1 January 2024**	**Recognised in profit or loss**	**Recognised in other comprehensive income**	**Balance at 31 December 2024**
Property and equipment	1,204,890	1,346,966	-	2,551,856	-		-	-
Other non current assets	(224,603)	(4,833,954)	-	(5,058,557)	-		-	-
Provisions	345,417	948,239	-	1,293,656	-		-	-
Unrealised exchange gain	(22,724,970.00)	(36,589,266)	-	(59,314,236)	-		-	-
Unrelieved tax losses	19,990,010	36,769,432		56,759,442	-		-	-
	(1,409,256)	**(2,358,583)**	**-**	**(3,767,839)**	**-**		**-**	**-**
								-

Notes to the consolidated and separate financial statements

14 Intangible assets

In thousands of Naira

	Group				Company		
	Goodwill	Software	CWIP	Total	Software	CWIP	Total
31 December 2025							
Cost							
Balance, beginning of period	1,649,697	1,988,032	52,686	3,690,415	-	-	-
Addition	(1,649,697)	95,444	-	(1,554,253)	-	-	-
Balance, end of year	**-**	**2,083,476**	**52,686**	**2,136,162**	**-**	**-**	**-**
Accumulated amortization							
Balance, beginning of period	-	1,611,930	-	1,611,930	-	-	-
Amortization	-	397,304	-	397,304	-	-	-
Derecognition		(188,220)		(188,220)			
Balance, end of year	**-**	**1,821,014**	**-**	**1,821,014**	**-**	**-**	**-**
Carrying amount							
As at end of year	**-**	**262,462**	**52,686**	**315,148**	**-**	**-**	**-**
As at beginning of year	**1,649,697**	**376,102**	**52,686**	**2,078,485**	**-**	**-**	**-**

Intangible assets

In thousands of Naira

	Group				Company		
	Goodwill	Software	CWIP	Total	Software	CWIP	Total
31 December 2024							
Cost							
Balance, beginning of period	1,649,697	1,988,032	28,841	3,666,570	-	-	-
Addition	-	-	23,845	23,845	-	-	-
Balance, end of year	**1,649,697**	**1,988,032**	**52,686**	**3,690,415**	**-**	**-**	**-**
Accumulated amortization							
Balance, beginning of period	-	1,380,728	-	1,380,728	-	-	-
Amortization	-	231,202	-	231,202	-	-	-
Balance, end of year	**-**	**1,611,930**	**-**	**1,611,930**	**-**	**-**	**-**
Carrying amount							
As at end of year	**1,649,697**	**376,102**	**52,686**	**2,078,485**	**-**	**-**	**-**
As at beginning of year	**1,649,697**	**607,304**	**28,841**	**2,285,842**	**-**	**-**	**-**

Impairment test of goodwill

Goodwill is reviewed annually for impairment, or more frequently when there are indications that impairment may have occurred. Impairment assessment has been performed for the period, and no impairment losses on goodwill was recognized during the period under review as the recoverable amount of Goodwill as at 31 December 2025 was greater than its carrying amount and is thus not impaired.

The recoverable amount was determined using a value-in-use computation.

Goodwill is monitored by the Group on an entity by entity basis.

The key assumption used in computing the value-in-use for goodwill in 2024 are as follows:

	Group	Group
	31-Dec-2025	31-Dec-2024
Long term growth rate (Terminal growth rate)	-	5.7%
Discount rate	-	11.6%

Cash Flow Forecast

Cash flows were projected based on past experience of operating results. These cashflows are based on the expected revenue growth for the entity over a 5 year period.

Discount Rate

Pre-tax discount rate of 11.6% was applied in determining the recoverable amounts for the entity with goodwill (Leadway Vie Ltd). This discount rate was estimated using the risk-free rate using the average yield on Ivorian goverment long term bond, equity risk premium and appropriate Beta.

Long term growth rate

The key assumptions described above may change as economic and market conditions change. The Group estimates that reasonably possible changes in these assumptions are not expected to cause the recoverable amount of the subsidiaries (from which the goodwill arose) to decline below their carrying amount.

15 Statutory deposits

This represents the Group's deposit with the Central Bank of Nigeria as at 31 December 2025, in compliance with the Insurance Act, CAP 117 LFN 2004. This amount is not available for the day-to day use in the working capital of the Group and is therefore excluded from cash and cash equivalents. Analysis of statutory deposits is as shown below:

	Group	Group	Company	Company
	31-Dec-2025	31-Dec-2024	31-Dec-2025	31-Dec-2024
Non-life Business	300,000	300,000	-	-
Life Business	200,000	200,000	-	-
	500,000	**500,000**	**-**	**-**

Notes to the consolidated and separate financial statements

(All amounts in thousands of Nigerian Naira unless otherwise stated)		Group 31-Dec-2025	Group 31-Dec-2024	Company 31-Dec-2025	Company 31-Dec-2024
	Non Current	-	500,000	-	-
	Current	-	-	-	-
		-	**500,000**	**-**	**-**

Income on statutory deposit is recognized in investment income

16 Portfolios of Insurance contracts liabilities and Reinsurance contracts assets

		Group 31-Dec-2025	Group 31-Dec-2024	Company 31-Dec-2025	Company 31-Dec-2024
	Insurance contracts liabilities - Life Business	480,046,605	305,559,162	-	-
	Insurance contracts liabilities - Non Life Business	344,292,744	380,248,913	-	-
16.a	**Total Portfolios of Insurance contracts liabilities**	**824,339,349**	**685,808,075**	**-**	**-**
16i	**Insurance contracts liabilities**				
	Excluding loss component	501,765,707	308,977,641	-	-
	Loss component	16,801,685	19,481,892	-	-
	Total Liability for remaining coverage (LRC)	**518,567,392**	**328,459,533**	-	-
	Estimates of present value of future cashflow	264,924,479	307,802,301	-	-
	Risk adjustment for non-financial risk	40,847,478	49,546,241	-	-
	Total Liability for Incurred claims (LIC)	**305,771,957**	**357,348,542**	-	-
	Net closing balance	**824,339,349**	**685,808,075**	**-**	**-**
	Reinsurance contracts assets				
	Reinsurance contracts assets - Life Business	3,069,379	3,092,207	-	-
	Reinsurance contracts asset - Non Life Business	217,554,682	266,323,147	-	-
16.b	**Total Reinsurance contracts assets**	**220,624,061**	**269,415,354**	**-**	**-**
16i	**Reinsurance contracts assets**				
	Asset for insurance acquisition cashflows	-	403,482	-	-
	Excluding loss component	22,946,333	15,778,045	-	-
	Loss component	4,153,586	2,530,831	-	-
	Asset for remaining coverage (ARC)	**27,099,919**	**18,712,358**	-	-
	Estimates of present value of future cashflow	158,504,677	204,847,063	-	-
	Risk adjustment for non-financial risk	35,019,467	45,855,935	-	-
	Asset for incurred claims (AIC)	**193,524,144**	**250,702,998**	-	-
	Net closing balance	**220,624,063**	**269,415,356**	**-**	**-**

Notes to the consolidated and separate financial statements

	Portfolios of Insurance contracts liabilities - Group	**Life Business**						**Non Life Business**									
		GMM						**PAA**									
16.bii	**31-Dec-2025**	**Annuity**	**Credit Life**	**Endowment**	**Funeral**	**Term Assurance**	**LIP**	**Special Risk**	**Agriculture**	**Engineering**	**Fire**	**Bond**	**General Accident**	**Marine**	**Motor**	**Group Life**	**Total**
	Insurance contracts liabilities - Group	412,377,910	1,644,963	15,035,300	2,164,586	353,067	38,090,196	300,627,405	2,315,649	2,812,870	13,625,642	802,673	5,452,441	4,925,637	11,966,006	12,145,004	824,339,349
		412,377,910	1,644,963	15,035,300	2,164,586	353,067	38,090,196	300,627,405	2,315,649	2,812,870	13,625,642	802,673	5,452,441	4,925,637	11,966,006	12,145,004	**824,339,349**

16.bii	**31-Dec-2024**	**Annuity**	**Credit Life**	**Endowment**	**Funeral**	**Term Assurance**	**LIP**	**Special Risk**	**Agriculture**	**Engineering**	**Fire**	**Bond**	**General Accident**	**Marine**	**Motor**	**Group Life**	**Total**
	Insurance contracts liabilities - Group	249,492,800	1,975,218	6,603,455	1,601,456	172,532	22,995,823	358,015,361	950,990	3,069,051	9,033,024	966,009	3,363,791	3,460,052	8,428,975	15,679,539	685,808,076
		249,492,800	1,975,218	6,603,455	1,601,456	172,532	22,995,823	358,015,361	950,990	3,069,051	9,033,024	966,009	3,363,791	3,460,052	8,428,975	15,679,539	**685,808,076**

	Portfolios of Reinsurance contracts assets - Group	**Non Life Business**									**Life Business**			
		PAA									**GMM**			
16.biii	**31-Dec-2025**	**Special Risks**	**Agriculture**	**Engineering**	**Fire**	**Bond**	**General Accident**	**Marine**	**Motor**	**Group Life**	**Credit Life**	**Endowment**	**Term assurance**	**Total**
	Reinsurance contracts assets - Group	198,152,990	1,634,753	2,162,274	5,173,372	(306,567)	2,607,313	7,821,182	309,360	2,782,651	149,873	119,409	17,444	220,624,054
		198,152,990	1,634,753	2,162,274	5,173,372	(306,567)	2,607,313	7,821,182	309,360	2,782,651	149,873	119,409	17,444	**220,624,054**

16.biii	**31-Dec-2024**	**Special Risks**	**Agriculture**	**Engineering**	**Fire**	**Bond**	**General Accident**	**Marine**	**Motor**	**Group Life**	**Credit Life**	**Endowment**	**Term assurance**	**Total**
	Reinsurance contracts assets - Group	258,911,111	710,022	1,388,100	1,673,002	110,598	1,228,994	1,531,002	264,009	3,236,451	291,452	61,680	8,933	269,415,354
		258,911,111	710,022	1,388,100	1,673,002	110,598	1,228,994	1,531,002	264,009	3,236,451	291,452	61,680	8,933	**269,415,354**

*The insurance and reinsurance contract assets and liabilities as at 31 December 2025 were independently reviewed by Takalani Sikhavhakhavha of Deloitte (FRC/2023/PRO/NAS/004/80214) for Life Business and Jay kosgei (FRC/2022/004/00000023786) of Zamara for General business.

All assumptions and simplifications that have been used in deriving the IFRS 17 results have been documented in the IFRS 17, 2025 Actuarial valuation report available at the subsidiary secretariat.

16 Insurance contract liabilities

Total Insurance Contracts Measured Under GMM and PAA - Group

31-Dec-25	Liabilities for Remaining: Excluding loss component	Liabilities for Remaining: Loss component	Liabilities for Incurred Claims: Estimates of Present Value of Future Cash Flows	Liabilities for Incurred Claims: Risk Adjustment for Non-financial risk	Total
Opening insurance contract assets	-	-	-	-	-
Opening insurance contract liabilities	299,273,146	18,564,860	308,056,212	48,781,006	674,675,224
Net Opening balance (GMM + PAA)	**299,273,146**	**18,564,860**	**308,056,212**	**48,781,006**	**674,675,224**
Changes in the Statement of profit or loss					
Insurance revenue					
Other contracts	(225,363,711)	-	-	-	(225,363,711)
Total Insurance revenue	**(225,363,711)**	**-**	**-**	**-**	**(225,363,711)**
Insurance Service Expenses					
Incurred claims and other Incurred Insurance Service expenses	21,965,663	(3,849,425)	37,500,702	(31,024,501)	24,592,439
Change that relates to past service - Adjustment to the LIC	-	-	42,977,906	25,181,111	68,159,017
Change that relates to future service - losses on onerous groups of contracts and reversal of such losses	-	(180,895)	-	-	(180,895)
Insurance acquisition cashflows					
Net Insurance acquisition cashflows (Amortisation, Experience Adjustment & Adjustment to Insurance acquisition cash flows)	30,627,529	(275,763)	-	-	30,351,766
Total Insurance Service Expenses	**52,593,192**	**(4,306,083)**	**80,478,608**	**(5,843,390)**	**122,922,327**
Total Insurance Service result	**(172,770,519)**	**(4,306,083)**	**80,478,608**	**(5,843,390)**	**(102,441,384)**
Insurance Finance Income or Expense					
The effect of and changes in time of time value of money and financial risk	92,072,811	2,466,244	16,154,896	713,259	111,407,210
The effect of and changes in time of time value of money and financial risk in OCI	2,981,029	76,665	12,030,965	1,916,194	17,004,853
Foreign exchange differences on changes in the carrying amount of groups of insurance contracts	-	-	(18,025,872)	(2,884,140)	(20,910,012)
Total Changes in the Statement of Profit or loss	**95,053,840**	**2,542,909**	**10,159,989**	**(254,687)**	**107,502,051**
Investment Components	(1,894,625)		1,894,625		-
Allocation of IACF to related group of contracts					-
Cash flows (Actual cashflows in the period)					
Premiums and premium tax received	334,340,223	-	-	-	334,340,223
Claims and other insurance service expenses paid, including investment components		-	(138,979,539)	-	(138,979,539)
Insurance acquisition cash flows	(50,757,226)			-	(50,757,226)
Total Cash flows	**283,582,997**	**-**	**(138,979,539)**	**-**	**144,603,458**
Net Closing balance (GMM + PAA)	**503,244,839**	**16,801,686**	**261,609,895**	**42,682,929**	**824,339,349**

Total Insurance Contracts Measured Under GMM and PAA - Group

31-Dec-24	Coverage Excluding loss component	Loss component	Liabilities for Incurred Claims Estimates of Present Value of Future Cash Flows	Risk Adjustment for Non-financial risk	Total
Opening insurance contract assets	-	-	-	-	-
Opening insurance contract liabilities	283,069,619	19,101,196	222,805,948	38,748,571	563,725,334
Net Opening balance (GMM + PAA)	**283,069,619**	**19,101,196**	**222,805,948**	**38,748,571**	**563,725,334**
Changes in the Statement of profit or loss					
Insurance revenue					
Other contracts	(173,203,516)	-	-	-	(173,203,516)
Total Insurance revenue	**(173,203,516)**	**-**	**-**	**-**	**(173,203,516)**
Insurance Service Expenses					
Incurred claims and other Incurred Insurance Service expenses	-	(1,845,757)	100,806,622	(11,703,814)	87,257,051
Change that relates to past service - Adjustment to the LIC	-	-	(27,159,816)	2,911,800	(24,248,016)
Change that relates to future service - losses on onerous groups of contracts and reversal of such losses	-	358,982	-	-	358,982
Insurance acquisition cashflows					
Net Insurance acquisition cashflows (Amortisation, Experience Adjustment & Adjustment to Insurance acquisition cash flows)	17,371,612	233,699	-	-	17,605,311
Total Insurance Service Expenses	**17,371,612**	**(1,253,076)**	**73,646,806**	**(8,792,014)**	**80,973,328**
Total Insurance Service result	**(155,831,904)**	**(1,253,076)**	**73,646,806**	**(8,792,014)**	**(92,230,188)**
Insurance Finance Income or Expense					
The effect of and changes in time of time value of money and financial risk	10,961,321	716,811	6,518,401	(118,819)	18,077,714
Foreign exchange differences on changes in the carrying amount of groups of insurance contracts	-	-	118,391,492	18,942,638	137,334,130
Total Changes in the Statement of Profit or loss	**(144,870,583)**	**(536,265)**	**198,556,699**	**10,031,805**	**63,181,656**
Investment Components					-
Allocation of IACF to related group of contracts					-
Cash flows (Actual cashflows in the period)					
Premiums and premium tax received	195,489,999	-	-	-	195,489,999
Claims and other insurance service expenses paid, including investment components	(1,945,331)	-	(117,711,615)	-	(119,656,946)
Insurance acquisition cash flows	(28,504,654)	11,133,410	439,276	-	(16,931,968)
Total Cash flows	**165,040,014**	**11,133,410**	**(117,272,339)**	**-**	**58,901,085**
Net Closing balance (GMM + PAA)	**303,239,050**	**29,698,341**	**304,090,308**	**48,780,376**	**685,808,075**

16 Reinsurance contract assets

Assets for remaining coverage and asset for incurred claims - PAA - Reinsurance Contract Held

31-Dec-25	Asset for Remaining Coverage			Assets for Incurred Claims		Total
	Asset for Insurance Acqusition Cashflows	Excluding loss component	Loss component	Estimates of Present Value of Future Cash Flows	Risk Adjustment for Non-financial risk	
Opening reinsurance contract assets	-	16,103,483	6,208,249	200,826,794	45,770,518	268,909,044
Opening reinsurance contract liabilities	-	-	-	-	-	-
Net Opening balance (GMM + PAA)	**-**	**16,103,483**	**6,208,249**	**200,826,794**	**45,770,518**	**268,909,044**
Changes in the Statement of profit or loss						
Reinsurance revenue						
Other contracts		-	-	-	-	-
Total Insurance revenue	**-**	**-**	**-**	**-**	**-**	**-**
Reinsurance Expenses						
Allocation of reinsurance premuims paid	-	(73,370,820)				(73,370,820)
Amounts recovered from reinsurers						-
Recoveries on incurred claims and other incurred reinsurance service expenses	-	-	-	11,231,742	(33,303,941)	(22,072,199)
Changes in the loss recovery component	-		(2,054,662)	-	-	(2,054,662)
Changes in expected recoveries on past claims	-			(38,723,030)	22,754,329	(15,968,701)
Insurance acquisition cashflows		12,028,227		-	-	12,028,227
Total reinsurance expenses	**-**	**(61,342,593)**	**(2,054,662)**	**(27,491,288)**	**(10,549,612)**	**(101,438,155)**
Net expenses from Reinsurance Contracts He	**-**	**(61,342,593)**	**(2,054,662)**	**(27,491,288)**	**(10,549,612)**	**(101,438,155)**
Reinsurance Finance Income or Expense						
The effect of and changes in time of time value of money and financial risk	-	69,516	-	9,580,035	682,113	10,331,664
The effect of and changes in time of time value of money and financial risk in OCI		245		7,403,474	1,682,952	9,086,671
Foreign exchange differences on changes in the carrying amount of groups of insurance contracts	-	-	-	(11,207,452)	(2,566,507)	(13,773,959)
Total Changes in the Statement of Profit or loss	**-**	**(61,273,077)**	**(2,054,662)**	**(21,715,231)**	**(10,751,054)**	**(95,793,779)**

Investment Components						
Allocation of IACF to related group of contracts						
Cash flows (Actual cashflows in the period)						
Premiums paid	-	85,250,953	-	-	-	85,250,953
Amounts received from reinsurers relating to incurred claims	-	-	-	(20,606,887)	-	(20,606,887)
Insurance acquisition cash flows	-	(17,135,270)	-	-	-	(17,135,270)
Total Cash flows	**-**	**68,115,683**	**-**	**(20,606,887)**	**-**	**47,508,796**
Net Closing balance (GMM + PAA)	**-**	**22,946,089**	**4,153,587**	**158,504,676**	**35,019,464**	**220,624,061**

Assets for remaining coverage and asset for incurred claims - PAA - Reinsurance Contract Held

31-Dec-24	**Asset for Remaining Coverage**			**Assets for Incurred Claims**		**Total**
	Asset for Insurance Acqusition Cashflows	**Excluding loss component**	**Loss component**	**Estimates of Present Value of Future Cash Flows**	**Risk Adjustment for Non-financial risk**	
Opening reinsurance contract assets	403,482	10,448,269	9,097,254	156,173,418	35,742,879	211,865,302
Opening reinsurance contract liabilities	-	-	-	-	-	-
Net Opening balance (GMM + PAA)	**403,482**	**10,448,269**	**9,097,254**	**156,173,418**	**35,742,879**	**211,865,302**
Changes in the Statement of profit or loss						
Reinsurance revenue						
Other contracts		-	-	-	-	-
Total Insurance revenue	**-**	**-**	**-**	**-**	**-**	**-**
Reinsurance Expenses						
Allocation of reinsurance premuims paid	-	(69,154,625)				(69,154,625)
Amounts recovered from reinsurers						-
Recoveries on incurred claims and other incurred reinsurance service expenses	-	506,309	(499,105)	29,254,314	(21,560,543)	7,700,975
Changes in the loss recovery component	-		(2,889,005)	-	-	(2,889,005)
Changes in expected recoveries on past claims	-			(53,527,507)	13,301,212	(40,226,295)
Insurance acquisition cashflows		8,665,126		-	-	8,665,126
Total reinsurance expenses	**-**	**(59,983,190)**	**(3,388,110)**	**(24,273,193)**	**(8,259,331)**	**(95,903,824)**
Net expenses from Reinsurance Contracts He	**-**	**(59,983,190)**	**(3,388,110)**	**(24,273,193)**	**(8,259,331)**	**(95,903,824)**
Reinsurance Finance Income or Expense						
The effect of and changes in time of time value of money and financial risk	-	-	-	3,631,314	(70,435)	3,560,879
Foreign exchange differences on changes in the carrying amount of groups of insurance contracts	-	-	-	80,163,337	18,357,403	98,520,740

Total Changes in the Statement of Profit or loss	**-**	**(59,983,190)**	**(3,388,110)**	**59,521,458**	**10,027,637**	**6,177,795**
Investment Components						
Allocation of IACF to related group of contracts						
Cash flows (Actual cashflows in the period)						
Premiums paid	-	75,910,812	-	-	-	75,910,812
Amounts received from reinsurers relating to incurred claims	-	24,224	499,105	(11,221,029)	-	(10,697,700)
Insurance acquisition cash flows	-	(10,141,055)	(3,699,800)	-	-	(13,840,855)
Total Cash flows	**-**	**65,793,981**	**(3,200,695)**	**(11,221,029)**	**-**	**51,372,257**
Net Closing balance (GMM + PAA)	**403,482**	**16,259,060**	**2,508,449**	**204,473,847**	**45,770,516**	**269,415,354**

Notes to the consolidated and separate financial statements

		Group	Group	Company	Company
	(All amounts in thousands of Nigerian Naira unless	2025	2024	2025	2024
17	**Trade payables**				
	Reinsurance payable	12,752,404	2,185,499	-	-
	Amount due to insurance intermediaries (see note 'e' below)	14,610,641	34,621,466	-	-
	Claims deposit (see note 'b' below)	1,639,560	8,437,569	-	-
	Premium deposits (see note 'a.i' below)	9,358,160	4,739,434	-	-
		38,360,765	**49,983,968**	**-**	**-**
	Current	38,360,765	49,983,968	-	-
		38,360,765	**49,983,968**	**-**	**-**
a	The movement in premium deposit is as follows:				
	Balance, beginning of year	4,739,434	6,100,069	-	-
	Addition during the year	22,064,213	1,577,397	-	-
	Transfer to premium income (see note 'c' below)	(17,445,487)	(2,938,032)	-	-
		9,358,160	**4,739,434**	**-**	**-**

a.i Premium deposit represents premium received in advance but which the policy risk period is yet to commence as at reporting date.

b. Claims deposit relates to claim amounts received from other insurance companies as their proportion on claims due to insured.

c. Transfers to premium income from premium deposit relates to amounts received on or before reporting date for policies commencing at the start of the following year

d. The decrease in insurance intermediaries was due to premium paid latter in the year for 2025 policies. Most of these premiums relate to our special risk business.

		Group 2025	Group 2024	Company 2025	Company 2024
18	**Current tax liabilities**				
	The movement on current tax liabilities during the year was as follows:				
	Balance, beginning of year	2,775,549	2,353,446	-	-
	Charge for the year (see note (a) below)	8,391,771	1,969,932	-	-
	Payments during the year	(2,775,549)	(1,547,829)	-	-
	Reversals during the year				
	Balance, end of year	**8,391,771**	**2,775,549**	**-**	**-**
(a)	Analysis of charge for the year is as follows:				
	- Current year's income tax provision	8,391,771	1,969,932	-	-
		8,391,771	**1,969,932**	**-**	**-**
19	**Other liabilities**				
	Financial liabilities:				
	Sundry creditors (see note 'c' below)	2,462,286	1,453,328	-	-
	Accrued audit fee	98,500	95,500	8,500	2,000
	Accrued expenses	4,535,677	462,359	-	-
	Dividend Payable	83,109	-	83,109	-
	Intercompany payables	144,334	-	138,359	-
	Staff profit sharing payable	450,327	1,423,205	-	-
	Insurance supervisory fee payable	1,981,823	795,008	-	-
		9,756,056	**4,229,400**	**229,968**	**2,000**
	Non-financial liabilities:				
	Deferred rental income	141,159	256,752	-	-
	VAT and Withholding tax payable	3,427,897	1,249,883	-	-
	Premium & other suspense (see note 'a' below)	420,620	1,676,983	-	-
	Agency provident fund	796,947	621,964	-	-
	PAYE deductions	91,765	53,996	-	-
	NHF, Staff Cooperative and other statutory deductions	218,760	75,403	-	-
	Due to Vendors and other service providers	27,307	72,979	-	-
	Other creditors	11,574,913	4,735,464	-	-
		16,699,368	**8,743,424**	**-**	**-**
	Total other liabilities	**26,455,424**	**12,972,824**	**229,968**	**2,000**
	Current	41,341,439	16,998,418	-	-
	Non Current	(14,886,015)	(4,025,594)	229,968	2,000
		26,455,424	**12,972,824**	**229,968**	**2,000**

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(All amounts in thousands of Nigerian Naira unless otherwise stated)	Group 31-Dec-2025	Group 31-Dec-2024	Company 31-Dec-2025	Company 31-Dec-2024

a Premium suspense represents premium paid into the Group's bank account by customers which are yet to be matched with specific policies as at the reporting date due to unavailability of relevant policy information. This is usually reconciled and matched with appropriate policies on a regular basis.

b The increase in the Group other creditors was due to valuation carried out on unreconciled outstanding liability due as at Dec 2025.

c Included in sundry creditors is N2.4billion, which represents balance of accrued insurance levy on year 2025 premium.

20 Investment contract liabilities

	Group 31-Dec-2025	Group 31-Dec-2024	Company 31-Dec-2025	Company 31-Dec-2024
Movement in investment contract liabilities is as shown below				
Balance, beginning of period	36,250,267	36,053,444	-	-
Deposits received	23,749,619	18,402,420	-	-
Withdrawals	(11,909,716)	(20,368,990)	-	-
Derecognition	(12,323,645)			
Guaranteed interest charged during the period	1,887,919	2,163,393	-	-
Balance, end of year	**37,654,444**	**36,250,267**	**-**	**-**
Current	8,546,404	6,460,188	-	-
Non Current	29,108,040	29,790,079	-	-
	37,654,444	**36,250,267**	**-**	**-**

21 Capital and reserves

a Share capital

	Group 31-Dec-2025	Group 31-Dec-2024	Company 31-Dec-2025	Company 31-Dec-2024
Minimum issued share capital:				
142,605,000 units	142,605	142,605	142,605	142,605
The issued and fully paid up capital of the company is N142m .				
Ordinary shares of N1 each:				
142,605,000 units	142,605	142,605	142,605	142,605
	142,605	**142,605**	**142,605**	**142,605**

b Share premium

Share premium comprises the amount paid over the nominal value of shares. This reserve is not ordinarily available for distribution.

	Group 31-Dec-2025	Group 31-Dec-2024	Company 31-Dec-2025	Company 31-Dec-2024
As at 1 January	**-**	**-**	**-**	**-**
Current Year	**228,025,699**	**228,025,699**	**228,025,699**	**228,025,699**
	228,025,699	**228,025,699**	**228,025,699**	**228,025,699**

c Retained earnings

The retained earnings is the carried forward recognised income net of expenses plus current profit attributable to shareholders. It is the amount available for dividend distribution to the equity shareholders of the company. See statement of changes in equities for movement in retained earnings. (See Company SOCIE)

	Group 31-Dec-2025	Group 31-Dec-2024	Company 31-Dec-2025	Company 31-Dec-2024
As at 1 January (acquired from business combination)	(55,801,204)	(56,055,305)	(1,850)	-
Prior Year Adjustment	-		(150)	
Profit for the year	38,820,989	4,943,302	14,849,007	(2,000)
Dividend Paid	(14,799,717)		(14,799,717)	-
Gain on acquisition	(4,927,392)	-	-	-
Transfer to fair value reserve	-	-	-	-
Transfer to contingency reserve	(7,756,298)	(4,689,201)	-	-
	(44,463,622)	**(55,801,204)**	**47,290**	**(2,000)**

Notes to the consolidated and separate financial statements

(All amounts in thousands of Nigerian Naira unless otherwise stated)		Group 31-Dec-2025	Group 31-Dec-2024	Company 31-Dec-2025	Company 31-Dec-2024
d Reserves					
Components of reserves are as follows:					
Contingency reserve (see note (i) below)	**A**	33,116,824	25,360,526	-	-
Fair value reserves (see note (ii) below	**B**	33,214,179	29,762,042	-	-
Asset revaluation reserve (see note (iii) below	**C**	3,981,084	2,721,326		
Foreign Currency Translation reserve (see note (iv) below)	**D**	19,158,148	14,224,425	-	-
		89,470,235	**72,068,319**	**-**	**-**

(i) Contingency reserves

Included in the contigency reserve is contigency reserve from Leadway assurance company general and life business in line with Insurance act of 2003.

In compliance with Section 21 (1) of Insurance Act 2003, the contingency reserve for non-life insurance business is credited with the greater of 3% of total premiums or 20% of the net profits (whichever is greater).This shall accumulate until it reaches the amount of greater of minimum paid-up capital or 50 percent of net premium. While for life business, the contingency reserves is credited with an amount equal to 1% of gross premium or 10% of net profit (whichever is greater) and accumulated until it reaches the amount of minimum paid up capital.

The distribution of contigency reserve is shown below:

	Group	Group
Contingency reserves:	31-Dec-2025	31-Dec-2024
Leadway Insureholdings Limited -Group	33,116,824	25,360,526
	33,116,824	**25,360,526**

(ii) Fair value reserves

Fair value reserves includes the net accumulated change in the fair value of asset measured at fair value through other comprehensive income (FVOCI) until the investment is derecognized or impaired. See statement of changes in equities for movement in fair value reserve.

(iii) Asset revaluation reserve

This reserve is the accumulation of revaluation gain on the group's land and buildings. See statement of changes in equities for movement in asset revaluation reserve.

(iv) Common control acquisition deficit

On 31st December 2024, Leadway Insureholdings Limited combined the operations of Leadway Assurance Company Limited (LAC) with that of its opertaions. The shares of (LAC) were previously owned by Leadway Holdings. In determining the acquisition date, the date in which the transaction was agreed to by both parties i.e. 30 June 2024 was adopted and the financial statements of LAC as at 30 June 2024 was used in determining the net asset at acquisition date. However, regulatory approval was granted by NAICOM on the 1 December 2024.

The business combination has been accounted for, from the perspective of the ultimate controlling entity Leadway Holdings. The book value of the assets and liabilities was considered on the basis that the acquisition is a common control transaction and the investments simply moved from one part of the group to another. In applying book value accounting, an adjustment has been made in equity (common control deficit) to reflect a deficit of N28.1billion by the group.

Notes to the consolidated and separate financial statements

(All amounts in thousands of Nigerian Naira unless otherwise stated)	Group 31-Dec-2025	Group 31-Dec-2024	Company 31-Dec-2025	Company 31-Dec-2024
Determination of common control acquisition deficit				
In thousands of naira				
Identified Net assets as at 1 December 2024	-	187,085,705	-	-
Net assets as at 1 December 2024	-	187,085,705	-	-
Carrying amount of Investment in LAC as at 1 December 2024	-	220,168,304	-	-
Total value of Leadway Insureholdings Limited investments in LAC	-	220,168,304	-	-
Common control acquisition deficit	-	(33,082,599)	-	-
Gain on acquisition of subsidiaries		4,927,392	-	-
Common control acquisition deficit		**(28,155,207)**	-	-
(iv) Earnings Per share				
Profit from continuing operations attributable to owners of the parent	38,820,989	4,943,302.00	14,849,007	(2,000)
Total	**38,820,989**	**4,943,302**	**14,849,007**	**(2,000)**
Weighted average number of ordinary shares in issue before deducting bonus shares	142,605	142,605	142,605	142,605
Weighted average number of ordinary shares in issue	142,605	142,605.00	142,605	142,605
Basic Earnings per share (kobo) From continuing operations	272	35	104	-
Basic and diluted earnings per share (kobo)	**272**	**35**	**104**	**-**

22 Non controlling interest

Non controlling interest comprises:

	Group 31-Dec-2025	Group 31-Dec-2024	Company 31-Dec-2025	Company 31-Dec-2024
Opening balance	575,345	427,620	-	-
Share of profit for the period	198,169	147,725	-	-
Share of other comprehensive income	-	-	-	-
	773,514	**575,345**	**-**	**-**

23 Analysis of movement in controlling interest

(a) See statement of changes in equities for movement in non controlling interest during the period

(b) The financial information for the subsidiary with non-controlling interest are disclosed in note 12 (investment in subsidiaries) of these consolidated and separate financial statements.

24 Subsidiaries and non-controlling interests

The table below provides details of material subsidiaries of the Group

	Nature of business	Principal place of business	Ownership interest
Leadway Assurance Company Limited	Life Insurance & General Insurance	Nigeria	99.99%
Leadway IARD	General Insurance	Ivory Coast	56%
Leadway VIE	Life Insurance	Ivory Coast	99.99%

There are no significant restrictions on the Group's ability to access and settle its liabilities. The carrying amounts of the assets and liabilities of these subsidiaries that have been included in the consolidated and separate financial statements are in note 12.

Leadway Insureholding Limited percentage holding in the subsidiary is; 99.99% of Leadway Assurance Company, 99.99% of VIE and 56% of IARD. VIE also holds 30% of IARD.

25 Investment income

	Group 31-Dec-2025	Group 31-Dec-2024	Company 31-Dec-2025	Company 31-Dec-2024
Interest income on debt securities (using effective interest rate)	74,161,195	4,957,583	-	-
Rental income	1,289,163	102,293	-	-
Interest on loans	1,816,763	354,913	-	-
Interest on short term deposits	6,711,650	492,162	99,157	-
Dividend income on investment securities	3,019,383	187,609	-	-
Profit on sale of investment securities	10,288,638	178,186	-	-
Interest income on statutory deposits	64,104	4,802	-	-
Subsidiary investment profit	3,140,673	22,702	-	-
Total Investment Income	**100,491,569**	**6,300,250**	**99,157**	**-**

Notes to the consolidated and separate financial statements

(All amounts in thousands of Nigerian Naira unless otherwise stated)		Group 31-Dec-2025	Group 31-Dec-2024	Company 31-Dec-2025	Company 31-Dec-2024
25.a Profit from investment contracts (see note i below)		**1,898,930**	**196,823**	**-**	**-**
i The above figure relates to profit or (loss) for the year.					
25.b Analysis of profit from investment contracts					
Investment income		3,922,589	2,796,985	-	-
Other income		121,423	103,357	-	-
	A	**4,044,012**	**2,900,342**	**-**	**-**
Maintenance & acquisition costs		(903,604)	(320,667)	-	-
Interest on deposit administration		(1,241,478)	(2,382,852)	-	-
	B	**(2,145,082)**	**(2,703,519)**	**-**	**-**
Profit	**A+B**	**1,898,930**	**196,823**	**-**	**-**

25.c The Investment income N74.7billion belong to Life business and the balance of N25.3billion is for Non Life Business.

	Group 31-Dec-2025	Group 31-Dec-2024	Company 31-Dec-2025	Company 31-Dec-2024
26 Net fair value gain/ (loss) on assets at fair value				
Financial assets at fair value through profit or loss				
- Fair value gain/ (losses) on listed equity securities	9,634,312	2,128,904	-	-
- Fair value gain/(losses) on listed debt securities	35,665,178	(2,625,876)	-	-
- Fair value gain on investment property (see note 11 & note d.i)	7,704,392	7,252,171	-	-
	53,003,882	**6,755,199**	**-**	**-**
27 Other operating income/(loss)				
Fee income on shared locations & services	-	49,449	-	-
Foreign exchange gain/(loss)		-		
- Investment securities	(10,164,169)	13,864,229	(9,444)	-
- Cash and cash equivalents	(1,651,181)	4,163,017	-	-
Other income (see note 'i' below)	830,980	137,432	15,000,000	-
Profit on disposal of property, plant and equipment		1,114	-	-
	(10,984,370)	**18,215,241**	**14,990,556**	**-**

i. Other income represents income on current account, surrender fees, policy fees, and other miscellaneous income that does not fall under income head above
ii. The write-back is on the impairment of trade receivable, policy loan and agency loan

	Group 31-Dec-2025	Group 31-Dec-2024	Company 31-Dec-2025	Company 31-Dec-2024
28 Employee benefit expense				
28 a. Non-attributable				
Wages and salaries - staff and executive directors	(626,558)	(346,633)		-
Pension cost - Defined contribution plan	(11,040)	(9,858)	-	-
Termination benefits (see note (d) below)	(4,843)	(30,171)	-	-
Profit sharing expense	(81,165)	(104,687)	-	-
	(723,606)	**(491,349)**	**-**	**-**

Notes to the consolidated and separate financial statements

	Group	Group	Company	Company
(All amounts in thousands of Nigerian Naira unless otherwise stated)	31-Dec-2025	31-Dec-2024	31-Dec-2025	31-Dec-2024
28 b. Attributable				
Wages and salaries - staff and executive directors	(8,501,928)	(347,172)	-	-
Profit sharing expense	(346,938)	(40,798)	-	-
Pension cost - Defined contribution plan	(848,602)	(3,755)	-	-
Termination benefits (see note (d) below)	(565,575)	(11,930)	-	-
	(10,263,043)	**(403,655)**	**-**	**-**

The portion of the employee benefit expense stated is the directly attributable to insurance service expenses (included in Incurred claims and other Incurred Insurance Service expenses).

(a) Staff information:

Employees earning more than N100,000 per annum, other than the executive directors, whose duties were wholly or mainly discharged in Nigeria, received emoluments in the following ranges:

	Group	Group	Company	Company
	31-Dec-2025	31-Dec-2024	31-Dec-2025	31-Dec-2024
Absolute	***Number***	***Number***	***Number***	***Number***
₦3,000,000 - N5,000,000	1	115	-	-
₦5,000,001 - N10,000,000	193	139	-	-
₦10,000,001 - N15,000,000	80	76	-	-
₦15,000,000 - N20,000,000	57	51	-	-
Over N20,000,000	100	81	-	-
	431	**462**	**-**	**-**

The Company did not have any staff during the period under review as such no personnel expense was incurred. The operations of the Company was done by other staff in the Leadway Holdings Limited group.

(b) The average number of full time persons employed during the period was as follows:

	Number	***Number***	***Number***	***Number***
Executive directors	2	4	1	1
Management staff	48	53	-	-
Non-management staff	383	409	-	-
	433	**466**	**1**	**1**

(c) **Directors' remuneration**

(i) Remuneration paid to the directors is as follows:

Salaries and wages	435,774	486,489	-	-
Directors' fees	108,250	350,420	-	-
Post-employment benefits	372,969	313,333	-	-
	916,993	**1,150,242**	**-**	**-**

(ii) The directors' remuneration shown above includes:

Chairman	80,725	167,540	-	-
Highest paid director	85,875	98,752	-	-

(iii) The emoluments of all other directors fell within the following range:

Absolute	Number	Number	Number	Number
Above ₦110,000,000	3	3	-	-
₦80,000,001 - ₦110,000,000	1	1	-	-
₦50,000,001 - ₦80,000,000	4	4	-	-
₦20,000,000 - ₦50,000,000	4	4	-	-
Below ₦20,000,000	-	-	-	-
	12	**12**	**-**	**-**

Notes to the consolidated and separate financial statements

(All amounts in thousands of Nigerian Naira unless otherwise stated)	Group 31-Dec-2025	Group 31-Dec-2024	Company 31-Dec-2025	Company 31-Dec-2024

(d) Termination benefit relates to payments made to disengaged staff during the relevant period.

The Company Directors did not earn any allowance during the period under review as they were just appointed and did not perform any major function. In addition, the Directors are members of the Group Board of Directors were they have been paid. they would be paid once the Board has its inaugural meeting and the Company comences full operation in the next year.

29 Other operating expenses

	Group 31-Dec-2025	Group 31-Dec-2024	Company 31-Dec-2025	Company 31-Dec-2024
Non attributable expenses (see note 28a & 29a)	(15,773,157)	(9,527,373)	(240,706)	-
Attributable expenses (see note 28b & 29b)	(24,154,790)	(2,856,819)	-	-
Total operating expenses	**(39,927,947)**	**(12,384,192)**	**(240,706)**	**-**

29 a. Non-attributable expense:

	Group 31-Dec-2025	Group 31-Dec-2024	Company 31-Dec-2025	Company 31-Dec-2024
Maintenance expenses - non attributable	(6,215,573)	(4,848,789)	-	-
Contract staff cost	(12,847)	(48,890)	-	-
Asset repairs and maintenance	(64,920)	(655,040)	-	-
Corporate expenses and gift items	(39,418)	(123,648)	-	-
Telecommunication	(20,581)	(1,017,506)	-	-
Advertisement	(117,837)	(493,703)	-	-
Agency related expenses	(2,157,622)	(3,052)	-	-
Property insurance expense*	(16,763)	(29,249)	-	-
Insurance supervisory fund	-	(612)	-	-
Professional fees	-	(13,978)	-	-
Travelling, tours and other passage exps.	(6,615)	(265,404)	-	-
Auditor's remuneration*	(78,000)	(39,901)	-	-
Consultancy and professional expenses	(41,883)	(184,478)	-	-
Bank charges	(8,228)	(272,132)	-	-
Offices rates and rent	(9,272)	(18,069)	-	-
Power and Fuel charges	(17,446)	(306,826)	-	-
Donations*	(86,564)	(91,366)	-	-
Subscription	-	(29,542)	-	-
Depreciation of property and equipment	(374,560)	(350,788)	-	-
Amortisation of intangible assets	(33,202)	-	-	-
Directors' fees and allowances*	(4,278)	(563,152)	-	-
Hotel accommodation expenses	(15)	(17,462)	-	-
Entertainment	(984)	(50,362)	-	-
Investment expenses	(23,767)	(115,192)	-	-
Impairment loss on trade receivables	-	-	-	-
Others	(6,442,782)	(479,581)	-	-
	(15,773,157)	**(10,018,722)**	**-**	**-**

**** cost that are not allocated to insurance service expenses***

i. Investment expenses represents custody and other regulatory fees on investment activities during the period.

ii. The employee benefit expenses and other operating expenses in note 28 and note 29 respectively are the components of the non-attributable expenses from the Company's subsidiary. Moreover, the attributable expenses was allocated to claims and acquisition expenses.

Notes to the consolidated and separate financial statements

(All amounts in thousands of Nigerian Naira unless otherwise stated)	Group 31-Dec-2025	Group 31-Dec-2024	Company 31-Dec-2025	Company 31-Dec-2024

iii. The Company did not incur any operating expense during the period under review as it commenced operations in the last month of the year. The pre-operational expenses reported was incurred on its behalf by its subsidiary Leadway Assurance Company Limited.

iv.Included in Professional fees is a total of N30,837,500 for Non-audit services rendered by Messrs. KPMG Advisory Services. See table below for details

Name of The Firm	Nature of Service	2025 (Naira)	2024(Naira)
KPMG Advisory Services	Payment for Insurance Industry Remuneration Survey	2,050,000	2,050,000
KPMG Advisory Services	Payment for Common Reporting Standard Health Check For Leadway Group	11,287,500	11,287,500
KPMG Professional Services	Payment for Internal control over financial reporting (ICFR) assurance fees	17,500,000	12,500,000
		30,837,500	**25,837,500**

The attributable expenses forms part of insurance service expense

iii.We have splitted and recognised appropriately (the portion) depreciation consumed on Deposit Administration (D/A) as management expenses values at ₦831,071,313

iv. Other expenses are items that cannot be classified under the various expense head in note 34 above

29 b. Attributable expense:

	Group 31-Dec-2025	Group 31-Dec-2024	Company 31-Dec-2025	Company 31-Dec-2024
Maintenance expenses - attributable	(11,653,858)	(564,731)	-	-
Contract staff cost	(75,391)	(22,804)	-	-
Asset repairs and maintenance	(240,479)	(134,759)	-	-
Corporate expenses and gift items	(250,239)	(60,028)	-	-
Telecommunication	(4,273,007)	(225,767)	-	-
Advertisement	(792,938)	(421,644)	-	-
Agency related expenses	(6,739)	(2,035)	-	-
Property insurance expense*	(98,375)	(19,507)	-	-
Insurance supervisory fund	-	(216)	-	-
Professional fees	(34,189)	(4,926)	-	-
Travelling, tours and other passage exps.	(925,760)	(106,249)	-	-
Auditor's remuneration*	-	(9,305)	-	-
Consultancy and professional expenses	(457,833)	(102,496)	-	-
Bank charges	(106,355)	(24,784)	-	-
Offices rates and rent	(239,383)	(11,632)	-	-
Power and Fuel charges	(1,023,541)	(134,298)	-	-
Donations*	-	(4,691)	-	-
Subscription	(47,182)	(10,410)	-	-
Depreciation of property and equipment	(1,289,203)	(145,501)	-	-
Amortisation of intangible assets	(117,383)	(19,267)	-	-
Directors' fees and allowances*	(769,159)	(51,897)	-	-
Hotel accommodation expenses	(108,776)	(6,169)	-	-
Entertainment	(512,421)	(26,918)	-	-
Investment expenses	(166,387)	(66,217)	-	-
Others	(966,192)	(276,913)	-	-
	(24,154,790)	**(2,453,164)**	**-**	**-**

Notes to the consolidated and separate financial statements

(All amounts in thousands of Nigerian Naira unless otherwise stated)	Group 31-Dec-2025	Group 31-Dec-2024	Company 31-Dec-2025	Company 31-Dec-2024
30 Net impairment loss				
Impairment on trade receivable (see note 6a)	-	(76,546)	-	-
Impairment loss on other receivables (see note 8b)	-	(131)	-	-
Impairment on Premium debtor (writeback)	(69,559)	39,772	-	-
Impairment loss placement	(151,356)	(208)	-	-
Impairment loss on loans	-	(128)	-	-
Impairment writeback/(loss) on financial asset	(399,003)	5,775	-	-
	(619,918)	**(31,466)**	**-**	**-**
31 Minimum and income tax expense				
Minimum tax	-	1,194,705		-
Current tax on profits for the period:				
Income tax expense	7,122,813	-	-	
Technology levy	-	771,371	-	-
Nigeria Police fund levy & NITDA Levy	-	3,857	-	-
Total current tax	**7,122,813**	**775,228**	**-**	**-**
Deferred taxes:				
Deferred tax expense	4,869,243	2,358,583	-	-
Total tax charge for the period	**11,992,056**	**3,133,811**	**-**	**-**

(b) The tax on the group and company's profit before tax differs from the theoretical amount that would arise using the weighted average tax rate applicable to

	Group 31-Dec-2025	Group 31-Dec-2024	Company 31-Dec-2025	Company 31-Dec-2024
Profit before income tax	51,011,215	9,419,543	-	-
Tax calculated at domestic rate applicable in Nigeria at 30% (2024: 30%)	15,303,365	2,825,863	-	-
Effect of:				
Tax exempt income	(13,944,869)	(27,837,135)	-	-
Non-deductible expenses	5,764,317	5,764,317	-	-
Technology levy	-	771,371	-	-
Police trust levy	-	3,857	-	-
Capital gain tax	-	-	-	-
Deferred tax expense	4,869,243	2,358,583	-	-
Total income tax expense in comprehensive income	**11,992,056**	**3,133,811**	**-**	**-**
Reconciliation of effective tax rate				
Tax calculated at domestic rate applicable in Nigeria at 30%	30.00%	30.00%		-
Effect of:				
Tax exempt income	7.47%	7.47%	-	-
Non-deductible expenses	42.16%	42.16%	-	-
Technology levy	1.00%	1.00%	-	-
Deferred tax expense/(credit)	1.01%	1.01%	-	-
Effective tax rate	**2.31%**	**2.31%**	**0%**	**0%**

Uncertainty over Income tax treatments

The Group Tax was computed based on section 57 of Nigerian Tax Act 2025. In line with the Act and OECD/G20 provision on minimum tax, the Company is required to maintain a minimum Effective Tax Rate (ETR) of 15%, (calculated as covered taxes divided by net income) However, where the Companys ETR falls below this threshold, a top-up tax is recognized to increase the total tax charge to the statutory minimum of 15%.

32 Dividend

The dividend declared in 2025 and paid in 2025 was an interim cash dividend of ₦14.77billion, representing ₦103.78kobo per share (2024: nil).

Notes to the consolidated and separate financial statements

(All amounts in thousands of Nigerian Naira unless otherwise stated)	Group 2025	Group 2024	Company 2025	Company 2024
33 Insurance Revenue				
Revenue from Contracts Not Measured Under PAA - Life Business	87,696,085	9,497,383	-	-
Revenue from Contracts Measured Under the PAA - Life Business (Group Life Only)	13,921,508	1,999,721	-	-
Revenue from Contracts Not Measured Under PAA - Non Life Business	145,959,342	21,340,521	-	-
Total Insurance Revenue	**247,576,935**	**32,837,625**	**-**	**-**
- CSM recognised for services provided	3,036,279	328,043	-	-
- Change in risk adjustment for non-financial risk for risk expired	58,421,660	235,265	-	-
- Expected incurred claims and other insurance service expenses	10,631,865	8,934,075	-	-
Contracts Measured Under the GMM (Life Business)	28,306,600	1,999,721	-	-
Contracts Measured Under the PAA (Non Life Business)	147,180,531	21,340,521	-	-
Total Insurance Revenue	**247,576,935**	**32,837,625**	**-**	**-**

33.a **Insurance Revenue by Product - 31-Dec-25**

	Life Business						
	GMM						PAA
	Annuity	Credit Life	Endowment	Funeral	Term Assurance	Deposit Admin	Group Life
Insurance Revenue	69,121,525	1,345,678	5,402,812	375,045	361,436	9,386,553	13,921,508
Total Insurance Revenue	**69,121,525**	**1,345,678**	**5,402,812**	**375,045**	**361,436**	**9,386,553**	**13,921,508**

	Non Life Business								
	PAA								
	Special Risks	Agriculture	Engineering	Fire	Bond	General Accident	Marine	Motor	Total
Insurance Revenue	10,676,951	3,086,270	5,171,089	30,877,304	296,387	11,020,140	10,349,637	76,184,603	247,576,936
Total Insurance Revenue	**10,676,951**	**3,086,270**	**5,171,089**	**30,877,304**	**296,387**	**11,020,140**	**10,349,637**	**76,184,603**	**247,576,936**

Insurance Revenue by Product - 31-Dec-24

	Life Business						
	GMM						PAA
	Annuity	Credit Life	Endowment	Funeral	·m Assurance	posit Admin	Group Life
Insurance Revenue	7,917,515	320,682	304,920	40,272	15,368	909,751	2,203,644
Total Insurance Revenue	**7,917,515**	**320,682**	**304,920**	**40,272**	**15,368**	**909,751**	**2,203,644**

	Non Life Business								
	PAA								
	Special Risks	Agriculture	Engineering	Fire	Bond	General Accident	Marine	Motor	Total
Insurance Revenue	10,676,951	253,539	871,701	3,126,163	307,018	1,182,125	1,266,869	3,441,107	32,837,625
Total Insurance Revenue	**10,676,951**	**253,539**	**871,701**	**3,126,163**	**307,018**	**1,182,125**	**1,266,869**	**3,441,107**	**32,837,625**

	Group 2025	Group 2024	Company 2025	Company 2024
34 Insurance service expenses				
Insurance Service Expense Measured Under GMM - Life Business	(80,671,834)	(4,579,036)	-	-
Insurance Service Expense Measured Under the PAA - Life Business (Group Life Only)	(18,164,461)	(1,154,778)	-	-
Insurance Service Expense Measured Under the PAA - Non Life Business	(26,734,762)	(2,152,693)	-	-
Total Insurance service expenses	**(125,571,057)**	**(7,886,507)**	**-**	**-**

34.a **Insurance Service Expense by Product - Group**

	Group 2025			Group 2024		
	Company	**Subsidiary**	**Total**	**Company**	**Subsidiary**	**Total**
Incurred claims and other Incurred Insurance Service expenses	-	234,450,315	234,450,315	-	(7,709,218)	(7,709,218)
Change that relates to past service - Adjustment to the LIC	-	(280,222,033)	(280,222,033)	-	1,450,019	1,450,019
Change that relates to future service - losses on onerous groups of contracts and reversal of such losses	-	(456,660)	(456,660)	-	(139,550)	(139,550)
Insurance acquisition cash flows					-	
- Amortisation	-	(5,724,547)	(5,724,547)	-	(1,498,935)	(1,498,935)
- Experience Adjustment: Acquisition Expenses	-	(78,566,609)	(78,566,609)	-	(16,724)	(16,724)
Change that relates to past service - Adjustment to Insurance acquisition cash flows	-	4,948,477	4,948,477	-	27,901	27,901
Insurance acquisition cash flows	**-**	**(125,571,057)**	**(125,571,057)**	**-**	**(7,886,507)**	**(7,886,507)**

*Included in the incurred claims and other Incurred Insurance Service expenses is the portion of the total attributable expenses (employee benefit expense and other operating expenses) . (see note 29).

34.b **Insurance Service Expense by Product - Group 31-Dec-25**

	Life Business						
	GMM						PAA
	Annuity	Credit Life	Endowment	Funeral	·m Assurance	LIP	Group Life
Insurance Service Expenses	79,872,088.00	4,069,943	2,714,801	(3,605,186)	(9,320,862)	24,982	25,527,451
Total Insurance Service Expenses	**79,872,088**	**4,069,943**	**2,714,801**	**(3,605,186)**	**(9,320,862)**	**24,982**	**25,527,451**

	Non Life Business								
	PAA								
	Special Risk	Agriculture	Engineering	Fire	Bond	General Accident	Marine	Motor	Total
Insurance Service Expenses	(30,640,320)	5,842,976	3,813,075	13,278,657	44,562	5,809,047	9,905,325	18,234,520	125,571,059
Total Insurance Service Expenses	**(30,640,320)**	**5,842,976**	**3,813,075**	**13,278,657**	**44,562**	**5,809,047**	**9,905,325**	**18,234,520**	**125,571,059**

Insurance Service Expense by Product - Group 31-Dec-24

	Life Business						
	GMM						PAA
	Annuity	Credit Life	Endowment	Funeral	·m Assurance	LIP	Group Life
Insurance Service Expenses	3,868,916	110,109	88,536	56,012	20,365	464,299	1,225,704
Total Insurance Service Expenses	**3,868,916**	**110,109**	**88,536**	**56,012**	**20,365**	**464,299**	**1,225,704**

	Non Life Business								
	PAA								
	Special Risk	Agriculture	Engineering	Fire	Bond	General Accident	Marine	Motor	Total
Insurance Service Expenses	(319,920)	80,909	235,539	610,798	122,883	118,683	313,067	890,609	94,047,179
Total Insurance Service Expenses	**(319,920)**	**80,909**	**235,539**	**610,798**	**122,883**	**118,683**	**313,067**	**890,609**	**94,047,179**

Notes to the consolidated and separate financial statements

(All amounts in thousands of Nigerian Naira unless otherwise stated)

		Group 2025	Group 2024	Company 2025	Company 2024
35	**Allocation of reinsurance premiums paid**				
	Allocation of reinsurance premiums not measured under PAA - Life Business (see note below*)	(666,833)	(1,183)	-	-
	Allocation of reinsurance premiums measured under the PAA - Life Business (Group Life Only)	(3,744,744)	(481,641)	-	-
	Allocation of reinsurance premiums measured under the PAA - Non Life Business	(68,959,243)	(12,676,470)	-	-
	Allocation of reinsurance premiums measured under the PAA - VIE	(2,768,308)	(747,292)	-	-
		(76,139,128)	**(13,906,586)**	**-**	**-**

*This represents GMM portfolio that are not modeled as part of reinsurance contracts (this includes Credit Life, Endowments & term assurance- see note 36c below)

		Group 2025	Group 2024	Company 2025	Company 2024
35.a	**Amounts recoverable from reinsurers for incurred claims**				
	Amount Recoverable - Life Business	(3,035,761)	4,457,911	-	-
	Amount Recoverable - Non Life Business	27,075,483	(35,656,096)	-	-
	Total Amounts recoverable from reinsurers for incurred claims (see note below)**	**24,039,722**	**(31,198,185)**	**-**	**-**

35.e Reinsurance premiums paid Product - Group	Life Business				Non Life Business								
	GMM			PAA									
31-Dec-25	**Credit Life**	**ndowment**	**m Assurance**	**Group Life**	**Special Risk**	**Agriculture**	**Engineering**	**Fire**	**Bond**	**eneral Accident**	**Marine**	**Motor**	**Total**
Allocation of reinsurance premiums paid	644,234	15,737	6,862	3,846,710	30,428,018	2,252,405	3,496,498	20,923,065	383,336	6,365,222	6,079,764	1,697,277	76,139,128
Total Allocation of reinsurance premiums paid	**644,234**	**15,737**	**6,862**	**3,846,710**	**30,428,018**	**2,252,405**	**3,496,498**	**20,923,065**	**383,336**	**6,365,222**	**6,079,764**	**1,697,277**	**76,139,128**
Amounts recoverable from reinsurers for incurred claims													
Recoverable	(179,262)	-	-	(2,784,312)	46,511,696	(18,515,575)	(110,287)	(319,195)	(213,191)	(5,496)	(75,915)	(268,741)	24,039,722
Total Amount Recoverable	**(179,262)**	**-**	**-**	**(2,784,312)**	**46,511,696**	**(18,515,575)**	**(110,287)**	**(319,195)**	**(213,191)**	**(5,496)**	**(75,915)**	**(268,741)**	**24,039,722**
Net Income or Expense from Reinsurance Contract	**464,972**	**15,737**	**6,862**	**1,062,398**	**76,939,714**	**(16,263,170)**	**3,386,211**	**20,603,870**	**170,145**	**6,359,726**	**6,003,849**	**1,428,536**	**100,178,850**

Reinsurance premiums paid Product - Group	Life Business				Non Life Business								
	GMM			PAA									
31-Dec-24	**Credit Life**	**ndowment**	**m Assurance**	**Group Life**	**Special Risk**	**Agriculture**	**Engineering**	**Fire**	**Bond**	**eneral Accident**	**Marine**	**Motor**	**Total**
Allocation of reinsurance premiums paid - Subsidiary	(50,477)	(2,201)	(791)	(478,336)	(8,256,557)	(186,660)	(764,041)	(2,274,251)	(212,103)	(582,011)	(854,822)	(244,335)	(13,906,585)
Total Allocation of reinsurance premiums paid	**(50,477)**	**(2,201)**	**(791)**	**(478,336)**	**(8,256,557)**	**(186,660)**	**(764,041)**	**(2,274,251)**	**(212,103)**	**(582,011)**	**(854,822)**	**(244,335)**	**(13,906,585)**
Amounts recoverable from reinsurers for incurred claims													
Recoverable	100,933	17,788	-	3,284,534	(33,735,430)	688,195	2,373,625	4,212,813	418,596	447,900	2,840,087	498,418	(18,852,541)
Total Amount Recoverable	**100,933**	**17,788**	**-**	**3,284,534**	**(33,735,430)**	**688,195**	**2,373,625**	**4,212,813**	**418,596**	**447,900**	**2,840,087**	**498,418**	**(18,852,541)**
Net Income or Expense from Reinsurance Contract	**50,456**	**15,587**	**(791)**	**2,806,198**	**(41,991,987)**	**501,535**	**1,609,584**	**1,938,562**	**206,493**	**(134,111)**	**1,985,265**	**254,083**	**(32,759,126)**

		Group 2025	Group 2024	Company 2025	Company 2024
36	**Net finance expenses from insurance contracts issued**				
	Net finance expenses from insurance contracts issued - Life Business	96,554,474	(1,838,375)	-	-
	Net finance expenses from insurance contracts issued - Non Life Business	(5,568,587)	(2,162,883)	-	-
	Total Net finance expenses from insurance contracts issued	**90,985,887**	**(4,001,258)**	**-**	**-**

		Group 2025	Group 2024	Company 2025	Company 2024
36.a	**Net finance income from reinsurance contracts held**				
	Net finance income from reinsurance contracts held - Life Business	(438,073)	11,855	-	-
	Net finance income from reinsurance contracts held - Non Life Business	3,763,469	290,976	-	-
	Total Net finance income from reinsurance contracts held	**3,325,396**	**302,831**	-	-

Notes to the consolidated and separate financial statements

	Group	Group	Company	Company
(All amounts in thousands of Nigerian Naira unless otherwise stated)	2025	2024	2025	2024

37 Related parties

Leadway Insureholdings Limited is the ultimate parent/controlling party of the group. Related parties to the Company are as follows:

(i) *Subsidiaries*

The Company has three subsidiaries as at 31 December 2025. Transactions between Leadway Insureholdings Limited and the subsidiaries meet the definition of related party transactions. During the year, the Company had a current account with a balance of N432,000 with Leadway Assurance Company Limited.

(ii) *Key management personnel*

The key management personnel have been identified as the members of the board of directors (executive and non executive members), including their close members of family and any other entity over which they exercise control.
Close members of family are those family members who may be expected to influence, or be influenced by that individual in their dealings with Leadway Assurance Company Limited.

The compensation paid or payable to key management personnel for employee services is disclosed in the table below:

	Group 2025	Group 2024	Company 2025	Company 2024
Salaries and other short term employee benefits	346,938	235,629	-	-
Pension cost - defined contribution	18,250	16,155	-	-
	365,188	**251,784**	**-**	**-**

Key management personnel and their immediate relatives engaged in the following transactions with the company during the year:

	Group 2025	Group 2024	Company 2025	Company 2024
Receivables from Leadway Holdings	-	8,000,000	-	8,000,000
Dividend Received	-	-	15,000,000,000	-
Current account with LAC	-	-	432,000	-
Investment in subsidiary	-	-	227,913,608,125	220,168,304,125

38 Contingent liabilities, litigations and claims

The Group in the ordinary course of business is currently involved in 52 legal cases as at December 2025 valued at N8.926 billion (2024: N7.69 billion). The actions are being contested and the Directors are of the opinion that no significant liability will arise therefrom in excess of the provision that has been made in the consolidated and separate financial statements. Management has considered that it is also not practicable to disclose the estimate of the financial effects, any indication of uncertainties relating to the amount or timing of outflow and possibility of any reimbursement information as at the reporting date.

39 Contravention of laws and regulations

There were no contravention of laws and regulations during the period. No fines was paid in the 2025 financial year.

Notes to the consolidated and separate financial statements

(All amounts in thousands of Nigerian Naira unless otherwise stated)			Group 2025	Group	Company 2025	Company 2024
40	**Notes to Cashflow**					
a	**Cash generated from operations**					
	Profit/(loss) before tax		39,019,159	9,419,543	14,849,007	(2,000)
	Adjustments for:					
	Interest Income	25	4,233,378	(6,300,250)	-	-
	Change in other receivables & prepaymen		-	-	7,962,443	(8,000,000)
	Net finance expense from reinsurance and Inruance contracts	36	94,311,283	4,001,257	-	-
	Other income	40c	(10,187,906)	51,407,854		
			127,375,915	**58,528,404**	**22,811,450**	**(8,002,000)**
b	**Other non-cash items included in profit before tax**					
	Depreciation of property and equipment	10.1	1,735,390	2,409,722	-	-
	Amortization of intangible assets	14	397,304	231,202	-	-
	Net Impairment loss	25.a	612,509	(196,823)	-	-
	Exchange loss/(gain)	30	11,815,370	31,466	-	-
	Net fair value gain on assets at fair value	26	(53,003,882)	(6,755,199)	-	-
	WHT Recoverable	27	30,118	(18,027,246)	-	-
	Loss on disposal of property and equipment	27	1,236	(1,114)	-	-
			(38,411,955)	**(22,307,992)**	**-**	**-**
c	**Changes in operating assets**					
	Changes in loans and receivables	40e(i)	(22,375,150)	(6,560,996.00)	(31,150)	-8000000
	Changes in premium debtors	40e(ii)	928,258	1,030,197.00	-	0
	Changes in other receivable & Prepayment	40e(iii)	5,649,696	56,935,981.00	-	0
	Changes in reinsurance assets	40e(iv)	(45,560,405)	2,672.00	-	0
			(61,357,601)	**51,407,854**	**(31,150)**	**(8,000,000)**
d	**Changes in operating liabilities**					
	Changes in income tax liabilities	40f(i)	(6,377,459)	(3,795,737)	-	
	Changes in investment contract liabilities	40f(ii)	1,404,177	(12,905,384)		-
	Changes in insurance contract liabilities	40f(iii)	138,528,596	52,732,441	-	-
	Changes in Trade payable		(16,726,131)			
	Changes in Other liabilities		18,585,526		234,375	2000
	Changes in deferred tax liabilities		4,869,243			
	Chnages in Deferred Income(Premium Deposit)		9,358,160			
			149,642,112	**36,031,320**	**234,375**	**2,000**
e	**Analysis of changes in operating assets**					
(i)	Changes in loans and receivables					
	Opening		828,359	17,445,312	8,000,000	-
	Closing		23,203,509	23,966,924	31,150	8,000,000
			(22,375,150)	(6,521,612)	7,968,850	8,000,000

Notes to the consolidated and separate financial statements

(All amounts in thousands of Nigerian Naira unless otherwise stated)		Group 2025	Group	Company 2025	Company 2024
(ii)	Changes in premium debtors				
	Opening	352,286	941,196	-	-
	Closing	245,551	352,286	-	-
		106,735	588,910	-	-
	Less: Other non-cash items:				
	Impairment	423,108	441,287	-	-
		529,843	**1,030,197**	**-**	**-**
(iii)	Changes in reinsurance contract assets				
	Opening	269,415,354	326,351,335	-	-
	Closing	220,624,061	269,415,354	-	-
		48,791,293	**56,935,981**	**-**	**-**
(iv)	Changes in statutory deposits				
	Opening	500,000	502,672	-	-
	Closing	500,000	500,000	-	-
		-	**2,672**	**-**	**-**
(v)	Changes in Investment Securities				
	Opening	523,783,343	-	-	-
	Closing	733,439,515	523,783,343	-	-
		(209,656,172)	**(523,783,343)**	**-**	**-**
f	**Analysis of changes in operating liabilities**				
(i)	Changes inTrade payables				
	Opening	49,983,968	-	-	-
	Closing	33,257,837	49,983,968	-	-
		16,726,131	**(49,983,968)**	**-**	**-**
(ii)	Changes in investment contract liabilities				
	Opening	36,250,267	23,344,883	-	-
	Closing	37,654,444	36,250,267	-	-
		(1,404,177)	**(12,905,384)**	**-**	**-**
(iii)	Changes in insurance contract liabilities				
	Opening	685,808,075	738,540,516	-	-
	Closing	824,339,349	685,808,075	-	-
		(138,531,274)	**52,732,441**	**-**	**-**
(iv)	Changes in other liabilities				
	Opening	12,972,824	59,161,055	2,000	-
	Closing	31,558,350	62,956,792	229,968	2,000
		(18,585,526)	**(3,795,737)**	**227,968**	**2,000**

Other National Disclosures

Value Added Statement

(All amounts in thousands of Nigerian Naira unless otherwise stated)	Group 2025	%	Group 2024	%	Company 2025	%	Company 2024	%
Insurance Revenue	247,576,935	461%	190,407,833	226%	-	0%	-	0%
Investment income								
- Local	100,491,569	187%	69,803,639	83%	89,713	1%	-	0%
Other income								
- Local	(10,984,370)	-20%	65,339,434	78%	15,000,000	101%	1,811	-91%
Reinsurance, claims, commission & operating expenses								
- Local	(283,414,789)	-528%	(240,853,775)	-286%	(240,706)	-2%	(3,811)	191%
- Foreign			(587,315)	-1%	-	0%	-	0%
Value added	**53,669,345**	**100**	**84,109,816**	**100**	**14,849,007**	**100**	**(2,000)**	**100**
Applied to pay:								
Employee benefit expense	723,606	1%	5,896,191	7%	-	0%	-	0%
Government as tax	11,992,056	22%	4,328,516	5%	-	0%	-	0%
Retained in the business								
Depreciation of Property and equipment	1,735,390	3%	663,756	1%	-	0%	-	0%
Amortisation of intangible assets	397,304	1%	-	0%	-	0%	-	0%
To augment reserve	38,820,989	72%	73,221,353	87%	14,849,007	100%	(2,000)	100%
Value added	**53,669,345**	**100**	**84,109,816**	**100**	**14,849,007**	**100%**	**(2,000)**	**100%**

No financial summary has been presented as the Company and Group are in their first year of operations