

**INDUSTRIAL AND GENERAL INSURANCE PLC**  
GROUP ANNUAL REPORT AND FINANCIAL STATEMENTS  
for the year ended 31 December 2022, together with Directors' and  
Independent Auditor's Reports

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## Corporate Information

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<b>Company registration number</b>	RC 178140
<b>Legal entity</b>	Industrial and General Insurance Plc
<b>Country of incorporation and domicile</b>	Nigeria
<b>Nature of business</b>	The Company is principally engaged in the business of financial services with its main business as underwriting of life and non-life risks for both corporate and individual customers.
<b>Directors:</b>	HRM Ahmed Nuhu Bamalli CFR Akinlolu Akinyele Kabir AyindeTukur Mallam Sadiq Isa Kaita High Chief Oriyomi Tajudeen Ayeola Olubukola Akomolafe (Mrs.)
<b>Company Secretary</b>	Emmanuel Ojomah
<b>Registered office</b>	No. 2, Agoro Odiyan Street Off Adeola Odeku Street Victoria Island, Lagos. P M B 80181, Victoria Island, Lagos State E-mail: info@iginigeria.com Website: www.iginigeria.com
<b>Liaison office</b>	Suite 52-55, 1st Floor 65 London Wall London, EC2M 5TU Tel: 020-7374 0588; 020-7374 0648; Fax: 020- -----
<b>Auditors</b>	Kreston Pedabo Audit Services 67 Norman Williams Street Ikoyi Lagos Nigeria Signing Partner: Peter Olaitan Asemah (Mr.), FCA
<b>Website</b>	<a href="http://www.krestonpedabo.com">www.krestonpedabo.com</a>
<b>Registrars</b>	Greenwich Registrars & Data Solutions Limited 274, Murtala Muhammed Way Yaba, Lagos
<b>Re-insurers</b>	Lloyds of London African Reinsurance Corporation Allianz SOMPO Japan Hannover Re AIG WAICA Re Swiss Re Continental Reinsurance

## Corporate Information

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		IGI'S % Holding
<b>Subsidiaries</b>	Global Trust Savings & Loans Limited	98.73%
	NIC Holding Limited, Uganda	64.95%
	IGI Gamstar Insurance Company Limited, Gambia	60.00%
	All Crown Registrars Limited	93.94%
	International Health Management Services Limited	84.47%
	Monarch communications Ltd	56.86%
<b>Actuaries</b>	Ernst & Young	
	UBA House	
	10th Floor	
	57 Marina	
	Lagos	
<b>Major Bankers</b>	Access Bank Plc	
	Citibank Nigeria Plc	
	Ecobank Nigeria Plc	
	First Bank of Nigeria Limited	
	First City Monument Bank Plc	
	Guaranty Trust Bank Plc	
	Global Trust Savings & Loans Limited	
	Heritage Bank Plc	
	Keystone Bank Plc	
	Sterling Bank Plc	
	Polaris Bank Plc	
	Standard Chartered Bank Plc	
	Union Bank Plc	
	United Bank of Africa Plc	
Wema Bank Plc		
Zenith International Bank Plc		
<b>FRCN Registration No</b>	<b>FRC/2013/0000000644</b>	

## Directors' Report

The Directors are happy to present their report on the affairs of Industrial and General Insurance Plc ("the Company") together with the Group Audited Financial Statements and Auditors' report for the year ended 31 December 2022.

### 1 Corporate structure and Business

Industrial and General Insurance Plc ("IGI" or "the Company") is a company domiciled in Nigeria with presence in some other countries.

The Company was incorporated as a private limited liability company on 31 October 1991 and licensed by the National Insurance Commission to operate as a composite insurance company in December 1991 and commenced business in January 1992. Its registered office is No 2 Agoro Odiyan Street, Victoria Island, Lagos, Nigeria.

The Company is principally engaged in the business of financial services with its main business as underwriting of life and non-life risks for both corporate and individual customers.

Following the increase in the number of members beyond the maximum required for a private company after the Company's Private Placement Exercise in year 2006/2007, the Company converted to a public limited liability company on 28 June 2007 and the change was assented to by the Registrar- General of the Corporate Affairs Commission on 30 November 2007. The name of the Company was accordingly changed to Industrial and General Insurance Plc.

The Company expanded in 2007 by acquiring Nasal Insurance Company Limited. This led to an increase in both its asset and customer base.

The Company has both local and foreign subsidiaries, namely:

#### Local

Global Trust Savings and Loans Limited, International Health Management Services Limited, Monarch Communications Limited and All Crown Registrars Limited.

#### Foreign

National Insurance Corporation Limited (Uganda) and IGI Gamstar Insurance Company Limited (The Gambia). The financial results of all the subsidiaries have been consolidated in these financial statements.

### 2 Nature of business

The Company and most of its international subsidiaries are engaged in composite insurance business, that is, life and non-life insurance which includes special risks and investment contracts whilst Monarch Communications Limited was engaged in the telecommunications business; Global Trust Savings is engaged in the business of mortgage banking; International Health Management Services Limited carries on business as a provider of pre-paid health care services and All Crown Registrars Limited engages in the business of share registration.

### 3 Operating results

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

	Group		Company	
	2022 N'000	2021 N'000	2022 N'000	2021 N'000
<b>Gross premium income</b>	<b>6,734,746</b>	6,012,466	<b>534,049</b>	686,938
Underwriting results	<b>1,080,558</b>	2,823,196	<b>(250,321)</b>	(209,768)
Investment income	<b>497,083</b>	587,540	<b>150,205</b>	153,561
Management expenses	<b>(4,302,334)</b>	(2,434,895)	<b>(1,767,479)</b>	(1,101,639)
Impairment charge	<b>(384,032)</b>	(459,420)	<b>(386,500)</b>	(607,276)
<b>Loss before income tax</b>	<b>(3,268,729)</b>	1,884,320	<b>(2,865,769)</b>	(1,148,742)
Net Assets	<b>10,989,913</b>	13,211,759	<b>8,900,179</b>	10,560,151

## Directors' Report

### 4 Share capital

	2022	2021
<b>Total share capital</b>	Number of shares	
24,000,000,000 ordinary shares of N0.50kobo each	24,000,000,000	24,000,000,000

	2022	2021	2022	2021
<b>Issued</b>	<b>N'000</b>	<b>N'000</b>	<b>Number of shares</b>	
Estate of Olowude Oluremi Andrew	1,805,511,428	1,805,511,428	3,611,022,856	3,611,022,856
Mrs Bunmi Olowude	386,955,119	386,955,119	773,910,237	773,910,237
Renaissance Africa Fund Limited	147,620,000	147,620,000	295,240,000	295,240,000
O.Ola Vincent	187,580,650	187,580,650	375,161,299	375,161,299
Investment Profiles Limited	325,869,221	325,869,221	651,738,441	651,738,441
Mr. Rotimi Fashola	156,436,511	156,436,511	312,873,021	312,873,021
Stanbic Nominees Nig. Ltd/C007- Trading	256,727,931	256,727,931	513,455,861	513,455,861
IGI Staff Share Ownership Scheme	112,872,718	112,872,718	225,745,436	225,745,436
Yakubu Gowon	101,049,986	101,049,986	202,099,971	202,099,971
Kayotunde Investments Limited	92,032,278	92,032,278	184,064,556	184,064,556
Mazola Products Limited	75,682,091	75,682,091	151,364,182	151,364,182
Lateef Adegbite	47,963,054	47,963,054	95,926,108	95,926,108
H. I. Aliile	53,816,299	53,816,299	107,632,597	107,632,597
Other Shareholders	3,365,501,360	3,365,501,360	6,731,002,719	6,731,002,719
	<b>7,115,618,642</b>	<b>7,115,618,642</b>	<b>14,231,237,284</b>	<b>14,231,237,284</b>

There have been no changes to the issued share capital during the year under review.

The Company intends to continually carry out the objectives set out in its Memorandum and Articles of Association. The detailed exposition of the current and future prospects is set out in the Chairman's Report.

### 5 Dividends

No dividend has been recommended by the Directors for the year (2021: Nil).

### 6 Directors

The Directors in office as at 31 December 2022 are as follows:

<b>Directors</b>	<b>Designation</b>	<b>Nationality</b>
Mahmud Yayale Ahmed, CFR	Chairman	Nigerian
Prof. Oladapo Afolabi, OON, CFR	Director	Nigerian
Osten Olorunsola	Director	Nigerian
Gaffar K. Animashawun Jnr. (indirect)	Director	Nigerian
Kanayo Chuks Okoye	Director	Nigerian
Rachel Voke Emenike (Mrs.)	Managing Director	Nigerian

Subsequently, the following Directors were appointed due to changes in the capital structure in 2023

<b>Directors</b>	<b>Designation</b>	<b>Nationality</b>
HRM Ahmed Nuhu Bamalli CFR	Chairman	Nigerian
Akinlolu Akinyele	Managing Director	Nigerian
Kabir Ayinde Tukur	Director	Nigerian
Mallam Sadiq Isa Kaita	Director	Nigerian
High Cief Oriyomi Tajudeen Ayeola	Director	Nigerian
Olubukola Akomolafe (Mrs.)	Director	Nigerian

## Directors' Report

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### 6 Directors' interests in contracts

No Director has any declarable interest in any contract with the Company during the period in pursuant to Section 303 of the Companies and Allied Matters Act, 2020.

### 7 Directors interest in shares

The Directors' interests in the issued share capital of the Company as recorded in the register of members and as advised by the Company's registrars for the purposes of Section 301 of the Companies and Allied Matters Act, 2020 are as follows:

	Number of shares as at 31 December	
	2022	2021
Mahmud Yayale Ahmed, CFR	-	-
Prof. Oladapo Afolabi, OON, CFR	-	-
Osten Olorunsola	-	-
Gaffar K. Animashawun Jnr. (indirect)	184,064,556	184,064,556
Kanayo Chuks Okoye	-	-
Rachel Voke Emenike (Mrs.)	-	-
	<u>184,064,556</u>	<u>184,064,556</u>

### 8 Charitable donation

The Company made no contributions or donations to charitable organizations during the year (2021):

### 9 Research and Development

The Company is on a continuous basis carrying out research into insurance products and services.

### 10 Employment and employees

**a) Employment of physically challenged persons:** It is the policy of the Company that there should be no discrimination in considering applications for employment including those from disabled persons. All employees are given equal opportunities to develop. The Company had no disabled person in its employment as at 31 December, 2021.

**b) Health, safety at work and welfare of employees:** Health and safety regulations are in force within the premises of the Company. The Company provides subsidy towards transportation, housing, lunch and medical expenses to all employees.

**c) Employees' Involvement and Training:** The Company is committed to keeping employees fully informed as much as possible regarding the Company's performance and progress and seeking their views wherever practicable on matters which particularly affect them as employees. Management's professional and technical expertise is the Company's major asset and investment in their further development continues. The Company's expanding skill-base has been extended by a range of training provided to its employees whose opportunities for career development within the company have been enhanced.

### 11 Investment in subsidiaries

Consistent with its expansion program, the Company setup and acquired some subsidiaries in the preceding years.

Below is a list of companies and the percentage holdings in the subsidiaries:

Name of Subsidiaries	IGI'S % Holding
i. Global Trust Savings & Loans Limited	98.73%
ii. NIC Holding Limited, Uganda	64.95%
iii. IGI Gamstar Insurance Company Limited, Gambia	60.00%
iv. All Crown Registrars Limited	93.94%
v. International Health Management Services Limited	84.47%
vi. Monarch communications Ltd	56.86%

## Directors' Report

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### 12 Consolidated financial statements

The consolidated results for the year ended 31 December 2022 were prepared in compliance with International Financial Reporting Standards (IFRS).

The Financial Statements of the under listed subsidiaries were consolidated with that of the Company:

Global Trust Savings & Loans Limited  
NIC Holding Limited, Uganda  
IGI Gamstar Insurance Company Limited, Gambia  
All Crown Registrars Limited  
International Health Management Services Limited  
Monarch communications Ltd

### 13 Related party transactions

There were no material related party transactions amongst the members of the Group except for the following transactions that have been carried out at arms' length:

- i. **Global Trust Savings & Loans Limited** provides banking services to the parent company and the local subsidiaries. The transactions are carried out at arm's length and in competition with other banks.
- ii. **International Health Management Services Limited** provides pre-paid health care services to the Company and local subsidiaries at arms' length and at competitive market rates.
- iii. The Company provides insurance related services to its local subsidiaries in competition with other insurers at competitive market rates available in the industry.

The above transactions have no material effect on the Group Financial Statements. All intra-group transactions, balances, income and expenses were eliminated on consolidation.

### 14 Property, plant and equipment

There was no change in the nature of the property, plant and equipment of the Company or in the policy regarding their use. Information relating to changes in property, plant and equipment is disclosed in Note 17 to the financial


### 15 Events after the reporting period

On May 2023, the Securities Exchange Commission approved the issued of 9,768,562,924 to Coopvest Limited representing 40.7% of the issued share capital of the Company. There were no other significant subsequent events which could have had a material effect on the Group's and the Company's financial position as at 31 December 2022 that have not been adequately provided for or disclosed in these financial statements.

### 16 Auditors

In compliance with Section 33(2) of the Securities and Exchange Commission's Code of Corporate Governance and Section 22(1) of National Insurance Commission 2010 guidelines on the tenure of External Auditors, Messrs Kreston Pedabo Audit Services were appointed as the external auditors on June 6, 2023 have shown willingness to continue in office as the auditors in accordance with Section 401(2) of the Companies and Allied Matters Act, 2020. A resolution will be proposed at the Annual General Meeting to authorize the Directors to determine their remunerations.

#### By Order of the Board



**ABIODUN AJIFOLawe**  
Company Secretary  
FRC/2013/NBA/0000000/3830  
Lagos. Nigeria

20th December 2024



**Certification pursuant to section 60(2) of Investment and Securities Act No.29 of 2007**

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We the undersigned hereby certify the following with regards the consolidated audited financial statements for the year ended 31 December 2022 that:

- a) We have reviewed the report;
- b) To the best of our knowledge, the report does not contain:
  - i Any untrue statement of a material fact, or
  - ii Omit to state a material fact, which would make the financial statements misleading in the light of circumstances under which such statements were made;
- c) To the best of our knowledge, the financial statements and other financial information included in the report fairly present in all material respects the financial condition and results of operation of the Company as of, and for the periods presented in the report.
  - i Are responsible for establishing and maintaining internal controls
  - ii Have designed such internal controls to ensure that material information relating to the Company and its consolidated subsidiaries is made known to such officers by others within those entries particularly during the period in which the periodic reports are being prepared;
  - iii Have evaluated the effectiveness of the company's internal controls as of date within 90 days prior to the report;
  - iv Have presented in the report our conclusions about the effectiveness of our internal controls based on our evaluation as of that date;
- d) We have disclosed to the auditors of the Company and Audit and Compliance Committee:
  - i All significant deficiencies in the design or operation of internal controls which would adversely affect the Company's ability to record, process, summarize and report financial data and have identified for the company's auditors any material weakness in internal controls, and
  - ii Any fraud, whether or not material, that involves management or other employees who have significant role in the Company's internal controls;
- e) We have identified in the report whether or not there were significant changes in internal controls or 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.



**AKINLOLU AKINYELE**  
Managing Director  
FRC/2021/PRO/0000025271



**AYOOLA IYIOLA**  
Chief Finance Officer  
FRC/2024/PRO/ICAN/001/185581

## Report of the Audit and Compliance Committee

### To the Members of Industrial and General Insurance Plc

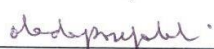
Pursuant to Section 404(3) of the Companies and Allied Matters Act (CAMA) 2020, the Company has a Statutory Audit Committee comprising two Non-Executive directors and three shareholders as follows:

Prof. Oladapo Afolabi, OON, CFR	-	Chairman
Mr. Kanayo Okoye	-	Member
Dr. Gbenga Ogunkoya	-	Member
Mr. Kayode Agboola	-	Member
Mrs. Bukola Komolafe	-	Member

In accordance with the provisions of Section 404 (4) & (7) of the Companies and Allied Matters Act (CAMA) 2020, we, the members of the Audit and Compliance Committee of Industrial and General Insurance Plc. having carried out our statutory functions under the Act, hereby report as follows that:

- We have reviewed the scope and planning of the audit for the year ended 31 December 2022 and we confirm that they were adequate.
- The Company's reporting and accounting policies as well as the internal control systems conform to legal requirements and agreed ethical practices.
- We are satisfied with the departmental responses to the External Auditors' findings on management matters for the year ended 31 December 2022.

Finally, we acknowledge and appreciate the cooperation of Management and staff in the conduct of these duties.

  
\_\_\_\_\_  
**Professor Oladapo Afolabi**  
Director  
FRC/2017/IPAN/00000015950

#### Members of the Committee are:-

Prof. Oladapo Afolabi, OON, CFR	-	Chairman
Mr. Kanayo Okoye	-	Member
Dr. Gbenga Ogunkoya	-	Member
Mr. Kayode Agboola	-	Member
Mrs. Bukola Komolafe	-	Member

The Company Secretary/Legal Adviser acted as the Secretary to the Committee.

## Corporate Governance Report

### 1. Introduction

Industrial and General Insurance Plc as a foremost and indigenous Insurance Company in Nigeria is committed to good corporate governance and to applying best-in-class standards of behaviour as well as providing transparency in how it conducts its affairs.

The Company recognizes the importance of good corporate governance to the continued growth and profitable management of any organization and remains committed to institutionalizing corporate governance principles as part of its group corporate structure.

The Company continues to pursue strict adherence to the implementation of Corporate Governance rules as issued by the Financial Reporting Council of Nigeria, the National Insurance Commission (NAICOM) and the Securities and Exchange Commission (SEC).

The guiding principles of the Company's Corporate Governance Guidelines include the following:-

- i) delegation of authority by the shareholders (who are the owners of the Company) to the Board and subsequently to Board Committees and Executive Management is clearly defined and agreed. However, the Board is aware that it is ultimately responsible and accountable for the performance of the Company. It recognises that the use of delegated authority to Board Committees and Executive Management in no way mitigates or dissipates the discharge by the Board of its responsibilities.
- ii) Institutionalized individual accountability and responsibility through empowerment and relevant authority.
- iii) Each of the Board Committees has clear-cut Terms of Reference confirmed by the Board.
- iv) There is transparency and full disclosure from the Board Committees to the Board and the Directors have full access to all Board Committees' documents and the Committee are free to seek professional advice when and if they so deem fit.
- v) actions are taken on a fully informed basis, in good faith with due diligence and care and in the best interest of the Company and its

### 2. Governance Structure and Organisation

According to the Company's Constitution and the requirements set forth by the Code of Corporate Governance in Nigeria, the Company has adopted the following governance structure:

- a) Shareholders' Meeting
- b) Board of Directors
- c) Board Committees
- d) Management/Management Board

#### 2.1 Annual General Shareholders' Meeting

The General Meeting of the Company is the highest decision making body of the Company. The shareholders have an opportunity to express their views and concerns, if any, on the Company's financial results and all other issues at the Annual General Meeting of the Company (AGM).

Shareholders having the right to attend the AGM were adequately notified of the AGM by publication in national newspapers 21 days in advance of the meeting. Shareholders were given ample opportunities to participate at the AGM. Proxy forms were made available to shareholders in accordance with Company's Constitution.

#### 2.2 Communication with Interest holders and with the Public

It is the responsibility of the Executive Management, under the direction of the Board, to ensure that the Board receives adequate information on a timely basis about the Company's businesses and operations at appropriate intervals and in an appropriate manner to enable the Board carry out its responsibilities.

Furthermore, the Board and Management of the Company ensure that communication and dissemination of information regarding the operations and management of the Company to shareholders, stakeholders and the general public is timely, accurate and continuous, to give a balanced and fair view of the Company's financial and non-financial matters.

#### 2.3 The Board of Directors

For the reporting year, the Board of the Company comprised 6 members; 5 Non-Executive Directors and 1 Executive Director. One of the 5 Non-executive Directors (none of whom exercises executive powers) chaired the Board.

The Board meets regularly, at least four times in a year, that is, once every quarter.

The Board continues to operate within its responsibilities as contained in the Group Corporate Governance guidelines, Regulatory Code of Corporate Governance, the Company's Articles of Association and the Companies and Allied Matters Act as specified by the insurance sector regulator, NAICOM.

#### Board Composition

All the Directors bring various and varied competencies to bear on board deliberations. The Directors individually have attained the highest pinnacle of their chosen professions. The Board meets regularly and is responsible for effective implementation and monitoring of the Company's

#### Constitution of the Board

S/No	Name	Non- Executive	Executive	Remarks
1.	Mahmud Yayale Ahmed, CFR	•		
2.	Rachel Voke Emenike		•	
3.	Prof Oladapo Afolabi, OFR, CFR	•		
4.	Augustine Olorunsola	•		
5.	Kanayo Chuks Okoye	•		
6.	Gaffar K. Animashawun	•		

## Corporate Governance Report

The Board continues to operate within its responsibilities as contained in the Group Corporate Governance guidelines, Regulatory Code of Corporate Governance, the Company's Articles of Association and the Companies and Allied Matters Act as specified by the insurance sector

### 2.4 Duties and Responsibilities of the Board

It is the responsibility of the Board to provide strategic direction for the Company. It reviews and approves the major strategies, financial and other objectives and plans of the Company. The Board ensures that adequate systems of internal controls, risk management, financial reporting and compliance are in place as well as ensuring the processes for evaluating the adequacy of these systems on an ongoing basis. Other functions include:

- Selecting, compensating, monitoring and when necessary, replacing key executives and overseeing succession planning;
- Performing all statutory roles as required by law; through decisions on behalf of the Board on issues of expenditure that may arise outside the normal meeting schedule of the full Board;
- Ratifying duly approved recommendations and decisions of the Board Committees;
- Ensuring that proper accounting records are maintained;
- Instituting internal control procedures which, as far as is reasonably possible, safeguard the assets, prevent and detect fraud and other irregularities;
- Ensuring that applicable accounting policies are adopted and consistently applied;
- Confirming that judgements and estimates made are reasonable and prudent; and
- Ensuring that the going concern basis is used, unless it is inappropriate to presume that the company will continue in business.

### Board meetings

Attendance of Members at Board Meetings and Board Committees meetings for year 2022 is set out below:

Name of Directors	Board	Audit and Compliance Committee (ACC)	Finance, Investment and General purposes Committee (FIGPC)	Enterprise Risks Management Committee (ERMGC)
<b>No of Meetings</b>	<b>4</b>	<b>3</b>	<b>3</b>	<b>3</b>
Mahmud Yayale Ahmed, CFR	3	N/M	N/M	N/M
Prof. Oladapo Afolabi, OON, CFR	4	3	N/M	3
Augustine Olorunsola	4	N/M	3	3
Gaffar K. Animashawun Jnr.	4	N/M	3	N/M
Kanayo Chuks Okoye	3	3	3	3
Rachel Voke Emenike	4	N/M	3	3

\*N/M - Not a Member

### 3. Board Appraisal

The Code of Corporate Governance for the insurance industry recognizes the fact that a good corporate governance framework must be anchored on an effective and accountable Board of Directors whose performance is assessed periodically. The annual appraisal covers all aspects of the Board's structure, composition, responsibilities, processes and respective roles in the Board performance, as well as the Company's compliance status with the provisions of NAICOM.

### 4. Board Committees

During the year ended 31 December 2022, the Board delegated some of its responsibilities to the following committees:-

#### a) Audit and Compliance Committee (ACC)

The Audit and Compliance Committee is a statutory committee established pursuant to Section 404(2 & 3) of the Companies and Allied Matters Act 2020. The members of the committee include:

#### Membership

Prof. Oladapo Afolabi, OON, CFR	-	Non-Executive Director
Mr. Kanayo Okoye	-	Non-Executive Director
Dr. Gbenga Ogunkoya	-	Shareholder
Mr. Kayode Agboola	-	Shareholder
Mrs. Bukola Komolafe	-	Shareholder

#### Duties and Responsibilities

The ACC is responsible for:

- the review of the integrity of the data and information provided in the Audit and/or Financial Reports;
- ascertaining whether the accounting and reporting policies of the Company are in accordance with legal requirements and agreed ethical
- reviewing the scope and planning of audit requirements;
- reviewing the findings on management matters and departmental responses thereon in conjunction with the external auditors;
- keeping under review the effectiveness of the Company's system of accounting and internal control; the Committee has oversight responsibilities for the Company's financial statements;
- making recommendations to the Board of Directors in regard to the appointment, removal and remuneration of the external auditors of the company;
- authorizing the Internal Auditor to carry out investigations into any activities of the Company which may be of interest or concern to the Committee;
- consider other issues and matters as defined by the Board of Directors.

## Corporate Governance Report

### b) Finance, Investment and General Purpose Committee (FIGPC)

#### Membership

Gaffar Kayode Animashawun Jnr.	-	<b>Chairman</b>
Augustine Olorunsola	-	Member
Rachel Voke Emenike	-	Member
Kanayo Okoye	-	Member
Tolu Delano (in attendance)		
Doyin Adebambo (in attendance)		

#### Duties and Responsibilities

The FIGPC is responsible for:

- Reviewing and recommending for Board approval, the company's strategic/financial plan highlighting key strategic imperatives, the financial implications and Key Performance Indicators (KPIs).
- Reviewing and recommending for Board approval, the company's annual budget indicating the key assumptions, funding strategy, optimal capital structure, strategic initiatives and capital expenditure for the particular year.
- Reviewing on a quarterly basis, the company's financial performance against budget as well as performance on other non-financial Key Performance Indicators.
- Regularly reviewing and recommending to the Board, limits of capital expenditure of the various levels of management, the Executive Committee and the Committee itself; and approve capital expenditure within the limits specified by the Board.
- Making recommendations to the Board on capital expenditure exceeding approval limits granted to the committee and depending on the exigency, give anticipatory approvals on behalf of the Board, ensuring that such approvals are ratified by the Board at its next sitting.
- Ensuring all approved capital expenditure is in accordance with the Company's approved annual budget, and approve extra-budgetary expenditure or recommend for Board approval as necessary.
- Ensuring compliance with the Board approved investment policy;
- Deciding the investment philosophy of the Company;
- Considering and recommending optimal investment mix consistent with risk profile approved by the Board
- Evaluating the value of daily marked-to-market portfolios and making proposals to the Management of the Company;
- Deliberating and considering within the scope of the Investment Policy, proposed investments beyond the discretionary limits of Management
- Reviewing of investments made by the Management Investment Team and ensuring adequate provisions for any impairment in values;
- Periodic review of performance of the major securities in the investment portfolios of the Company;
- Ensuring that there are effective procedures and resources to identify and manage non-earning investments, minimize investment loss and maximize recoveries;
- Directing, monitoring, reviewing and considering all issues that may materially impact on the existing and future quality of the Company's investment risk management;
- Delegating and reviewing investment authority limits to Management Investment Team;
- Ensuring that the Investment policy and risk limits are reviewed at least on an annual basis and as and when the environment so dictates;
- Evolving strategies that will be taken to develop the business of the company and oversee the implementation of the business plans of the company;
- Monitoring the activities undertaken to ensure that goals set out in the plans are achieved;
- Reviewing the Company's business plan and to advise the Board in respect of that plan.
- Considering future revenue generating business and areas for business change and making recommendations to the Board on the allocation of business development resources.
- Conducting research and ascertaining global issues that can facilitate the development of the company; and
- Performing such other duties as may be incidental to the attainment of the Committee's objectives as well as other functions as are from time to time assigned to the Committee by the Board.

### c) Enterprise Risk Management and Governance Committee(ERMGC)

#### Membership

Augustine Olorunsola	-	<b>Chairman</b>
Prof. Oladapo Afolabi	-	Member
Kanayo Chuks Okoye	-	Member
Rachel Voke Emenike	-	Member
Doyin Adebambo	-	Member

#### Duties and Responsibilities

The ERMGC undertakes the following duties and responsibilities:

- Ensuring the establishment of enterprise risk management as a company-wide policy;
- Overseeing the establishment of a risk management framework that defines the company's risk policy, risk appetite and risk limits with a view to bringing a systematic approach to evaluating and improving the effectiveness of risk management and control;
- Ensuring that the risk management framework is integrated into the day to day operations of the Company and provide guidelines and standards for administering and management of key risks including but not limited to:
  - Harzard risks such as liability, property damage and natural catastrophe;
  - Financial risks such as pricing risk, asset risk, currency risk and liquidity risk;
  - Operational risks like customer satisfaction, product performance, integrity and reputational risks;
  - Strategic risks such as competition, social trend and capital adequacy.

## Corporate Governance Report

- Providing a framework for risk management which typically involves identifying particular events or circumstances relevant to the Company's objectives (risks and opportunities) assessing them in terms of likelihood and magnitude of impact, determining a response strategy and monitoring progress;
- Periodic review of changes in the economic and business environment, including emerging trends and other factors relevant to the company's risk profile;
- Reviewing the company's compliance level with applicable laws and regulatory requirements which may impact the company's risk profile;
- Undertaking annually a thorough risk assessment covering all aspects of the company's business; the results of which will be used to update the risk management framework of the company;
- Obtaining and review periodically relevant reports to ensure the ongoing effectiveness of the company's risk management framework;
- Making recommendations on the mitigation or acceptance of identified financial and business development risks;
- Requiring regular risk management reports from management which:
  - enables the committee to assess the risks involved in the businesses of companies in the Group and how they are controlled and monitored by management; and
  - give clear, explicit and dedicated focus to current and forward-looking aspects of risk exposure which may require an assessment of the Group's vulnerability to unknown or unidentified risks;
- Monitoring and reviewing the effectiveness of the risk management, compliance and internal audit functions and to seek such assurance as it may deem appropriate that the functions are adequately resourced and have appropriate standing within the Group and are free from constraint by management or other restrictions;
- Ensuring that the company's risk management policies and practices are disclosed in its annual report;
- Reviewing the various corporate governance principles/codes established by the relevant regulatory authorities, Securities and Exchange Commission, National Insurance Commission etc. as well as other Corporate Governance codes established as standard for corporate entities like IGI and evolve a specified IGI Code of Corporate Governance incorporating all the relevant principles of the codes identified above.
- Monitoring and review the insurance industry's prudential Guidelines with view to assisting the Board members and staff in the performance of their duties;
- Reviewing the performance of Board, its members, and its committees on the basis of established criteria;
- Reviewing Board's committee structure and terms of reference of committees of Board;
- Reviewing the methods and processes by which the Board fulfills its duties and responsibilities including the communication process between the Board and management, the number and content of meetings, materials provided to Board members generally and with respect to meetings of the Board and its committees, and resources available to Board members;
- Receiving and considering any significant concern of individual Board members regarding the functioning of the Board or any of its committees;
- Ensuring an appropriate corporate governance statement is included in the Annual Report of the Company;
- Reporting to the Board on the matters set out in these terms of reference;
- Reviewing annually the committee's terms of reference and its own effectiveness and recommend to the Board any necessary changes.

### Management 's Discussion and Analysis

This management discussion and analysis (MD&A) has been prepared as at 31 December 2022 and should be read in conjunction with the consolidated financial statements of Industrial and General Insurance Plc. These statements reflect management's current belief and are based on information available to the Group which is subject to certain risks, uncertainties and assumptions.

Industrial and General Insurance Plc ("Company") and its Six (6) Subsidiaries ("Group") carried out the following principal activities of underwriting, risk management, banking and company registrars during the year under review within Nigeria and across a few African countries where IGI has its presence.

### Business Strategy of the Group and Overall Performance

The Group is registered and incorporated in Nigeria as a composite Insurance Company but has investments in subsidiaries providing banking, telecommunications, pension management, and other investment solutions to both corporate and retail sector of Nigeria and other African countries. The Company has established itself as "a leading insurance company in Africa".

### Operating Results

Our Performance is measured by seven (7) financial metrics which demonstrates how efficient our business has been.

	Group			Company		
	2022 N'000	2021 N'000	% Changes	2022 N'000	2021 N'000	% Changes
Gross premium written	9,048,991	5,889,101	53.7	547,763	523,058	4.7
Net Premium Income	5,040,658	3,719,121	35.5	497,434	670,145	(25.8)
Underwriting results	1,080,558	2,823,196	(61.7)	(250,321)	(209,768)	19.3
Investment income	497,083	587,540	(15.4)	150,205	153,561	(2.2)
Management expenses	(5,541,177)	(2,434,895)	127.6	(3,006,322)	(1,101,639)	172.9
Impairment provisions	(384,032)	(459,420)	(16.4)	(386,500)	(607,276)	(36.4)
Loss before tax	(3,268,729)	1,884,320	(273.5)	(2,865,768)	(1,148,742)	149.5
Loss per share (kobo)	(13.23)	11.84	(211.8)	(11.66)	(8.51)	37.0

The Group experienced a increase of 53.7% (Company 4.7%) in Gross premium written when compared to prior year's result. This is attributable to external economic factors as well as some changes within the group. We expect a more positive change in this trend as structures have been put in place to address this. A new management team is on board who have been charged with the responsibilities of changing the losses experienced in

Investment income for the group decreased by 15.4% from N587.54 million in 2021 to N497.08 million in 2022. Investment income for the company decreased from N153.56 million in 2021 to N150.205 million in 2022 representing a decrease of 2.2%.

Management expenses for the group increased by 76.7% to N2.4.302 billion from N2.434 billion incurred in 2021.

The Group is currently restructuring its investment portfolio from a robust Long term portfolio to a more liquid balance. This will enable the company to meet policyholders' obligations as well as improving profitability and cash flow requirements.

## Statement of Directors' Responsibilities and Approval

In accordance with the provisions of Section 334 and 335 of the Companies and Allied Matters Act 2020 and Sections 24 and 28 of the Banks and Other Financial Institutions Act 1991, the Directors are responsible for the preparation of annual financial statements which give a true and fair view of the financial position at the end of the financial year of the Company and its Subsidiaries and of the operating result for the year then ended. The responsibilities include ensuring that the group:

- a) Appropriate and adequate internal controls are established to safeguard the assets of the Group and to prevent and detect fraud and other irregularities;
- b) The Group keeps proper accounting records which disclose with reasonable accuracy the financial position of the Group and which ensure that the financial statements comply with the requirements of the Companies and Allied Matters Act, 2020, Banks and Other Financial Institutions Act, 1991, Insurance Act 2003, Financial Reporting Council Act 2011 and Prudential Guidelines issued by NAICOM.
- c) The Group has used appropriate accounting policies, consistently applied and supported by reasonable and prudent judgments and estimates, and that all applicable accounting standards have been followed; and
- d) The financial statements are prepared on a going concern basis unless it is presumed that the Group will not continue in business.

The Directors accept responsibility for the annual consolidated financial statement, which have been prepared using appropriate accounting policies supported by reasonable and prudent judgment and estimates, in accordance with:

- Insurance Act 2003
- International Financial Reporting Standards;
- Companies and Allied Matters Act 2020;
- Banks and Other Financial Institutions Act, 1991;
- NAICOM Prudential Guidelines; and
- Financial Reporting Council Act, 2011.

The Directors are of the opinion that the consolidated financial statements give a true and fair view of the state of the financial affairs of the Group and of its loss for the year ended **31 DECEMBER 2022**. The Directors further accept responsibility for the maintenance of accounting records that may be relied upon in the preparation of consolidated financial statements, as well as adequate systems of internal financial control.

Nothing has come to the attention of the Directors to indicate that the Group will not remain a going concern for at least twelve months from the date of these financial statements.



**AKINLOLU AKINYELE**  
Managing Director  
FRC/2021/PRO/00000025271



**AYOOLA IYIOLA**  
Chief Finance Officer  
FRC/2024/PRO/ICAN/001/185581



# INDUSTRIAL AND GENERAL INSURANCE PLC

## CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2022

### REPORT OF EXTERNAL CONSULTANTS ON BOARD APPRAISAL

In compliance with the requirement of the NAICOM "Code of Good Corporate Governance for the Insurance Industry in Nigeria" "The Code" the Board of Industrial and General Insurance Plc (IGI PLC) commissioned H.Micheal Consulting to conduct an appraisal of the performance of the Board of the Company. The exercise was guided by the provisions of The NAICOM Code and other recognized Codes of Best Practices which promote enhanced governance values.

Our findings are as follows:

i. The Board is composed of a mix of executives and non-executives which indicates that the non-executives are in greater proportion than the executives. The proportion of executives to non-executives is 1:5. Members are individuals of diverse professional backgrounds and business experience. Among the non-executives are: A legal practitioner, foremost industrialist and investment expert as well as astute businessmen with interests in key sectors of the economy including experienced bureaucrats who have established successful track records in their chosen fields and are well exposed to taking business and financial decisions in their day-to-day activities. The Executive Director is a qualified insurance professional with a vast knowledge of Insurance business and its operating terrain. Members have been bringing their expertise to bear in directing the affairs of the Company, which has since stabilized its operations with clear road map towards recapitalization.

In accordance with The NAICOM Code, the Board Chairman is a Non-Executive Director; there is a clear delineation of responsibilities between the position of the GMD and the Chairman while no one individual occupies the two positions at the same time thereby avoiding the issue of executive duality. The two individuals are not members of the same family.

ii. The Operations/Processes of the Board were managed within the context of regulatory requirements and in accordance with Best Practices. Accordingly, the Board held 3 meetings during the year under review and attendance was outstanding whereby each member met the 75% minimum requirement prescribed in The Code in respect of attendance. A Committee structure comprising of the minimum requirement of the NAICOM Code was institutionalized and the Committees were provided with the required Terms of Reference. The agenda contained issues meant for the attention of the Board and the preparation of the agenda was flexible in allowing all members to introduce relevant subject matters to the Board.

Adequate notice was given for meetings and Board materials were circulated promptly to members which allowed them adequate time to prepare for the meetings. Members were given equal opportunity, and they made cogent contributions to deliberations and most decisions were arrived at by consensus. The Board enjoys a cordial working relationship and meetings were conducted in an atmosphere devoid of rancor. The above review suggests that the Composition and Processes/Operations of the Board meet most of the parameters of The NAICOM Code.

iii. Members performed their oversight responsibilities with respect to the activities of management in particular as regards the Group's restructuring and recapitalization strategy, its Financial Performance, Business Prospects as well as status of Regulatory Compliance.

Following the recommendations made to the Board, particularly the regularization of its size, we observed that the Board has instituted the required mechanism to address the issue in order to enhance its governance practices.



**AKINLOLU AKINYELE**

Managing Director

FRC/2021/PRO/00000025271

## Independent Auditor's Report

### To the Shareholders of Industrial and General Insurance Plc

#### Opinion

We have audited the consolidated financial statements of Industrial and General Insurance Plc. ("the Company") and its subsidiaries ("the Group"), which comprise the consolidated statement of financial position at 31 December 2022, and the consolidated statement of profit or loss and other comprehensive income, consolidated statement of changes in equity and consolidated statement of cash flows for the year ended; and notes to the consolidated financial statements, including a summary of significant accounting policies and other explanatory notes.

In our opinion, the accompanying consolidated financial statements give a true and fair view of the consolidated financial position of the Group at 31 December 2022, and its consolidated financial performance and its consolidated cash flows for the year then ended in accordance with International Financial Reporting Standards (IFRSs), issued by the International Accounting Standards Board and in compliance with the relevant provisions of the Financial Reporting Council of Nigeria (Amendment) Act, 2023, the Companies and Allied Matters Act, 2020, Insurance Act CAP I17, LFN 2004 and the Prudential Guidelines issued by National Insurance Commission.

#### 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 Financial Statements section of our report. We are independent of the Group in accordance with the International Ethics Standards Board for Accountants' Code of Ethics for Professional Accountants (IESBA Code) together with the ethical requirements that are relevant to our audit of the consolidated financial statements in Nigeria, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the IESBA Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

#### Material Uncertainty Related to Going Concern

We draw your attention to the following notes in the financial statements.

(i) Note 3(c) which indicates that, as of 31 December, 2022, the Company had deficiencies in asset cover (Hypothecation of assets) for Policyholders' funds for General Business, Life Business Policyholders' fund and Deposit Administration Fund of N-760.6million (2021: N 235.9 million), N-1430.7 million (2021: N-1,350 million) and N-7.104 billion (2021 N-7.011 billion) respectively.

(ii) Note 3(h)(ii) which indicates that, as of 31 December, 2022, the company had a solvency margin of N-11.967 billion (2021: N-10.476 billion) which was below the minimum requirement of N5 billion for composite (life and general) business by ₦-16.967 billion (2021: ₦-15.476 billion).

These conditions as set forth in the notes mentioned above, indicate the existence of a material uncertainty that may cast significant doubt on the company's ability to continue as a going concern.

The note also explains the Directors' remedial plans which formed the basis for preparing the financial statements using accounting policies applicable to going concern.

Our opinion is not modified in respect of this matter.

#### Key audit matters

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

Key audit matters	How the matter was addressed in the audit
<p><b>a) Valuation of insurance and investment contract liabilities</b></p> <p>The Group and the Company has significant life and non-life insurance and investment contract liabilities for the Group N12.396 billion and N11.668 billion while Company N9.278 billion and N10.929 billion (2021: Group N11.378 billion and N11.420 billion - Company N8.657 billion and N10.78 billion). The valuation of insurance contract liabilities involves high estimation uncertainties and significant judgment over uncertain future outcomes.</p> <p>Provisions for reported claims are based on historical experience, however, the eventual liabilities may differ from the estimated amounts. Furthermore, the estimated liability for claims that have occurred but are yet to be reported in respect of non-life insurance contracts involve economic assumptions about inputs such as inflation rate, ultimate loss ratio and discount rates, hence the eventual outcome is uncertain.</p> <p>The actuarial assumptions used in the valuation of life insurance contract liabilities are judgmental, particularly with respect to mortality rates, claims handling expenses, maintenance expenses and discount rates.</p>	<p>Our approaches in relation to management's valuation of insurance contract liabilities using a firm of Actuaries include:</p> <ul style="list-style-type: none"> <li>We evaluated the design, implementation and operating effectiveness of key controls instituted by the Group which includes management review of data used for the valuation of insurance and investment contract liabilities.</li> <li>We tested the accuracy and completeness of the underlying data used in actuarial valuations by checking the claims paid, outstanding claims and underwriting data recorded in the Group's books.</li> <li>We engaged our actuarial specialists to challenge the appropriateness of the methodology used by the Group's external actuary in calculating the insurance and investment contract liabilities. This involved an assessment of the appropriateness of the valuation methods, taking into account available industry data and specific product features of the Group.</li> </ul>

## knowing you.

**Partners**  
A.T. Fashina A.O. Folorunsho K.I. Khanoba  
K.V. Folorunsho O.E. Kuteyi P.O. Asemah

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**Kreston Pedabo Audit Services**  
Tax | Audit | Advisory

An Independent Member of the  
Kreston Global Network

MEMBER OF THE  
**FORUM OF FIRMS**

<p>The level of complexity, the assumptions and judgment involved in estimating these amounts make insurance contract liabilities a matter of significance to our audit.</p> <p>The Group's accounting policy on the valuation of insurance and investment contract liabilities and related disclosures are shown in notes 27-29 (accounting policies), note 21 (critical accounting estimates and judgments) and note 28 and 29 (insurance and investment contract liabilities).</p>	<p>With the assistance of our actuarial specialists, we evaluated the reasonableness of the actuarial assumptions used by the Group's external actuary and performed liability adequacy tests on insurance and investment contract liabilities including assumptions and estimates on the projected cash flows, basic chain ladder runoff period, inflation rate, mortality and discount rate by comparing them to Group specific data, available industry data and market experience.</p> <ul style="list-style-type: none"> <li>We considered the Group's valuation methodology and assumptions for consistency between reporting periods as well as indicators of possible management bias. We were also assisted by our actuarial specialists in this regard.</li> </ul>
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Key audit matters	How the matter was addressed in the audit
<p><b>b) Valuation of Investment properties and land &amp; buildings in property, plant &amp; equipment</b></p> <p>The valuation of the Group's investment properties is a key audit matter due to the significance of the balance and judgment required in assessing the key valuation assumptions and methodology.</p> <p>The investment properties are valued annually using the income capitalization methodology. Key assumptions in the valuation methodology include capitalization rate, vacancy rate, estimated expenses and future rental income.</p> <p>The Group's accounting policy on investment properties and related disclosures are shown in notes 20 (accounting policy), note 2v (critical accounting estimates and judgments) and note 16 (investment properties). Also, its policy on properties, plant and equipment and related disclosures are shown in note 23 (accounting policy), note 2vi (critical accounting estimates and judgments) and note 17 (property, plant and</p>	<p>Our audit procedures included the following:</p> <ul style="list-style-type: none"> <li>We assessed the appropriateness of the valuation methodology adopted by giving due consideration to the requirements of the relevant accounting standards and the Group accounting policies.</li> <li>We challenged key assumptions applied in the valuation of the properties, including the capitalization rates, vacancy rate, estimated expenses and future rental income, by comparing the assumptions to publicly available sales information, historical data, market experience and properties specific attributes such as location and asset condition.</li> </ul>

#### Other information

The directors are responsible for the other information. The other information comprises the Directors' Report; Audit Committee's Report, Corporate Governance Report and Company Secretary's report which is expected to be made available to us after reporting date. The other information does not include the consolidated financial statements and our auditor's report thereon.

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

In connection with our audit of the consolidated 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 financial statements or our knowledge obtained in the audit, or otherwise appeared to be materially misstated.

If, based on the work we have performed on the other information that we obtained prior to the date of this auditor's report, 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 and those charged with Governance for the consolidated financial statements

The Directors are responsible for the preparation and fair presentation of the consolidated financial statements in accordance with International Financial Reporting Standards in compliance with the Financial Reporting Council of Nigeria (Amendment) Act, 2023 and the requirements of the Companies and Allied Matters Act, 2020 and for such internal control as the Directors determine is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements, the Directors are responsible for assessing the Group'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 or to cease operations, or have no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Group's financial reporting process.

#### Auditor's responsibilities for the audit of the consolidated financial statements

Our objectives are to obtain reasonable assurance about whether the consolidated 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 financial statements.

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

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.
- Conclude on the appropriateness of the director's use of the going concern basis of accounting and based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's 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 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 to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

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

We also provide the Audit Committee with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with the Audit Committee, we determine those matters that were of most significance in the audit of the consolidated financial statements of the current year 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

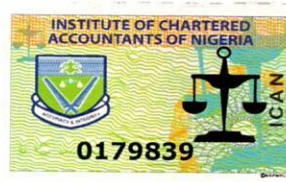
Compliance with the requirements of Schedule 6 of the Companies and Allied Matters Act, Cap C.20, Laws of the Federation of Nigeria, 2004 and Section 28(2) of the Insurance Act 2003.

In our opinion, proper books of account have been kept by the Company, so far as appears from our examination of those books and the Company's statement of financial position and statement of comprehensive income are in agreement with the books of account.

#### Contraventions and Penalties

The Company paid penalties in respect of contravention of the requirements of the National Insurance Commission of Nigeria's Operational Guidelines during the year ended 31 December 2022. Details of penalties paid are disclosed in note 54 to the financial statements.

  
Peter Olaitan Asemah  
For: Kreston Pedabo Audit Services  
FRC/2019/ICAN/00000019328  
Lagos, Nigeria



24 December 2024

# INDUSTRIAL AND GENERAL INSURANCE PLC

## CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2022

### STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES

#### 1.0 General Information

##### 1.1 Legal form

The Company was incorporated in Nigeria as a private limited liability company on 31 October 1991 under the Companies and Allied Matters Act, 1990. It commenced business in January 1992. The board of the company passed a special resolution to change its name to Industrial and General Insurance Plc. on 28 June 2007 and the change was signed by the Registrar-General on 30 November 2007.

The Registered office is located at: No 2, Agoro Odiyan Street, Victoria Island, Lagos, Nigeria.

##### 1.2 Principal activities

Industrial and General Insurance Plc. ("the Company") and its subsidiaries (together "the Group") underwrite every kind of insurance business and every kind of guarantee and indemnity business, and in particular, without prejudice to the generality of the foregoing words, to carry on every kind of Individual Life and Group Life Insurance, as well as every class of Non-Life Insurance including Oil & Energy, Marine & Aviation, Engineering and Contractors All Risks Insurance, Group Personal Accident, Workmen's Compensation, Employer's Liability, Public & Product Liability, Motor, Fire & Allied Perils, Theft/Burglary (Private & Business), All Risks, Money, Fidelity Guarantee, and Bid Bond/Supply Bonds, Performance Bonds, Medical, Travel, Goods- in- Transit, and Agricultural insurances in all its branches.

The Group is involved in the payment of claims, investment of funds and also issues a diversified portfolio of investment contracts to provide its customers with asset management solutions for their savings and retirement needs. All these products are offered to both domestic and foreign markets. The Group does business in Nigeria, Ghana, Uganda, Rwanda and The Gambia.

These financial statements were authorized by the Board of Directors on 20th December 2024.

#### 2.0 Summary of Significant Accounting Policies

The principal accounting policies applied in the preparation of these Financial Statements are set out below.

These policies have been consistently applied to all the years presented, unless otherwise stated.

##### 3.0 Going Concern

The company's solvency margin is below the requirements of the Insurance Act CAP I17, LFN 2004. The Company reported a solvency margin deficit of N16.967 billion for the year ended 31 December, 2022 (2021: N19.997 billion) which occurred as a result of the backing out or derecognition of the foreign subsidiaries and properties with yet to be perfected title.

The Group's management has performed an assessment of its ability to continue as a going concern and is satisfied that it has the resources to continue in business for the foreseeable future. This conclusion is based on the Group executive management's plan of restructuring the assets of the Group and divesting from some of the subsidiary Companies to improve the liquidity position, inject fresh capital and enhance the Group's Going Concern assumption consideration.

##### 4.0 Basis of Preparation and Compliance with International Financial Reporting Standards

The consolidated and separate financial statements for the year ended 31 December 2022 have been prepared in accordance with the International Financial Reporting Standards ("IFRS") issued by the International Accounting Standards Board (IASB), Companies and Allied Matters Act, 2020, Insurance Act CAP I17, LFN 2004 and Prudential Guidelines issued by National insurance Commission and Investment and Securities Act 2007.

The financial statements comprise the consolidated statement of profit or loss and other comprehensive income, consolidated statement of financial position, the statement of change in equity, consolidated Cash Flow statements and the related notes.

##### 4.1.1 Foreign currency translation

###### (a) Functional and Presentation Currency

The consolidated financial statements are presented in Nigerian currency (Naira) which is the parent Company's functional currency. Except where otherwise indicated, financial information presented in Naira have been rounded to the nearest thousand (₦ '000)

###### (b) Transactions and balances in foreign currencies

Transactions denominated in foreign currencies are recorded in Naira at the rate of exchange ruling at the date of each transaction. Any gain or loss arising from a change in exchange rates subsequent to the date of the transaction is included in the profit and loss account. Monetary assets and liabilities denominated in foreign currencies at the statement of financial position date are translated at that date. Exchange gains arising from the revaluation of monetary assets and liabilities are recognized in the income statement while those on non-monetary items are recognized in other comprehensive income. For non-monetary financial assets fair value through other comprehensive income, unrealized exchange differences are recorded directly in equity until the asset is disposed or impaired.

##### 4.1.2 Basis of measurement

The consolidated and separate financial statements have been prepared on the historical cost basis except for certain properties and financial instruments that are measured at revalued amounts or fair values, as explained in the accounting policies below. Historical cost is generally based on the fair value of the consideration given in exchange transactions except for certain investments whose valuation was based on observable input from asset managers.

The consolidated and separate financial statements have been prepared on the historical cost basis except for the following:

- (i) Financial instruments designated at fair value through profit or loss are measured at fair value;
- (ii) Financial assets classified as FVOCI which are measured at fair value through other comprehensive income;
- (iii) Financial assets which are measured at amortised costs;
- (iv) Land and building (included in property and equipment) which are measured at fair value through other comprehensive income; and
- (v) Investment properties which are measured at fair value.
- (vi) In accordance with IFRS 4 Insurance contracts, the Company has applied existing accounting policies for its Life and Non-life Insurance contracts, modified as appropriate to comply with the IFRS framework.

# INDUSTRIAL AND GENERAL INSURANCE PLC

## CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2022

### STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES CONT'D

#### 4.1.3 Business Combinations

Business Combinations are accounted for using the acquisition method as at the acquisition date ie. when control is transferred to the Group. The Consideration transferred in the acquisition is generally measured at fair value as are the identifiable net assets acquired. Any goodwill that arises is tested annually for impairment. Any gain on a bargain purchase is recognised in profit or loss immediately. Transaction costs are expensed as incurred except if they are related to the issue of debt or equity securities. The consideration transferred does not include amounts related to the settlement of pre-existing relationships. Such amounts are generally recognised in accordance with the relevant IFRS in profit or loss. Any contingent consideration payable is measured at fair value at the acquisition date. If the contingent consideration is classified as equity, then it is not remeasured and settlement is accounted for within equity. Otherwise, subsequent changes in the fair value of the contingent consideration are recognised in profit or loss.

#### 4.1.4 Consolidation

- i. In line with IFRS 10 on consolidated financial statements, all like items of assets, liabilities, equity, income, expenses and cash flows of the company have been combined with those of all subsidiaries.
- ii. The carrying amount of the company's investments in each subsidiary have been offset or eliminated from the company's portion of equity of each subsidiary.
- iii. All intragroup assets and liabilities, equity, income, expenses and cash flows relating to transaction between all entities of the group have been eliminated on consolidation.

##### Basis of consolidation

- i. Consolidation of the subsidiaries is made only on the basis of the holding company holding 51% equity stake or more.
- ii. The consolidated financial statements was prepared using uniform accounting policies for like transactions and other events in similar circumstances.
- iii. Control and changes in ownership interests while control is maintained are accounted for as transaction between owners as owners in equity.

#### 4.1.5 Critical Accounting Estimates, Judgments and Assumptions

The preparation of financial statements in conformity with IFRSs requires the use of certain critical accounting estimates. It also requires management to exercise its judgment in the process of applying the Company's accounting policies. The estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances, the results of which form the basis of making judgments about carrying values of assets and liabilities that are not apparent from other sources. Actual results may differ from these estimates under different assumptions and conditions. Changes in assumptions may have a significant impact on the financial statements in the period the assumptions changed. Management believes that the underlying assumptions are appropriate and that the Company's financial statements therefore present the financial positions and results fairly. The areas involving a higher degree of judgment or complexity, or areas where assumptions and estimates are significant to the consolidated financial statements are disclosed in note 5.

##### (i) Business model assessment

For financial assets that are held for the purpose of collecting contractual cash flows, the Company has assessed whether the contractual terms of these assets are solely payments of principal and interest on the principal amount outstanding.

##### (ii) Allowances for credit losses

Judgment is required by management in the estimation of the amount and timing of future cash flows when determining an impairment loss for debt instruments measured at amortised cost and fair value through other comprehensive income. In estimating these cash flows, the Company makes judgments about the borrower's financial situation and value of other collateral (where applicable). These estimates are based on assumptions about a number of factors and actual results may differ, resulting in future changes to the impairment allowance.

A collective assessment of impairment takes into account data from the debt portfolio (such as credit quality, levels of arrears, credit utilisation, loan to collateral ratios etc.), and concentrations of risk and economic data (including levels of unemployment, changes in foreign exchanges, real estate prices indices, country risk and the performance of different individual groups).

##### (iii) Impairment of financial assets

The Company has applied some judgment in carrying out an assessment of whether credit risk on the financial asset has increased significantly since initial recognition and incorporating forward-looking information in the measurement of Expected Credit Losses (ECL).

The impairment requirements of IFRS 9 apply to all debt instruments that are measured at amortised cost. The determination of impairment loss and allowance moves from the incurred credit loss model whereby credit losses are recognised when a defined loss event occurs under IAS 39, to expected credit loss model under IFRS 9, where expected credit losses are recognised upon initial recognition of the financial asset based on expectation of potential credit losses at the time of initial recognition.

##### Staged Approach to the determination of Expected Credit Losses

IFRS 9 outlines a three-stage model for impairment based on changes in credit quality since initial recognition. These stages are as outlined

**Stage 1** - The Company recognises a credit loss allowance at an amount equal to the 12 month expected credit losses. This represents the portion of lifetime expected credit losses from default events that are expected within 12 months of the reporting date, assuming that credit risk has not increased significantly after the initial recognition.

**Stage 2** -The Company recognises a credit loss allowance at an amount equal to the lifetime expected credit losses (LTECL) for those financial assets that are considered to have experienced a significant increase in credit risk since initial recognition. This requires the computation of ECL based on Lifetime probabilities of default that represents the probability of a default occurring over the remaining lifetime of the financial assets. Allowance for credit losses is higher in this stage because of an increase in credit risk and the impact of a longer time horizon being considered compared to 12 months in stage 1.

**Stage 3** - The Company recognises a loss allowance at an amount equal to life-time expected credit losses, reflecting a probability of default (PD) of 100% via the recoverable cash flows for the asset. For those financial assets that are credit impaired. The Company's definition of default is aligned with the regulatory definition. The treatment of the loans and other receivables in stage 3 remains substantially the same as the treatment of impaired financial assets under IAS 39 except for the portfolios of assets purchased or originated as credit impaired.

The Company does not originate or purchase credit impaired loans or receivables.

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#### STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES CONT'D

The determination of whether a financial asset is credit impaired focuses exclusively on default risk, without taking into consideration the effect of credit risk mitigants such as collateral or guarantees. Specifically, the financial asset is credit impaired and in stage 3 when: the Company considers the obligor is unlikely to pay its credit obligations to the Company. The termination may include forbearance actions, where a concession has been granted to the borrower or economic or legal reasons that a qualitative indicators of credit impairment; or contractual payments of either principal or interest by the obligor are pass due by more than 90 days.

For financial assets considered to be credit impaired, the ECL allowance covers the amount of loss the Company is expected to suffer. The estimation of ECLs is done on a case by case basis for non-homogenous portfolios, or by applying portfolio based parameters to individual financial assets in this portfolios by the Company's ECL model for homogenous portfolios.

#### **5.0 Judgments, Estimates and Assumptions**

The estimates and underlying assumptions are reviewed on an on-going basis. Revision to accounting estimates are recognized in the period in which the estimate is revised, if the revision affects only that period or if the revision affects both current and future periods.

Information about significant areas of estimation uncertainty and critical judgments in applying accounting policies that have the most significant effect on the amounts recognized in the financial statements are described below:

#### **5.1 Income Taxes**

Significant estimates are required in determining the provision for income taxes. There are many transactions and calculations for which the ultimate tax determination is uncertain. The Company recognizes liabilities for anticipated tax issues based on estimates of whether additional taxes will be due. Where the final tax outcome of these matters is different from the amounts that were initially recorded, such differences will impact the income tax and deferred tax provisions.

#### **5.2 Fair Valuation of Investment Properties**

The fair value of investment properties is based on the nature, location and condition of the specific asset. The fair value is determined by reference to observable market prices. The fair value of investment property does not reflect the related future benefits from this future expenditure. These valuations are performed annually by external appraisers. Assumptions are made about expected future cash flows and the discounting rates.

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### STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES CONT'D

#### 6.1 Summary of Standards and Interpretations effective for the first time

##### a) IFRIC 23 - Uncertainty over Income Tax Treatments

The interpretation is to be applied to the determination of taxable profit (tax loss), tax bases, unused tax losses, unused tax credits and tax rates, when there is uncertainty over income tax treatments under IAS 12.

##### b) IFRS 16 - Leases

IFRS 16 specifies how to recognize, measure, present and disclose leases. The standard provides a single lessee accounting model, requiring the recognition of assets and liabilities for all leases, unless the lease term is 12 months or less or the underlying asset has a low value. Lessor accounting however remains largely unchanged from IAS 17 and the distinction between operating and finance leases is retained.

Effective for annual periods beginning on or after January 1, 2020. Earlier application is permitted, if IFRS 15, Revenue from Contracts with Customers, has also been applied.

##### c) IFRS 9 - Financial instruments

IFRS 9 introduces a new approach for classification and measurement of financial instruments, a more forward looking Impairment methodology and a new general hedge accounting requirement.

##### Classification and Measurement

IFRS 9 requires financial assets to be classified into one of three measurement categories: fair value through profit or loss, fair value through other comprehensive income and amortised cost. Financial assets will be measured at amortised cost if they are held within a business model whose objective is to hold financial assets in order to collect contractual cash flows, and their contractual cash flows represent solely payments of principal and interest.

Financial assets will be measured at fair value through other comprehensive income if they are held within a business model whose objective is achieved by collecting both contractual cash flows and selling financial assets and their contractual cash flows represent solely payments of principal and interest.

Financial assets not meeting either of these two business models; and all equity instruments (unless designated at inception to fair value through other comprehensive income); and all derivatives are measured at fair value through profit or loss. An entity may, at initial recognition, designate a financial asset as measured at fair value through profit or loss if doing so eliminates or significantly reduces an accounting mismatch. The Group has undertaken an assessment to determine the potential impact of changes in classification and measurement of financial assets. Our assessment revealed that the adoption of IFRS 9 is unlikely to result in significant changes to existing asset measurement bases. IFRS 9 retains most of the existing requirements for financial liabilities. However, for financial liabilities designated at fair value through profit or loss, gains or losses attributable to changes in own credit risk shall be presented in Other Comprehensive Income.

IFRS 9 retains most of the existing requirements for financial liabilities. However, for financial liabilities designated at fair value through profit or loss, gains or losses attributable to changes in own credit risk shall be presented in Other Comprehensive Income.

The hedge accounting requirements in IFRS 9 are optional. If certain eligibility and qualification criteria are met, hedge accounting allows an entity to reflect risk management activities in the financial statements by matching gains or losses on financial hedging instruments with losses or gains. The amendments had no material effect on the Group's Financial Statements.

##### Impairment Methodology

The IFRS 9 impairment model will be applicable to all financial assets at amortised cost, debt instruments measured at fair value through other comprehensive income, lease receivables, loan commitments and financial guarantees not measured at fair value through profit or loss.

IFRS 9 replaces the existing 'incurred loss' impairment approach with an Expected Credit Loss ('ECL') model, resulting in earlier recognition of credit losses compared with IAS 39. Expected credit losses are the unbiased probability weighted average credit losses determined by evaluating a range of possible outcomes and future economic conditions. The ECL model has three stages.

Entities are required to recognise a 12 month expected loss allowance on initial recognition (stage 1) and a lifetime expected loss allowance when there has been a significant increase in credit risk since initial recognition (stage 2). Stage 3 requires objective evidence that an asset is credit-impaired, which is similar to the guidance on incurred losses in IAS 39.

The requirement to recognise lifetime ECL for assets which have experienced a significant increase in credit risk since origination, but which are not credit impaired, does not exist under IAS 39. The assessment of whether an asset is in stage 1 or 2 considers the relative change in the probability of default occurring over the expected life of the instrument, not the change in the amount of expected credit losses. Reasonable and supportable forward looking information will also be used in determining the stage allocation. In general, assets more than 30 days past due, but not credit impaired, will be classed as stage 2.

IFRS 9 requires the use of more forward looking information including reasonable and supportable forecasts of future economic conditions. Reporting entities will be required to develop the capability to model a number of economic scenarios and capture the impact on credit losses to ensure the overall ECL represents a reasonable distribution of economic outcomes.

Appropriate governance and oversight needs to be established around the process.

An assessment of the ECL in the Group's balance sheet reflects an increase in the provisions for credit losses. However, this increase does not have a significant impact on regulatory capital and invariably the Capital adequacy due to the Group's strong earnings and retention capacity over the years.



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#### STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES CONT'D

##### Fair value disclosures

##### Financial assets with contractual terms that give rise to cash flows that are solely payments of principal and interest:

The group financial assets with contractual terms that give rise to cash flows that are solely payments of principal and interest on the principal amount outstanding are as follows:

GROUP	31 December	
	2022	2021
	N'000	N'000
Premium receivables	115,969	1,180,412
Loans and receivables	274,446	313,820
Other receivables net off prepayments	1,818,124	-
Short term placement	913	4,388
<b>Investment securities:</b>		
Treasury bills	1,602,413	2,041,723
Bonds		
	<u>3,811,865</u>	<u>3,540,343</u>

COMPANY	31 December	
	2022	2021
	N'000	N'000
Premium receivables	-	-
Loans and receivables	245,226	312,967
Other receivables net off prepayments	180,268	-
Short term placement	913	1,675
<b>Investment securities:</b>		
	<u>426,407</u>	<u>314,642</u>

##### Financial assets with contractual terms that do not give rise to cash flows that are solely payments of principal and interest:

These are group financial assets that meets the definition of held for trading in line with IFRS 9; or that is managed and whose performance is evaluated on a fair value basis. These assets are as follows:

	GROUP		COMPANY	
	2022	2021	2022	2021
	N'000	N'000	N'000	N'000
Quoted equity securities	456,459	337,460	26,076	14,112
Unquoted equity securities	2,022,337	5,471,186	1,236,403	1,648,349
	<u>2,478,796</u>	<u>5,808,646</u>	<u>1,262,479</u>	<u>1,662,461</u>

The Central Bank of Nigeria that regulate a member of the Group, Global Trust Savings and Loans Limited, issued a Guidance Note dated November 30, 2018 to all Other Financial Institutions (OFI) on the implementation of IFRS 9 financial instruments. See OFISD/DIR/GEN/IFR/020/101.

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### STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES CONT'D

The standard requires a complete set of financial statements to comprise a statement of financial position, a statement of profit or loss and other comprehensive income, a statement of changes in equity and a statement of cash flows.

IAS 1 has been revised to incorporate a new definition of "material" and IAS 8 has been revised to refer to this new definition in IAS 1.

The amendments are effective for annual reporting periods beginning on or after January 1, 2020. Earlier application is permitted.

#### 6.2 IAS 8 — Accounting Policies, Changes in Accounting Estimates and Errors

IAS 8 "Accounting Policies, Changes in Accounting Estimates and Errors" is applied in selecting and applying accounting policies, accounting for changes in estimates and reflecting corrections of prior period errors. The standard requires compliance with any specific IFRS applying to a transaction, event or condition, and provides guidance on developing accounting policies for other items that result in relevant and reliable information.

Changes in accounting policies and corrections of errors are generally retrospectively accounted for, whereas changes in accounting estimates are generally accounted for on a prospective basis.

The amendment is effective for annual reporting periods beginning on or after January 1, 2020. Earlier application is permitted.

#### 6.3 IFRS 17 — Insurance Contracts

IFRS 17 establishes the principles for the recognition, measurement, presentation and disclosure of insurance contracts within the scope of the standard. The objective of IFRS 17 is to ensure that an entity provides relevant information that faithfully represents those contracts. This information gives a basis for users of financial statements to assess the effect that insurance contracts have on the entity's financial position, financial performance and cash flows.

The IASB tentatively decided to defer the effective date of IFRS 17, Insurance Contracts to annual periods beginning on or after January 1, 2022. The IASB also tentatively decided to defer the fixed expiry date for the temporary exemption to IFRS 9 in IFRS 4 by one year so that all insurance entities must apply IFRS 9 for annual periods on or after January 1, 2022.

The Group is assessing the potential impact of the new standard which will be effective for annual reporting periods beginning on or after 1 January 2022.

#### 6.4 New standards, amendments and interpretations issued but without an effective date

At the date of authorisation of these financial statements the following standards, amendments to existing standards and interpretations were in issue, but without an effective: This includes:

##### Amendments to IFRS 10 and IAS 28 Consolidated Financial Statements and Investments in Associates and Joint Ventures

Amends IFRS 10 Consolidated Financial Statements and IAS 28 Investments in Associates and Joint Ventures (2011) to clarify the treatment of the sale or contribution of assets from an investor to its associate or joint venture, as follows:

-.Require full recognition in the investor's financial statements of gains and losses arising on the sale or contribution of assets that constitute a business (as defined in IFRS 3 Business Combinations).

#### 7.0 Accounting Policies

The Group has consistently applied the accounting policies set out below to all periods presented in these consolidated financial statements.

#### 8.0 Consolidation

The financial statements of the consolidated subsidiaries used to prepare the consolidated financial statements were prepared as of the parent company's reporting date. The consolidation principles are unchanged as against the previous year.

#### 9.0 Subsidiaries

The consolidated financial statements incorporate the financial statements of the company and all its subsidiaries where it is determined that there is a capacity to control. Control means the power to govern, directly or indirectly, the financial and operating policies of an entity so as to obtain benefits from its activities. All the facts of a particular situation are considered when determining whether control exists.

Control is usually present when an entity has:

- power over more than one-half of the voting rights of the other entity
- power to govern the financial and operating policies of the other entity
- power to appoint or remove the majority of the members of the board or equivalent governing body
- power to cast the majority of votes at meetings of the board of directors or equivalent governing body of the entity.

Subsidiaries are consolidated from the date on which control is transferred to the Group and cease to be consolidated from the date that 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 transaction (transaction 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.

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#### STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES CONT'D

In its financial statements, the company accounts for its investments in subsidiaries at cost. Intercompany transactions, balances and unrealised gains on transactions between companies within the Group are eliminated on consolidation. Unrealised losses are also eliminated in the same manner as unrealised gains, but only to the extent that there is no evidence of impairment. Consistent accounting policies are used throughout the Group for the purposes of consolidation.

#### 10.0 Segment reporting

An operating segment is a component of the Group engaged in business activities from which it can earn revenues and whose operating results are reviewed regularly by the Group's Executive Management in order to make decisions about resources to be allocated to segments and assessing segments performance. Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision-maker. The chief operating decision maker is the Executive Management. Transactions between segments are at arms' length.

#### 11.0 Foreign currency translation

##### a) Functional and presentation currency

Items included in the financial statements of each of the Group's entities are measured using the currency of the primary economic environment in which the entity operates ('the functional currency'). The financial statements are presented in Nigeria Naira which is the Company's functional currency.

##### (b) Transactions and balances

Foreign currency transactions are translated into the functional currency of the respective entity using the exchange rates prevailing at the dates of the transactions or valuation where items are remeasured.

Monetary items denominated in foreign currencies are retranslated at the rate prevailing on the statement of financial position date. Foreign exchange gains and losses resulting from the retranslation and settlement of these items are recognised in the statement of profit or loss and other comprehensive income.

Non-monetary items measured at historical cost denominated in a foreign currency are translated with exchange rate as at the date of initial recognition. Translation differences on non-monetary financial instruments held at fair value through profit or loss are reported as part of the fair value gain or loss. Translation differences on non-monetary financial instruments measured at fair value through other comprehensive income are included in the fair value reserve in other comprehensive income.

Foreign exchange gains and losses that relate to borrowings and cash and cash equivalents are presented in the profit or loss account within 'finance income or cost'. All other foreign exchange gains or losses are presented in the profit or loss account within 'other income' or other expenses.

##### c.) Foreign operations

The results and financial position of all the group entities which have functional currency different from the Group's presentation currency, are translated into the Group's presentation currency as follows:

- i.) assets and liabilities of each foreign operation are translated at the rates of exchange ruling at the reporting date.
- ii.) income and expenses of each foreign operation are translated at the average exchange rate for the period, unless this average is not a reasonable approximation of the rate prevailing on translation date in which case income and expenses are translated at the exchange rate ruling at transaction date and
- iii.) all resulting exchange differences are recognised in other comprehensive income and are classified as equity and recognised in the foreign currency translation reserve.

#### 12.0 Cash and cash equivalents

Cash and cash equivalents includes cash in hand, deposits held at call with banks, other short term highly liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities on the statement of financial position.

#### 12.1 Measurement of cash and cash equivalents

Cash and cash equivalents held by the company are considered similar to cash because they can be readily convertible to a known amount of cash. The company considers that there are insignificant risks of change in values and, thus, these amounts are measured at amortized cost, i.e. initial recognition plus the cumulative amortisation using the effective interest method of any difference between that initial amount and the maturity amount.

#### 12.2 Effect of overdrafts on cash flow statements

Overdrawn amounts are noted as negative cash. Changes in overdrawn amounts that are not repayable on demand are treated as a financing activity and not as a change in cash or cash equivalent.

#### 13.0 Financial assets

The Group classifies its financial assets into the following categories: financial assets at fair value through profit or loss; held to maturity investments; loans and receivables and available-for-sale financial assets. The Directors determine the appropriate classification of its financial assets at initial recognition.

#### 13.1 Initial recognition and measurement

Financial assets are recognised initially at fair value plus, in the case of investments not at fair value through profit or loss, directly attributable transaction costs. The classification depends on the purpose for which the investments were acquired or originated. Financial assets are classified at fair value through profit or loss where the Group's documented investment strategy is to manage financial investments on a fair value basis, because the related liabilities are also managed on this basis.

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#### STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES CONT'D

Purchases or sales of financial assets that require delivery of assets within a time frame established by regulation or convention in the marketplace (regular way trades) are recognised on the trade date, i.e., the date that the Group commits to purchase or sell the asset. The Group's financial assets include cash and short-term deposits, trade and other receivables, loans and other receivables, quoted and unquoted financial investment.

#### 13.2 Reclassification of financial assets

Financial assets other than loans and receivables are permitted to be reclassified out of the held-for trading category only in rare circumstances arising from a single event that is unusual and highly unlikely to recur in the near-term. In addition, the Group may choose to reclassify financial assets that would meet the definition of loans and receivables out of the held-for-trading or available-for-sale categories if the Group has the intention and ability to hold these financial assets for the foreseeable future or until maturity at the date of reclassification.

Reclassifications are made at fair value as of the reclassification date. Fair value becomes the new cost or amortised cost as applicable, and no reversals of fair value gains or losses recorded before reclassification date are subsequently made. Effective interest rates for financial assets reclassified to loans and receivables and held-to-maturity categories are determined at the reclassification date. Further increases in estimates of cash flows adjust effective interest rates prospectively.

#### 13.3 Subsequent measurement

The subsequent measurement of financial assets depends on their classification as follows:

##### (i) Financial assets at fair value through profit or loss

This category has two sub-categories: financial assets held for trading, and those designated at fair value through profit or loss at inception. A financial asset is classified as held for trading if acquired principally for the purpose of selling in the short term.

##### (ii) Available –for–sale financial assets

Available-for-sale financial assets are non-derivative financial assets that are classified as available-for-sale or are not classified in any of the three other categories and which may be sold in response to the need for liquidity or changes in interest rates, exchange rates or equity prices. They comprise investment in unquoted equities and investments in projects. These investments are initially recognised at cost. After initial measurement, available-for-sale financial assets are subsequently measured at fair value using net assets valuation basis. In cases where the fair value of an unlisted equity cannot be measured reliably, the instruments are carried at cost less impairment.

Fair value gains and losses are reported as a separate component in other comprehensive income until the investment is derecognised or the investment is determined to be impaired. On derecognition or impairment, the cumulative fair value gains and losses previously reported in equity are transferred to the statement of profit or loss and other comprehensive income.

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

A financial asset is classified at fair value through profit or loss if it is classified as held-for-trading or is designated as such upon initial recognition. Financial assets are designated at fair value through profit or loss if the Company manages such investments and makes purchase and sale decisions based on their fair value in accordance with the Group's documented risk management or investment strategy. The investments are carried at fair value, with gains and losses arising from changes in this value recognized in the income statement in the period in which they arise. Such investments are investments in quoted equity. Dividend income from financial assets at fair value through profit or loss is recognised in the income statement as part of other income when the Group's right to receive payments is established.

##### (iv) Loans and receivables

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. They are mainly receivables arising from insurance contracts. Loans and receivables are recognised initially at fair value plus any directly attributable transaction costs. Subsequent to initial recognition, loans and receivables are measured at amortized cost less any impairment losses. They include receivables from Direct insured, Agents and Brokers, Coinsurance and Reinsurance companies. Other loans and receivables include loans and advances, staff loans and advances and other sundry receivables which arise in the ordinary course of business.

Impairment provisions are recognized when there is objective evidence that the Group will not be able to collect all of the amounts due under the terms of the receivable; (evidence includes significant financial difficulties on the part of the counterparty or default or significant delay in payment - over 90 days). The amount of such a provision being the difference between the carrying amount and the present value of the future expected cash flows associated with the impaired receivable. For amounts due from policy holders and reinsurers, which are reported net, such provisions are recorded in a separate impairment account with the loss being recognised in income statement. On confirmation that the amounts receivable will not be collectable, the gross carrying value of the asset is written off against the associated provision. Any subsequent recoveries are credited to the income statement in the period the recoveries are made. Insurance receivables are derecognised when the derecognition criteria for financial assets have been met.

##### (v) Held-to-maturity financial assets

Held-to-maturity investments are non-derivative financial assets with fixed or determinable payments and fixed maturities that the Group's management has the positive intention and ability to hold to maturity, other than:

- those that the Group upon initial recognition designates as at fair value through profit or loss;
- those that the Group designates as available-for-sale; and
- those that meet the definition of loans and receivables.

The Group classifies financial assets as Held-to-maturity when the Group's has positive intent and ability to hold the securities to maturity. Held-to-maturity financial assets are recognized initially at fair value plus any directly attributable transaction costs. Subsequent to initial recognition, held-to-maturity financial assets are measured at amortized cost using the effective interest method, less any impairment losses. Any sale or reclassification of a more than insignificant amount of held-to-maturity investments not close to their maturity would result in the reclassification of all held-to-maturity investments as available-for-sale, and prevent the Group from

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#### STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES CONT'D

classifying its investment securities as held-to-maturity for the current and the following two financial years. Quoted equities and debt securities e.g. bonds that are initially classified as held-to-maturity may, subsequently, be moved to available-for-sale financial assets whenever the market price is higher than the purchase price in order to sell and take profit. Interests on held-to-maturity investments are included in the consolidated income statement and are reported as Interest and similar income'. In the case of an impairment, it is reported as a deduction from the carrying value of the investment. Held-to-maturity investments are largely bonds and are recognised in the consolidated income statement as net gains/(losses) on investment securities'.

#### 13.4 Impairment of Financial Assets

The Group assesses at each statement of financial position date whether there is objective evidence that a financial asset or group of financial assets is impaired. A financial asset or group of financial assets is impaired and impairment losses are incurred if, and only if, there is objective evidence of impairment as a result of one or more events that occurred after initial recognition of the asset ( a "loss event") and that loss event ( or events) has an impact on the estimated future cash flows of the financial asset or group of financial assets that can be reliably estimated.

Evidence of impairment may include indications that the debtors or a group of debtors is experiencing significant financial difficulty, default or delinquency in interest or principal payments, the probability that the debtor will enter bankruptcy or other financial reorganization and where observable data indicate that there is a measurable decrease in the estimated future cash flows, such as changes in payment status or economic conditions that correlate with defaults.

#### 13.5 Financial assets carried at amortized cost

Objective evidence that a financial asset or group of assets is impaired includes observable data that comes to the attention of the Group about the following events:

Significant financial difficulty of the issuer or debtor;

A breach of contract, such as a default or delinquency in payments;

It is becoming probable that the issuer or debtor will enter bankruptcy or other financial reorganization;

The disappearance of an active market for that financial asset because of financial difficulties; or observable data indicating that there is a measurable decrease in the estimated future cash flow from a company of financial assets since the initial recognition of those assets, although the decrease cannot yet be identified with the individual financial assets in the Group, including: adverse changes in the payment status of issuers or debtors in the Group; or national or local economic conditions that correlate with defaults on the assets in the Group.

The Group first assesses whether objective evidence of impairment exists individually for financial assets that are individually significant. If the Group determines that no objective evidence of impairment exists for an individually assessed financial asset, whether significant or not, it includes the asset in a company of financial asset with similar credit risk characteristics and collectively assesses them for impairment. Assets that are individually assessed for impairment and for which an impairment loss is or continues to be recognised are not included in a collective assessment of impairment.

If there is objective evidence that an impairment loss has been incurred on loans and receivables or held-to-maturity investments carried at amortized cost, the amount of the loss is measured as the difference between the asset's carrying amount and the present value of estimated future cash flows (excluding future credit losses that have been incurred) discounted at the financial asset's original effective interest rate. The carrying amount of the asset is reduced through the use of an allowance account, and the amount of the loss is recognised in the profit or loss. If a held-to-maturity investment or a loan has a variable interest rate, the discount rate for measuring any impairment loss is the current effective interest rate determined under contract. As a practical expedient, the Group may measure impairment on the basis of an instrument's fair value using an observable market price.

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

An impairment rate is derived based on the likelihood that a premium debt will not be paid and will fall into default. The Group first assesses whether objective evidence of impairment exists individually for receivables that are individually significant and are impaired accordingly. If the company determines that no objective evidence of impairment exists for an individually assessed receivable, whether significant or not, it includes the receivable in a group of receivables with similar credit risk characteristics and collectively assesses them for impairment. The impairment rate is derived based on the historical collection rate of outstanding premium over a period.

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

#### 13.6 Assets classified as available for sale

The Group assesses at each date of the statement of financial position whether there is objective evidence that a financial asset or a group of financial assets is impaired. In the case of equity investments classified as available for sale, a significant or prolonged decline in the fair value of the security below its cost is an objective evidence of impairment resulting in the recognition of an impairment loss. In this respect, a decline of 20% or more is regarded as significant, and a period of 12 months or longer is considered to be prolonged. If any such quantitative evidence exists for available-for-sale financial assets, the asset is considered for impairment, taking qualitative evidence into account.

The cumulative loss (measured as the difference between the acquisition cost and the current fair value, less any impairment loss on that financial asset previously recognised in profit or loss) is removed from equity and recognised in the statement of profit or loss and other comprehensive income. Impairment losses recognised in the income statement on equity instruments are not reversed through the profit or loss. If in a subsequent period the fair value of a debt instrument classified as available for sale increases and the increase can be objectively related to an event occurring after the impairment loss was recognised in profit or loss, the impairment loss is reversed through the profit or loss.

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#### STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES CONT'D

##### 13.7 Impairment of non-financial assets

Assets that have an indefinite useful life are not subject to amortisation and are tested annually for impairment. Assets that are subject to amortisation are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs to sell and value in use. For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash flows (cash-generating units). Non-financial assets other than goodwill that suffered impairment are reviewed for possible reversal of the impairment at each reporting date.

##### 13.8 Impairment of other non-financial assets

Assets that have an indefinite useful life – for example, land – are not subject to amortization and are tested annually for impairment. Assets that are subject to amortization are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs to sell and value in use.

##### 13.9 Derecognition of financial assets

A financial asset (or, when applicable, a part of a financial asset or part of a group of similar financial assets) is derecognized when:

- \* The rights to receive cash flows from the asset have expired; or
- \* The Group retains the right to receive cash flows from the asset and has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'passthrough' arrangement; and either:
  - \* The Group has transferred substantially all the risks and rewards of the asset; or
  - \* The Group has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

When the Group has transferred its right to receive cash flows from an asset or has entered into a pass-through arrangement, and has neither transferred nor retained substantially all the risks and rewards of the asset nor transferred control of the asset, the asset is recognized to the extent of the Group's continuing involvement in the asset.

Continuing involvement that takes the form of a guarantee over the transferred asset is measured at the lower of the original carrying amount of the asset and the maximum amount of consideration that the Company could be required to repay. In that case, the group also recognizes an associated liability. The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that the group has retained.

##### 13.1 Offsetting of financial instruments

Financial assets and financial liabilities are offset and the net amount is reported in the statement of financial position if, and only if, there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, or to realize the assets and settle the liabilities simultaneously. Income and expense will not be offset unless required or permitted by an accounting standard or interpretation, as specifically disclosed in the accounting policies of the Company.

##### 13.11 Fair value of financial instruments

The fair value of financial instruments that are actively traded in organized financial markets is determined by reference to quoted market bid prices for assets and offer prices for liabilities, at the close of business on the reporting date, without any adjustment for transaction costs.

For other financial instruments other than investment in equity instruments not traded in an active market, the fair value is determined by using appropriate valuation techniques. Valuation techniques include the discounted cash flow method, comparison to similar instruments for which market observable prices exist and other relevant valuation models.

Their fair value is determined using a valuation model that has been tested against prices or inputs to actual market transactions and using the Company's best estimate of the most appropriate model assumptions.

For discounted cash flow techniques, estimated future cash flows are based on management's best estimates and the discount rate used is a market-related rate for a similar instrument. The use of different pricing models and assumptions could produce materially different estimates of fair values.

The fair value of floating rate and overnight deposits with credit institutions is their carrying value. The carrying value is the cost of the deposit and accrued interest. The fair value of fixed interest bearing deposits is estimated using discounted cash flow techniques. Expected cash flows are discounted at current market rates for similar instruments at the reporting date.

If the fair value cannot be measured reliably, these financial instruments are measured at cost, being the fair value of the consideration paid for the acquisition of the investment or the amount received on issuing the financial liability. All transaction costs directly attributable to the acquisition are also included in the cost of the investment.

##### 14.0 Policy Loans

The group grants cash loans to Policyholders in line with the policy provisions (terms and conditions). The maximum loan amount that could be granted to policyholders is 90% of the policy cash value.

The cash value (worth of the policy as determined by the actuary) is the cash amount due to policyholder upon cancellation of the insurance contract as at the date of determination and it is used as collateral on policy cash loan granted.

The tenor of the loan is not beyond the policy duration and such policy must be in force and has acquired cash value before loan application can be considered. A pre-determined interest rate (compounded daily) is applied on the loan. The rate is currently 12% per annum and it is reviewed periodically. The rate is determined after due consideration on interest rate used by the actuary for premium benefit calculation, allowance for documentation and other expenses on the policy, margin for contingencies and profit loadings.

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#### STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES CONT'D

They are initially recognized at cost and subsequently measured at cost plus accumulated interest outstanding. Policy loans will not impair since the policy will terminate and become void when the principal and the accumulated interest equal the cash-value of the policy.

#### 15.0 Staff Loans

This comprises of staff vehicle loans, staff emergency loans, mortgage loans and other interest bearing loans.

#### 16.0 Trade receivables

Trade receivables arising from insurance contracts are stated after deducting allowance made for specific debts considered doubtful of recovery. Trade receivables are reviewed at every reporting period for impairment. They are initially recognised at fair value and subsequently measured at amortised cost less provision for impairment. A provision for impairment is made when there is objective evidence (such as the probability of solvency or significant financial difficulties of the debtors) that the Group will not be able to collect the entire amount due under the original terms of the invoice.

Allowances are made based on an impairment model which consider the loss given default for each customer, probability of default for the sectors in which the customer belongs and emergence period which serves as an impairment trigger based on the age of the debt. Impaired debts are derecognized when they are assessed as uncollectible. If in a subsequent period the amount of the impairment loss decreases and the decrease can be related objectively to an event occurring after the impairment was recognised, the previous recognised impairment loss is reversed to the extent that the carrying value of the asset does not exceed its amortised cost at the reversed date. Any subsequent reversal of an impairment loss is recognised in the profit or loss.

Trade receivables are recognised for insurance cover for which payments have been received indirectly through duly licensed insurance brokers or lead insurers in Co-insurance arrangements. Premium collected on behalf of the Company is expected to be received within 30 days from insurance brokers and lead insurers. The "No premium, No cover" policy by NAICOM has been adhered to strictly during the year under review.

#### 17.0 Other receivables and prepayments

Receivables are stated at their original invoiced value, as the interest that would be recognized from discounting future cash receipts over the short credit period is not considered to be material. These receivables are reduced by appropriate allowances for estimated irrecoverable amounts. Interest on overdue receivables is recognized as it accrues.

#### 18.0 Reinsurance Assets

These are contracts entered into by the Group with reinsurers under which the Group is compensated for losses on one or more contracts issued by the Group, and which also meets the classification requirements for insurance contracts held as reinsurance contracts. Insurance contracts entered into by the Company under which the contract holder is another insurer (inwards reinsurance) are included in insurance contracts.

The benefits to which the Group is entitled under its reinsurance contracts are recognized as reinsurance assets. These assets consist of short-term balances due from reinsurers, as well as long term receivables that are dependent on the expected claims and benefits arising under the related reinsured insurance contracts. Amounts recoverable from or due to reinsurers are measured consistently with the amounts associated with the reinsured insurance contracts and in accordance with the terms of each reinsurance contract.

In certain cases, a reinsurance contract is entered into retrospectively to reinsure a notified claim under the Group's property or casualty insurance contracts. Where the premium due to the reinsurer differs from the liability established by the Group for the related claim, the difference is amortized over the estimated remaining settlement period.

##### Impairment of Reinsurance assets

The Group assesses its reinsurance assets for impairment. If there is objective evidence that the reinsurance asset is impaired, the Group reduces the carrying amount of the reinsurance asset to its recoverable amount and recognizes that impairment loss in the statement of profit or loss and other comprehensive income.

The Group gathers the objective evidence that a reinsurance asset is impaired using the same process adopted for financial assets held at amortized cost. The impairment loss is calculated following the same method used for these financial assets carried at amortized cost.

Premiums, losses and other amounts relating to reinsurance treaties are recognized over the period from inception of a treaty to expiration of the related business.

Ceded reinsurance arrangements do not relieve the Group from its obligations to policyholders.

Reinsurance assets or liabilities are derecognized when the contractual rights are extinguished or on expiry or when the contract is transferred to another party.

Reinsurance contracts that do not transfer significant insurance risk are accounted for directly through the statement of financial position. These are deposit assets that are recognised based on the consideration paid less any explicit identified premiums or fees to be retained by the reinsured.

Investment income on these contracts is accounted for using the effective interest rate method when accrued.

#### 19.0 Deferred acquisition costs (DAC)

Acquisition costs comprise mainly of agent's commission. These costs are deferred and amortized over the terms of the related policies to the extent that they are considered to be recoverable from unearned premium.

A proportion of commissions payable is deferred and amortised over the period in which the related premium is earned. Deferred acquisition costs represent a proportion of acquisition costs that relate to policies that are in force at the year end.

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#### STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES CONT'D

Changes in the expected useful life or the expected pattern of consumption of future economic benefits embodied in the asset are accounted for by changing the amortisation period and are treated as a change in an accounting estimate.

An impairment review is performed at each reporting date or more frequently when an indication of impairment arises. When the recoverable amount is less than the carrying value an impairment loss is recognised in the statement of profit or loss and other comprehensive income. DAC are also considered in the liability adequacy test for each reporting period. DAC are derecognised when the related contracts are either settled or disposed of.

#### 20.0 Loans and advances

Loans and advances are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market, other than:

- those classified as held for trading and those that the Group on initial recognition designates as at fair value through profit and loss;
- those that the Group upon initial recognition designates as available-for-sale; or
- those for which the holder may not recover substantially all of its initial investment, other than because of credit deterioration.

They arise when the Group provides money, goods or services directly to a debtor with no intention of trading the receivable. Loans and receivables are reported in the statement of financial position as loans and advances to customers and placements with other banks and interest on these is reported in the statement of profit or loss and other comprehensive income as interest income.

In case of an impairment, the impairment loss is reported as a deduction from the carrying value of loans and recognized in the profit or loss and other comprehensive income as 'impairment losses on loans and advances'.

##### Impairment losses on loans and advances

The Group reviews its loan portfolios to assess impairment at least on a quarterly basis. In determining whether an impairment loss should be recorded in the profit and loss account, the group makes judgments as to whether there is any observable data indicating that there is a measurable decrease in the estimated future cash flows from a portfolio of loans before the decrease can be identified with an individual loan in that portfolio. This evidence may include observable data indicating that there has been an adverse change in the payment status of borrowers in a group, or national or local economic conditions that correlate with defaults on assets in the Bank. As at 31 December 2015, an IAS 39 provision was computed for both unidentified and identified impairment and impairment loss was measured on the basis of the present value of estimated future cash flows discounted at the original effective interest rate. Future expected cash flows were determined based on the value of the collateral held for which the Group's interest was registered.

#### 21.0 Investment in subsidiaries

Investment in subsidiary companies are carried in the Group's statement of financial position at cost less provisions for impairment losses. Where, in the opinion of the Directors, there has been impairment in the value of an investment, the loss is recognised as an expense in the period in which the impairment is identified.

Each subsidiary is assessed at each reporting date for impairment when the carrying amount exceeds its recoverable amount. The recoverable amount is the higher of the subsidiary's carrying amount and fair value less cost to sell at each reporting date. Losses for impairment in subsidiaries are recognised promptly when there is objective evidence that impairment of a subsidiary has occurred. Impairment allowances are calculated on individual subsidiary. Impairment losses are recorded as charges to the profit or loss. The carrying amount of impaired subsidiary at the reporting date is reduced through the use of impairment allowance accounts. Losses which may arise from future events are not recognised.

On disposal of an investment in subsidiaries, the difference between the net disposal proceeds and the carrying amount is charged or credited to the statement of profit or loss and other comprehensive income.

#### 22.0 Investment property

Buildings, or part of a building, (freehold or held under a finance lease) and land (freehold or held under an operating lease) held for long term rental yields and/or capital appreciation and are not occupied by the Company are classified as investment property under non-current assets.

##### (i) Initial measurement of investment properties

Investment property is initially measured at cost, including transaction costs such as legal cost and costs of perfection of title. Start-up costs, abnormal waste, or initial operating losses incurred before the investment property achieves the planned level of occupancy are not capitalized.

##### (ii) Fair value model

Investment property is carried at fair value, representing open market value determined by independent valuers. Fair value is based on active market prices, adjusted, if necessary, for any difference in the nature, location or condition of the specific asset. If this information is not available, the company uses alternative valuation methods such as discounted cash flow projections or recent prices in less active markets.

##### (iii) Valuation frequency

These valuations are reviewed annually by market observation of an independent valuation expert. Investment property that is being redeveloped for continuing use as investment property, or for which the market has become less active, continues to be measured at fair value. Changes in fair values are recognized in the profit or loss.

##### (iv) Transfers to or from investment property

If an investment property becomes owner-occupied, it is reclassified as property plant and equipment, and its fair value at the date of reclassification becomes its cost for subsequent accounting purposes. If an item of property plant and equipment becomes an investment property because its use has changed, any difference arising between the carrying amount and the fair value of this item at the date of transfer is recognised in other comprehensive income as a revaluation of property, plant and equipment. However, if a fair value gain reverses a previous impairment loss, the gain is recognised in the statement of profit or loss and other comprehensive income. Upon the disposal of such investment property, any surplus previously recorded in equity is transferred to retained earnings; the transfer is not made through the statement of profit or loss and other comprehensive income.



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### STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES CONT'D

#### 23.0 Deferred Taxation

Deferred income tax is provided in full, using the liability method, on all temporary differences arising between the tax bases of assets and liabilities and their carrying values for financial reporting purposes. However, if the deferred income tax arises from the initial recognition of an asset or liability in a transaction other than a business combination that at the time of the transaction affects neither accounting nor taxable profit or loss, it is not accounted for.

Deferred income tax is determined using tax rates and laws that have been enacted or substantively enacted at the statement of financial position date and are expected to apply when the related deferred income tax liability is settled.

Deferred income tax assets are recognised only to the extent that it is probable that future taxable profits will be available against which the temporary differences can be utilised.

Deferred income tax is provided on temporary differences arising on investments in subsidiaries and associates, except where the timing of the reversal of the temporary difference is controlled by the Company and it is probable that the temporary difference will not reverse in the foreseeable future.

#### 24.0 Intangible assets and Goodwill

##### 24.1 Intangible Assets

Costs associated with maintaining computer software programmes are recognised as an expense as incurred. Development costs that are directly attributable to the design and testing of identifiable and unique software products controlled by the group are recognised as intangible assets when the following criteria are met.

- i.) It is technically feasible to complete the software product so that it will be available for use.
- ii.) Management intends to complete the software product and use or sell it.
- iii.) There is an ability to use or sell the software products.
- iv.) It can be demonstrated how the software product will generate future economic benefits
- v.) Adequate technical, financial and other resources to complete the development and to use or sell the software are available and the expenditure attributable to the software product during its development can be reliably measured.

Subsequent expenditure on computer software is capitalised only when it increases the future economic benefits embodied in the specific asset to which it relates.

Direct computer software development costs recognised as intangible assets are amortised on the straight line basis over 3 years and are carried at cost less any accumulated amortisation and any accumulated impairment losses. The carrying amount of capitalised computer software is reviewed annually and is written down when the carrying amount exceeds its recoverable amount.

#### 25.0 Property, plant and equipment

##### 25.1 Initial measurement

Property, plant and equipment are initially recorded at cost. Cost includes all costs necessary to bring the asset to working condition for its intended use. This includes not only its original purchase price but also costs of site preparation, delivery and handling, installation, related professional fees for architects and engineers, and the estimated cost of dismantling and removing the asset and restoring the site. Proceeds from selling items produced while bringing an item of property, plant and equipment to the location and condition necessary for it to be capable of operating in the manner intended by management are not deducted from the cost of the item of property, plant and equipment but recognised in profit or loss. When payment for an item of property, plant, and equipment is deferred, interest at a market rate must be recognised or imputed. When property, plant and equipment is acquired in exchange for another asset (whether similar or dissimilar in nature), the cost is measured at the fair value unless (i) the exchange transaction lacks commercial substance or (ii) the fair value of neither the asset received nor the asset given up is reliably measurable. When the acquired item is not measured at fair value, its cost is measured at the carrying amount of the asset given up.

##### 25.2 Revaluation gain or loss on property, plant & equipment

Subsequent to initial recognition, revaluation is carried out annually by professional valuers so that carrying amount of property, plant and equipment is not materially different from its fair value at the balance sheet date.

The entire class of assets to which that property, plant and equipment belongs is been revalued. Revalued assets are depreciated in line with the depreciation policy. If a revaluation results in an increase in value, it is credited to other comprehensive income and accumulated in equity under the heading "revaluation surplus" unless it represents the reversal of a revaluation decrease of the same asset previously recognised as an expense, in which case it is recognised in profit or loss. A decrease arising as a result of a revaluation is recognised as an expense to the extent that it exceeds any amount previously credited to the revaluation surplus relating to the same asset.

When a revalued asset is disposed of, any revaluation surplus is transferred directly to retained earnings. The transfer to retained earnings is not be made through profit or loss.

##### 25.3 Depreciation of property, plant and equipment

Depreciation, except for land that is not depreciated, is provided on a straight line basis at the following annual rates which are expected to write off the cost or valuation of property, plant and equipment over their estimated useful lives:

	%
Land	Nil
Buildings	2
Leasehold improvements	20
Motor vehicles	25
Furniture and fixtures	15
Office equipment	20
Computer equipment	33 1/3
Telecommunication equipment	15

## INDUSTRIAL AND GENERAL INSURANCE PLC

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#### STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES CONT'D

The assets' residual values and useful lives are reviewed, and adjusted if appropriate, at each reporting date. The Company has a monetization policy whereby ownership of fully depreciated status motor vehicles is transferred to staff at no cost to them.

#### 25.4 Derecognition: retirements and disposals of property plant and equipment

Property, plant and equipment item is removed from the statement of financial position on disposal or when it is withdrawn from use and no future economic benefits are expected from its disposal. The gain or loss on disposal is the difference between the proceeds and the carrying amount and is recognised in profit and loss. When the company rents some assets and then ceases to rent them, the assets is transferred to inventories at their carrying amounts as they become held for sale in the ordinary course of business.

#### 26.0 Statutory deposit

Statutory deposit represents 10% of the paid up capital of the Company deposited with the Central Bank of Nigeria (CBN) in pursuant to Section 10(3) of the Insurance Act, 2003. Statutory deposit is measured at cost.

#### 27.0 Insurance contract liabilities

##### 27.1 Insurance contracts

The Group issues contracts that transfer insurance risk or financial risk or both. Insurance contracts are those contracts that transfer significant insurance risk. Such contracts may also transfer financial risk. As a general guideline, the Group defines as significant insurance risk the possibility of having to pay benefits on the occurrence of an insured event that are at least 10% more than the benefits payable if the insured event did not occur.

##### Types of Insurance Contracts

The Group classifies its business into two main categories; short term (non-life) and long term (life) insurance business, depending on the duration of risk and in accordance with the provisions of the Insurance Regulations.

##### a) Non-life insurance contracts

These contracts are accident and 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 (business interruption cover).

Non-life insurance contracts protect 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 policyholder. There are no maturity or surrender benefits.

Classes of non-life insurance business include Engineering insurance, Fire insurance - domestic risks, Fire insurance - industrial and commercial risks, Liability insurance, Marine Insurance, Motor insurance - private vehicles, Motor insurance - commercial vehicles, General accident insurance, Oil & Energy Insurance.

Non-Life business is normally of single-year duration.

Non-life insurance contract liabilities include the outstanding claims provision, the provision for unearned premium and the provision for premium deficiency. The outstanding claims provision is based on the estimated ultimate cost of all claims incurred but not settled at the reporting date, whether reported or not, together with related claims handling. Delays can be experienced in the notification and settlement of certain types of claims, therefore, the ultimate cost of these cannot be known with certainty at the reporting date. The liability is calculated at the reporting date based on empirical data and current assumptions that may include a margin for adverse deviation. The liability is not discounted for the time value of money. No provision for equalization or catastrophe reserves is recognized. The liabilities are derecognized when provision for equalization or catastrophe reserves is recognized. The liabilities are derecognized when the obligation to pay a claim expires, is discharged or is cancelled.

The provision for unearned premiums represents that portion of premiums received or receivable that relates to risks that have not yet expired at the reporting date. The provision is recognized when contracts are entered into and premiums are charged, and is brought to account as premium income over the term of the contract in accordance with the pattern of insurance service provided under the contract.

At each reporting date, the Company reviews its unexpired risk and a liability adequacy test is performed to determine whether there is any overall excess of expected claims and deferred acquisition costs over unearned premiums. This calculation uses current estimates of future contractual cash flows after taking account of the investment return expected to arise on assets relating to the relevant non-life insurance technical provisions. If these estimates show that the carrying amount of the unearned premiums (less related deferred acquisition costs) is inadequate, the deficiency is recognized in the income statement by setting up a provision for premium deficiency.

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#### STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES CONT'D

##### **b) Life insurance business**

Life insurance business includes individual and group life insurance businesses.

Life insurance business means the business of, or in relation to, the issuing of, or the undertaking of a liability to pay money on death (not being death by accident or in specified sickness only) or on the happening of any contingency dependent on the termination or continuance of human life.

Life insurance liabilities are recognised when contracts are entered into and premiums are charged. These liabilities are measured by using the gross premium valuation administration expenses, policyholder options and guarantees, which are directly related to the contract, method. The liability is determined as the sum of the discounted value of the expected future benefits, claims handling and policy less the discounted value of the expected premiums that would be required to meet the future cash outflows based on the valuation assumptions used. The liability is calculated adopting current financial and decrement assumptions. A separate reserve for longevity may be established and included in the measurement of the liability. Furthermore, the liability for life insurance contracts comprises the provision for claims outstanding.

Adjustments to the liabilities at each reporting date are recorded in the statement of profit or loss and other comprehensive income in 'Gross change in insurance contract liabilities'. Profits originated from margins of adverse deviations on run-off contracts are recognized in the income statement over the life of the contract, whereas losses are fully recognized in the income statement during the first year of run-off. The liability is derecognized when the contract expires, is discharged or is cancelled.

At each reporting date, an assessment is made of whether the recognized life insurance liabilities are adequate by carrying out a liability adequacy test. The liability value is adjusted to the extent that it is insufficient to meet expected future benefits and expenses. In performing the adequacy test, current best estimates of future contractual cash flows, including related cash flows such as claims handling and policy administration expenses, policyholder options and guarantees, as well as investment income from assets backing such liabilities, are used. Discounted cash flows model is used in the valuation. The interest rate applied is based on management's prudent expectation of current market interest rates. Any inadequacy is recorded in the statement of profit or loss and other comprehensive income by establishing an additional insurance liability for the remaining loss. In subsequent periods, the liability for a block of business that has failed the adequacy test is based on the assumptions that are established at the time of the loss recognition. The assumptions do not include a margin for adverse deviation.

##### **28.0 Technical reserves**

These are computed in compliance with the provisions of Sections 20, 21, and 22 of the Insurance Act 2003 as follows:

##### **28.1 Non-Life insurance contracts**

###### **28.1.1 Reserves for unearned premium**

In compliance with Section 20 (1)(a) of Insurance Act 2003, the reserve for unearned premium is calculated on a time apportionment basis in respect of the risks accepted during the year.

###### **28.1.2 Reserves for outstanding claims**

The reserve for outstanding claims is maintained at the total amount of outstanding claims incurred and reported plus claims incurred but not reported ("IBNR") at each reporting date. The Reserve for outstanding claims is based on the liability adequacy test carried out by an Actuary on the insurance contract liabilities using the "Inflation Adjusted Basic Chain Ladder Method" which is considered as being representative of the liability.

###### **28.1.3 Reserves for unexpired risk**

A provision for additional unexpired risk reserve (AURR) is recognized for an underwriting year where it is envisaged that the estimated cost of claims and expenses would exceed the unearned premium reserve (UPR)"

##### **28.2 Life business**

This is made up of net liabilities on policies in force as computed by the actuaries at the time of the actuarial valuation.

##### **28.3 Contingency reserves**

###### **28.3.1 Non-life business**

In compliance with Section 21 (2) of Insurance Act 2003, the contingency reserve is credited with the greater of 3% of total premiums, or 20% of the net profits. This shall accumulate until it reaches the amount of greater of minimum paid-up capital or 50 percent of net

###### **28.3.2 Life business**

In compliance with Section 22 (1) (b) of Insurance Act 2003, the contingency reserve is credited with the higher of 1% of gross premiums or 10% of net profit.

##### **28.4 Liability adequacy test**

At each reporting date, liability adequacy tests are performed to ensure the adequacy of the contract liabilities net. In performing these tests, current best estimates of future contractual cash flows and claims handling and administration expenses, as well as investment income from the assets backing such liabilities, are used. Any deficiency is immediately charged to profit or loss. Insurance contract liabilities are subject to liability adequacy testing on an annual basis.

##### **29.0 Investment contracts**

Investment contracts are those contracts that transfer financial risk with no significant insurance risk. Investment contracts can be classified into interest linked and unitised fund. Interest linked investment contracts are measured at amortised cost while unitised funds are measured at fair value. Investment contracts with guaranteed returns (interest linked) and other business of a savings nature are recognized as liabilities. Interest accruing to the life assured from investment of the savings is recognized in the profit and loss in the year it is earned while interest paid and due to depositors is recognized as an expense. The net result of the deposit administration revenue account is transferred to the statement of profit or loss and other comprehensive income of the group.

## INDUSTRIAL AND GENERAL INSURANCE PLC

### CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2022

#### STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES CONT'D

Investment contract liabilities are recognized when contracts are entered into and premiums are charged. These liabilities are initially recognized at fair value, this being the transaction price excluding any transaction costs directly attributable to the issue of the contract. Subsequent to initial recognition investment, contract liabilities are measured at amortized cost.

Deposits and withdrawals are recorded directly as an adjustment to the liability in the statement of financial position and are not recognised as gross premium in the consolidated statement of profit or loss and other comprehensive income. The liability is derecognized when the contract expires, is discharged or is cancelled.

When contracts contain both a financial risk component and a significant insurance risk component and the cash flows from the two components are distinct and can be measured reliably, the underlying amounts are unbundled. Any premiums relating to the insurance risk component are accounted for on the same basis as insurance contracts and the remaining element is accounted for as a deposit through the statement of financial position as described above.

#### 30.0 Trade payables

Trade payables are recognised when due and measured on initial recognition at the fair value of the consideration received less directly attributable transaction costs. Subsequent to initial recognition, they are measured at amortized cost using the effective interest rate method.

#### 31.0 Derecognition of insurance payables

Insurance payables are derecognized when the obligation under the liability is settled, cancelled or expired.

#### 32.0 Other Payables and Accruals

Other payables and accruals 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.

#### 33.0 Derecognition of financial liabilities

A financial liability is derecognized when the obligation under the liability is discharged or cancelled or expires. 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 recognised in the statement of profit or loss and other comprehensive income. Gains and losses are recognised in the statement of profit or loss and other comprehensive income when the liabilities are derecognized.

#### 34.0 Borrowing costs

Borrowing costs are interest and other costs incurred by the Group directly attributable to the acquisition and construction of qualifying assets which are assets that necessarily takes a substantial period of time to get ready for its intended use or sale.

Borrowing costs are capitalized as part of the cost of a qualifying asset only when it is probable that they will result in future economic benefits to the Group and the costs can be measured reliably. Other borrowing costs are recognized as an expense in the period in which they are incurred.

When the carrying amount or the expected ultimate cost of the qualifying asset exceeds its recoverable amount or net realizable value, the carrying amount is written down or written off. Investment income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing costs eligible for capitalisation.

#### 35.0 Borrowings

Borrowings are recognised initially at fair value, net of transaction costs incurred. Borrowings are subsequently stated at amortised cost; any difference between the proceeds (net of transaction costs) and the redemption value is recognised in the statement of profit or loss and other comprehensive income over the period of the borrowings using the effective interest method.

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

#### 36.0 Dividends

Dividends on ordinary shares are payable out of the Distributable profits of the company and are recognised in equity in the period in which they are approved by the company's shareholders. Dividends proposed by the Directors but not yet approved by shareholders are disclosed in the financial statements in accordance with the requirements of the Companies and Allied Matters Act of 1990.

#### 37.0 Share capital

The Company's issued ordinary shares are classified as equity instruments. Incremental external costs that are directly attributable to the issue of these shares are recognized in equity.

#### 38.0 Share Premium

This represents the excess amount paid by shareholders on the nominal value of the shares. This amount is distributable to the shareholders at their discretion. The share premium is classified as an equity instrument in the statement of financial position.

## INDUSTRIAL AND GENERAL INSURANCE PLC

### CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2022

#### STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES CONT'D

##### 39.0 Asset Revaluation Reserve

Subsequent to initial recognition, an item of property, plant and equipment and, in certain circumstances, an intangible asset, may be revalued to fair value. However, if such an item is revalued, the whole class of asset to which that asset belongs has to be revalued. The revaluation surplus is recognised in equity, unless it reverses a decrease in the fair value of the same asset which was previously recognised as an expense, in which case it is recognised in the statement of profit or loss and other comprehensive income. A subsequent decrease in the fair value is charged against this reserve to the extent that there is a credit balance relating to the same asset, with the balance being recognised in the income statement.

##### 40.0 Available-for-Sale Reserve

The available-for-sale reserve comprises the cumulative net change in the fair value of the group's available-for-sale investments. Net fair value movements are recycled to income statements if an underline available-for-sale investment is either derecognised or

##### 41.0 Statutory reserves

###### 41.1 Regulatory reserve

The regulatory reserve represents an appropriation from retained earnings to comply with the Financial Institutions Act 2004. The amount in the reserve represents the excess/deficit of impairment provisions determined in accordance with FIA over the impairment provisions recognised in accordance with the Group's accounting policy. The reserve is not distributable.

###### 41.2 Capital reserve

The capital reserve is set up as a requirement under the Insurance statute 1996 under which every insurer should transfer from its profits each year before any dividend is declared and after tax provision, 5% of profits to the paid up capital of the insurer to facilitate capital growth.

##### 42.0 Taxation

Current and deferred income tax.

The tax expense for the period comprises current and deferred tax. Tax is recognised in the income statement, except to the extent that it relates to items recognised in other comprehensive income or directly in equity. In this case, the tax is also recognised in other comprehensive income or directly in equity, respectively.

The current income tax charge is calculated on the basis of the tax laws enacted or substantively enacted at the end of the reporting period. Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation and establishes provisions where appropriate.

Deferred income tax is recognised, using the liability method, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the consolidated financial statements. However, if the deferred income tax arises from initial recognition of an asset or liability in a transaction other than a business combination that at the time of the transaction affects neither accounting nor taxable profit or loss, it is not accounted for. Deferred income tax is determined using tax rates (and laws) that have been enacted or substantively enacted by the end of the reporting period and are expected to apply when the related deferred income tax asset is realisable or the deferred income tax liability is payable.

Deferred income tax assets are recognised to the extent that it is probable that future taxable profit will be available against which the temporary differences can be utilised.

Deferred income tax is provided on temporary differences arising on investments in subsidiaries and associates, except where the Group controls the timing of the reversal of the temporary difference and it is probable that the temporary difference will not reverse in the foreseeable future.

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 tax 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 tax effects of carry-forwards of unused losses or unused tax credits are recognised as an asset when it is probable that future taxable profits will be available against which these losses can be utilised.

Deferred tax related to fair value re-measurement of available-for-sale investments, which are charged or credited directly in other comprehensive income, is also credited or charged directly to other comprehensive income and subsequently recognised in the consolidated income statement together with the deferred gain or loss.

##### 43.0 Related party transactions

IAS 24, 'Related party disclosures'. The amendment clarifies and simplifies the definition of a related party and removes the requirement for government-related entities to disclose details of all transactions with the government and other government-related entities. The amended definition means that some entities will be required to make additional disclosures, e.g., an entity that has controlling interest in another entity and is part of the key management personnel of that entity is now required to disclose transactions with that second entity. The amendment had no significant impact on related party disclosures.

## INDUSTRIAL AND GENERAL INSURANCE PLC

### CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2022

#### STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES CONT'D

The Company has controlling interest in other entities incorporated and domiciled in Nigeria, Rwanda, Uganda, Ghana, and The Gambia. The Company is the ultimate parent of the group. There are other companies which are related to parent company, IGI Plc, through common shareholdings or common directorships.

#### 44.0 Income Recognition and measurement

##### Premium income

##### a. Non-Life insurance business

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

Claims and loss adjustment expenses are charged to income as incurred based on the estimated liability for compensation owed to contract holders or third parties damaged by the contract holders. They include direct and indirect claims settlement costs and arise from events that have occurred up to the end of the reporting period even if they have not yet been reported to the Group. The Group does not discount its liabilities for unpaid claims. Liabilities for unpaid claims are estimated using the input of assessments for individual cases reported to the Group and statistical analyses for the claims incurred but not reported, and to estimate the expected ultimate cost of more complex claims that may be affected by external factors (such as court decisions).

##### b. Life insurance business

Premiums are recognised as revenue when they become payable by the contract holders. Premium are shown before deduction of commission.

Claims and other benefits are recorded as an expense when they are incurred.

##### Salvages

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

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

##### Subrogation

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

##### Deferred Income

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

##### Reinsurance contracts held

Contracts entered into by the Group with reinsurers under which the Group is compensated for losses on one or more contracts issued by the Group and that meet the classification requirements for insurance contracts in accounting policy are classified as reinsurance contracts held. Contracts that do not meet these classification requirements are classified as financial assets. Insurance contracts entered into by the Group under which the contract holder is another insurer (inwards reinsurance) are included with insurance contracts.

Reinsurance assets consist of short-term balances due from reinsurers, as well as longer term receivables that are dependent on the expected claims and benefits arising under the related reinsured insurance contracts. Amounts recoverable from or due to reinsurers are measured consistently with the amounts associated with the reinsured insurance contracts and in compliance with the terms of each reinsurance contract. Reinsurance liabilities are primarily premiums payable for reinsurance contracts and are recognised as an expense when due. The Group has the right to set-off re-insurance payables against amount due from re-insurance and brokers in line with the agreed arrangement between both parties.

The Group assesses its reinsurance assets for impairment on a quarterly basis. If there is objective evidence that the reinsurance asset is impaired, the Group reduces the carrying amount of the reinsurance asset to its recoverable amount and recognises that impairment loss in the statement of profit or loss and other comprehensive income. The Group gathers the objective evidence that are insurance asset is impaired using the same process adopted for financial assets held at amortised cost. The impairment loss is calculated using the incurred loss model for these financial assets.

#### 45.0 Receivables and payables related to insurance contracts

Receivables and payables are recognised when due. These include amounts due to and from agents, brokers and insurance contract holders. If there is objective evidence that the insurance receivable is impaired, the Group reduces the carrying amount of the insurance receivable accordingly and recognises that impairment loss in the statement of profit or loss and other comprehensive income. The Group gathers the objective evidence that an insurance receivable is impaired using the same methodology adopted for financial assets held at amortised cost. The impairment loss is calculated under the same method used for these financial assets.

## INDUSTRIAL AND GENERAL INSURANCE PLC

### CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2022

#### STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES CONT'D

##### 46.0 Salvage and subrogation reimbursements

Some insurance contracts permit the Group to sell (usually damaged) property acquired in settling a claim (for example, salvage). The Company may also have the right to pursue third parties for payment of some or all costs (for example, subrogation).

Estimates of salvage recoveries are included as an allowance in the measurement of the insurance liability for claims, and salvage property is recognised in other assets when the liability is settled. The allowance is the amount that can reasonably be recovered from the disposal of the property.

Subrogation reimbursements are also considered as an allowance in the measurement of the insurance liability for claims and are recognised in other assets when the liability is settled. The allowance is the assessment of the amount that can be recovered from the action against the liable third party.

##### 47.0 Reinsurance cost

Reinsurance cost represents outward premium paid to reinsurance companies less the unexpired portion as at the end of the accounting year.

##### 48.0 Reinsurance claims

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

##### 49.0 Underwriting Expenses

Underwriting expenses comprise acquisition costs and maintenance expenses. Underwriting expenses comprise all direct and indirect costs arising from the writing of insurance contracts. Examples of these costs include, but are not limited to, commission expense, supervisory levy, superintending fees and other technical expenses. Other underwriting expenses are those incurred in servicing existing policies/contract. These expenses are charged in the accounting year in which they are incurred.

##### 50.0 Investment and other income

###### 50.1 Interest income

Interest income is recognized in the statement of profit or loss and other comprehensive income as it accrues and is calculated by using the effective interest method. Fees and commissions that are an integral part of the effective yield of the financial asset or liability are recognized as an adjustment to the effective interest rate of the instrument.

###### 50.2 Fees and commission income

Insurance and investment contract policyholders are charged for policy administration services, investment management services, surrenders and other contract fees. These fees are recognized as revenue over the period in which the related services are performed. If the fees are for services provided in future periods, then they are deferred and recognized over those future periods.

###### 50.3 Investment income

Investment income includes dividends when the right to receive payment is established. For listed securities, this is the date the security is listed as ex-dividend.

###### 50.4 Realized gains and losses

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

###### 51.0 Finance cost

Interest paid is recognized in the statement of profit or loss and other comprehensive income as it accrues and is calculated by using the effective interest method. Accrued interest is included within the carrying value of the interest bearing financial liability.

###### 52.0 Management Expenses

Management expenses are expenses other than claims, investment expenses, employee benefit, expenses for marketing and administration and underwriting expenses. They include wages, professional fee, depreciation expenses and other non-operating expenses.

Other Operating expenses are accounted for on accrual basis and recognized in the statement of profit or loss upon utilization of the service or at the date of their origin.

###### 53.0 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 reporting date. The accrual is calculated on an undiscounted basis, using current salary rates and recognised in the profit or loss.

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.

###### Post employment benefits

The Group operates a defined contribution plan. A defined contribution plan is a pension plan under which the Group pays fixed contributions into a separate entity. The Group has no legal or constructive obligations to pay further contributions if the fund does not hold sufficient assets to pay all employees the benefits relating to employee service in the current and prior periods. For defined contribution plans, the Group makes contributions on behalf of qualifying employee to a mandatory scheme under the provisions of the Pension Reform Act of 2014.

## INDUSTRIAL AND GENERAL INSURANCE PLC

### CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2022

#### STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES CONT'D

Under the defined contribution scheme, employees are entitled to join the scheme on commencement of employment. Employee and the Company contributions are 8% and 10% each of the employee's annual basic salary, housing and transport allowance respectively. The Company has no further payment obligations once it has remitted its own contribution. The contributions are recognised as employee benefit expense when they are due. Prepaid contributions are recognised as an asset to the extent that a cash refund or a reduction in the future payments is available.

#### 54.0 Income tax expense

Income tax expense is the aggregate of the charge to the profit and loss in respect of current income tax and deferred income tax. Current income tax is the amount of income tax payable on the taxable profit for the year determined in accordance with Nigeria tax laws.

#### 55.0 Earnings per share

The Group presents basic earnings per share (EPS) data for its ordinary shares. Basic EPS is calculated by dividing the profit or loss attributable to ordinary shareholders of the company by the weighted average number of ordinary shares outstanding during the period excluding treasury shares held by the group. Diluted EPS is determined by adjusting the profit or loss attributable to ordinary shareholders and the weighted average number of ordinary shares outstanding for the effects of all dilutive potential ordinary shares.

#### 56.0 Non Current Assets Held for Sale Assets

Assets (or disposal groups) held for sale or distribution to owners are not depreciated, and are measured at the lower of carrying amount and fair value less costs to sell, and are presented separately in the statement of financial position.

##### Held-for-sale classification

The group classifies assets as held for sale when it is committed to a plan to sell; the asset is available for immediate sale; an active programme to locate a buyer is initiated; the sale is highly probable, within 12 months of classification as held for sale (subject to limited exceptions); the asset is being actively marketed for sale at a sales price reasonable in relation to its fair value; actions required to complete the plan indicate that it is unlikely that plan will be significantly changed or withdrawn.

##### Discontinued Operations

The group classifies as discontinued operation a component of its entity that either has been disposed of or meets the criteria as held for sale but is a separate major line of business or a geographical area of its operations.

##### Cash flow information

The net cash flows attributable to the operating, investing, and financing activities of a discontinued operation is disclosed in the notes.

#### 57.0 Provisions, Contingent Liabilities and Contingent Assets

The group's policy outlines the accounting for provisions, i.e. liabilities of uncertain timing or amount; together with contingent assets (possible assets) and contingent liabilities (possible obligations and present obligations that are not probable or not reliably measurable). Provisions in the financial statements are measured at the best estimate (including risks and uncertainties) of the expenditure required to settle the present obligation, and reflects the present value of expenditures required to settle the obligation where the time value of money is material.

##### Liability

Present obligation as a result of past events where settlement is expected to result in payment or an outflow of resources.

##### Contingent liability

A possible obligation depending on whether some uncertain future event occurs, or a present obligation but payment is not probable or the amount cannot be measured reliably.

##### Contingent asset

A possible asset that arises from past events, and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the group.

##### Measurement of provisions

The amount recognised as a provision in the financial statements represent the best estimate of the expenditure required to settle the present obligation at the balance sheet date, that is, the amount that the group has determined is required to pay to settle the obligation at the balance sheet date or to transfer it to a third party.

In reaching its best estimate, the group takes into account the risks and uncertainties that surround the underlying events. If some or all of the expenditure required to settle a provision is expected to be reimbursed by another party, the reimbursement is recognised as a separate asset, and not as a reduction of the required provision, when, and only when, it is virtually certain that reimbursement will be received if the group settles the obligation. The amount recognised is measured not to exceed the amount of the provision.

If some or all of the expenditure required to settle a provision is expected to be reimbursed by another party, the reimbursement is recognised as a separate asset, and not as a reduction of the required provision, when, and only when, it is virtually certain that reimbursement will be received if the group settles the obligation. The amount recognised is measured not to exceed the amount of the provision.

The group uses provisions only for the purpose for which they were originally recognised. Provisions are reviewed at each balance sheet date and adjusted to reflect the current best estimate. If it is no longer probable that an outflow of resources will be required to settle the obligation, the provision is reversed.

##### Contingent liabilities

The group does not recognise contingent liabilities but discloses them, unless the possibility of an outflow of economic resources is remote.

##### Contingent assets

The group does recognize contingent assets but discloses them where an inflow of economic benefits is probable. When the realisation of income is virtually certain, the related asset is no longer recognized as a contingent asset and appropriate recognition is made.



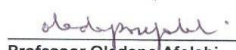
# INDUSTRIAL AND GENERAL INSURANCE PLC

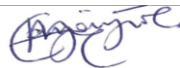
## CONSOLIDATED STATEMENT OF FINANCIAL POSITION AS AT 31 DECEMBER 2022

	Note	Group		Company	
		2022 N'000	2021 N'000	2022 N'000	2021 N'000
<b>Assets</b>					
Cash and cash equivalents	5.	4,147,878	1,413,980	423,848	393,447
<b>Financial Assets:</b>					
At fair value through profit or loss	6.1	456,459	337,460	26,076	14,112
At fair value through other comprehensive income	6.2	2,022,337	5,471,186	1,236,403	1,648,349
Held to maturity	6.3.	1,602,413	2,041,723	-	-
Loans and receivables	6.4.	274,446	313,820	245,226	312,967
Trade receivables	7.	115,969	1,180,412	-	-
Reinsurance assets	8.	4,705,446	4,756,932	3,465,808	3,695,137
Deferred acquisition costs	9.1	282,819	234,845	8,765	16,223
Loans and advances to customers	10.	387,855	-	-	-
Other receivables and prepayments	12.	1,818,124	-	180,268	-
Investment in subsidiaries	14.	-	-	3,389,783	3,389,783
Intangible assets	15.	22,741	24,068	-	-
Deferred tax assets	48.4.2	-	-	-	-
Investment properties	16.	31,842,940	30,950,121	24,802,212	24,775,684
Property plant and equipment	17.4	7,921,750	7,597,163	5,562,359	5,472,130
Statutory deposits	18.	674,943	597,188	500,000	500,000
		<u>56,276,121</u>	<u>54,918,897</u>	<u>39,840,748</u>	<u>40,217,831</u>
Non-current assets held for sale	11.	2,127,359	-	-	-
Assets classified as discontinued operations	57.2a	5,735,010	5,735,010	-	-
		<u>64,138,490</u>	<u>60,653,907</u>	<u>39,840,748</u>	<u>40,217,831</u>
<b>Total assets</b>					
<b>Equity</b>					
Ordinary share capital	19.2	7,115,619	7,115,619	7,115,619	7,115,619
Share premium	19.3	8,530,781	8,530,781	8,530,781	8,530,781
Assets revaluation reserve	20.	6,130,522	5,905,753	5,743,592	5,613,592
Fair value reserve	21.	849,956	(307,341)	1,022,821	(73,857)
Contingency reserve	22.	4,151,798	4,655,131	4,151,798	4,141,481
Loss sustained	23.	(14,487,364)	(11,346,389)	(17,664,432)	(14,767,465)
Capital reserve	24.	376,890	376,890	-	-
Foreign exchange reserve	25.	(5,832,240)	343,431	-	-
Statutory(regulatory) reserve	26.	237,740	237,740	-	-
		<u>7,073,702</u>	<u>15,511,615</u>	<u>8,900,179</u>	<u>10,560,151</u>
<b>Shareholder's fund</b>					
Non-controlling interests	27.	3,916,211	(2,299,856)	-	-
		<u>10,989,913</u>	<u>13,211,759</u>	<u>8,900,179</u>	<u>10,560,151</u>
<b>Liabilities</b>					
Insurance contract liabilities	28.	12,396,215	11,378,928	9,278,441	8,666,751
Investment contract liabilities	29.	11,668,362	11,420,763	10,929,241	10,785,617
Trade payables	30.	3,607,705	3,471,779	1,795,608	1,109,685
Loans and borrowings	31.	1,818,409	301,421	635,025	854,483
Other payables and accruals	32.	12,042,855	9,030,484	4,802,183	4,726,598
Income tax payable	48.2	2,216,817	2,541,378	1,571,018	1,585,494
Deferred tax liabilities	48.4.1	2,424,113	2,424,113	1,929,056	1,929,056
Deposit for shares	33.	1,239,082	1,138,275	-	-
		<u>47,413,558</u>	<u>41,707,141</u>	<u>30,940,572</u>	<u>29,657,684</u>
Liabilities classified as discontinued operations	57.2a	5,735,010	5,735,010	-	-
		<u>53,148,568</u>	<u>47,442,151</u>	<u>30,940,572</u>	<u>29,657,684</u>
<b>Total liabilities</b>					
<b>Total equity and liabilities</b>					
		<u>64,138,490</u>	<u>60,653,907</u>	<u>39,840,748</u>	<u>40,217,831</u>

The consolidated financial statements were approved by the Board of Directors on 20th of December, 2024 and signed on its behalf by:

  
**AKINLOLU AKINYELE**  
 Managing Director  
 FRC/2021/PRO/00000025271

  
**Professor Oladapo Afolabi**  
 Director  
 FRC/2017/IPAN/00000015950

  
**AYOOLA IYIOLA**  
 Chief Finance Officer  
 FRC/2024/PRO/ICAN/001/185581

The accompanying notes and statement of significant accounting policies form an integral part of these consolidated financial statements.

## INDUSTRIAL AND GENERAL INSURANCE PLC

### CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME FOR THE YEAR ENDED 31 DECEMBER 2022

	Notes	Group		Company	
		2022 N'000	2021 N'000	2022 N'000	2021 N'000
<b>Continuing operations</b>					
<b>Gross premium written</b>	34.	<b>9,048,991</b>	5,889,101	<b>547,763</b>	523,058
Changes in unearned premium	34.	<b>(2,314,245)</b>	123,365	<b>(13,714)</b>	163,880
<b>Gross Premium Income</b>		<b>6,734,746</b>	6,012,466	<b>534,049</b>	686,938
Reinsurance costs	35.	<b>(1,694,088)</b>	(2,293,345)	<b>(36,615)</b>	(16,793)
<b>Net Premium Income</b>		<b>5,040,658</b>	3,719,121	<b>497,434</b>	670,145
Fees and commission income	36.	<b>323,760</b>	322,120	<b>6,693</b>	16,275
<b>Net underwriting income</b>		<b>5,364,418</b>	4,041,241	<b>504,127</b>	686,420
Claims expenses (Gross)	37.1b	<b>(1,080,155)</b>	(2,724,797)	<b>(1,186,647)</b>	(590,899)
Changes in claims recoveries	37.2	<b>461,790</b>	18,046	<b>370,766</b>	45,318
<b>Net claims incurred</b>		<b>(618,365)</b>	(2,706,751)	<b>(815,881)</b>	(545,581)
Underwriting expenses	38.2	<b>(3,388,699)</b>	1,499,841	<b>(166,993)</b>	(420,500)
Changes in contract liabilities	39.	<b>(276,797)</b>	(11,135)	<b>228,426</b>	69,893
<b>Underwriting profit/(loss)</b>		<b>1,080,558</b>	2,823,196	<b>(250,321)</b>	(209,768)
Investments incomes	40.	<b>497,083</b>	587,540	<b>150,205</b>	153,561
Loss on disposal of Investment properties	49.1	<b>(253,503)</b>	(422,614)	-	(422,614)
Profit on disposal of properties, plant & equipment	49.2	<b>294</b>	10,000	<b>294</b>	10,000
Net interest income	41.	<b>332,823</b>	152,158	-	37,039
Other operating incomes	42.	<b>158,818</b>	389,364	<b>43,737</b>	1,022
Loss on investment contract	43.	<b>(706,172)</b>	(535,505)	<b>(706,172)</b>	(512,685)
Fair value gain/(loss) through Profit or loss	44.	<b>1,638,837</b>	1,892,128	<b>1,293,914</b>	1,600,970
Impairment charge	45.	<b>(384,032)</b>	(459,420)	<b>(386,500)</b>	(607,276)
Management and administrative expenses	46.	<b>(5,541,177)</b>	(2,434,895)	<b>(3,006,322)</b>	(1,101,639)
<b>Net operating loss</b>		<b>(3,176,471)</b>	2,001,952	<b>(2,861,165)</b>	(1,051,390)
Finance costs	47.	<b>(92,258)</b>	(117,632)	<b>(4,603)</b>	(97,352)
<b>Loss before income tax</b>		<b>(3,268,729)</b>	1,884,320	<b>(2,865,768)</b>	(1,148,742)
Income tax expense	48.1	<b>3,511</b>	(220,774)	<b>(20,881)</b>	(8,568)
<b>Loss from continuing operations</b>		<b>(3,265,218)</b>	1,663,546	<b>(2,886,649)</b>	(1,157,310)
<b>Attributable to:</b>					
Equity shareholders		(3,644,308)	1,504,765	<b>(2,886,649)</b>	(1,157,310)
Non-controlling interests	27.	379,090	158,781	-	-
		<b>(3,265,218)</b>	1,663,546	<b>(2,886,649)</b>	(1,157,310)

## INDUSTRIAL AND GENERAL INSURANCE PLC

### CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME FOR THE YEAR ENDED 31 DECEMBER 2022

	Notes	Group		Company	
		2022 N'000	2021 N'000	2022 N'000	2021 N'000
<b>Other Comprehensive income/(loss):</b>					
<b>Items that may be reclassified subsequently to</b>					
Fair value gain on through other comprehensive income	21 & 27	1,157,297	(113,314)	1,096,678	(144,400)
Fair value gain on investment in subsidiaries	21	-	-	-	-
Exchange differences on translating foreign operations	21 & 25	-	47,972	-	-
Income tax relating to item that may be reclassified subsequently to profit or loss		-	-	-	-
<b>Items that will not be reclassified subsequently to profit or loss:</b>					
Actuarial surplus/transfer from life fund	22 & 27	-	-	-	0
Fair value gain on property, plant and equipment	20 & 27	224,769	103,813	130,000	100,000
Income tax relating to item that will not be reclassified subsequently to profit or loss		-	(10,000)	-	(10,000)
Other comprehensive income/(loss) for the year,		<u>1,382,066</u>	<u>28,471</u>	<u>1,226,678</u>	<u>(54,400)</u>
<b>Total comprehensive income/(loss) for the year</b>		<u><b>(1,883,152)</b></u>	<u>1,692,017</u>	<u><b>(1,659,972)</b></u>	<u>(1,211,709)</u>
<b>Attributable to:</b>					
Equity shareholders		<u>(1,883,152)</u>	1,684,663	<u>(1,659,972)</u>	(1,211,709)
Non-controlling interests	27.	<u>-</u>	<u>7,354</u>	<u>-</u>	<u>-</u>
		<u><b>(1,883,152)</b></u>	<u>1,692,017</u>	<u><b>(1,659,972)</b></u>	<u>(1,211,709)</u>
Basic and diluted loss per share (Kobo)	50.	<b>-13.23</b>	11.84	<b>-11.66</b>	-8.51

The accompanying notes and statement of significant accounting policies form an integral part of these consolidated financial statements.

## INDUSTRIAL AND GENERAL INSURANCE PLC

### CONSOLIDATED STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 31 DECEMBER 2022

	Note	Group		Company	
		2022 N'000	2021 N'000	2022 N'000	2021 N'000
<b>Cash flows from operating activities</b>					
Premium received on insurance contract		9,048,991	5,889,101	547,763	523,058
Premium deposit			48,665		48,665
Receipts from deposit admin contract	29.	212,094	504,951	212,094	243,519
Withdrawals & Surrenders from deposit admin contract		(767,332)	(620,466)	(785,042)	(620,135)
Reinsurance premium paid	35.	(1,684,592)	57,293	(27,119)	(59,436)
Commission received	36.	323,760	322,120	6,693	16,275
Claims paid	37.	(2,781,563)	(2,481,495)	(360,243)	(347,596)
Reinsurance recovery received	37.	64,205	18,046	151,023	45,318
Commission paid	38.	(160,968)	(838,918)	(65,983)	(130,270)
Maintenance cost paid	38.	(3,225,281)	2,151,016	(98,560)	(310,413)
Other income	42.	158,818	389,364	43,737	1,022
Dividend income		20,343	28,019	20,343	28,019
Investment income	40.	476,740	559,521	129,862	125,542
Operating costs and payments to employee		(596,051)	(2,218,889)	(362,074)	(467,741)
Tax paid	48.2	(52,001)	(63,330)	(52,001)	(63,330)
Other operating cashflows		-	-	-	-
Net cash from operating activities	51.	1,037,163	3,744,998	(639,507)	(967,503)
<b>Cash flows from investing activities:</b>					
Additions to fair value through profit or loss	6.1	(65,756)	(31,947)	(13,021)	(8,477)
Proceed on disposal of fair value through profit or loss		-	-	-	-
Additions to available for sale	6.2	(1,157,297)	(4,586,762)	-	(1,332,586)
Proceeds on disposal of available for sale		2,264,698		1,332,592	-
Held to maturity	6.3.		(1,182,129)	-	-
Additions to loans and receivables	6.4.	(100,677)	(109,984)	(80,887)	(109,984)
Repayment of loans and receivables	6.4.	149,805	175,122	149,550	157,421
Loans and advances to customers	10.	(387,855)	146,675	-	-
Addition to non-current assets held for sale	11.	80,688		-	-
Proceeds on disposal of non-current assets held for sale	49.1	849,715	496,121	-	-
Acquisition of investment properties	16.	(2,700,512)	(1,476,362)	-	-
Proceeds on disposal of investment properties		849,715	2,523,986	35,600	2,523,986
Other movement in investment properties				-	-
Purchase of property, plant and equipment	17.	-	-	-	-
Proceeds from disposal of property, plant & equipment	49.2	320	784,001	320	96,400
Interest income	41.	332,823	152,158	-	37,039
Net cash from investing activities		115,668	(3,109,120)	1,424,154	1,363,799
<b>Cash flows from financing activities:</b>					
Additions to overdraft	31.	2,308,267	117,632	526,672	97,352
Additions to term loans					
Repayment of loans and borrowings	31.	(791,280)	(180,061)	(772,253)	(128,974)
Dividend paid	32.1.	-		-	-
Interest paid	47.	(92,258)	(117,632)	(4,603)	(97,352)
Net cash generated by financing activities		1,424,729	-180,061	-250,184	-128,974
<b>Net increase/(decrease) in cash and cash equivalents</b>					
		2,577,560	455,817	534,463	267,322
Cash and cash equivalents at 1 January		1,225,399	769,578	(455,533)	(722,861)
Cash and cash equivalents at 31 December	5.3.	3,802,955	1,225,399	78,925	(455,533)

The accompanying notes and statement of significant accounting policies form an integral part of these consolidated financial statements.

## INDUSTRIAL AND GENERAL INSURANCE PLC

### CONSOLIDATED STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31 DECEMBER 2022

#### Attributable to equity holders- the Group

	Ordinary share capital N'000	Share premium N'000	Assets revaluation reserve N'000	Fairvalue reserve N'000	Contingen- cy reserve N'000	Loss sustained N'000	Capital reserve N'000	Foreign exchange reserve N'000	Statutory (regulatory ) reserve N'000	Non- controlling interest N'000	Total N'000
1 January 2021 (Audited)	7,115,619	8,530,781	6,883,360	-291,014	3,302,264	(10,206,782)	145,959	(508,176)	149,214	(66,634)	15,054,592
1 January 2021 (Restated)	7,115,619	8,530,781	5,966,047	-183,923	3,804,156	(11,769,248)	145,959	(1,245,043)	197,070	(66,634)	12,494,785
<b>Changes in equity for 2021:</b>											
Loss for the year	-	-	-	-	-	1,504,765	-	-	-	(3,735,427)	(2,230,662)
<b>Other comprehensive income;</b>											
Gain on valuation of property, plant and equipment	-	-	100,000	-	-	-	-	-	-	3,813	103,813
Reversal of revaluation	-	-	(150,294)	-	-	-	-	-	-	-	(150,294)
Gain on available for sale financial assets	-	-	-	(123,418)	-	-	-	-	-	10,104	(113,314)
Transfer from life fund	-	-	-	-	820,995	-	-	-	-	-	820,995
Translation gain/(loss) for the year	-	-	-	-	-	0	(0)	1,588,473	40,670	186,424	1,815,567
<b>Transactions with owners, recorded directly in equity:</b>											
Share of ordinary share capital	-	-	-	-	-	-	-	-	-	872,382	872,382
Share of share premium	-	-	-	-	-	-	-	-	-	160,303	160,303
Transfer (from)/to capital reserve	-	-	-	-	-	(230,931)	230,931	-	-	(12,791)	(12,791)
Transfer (from)/ to statutory reserve	-	-	-	-	-	-	-	-	-	3,058	3,058
Transfer (from)/ to contingency reserve	-	-	-	-	29,980	(29,980)	-	-	-	278,911	278,911
<b>31 December 2021</b>	<b>7,115,619</b>	<b>8,530,781</b>	<b>5,905,753</b>	<b>-307,341</b>	<b>4,655,131</b>	<b>-11,346,389</b>	<b>376,890</b>	<b>343,431</b>	<b>237,740</b>	<b>-2,299,856</b>	<b>13,211,758</b>
1 January 2022	7,115,619	8,530,781	5,905,753	-307,341	4,655,131	-11,346,389	376,890	343,431	237,740	-2,299,856	13,211,758
<b>Changes in equity for 2022:</b>											
Profit for the year	-	-	-	-	-	(3,644,308)	-	-	-	2,299,164	(1,345,144)
<b>Other comprehensive income;</b>											
Gain on valuation of property, plant and equipment	-	-	224,769	-	-	-	-	-	-	-	224,769
Deferred tax effect	-	-	-	-	-	-	-	-	-	-	-
Impact of investment reclassified to available for sale	-	-	-	-	-	530,260	-	-	-	-	530,260
Reversal of revaluation	-	-	-	-	-	-	-	-	-	-	-
Gain on available for sale financial assets	-	-	-	1,157,297	-	-	-	-	-	-	1,157,297
Transfer from life fund	-	-	-	-	(530,260)	-	-	-	-	-	(530,260)
Translation gain/(loss) for the year	-	-	0	(0)	-	(0)	-	(6,175,671)	-	2,414,395	(3,761,276)
<b>Transactions with owners, recorded directly in equity:</b>											
Share of ordinary share capital	-	-	-	-	-	-	-	-	-	1,124,336	1,124,336
Share of share premium	-	-	-	-	-	-	-	-	-	16,588	16,588
Transfer (from)/to capital reserve	-	-	-	-	-	-	-	-	-	-	-
Transfer (from)/ to statutory reserve	-	-	-	-	-	-	-	-	-	2,575	2,575
Transfer (from)/ to contingency reserve	-	-	-	-	26,927	(26,927)	-	-	-	359,010	359,010
<b>31 DECEMBER 2022</b>	<b>7,115,619</b>	<b>8,530,781</b>	<b>6,130,522</b>	<b>849,956</b>	<b>4,151,798</b>	<b>-14,487,364</b>	<b>376,890</b>	<b>-5,832,240</b>	<b>237,740</b>	<b>3,916,211</b>	<b>10,989,913</b>

The accompanying notes and statement of significant accounting policies form an integral part of these consolidated financial statements.

## INDUSTRIAL AND GENERAL INSURANCE PLC

### CONSOLIDATED STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31 DECEMBER 2022

#### Attributable to equity holders- the Company

	Ordinary share capital N'000	Share premium N'000	Assets revaluation reserve N'000	Fairvalue reserve N'000	Contingency reserve N'000	Loss sustained N'000	Total N'000
<b>1 January 2021</b>	<b>7,115,619</b>	<b>8,530,781</b>	<b>5,523,592</b>	<b>70,543</b>	<b>4,111,501</b>	<b>(13,580,176)</b>	<b>11,771,860</b>
<b>Changes in equity for 2021:</b>							
Loss for the year	-	-	-	-	-	(1,157,310)	(1,157,310)
<b>Other comprehensive income;</b>							
Gain on valuation of property,plant and equipment	-	-	100,000	-	-	-	100,000
Deferred tax effect	-	-	(10,000)	-	-	-	(10,000)
Reversal of revaluation	-	-	-	-	-	-	-
Fair value reserve	-	-	-	(144,400)	-	-	(144,400)
<b>Transactions with owners, recorded directly in equity:</b>							
Contingency reserve for the year	-	-	-	-	29,980	(29,980)	-
Actuarial surplus/transfer from life fund	-	-	-	-	0	-	0
Transfer from assets revaluation reserve	-	-	-	-	-	0	0
<b>31 December 2021</b>	<b>7,115,619</b>	<b>8,530,781</b>	<b>5,613,592</b>	<b>-73,857</b>	<b>4,141,481</b>	<b>-14,767,465</b>	<b>10,560,151</b>
<b>1 January 2022</b>	<b>7,115,619</b>	<b>8,530,781</b>	<b>5,613,592</b>	<b>-73,857</b>	<b>4,141,481</b>	<b>-14,767,465</b>	<b>10,560,151</b>
<b>Changes in equity for 2022:</b>							
Profit for the year	-	-	-	-	-	(2,886,649.16)	(2,886,649)
<b>Other comprehensive income;</b>							
Gain on valuation of property,plant and equipment	-	-	130,000	-	-	-	130,000
Deferred tax effect	-	-	-	1	-	-	1
Reversal of revaluation	-	-	-	-	-	-	-
Gain/(loss) on available for sale financial assets	-	-	-	1,096,678	-	-	1,096,678
Fiai value gain on investment in subsidiaries	-	-	-	-	-	-	-
<b>Transactions with owners, recorded directly in equity:</b>							
Contingency reserve for the year	-	-	-	-	10,317	(10,317)	-
Actuarial surplus/transfer from life fund	-	-	-	-	-	-	-
Transfer from assets revaluation reserve	-	-	-	-	-	0	0
<b>31 DECEMBER 2022</b>	<b>7,115,619</b>	<b>8,530,781</b>	<b>5,743,592</b>	<b>1,022,822</b>	<b>4,151,798</b>	<b>-17,664,431</b>	<b>8,900,179</b>

The accompanying notes and statement of significant accounting policies form an integral part of these consolidated financial statements.

# INDUSTRIAL AND GENERAL INSURANCE PLC

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2022

### 1. General Information

Industrial and General Insurance Plc. ('the company') and its subsidiaries (together 'the Group') underwrite life and non-life risks, such as those associated with death, disability, health, property and liability. The Group also issues a diversified portfolio of investment contracts to provide its customers with asset management solutions for their savings and retirement needs. All these products are offered to both domestic and foreign markets. The Group does business in Nigeria, Uganda and The Gambia. The Company was incorporated in Nigeria as a private limited liability company on 31 October 1991 under the Companies and Allied Matters Act, CAP C20 LFN 2004.

The Registered office is located at: No 2, Agoro Odiyan Street, Victoria Island, Lagos, Nigeria.

### 2. Critical accounting estimates

The Company makes estimates and assumptions 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.

#### i) Future benefit payments from long-term business contracts

The estimation of future benefit payments from long-term business contracts is the life insurance business' most critical accounting estimate. There are several sources of uncertainty that need to be considered in the estimation of the liability that the company will ultimately pay for

The determination of the liabilities under long-term business contracts is dependent on estimates made by the Company. These estimates are incorporated in an automated model inbuilt into the company's financial information systems.

#### ii) Fair value of equity investments

Fair values of equity investments may be determined in whole or part using valuation techniques based on assumptions that are not supported by prices from current market transactions or observable market data.

The fair values of financial instruments that are not quoted in active markets are determined by using valuation techniques. Where valuation techniques (for example models) are used to determine fair values, they are validated and periodically independently reviewed by qualified senior personnel. All models are certified before they are used, and models are calibrated to ensure that outputs reflect actual data and comparative market prices. To the extent practical, models use observable data, however, areas such as credit risk (both own and counterparty), volatilities and correlations require management to make estimates.

#### iii) Fair values of financial assets and liabilities

The fair values of the Group's financial assets and liabilities approximate over the respective carrying amounts, due to the generally short periods to contractual re-pricing or maturity dates as set out in these financial statements. Fair values are based on discounted cash flows using a discount rate based upon the borrowing rate that directors expect would be available to the Company at the statement of financial

#### Fair value hierarchy

IFRS 7 specifies a hierarchy of valuation techniques based on whether the inputs to those valuation techniques are observable or unobservable. Observable inputs reflect market data obtained from independent sources; unobservable inputs reflect the group market assumption. These two types of inputs have created the following fair value hierarchy:

**Level 1** - Quoted prices (unadjusted) in active markets for identical assets or liabilities. This level includes listed equity securities and debt instruments on exchanges and exchange traded derivatives like futures.

**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).

**Level 3** - Inputs for the assets or liabilities that are not based on observable market data (unobservable inputs). This level include equity investments and debt instruments with significant unobservable components. The group considers relevant and observable market prices in its valuations where possible.

# INDUSTRIAL AND GENERAL INSURANCE PLC

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2022

### Fair value of financial assets and liabilities

	Level 1 N'000	Level 2 N'000	Level 3 N'000	Total N'000
<b>Group</b>				
<b>At 31 DECEMBER 2022</b>				
Financial assets	456,459	-	3,899,197	4,355,656
<b>At 31 December 2021</b>				
Financial assets	337,460	-	7,826,728	8,164,188
<b>Company</b>				
<b>At 31 DECEMBER 2022</b>				
Financial assets	26,076	-	1,481,629	1,507,705
<b>At 31 December 2021</b>				
Financial assets	14,112	-	1,961,316	1,975,428

### iv) Recoverable amount of loans and receivables

Critical estimates are made by the directors in determining the recoverable amount of impaired loans and receivables.

### v) Valuation of land and buildings

Investment properties and property, plant and equipment include freehold land and buildings carried at fair value. Fair value is based on valuations performed by an independent valuation expert. In performing the valuation, the valuer uses discounted cash flow projections which incorporate assumptions around the continued demand for rental space, sustainability of growth in rent rates as well as makes reference to recent sales. The change in these assumptions could result in a significant change in the carrying value of properties.

### vi) Useful lives of property, plant and equipment

The Company's management determines the estimated useful lives and related depreciation charges for its property, plant and equipment. This estimate is based on the projected useful lives for such assets. Management will increase the depreciation charge where useful lives are less than previously estimated lives, or it will write-off or write-down technically obsolete or non-strategic assets that have been abandoned or sold.

### vii) Income taxes

Judgement is required in determining the Company's provision for income taxes. There are many transactions and calculations for which the ultimate tax determination is uncertain during the ordinary course of business. The Company recognises liabilities for anticipated tax audit issues based on estimates of whether additional taxes will be due. Where the final tax outcome of these matters is different from the amounts that were initially recorded, such differences will impact the income tax and deferred tax provisions in the period in which such determination is made.

## 3. Management of insurance and financial risk

The Company's activities expose it to a variety of financial risks, including insurance risk, financial risk, credit risk, and the effects of changes in property values, debt and equity market prices, foreign currency exchange rates and interest rates. The Company's overall risk management programme focuses on the identification and management of risks and seeks to minimise potential adverse effects on its financial performance, by use of underwriting guidelines and capacity limits, reinsurance planning, credit policy governing the acceptance of clients, and defined criteria for the approval of intermediaries and reinsurers. Investment policies are in place which help manage liquidity, and seek to maximise return within an acceptable level of interest rate risk.

This section summarises the way the Company manages key risks:

### a) Insurance risk

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

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

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

### b) Data – Nature, Accuracy and Interpretation

The following data was supplied to us by the company:

- 1) Gross Premiums Written
- 2) Claims Paid
- 3) Reinsurance Premiums
- 4) Outstanding Reported Reserves as at the valuation date
- 5) Reinsurance Share of Outstanding Reported Reserves as at the valuation
- 6) Claim Recoveries

**i) Data Reconciliation:** The correctness of the data used is key to the accuracy of the reserve determined. As part of our verification process, we have reconciled the gross written premiums, reinsurance premiums, claims paid and reinsurance recoveries in the technical data, with the carrying amounts held in the financial statement. The summary of the reconciliation is represented below.



## INDUSTRIAL AND GENERAL INSURANCE PLC

### NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2022

#### ii) Premium Data Reconciliation

**Table 3.1a - Gross Written Premium Data**

The gross written premium data submitted reconciles with the corresponding account figures. The details are shown below:

Class of Business	Gross Written Premium Data	Gross Written Premium Account	Percentage Difference
	N'000	N'000	
General Accident	130,456	130,456	0%
Engineering	645	645	0%
Fire	22,921	22,921	0%
Marine	4,207	4,207	0%
Motor	83,722	83,722	0%
Oil and Gas	-	-	
	<b>241,951</b>	<b>241,951</b>	0%
Total (31 December, 2021)	317,965	317,965	0%

**Table 3.1b - Reinsurance Premium Data**

The ceded premium data submitted reconciles with the corresponding account figures. The details are shown below:

Class of Business	Reinsurance Premium Data	Reinsurance Premium Account	Percentage Difference
	N'000	N'000	
General Accident	726	726	
Engineering	4255	4255	0%
Fire	11,573	11,573	0%
Marine	9,816	9,816	0%
Motor	749	749	0%
Total (31 December, 2022)	<b>27,119</b>	<b>27,119</b>	0%
Total (31 December, 2021)	6,692	6,692	0%

#### Claims Paid and Reinsurance Recoveries Data

**Table 3.1c - Gross Claim Paid Data**

The gross claims paid data submitted reconciles with the corresponding account figures. The details are shown below:

Class of Business	Gross Claims Paid Data	Gross Claims Paid Account	Percentage Difference
	N'000	N'000	
General Accident	115,660	115,660	0%
Engineering	5,990	5,990	0%
Fire	15,700	15,700	0%
Marine			0%
Motor	8,460	8,460	0%
Oil and Gas	16,572	16,572	0%
Total (31 December, 2022)	<b>162,383</b>	<b>162,383</b>	0%
Total (31 December, 2021)	198,686	198,686	0%

#### Business Trend:

We illustrate in the table below, the Gross Written Premium as at 31 December 2021 and 2022 respectively. There was a decrease in premium by all lines of business(except General Accident) with significant decrease in Engineering, Marine and Motor. This resulted in an overall decrease in GWP by 24%.

Class of Business	Gross Written Premium as at 31 December, 2022 Data	Gross Written Premium as at 31 December, 2021 Data	Percentage Difference
	N'000	N'000	
General Accident	130,456	125,337	4%
Engineering	645	1,988	-68%
Fire	22,921	23,739	-3%
Marine	4,207	18,474	-77%
Motor	83,722	148,407	-44%
Oil and Gas	-	20	-100%
Total (31 December)	241,951	317,965	-24%

# INDUSTRIAL AND GENERAL INSURANCE PLC

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2022

### c) Valuation Methodology

We describe in this section the methods used for calculating Premium and Claim Reserves.

#### Premium Reserves

Our reserves consist of Unearned Premium Reserve ("UPR"), Unexpired Risk Reserve ("URR") and Additional Unexpired Risk Reserve ("AURR"), which are all described in section 3.

We adopted the 365th (time apportionment) method. Each policy's unexpired insurance period (UP) was calculated as the exact number of days of insurance cover available after the valuation date. The UPR is calculated as the premium \*(Unexpired Insurance Period)/full policy duration.

Each policy's URR = Unearned Premium \* Assumed loss Ratio.

Typically, the Unexpired Risk Reserve is expected to cover the unexpired risk. Where the unexpired risk exceeds the unearned premium we have held, an additional reserve called Additional Unexpired Risk Reserve (AURR) as described in section 3.

#### Claims Reserves

The claim reserves comprise of:

- \* Outstanding Claims Reported (OCR)
- \* Incurred But Not Reported (IBNR)

#### Reserving method

To ensure the estimates calculated are not biased by the underlying assumptions of the model chosen, four different deterministic methods were considered;

- \* Chain Ladder Method (BCL)
- \* Loss Ratio Method
- \* Bornhuetter-Ferguson Method
- \* Frequency and Severity Method

The following sections describe each of these approaches under the chain ladder method in turn:

**The Basic Chain Ladder Method (BCL):** The Basic Chain Ladder method forms the basis to the deterministic reserving methods explained below. For each class of business, historical paid claims were grouped into accident year cohorts—representing when they were paid after their accident year. These cohorts form the development triangles. Each accident years, paid claims were accumulated to the valuation date and projected into the future to attain the expected ultimate claim arising in the year. This assumes the trends observed in the historical data will continue. The gross claim reserve is calculated as the difference between the cumulated paid claims and the estimated ultimate claims. For the later years where the cohorts are underdeveloped or has less than expected claims, the Bornhuetter Ferguson (BF) method was used to estimate the ultimate claims. The appropriate loss ratio used in estimating the BF ultimate claim was the average of fully developed historical years.

**The Inflation Adjusted Basic Chain Ladder Method (IABCL):** Under this method, the historical paid losses were adjusted to allow for inflation to the valuation date using the corresponding inflation index in each of the accident years. The inflation adjusted claims were then treated similarly to the Basic Chain Ladder described above. The projected incremental paid claims are then inflated based on our future inflation assumption to the expected future payment date.

**Discounted BCL and IABCL:** This is the discounted form of the BCL and IABCL. In determining the value, the future expected cash flow for claim payments is discounted to present day terms using our assumed discount rate.

The following official inflation indices were adopted:

**Table 3.1.1**

Year	Inflation Index	Accumulated Inflation Index
2007	6.60%	319.16%
2008	15.10%	293.21%
2009	13.90%	241.62%
2010	11.80%	199.93%
2011	10.30%	168.27%
2012	12.00%	143.22%
2013	8.00%	117.16%
2014	8.30%	101.08%
2015	9.60%	85.67%
2016	18.48%	69.40%
2017	15.37%	42.98%
2018	11.28%	23.93%
2019	11.37%	11.37%
2020+	12.00%	

We performed calculations on the following bases:

\* By discounting the estimated claims to the valuation date at a rate of 12.67% p.a. At as the valuation date, this discount rate approximates the weighted average rate of bonds with outstanding term of 4 years or less.

\* With no discounting.

# INDUSTRIAL AND GENERAL INSURANCE PLC

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2022

**Loss Ratio Method:** This method is simple and gives an approximate estimate. We adopted this method as a check on our ultimate projections and in cases where insufficient data dampened the measure of credibility needed for the statistical approaches. Under this method, we obtained the Ultimate claims by studying the historical loss ratios, investigating any differences and using judgments to derive a loss ratio. Paid claims which have already emerged were deducted from the estimated Ultimate claims to obtain our reserves.

**Bornhuetter-Ferguson Method:** This method combines the estimates attained from the two methods mentioned above. It takes a weighted average of the two estimates, where the weights are related to the number of claims already reported. Therefore, if there are more historical information, then a higher weighting is given to the chain ladder estimate.

**Frequency and Severity Method (Average Cost per claim).** This method investigates the trend of the claim frequency and average cost per claim for each accident year. An average of the fully run off accident years was used as a guide on the ultimate claim frequency and ultimate average cost which was then adopted for the accident years that are not fully run off.

### Large Losses

Large losses distorting the claims payment trend were excluded from all our chain ladder projections and analyzed separately using the Average Cost per claim method. This is illustrated in Appendix 1.

**Choice of Method - Discounted IABCL:** The IBNR reserves are determined using deterministic calculations which provide a “best estimate” of the reserve. The “best estimate” is determined by applying a combination of the Chain Ladder (“CL”) and the Bornhuetter-Ferguson (“BF”) methods to attritional paid claims triangles.

The combination between a CL and BF methods aims to reflect the reliability of information when estimating the IBNR. For earlier accident years, where the development is reasonably mature, a CL approach was used which relied on the data to set the ultimate level of claims. For later accident periods, where there still exists a large degree of uncertainty about the ultimate level of claims, and where the reported-to-date is a less reliable estimate of the ultimate loss. The BF method, which makes use of an estimate of the ultimate loss ratio, is used.

The results of the Inflation Adjusted Chain Ladder method (Discounted) and Bornhuetter-Ferguson are dependent upon the stability of the triangulated claims information used to derive the claims development patterns. The triangulations are examined and smoothed for any anomalous movements that may have altered the estimated patterns. This adjustment prevents distortion of the results by once-off extreme movements and therefore ensures a stable result from year-on.

### Assumptions underlying the Valuation Methods

Our calculation assumes:

- \* Policies are written uniformly throughout the year for each class of business.
- \* Claims occur uniformly throughout the year for each class of business. This implies that claims occur on average halfway through year.
- \* Future claims follow a regression pattern from the historical data. Hence payment patterns will be broadly similar in each accident year. The proportionate increase in the known cumulative payments from one development year to the next is used to calculate the expected cumulative payments for the future development periods.
- \* An implicit assumption of the chain ladder is that weighted past average inflation will remain unchanged in to the future.
- \* We assume gross claim amount includes all related claim expenses. If this is not the case, we will hold a separate reserve to cover claim
- \* The UPR is calculated on the assumption that risk will occur evenly during the duration of the policy.
- \* Under the Average Cost per claim method used in estimating large losses, we assumed the early years (e.g. accident years 2007, 2008) are fully developed.

### Large Losses

The table below shows the large loss cut off level assumed for each class of business. The large loss for 2019 were updated for all classes of business using claims distribution experience over the past 5 years.

**Table 3.1.2**

Class of Business	Large Loss	Comment on Derivation
General Accident	5,652,416	Mean + 3SD
Engineering	64,576,551	Mean + 3SD
Fire	17,307,271	Mean + 3SD
Marine	45,954,172	Mean + 3SD
Motor	2,806,970	Mean + 3SD
Oil and Gas	N/A	Not Applicable

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### NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2022

#### ii) Valuation Results

##### Inflation Adjusted Chain Ladder Method – Result Table

**Table 7.1a : Inflation Adjusted Basic Chain Ladder Method**

Class of Business	Gross Outstanding Claims N	Estimated Reinsurance Recoveries N	Net Outstanding Claims N
General Accident	200,592,463	(16,171,025)	184,421,438
Engineering	492,396,424	(358,708,943)	133,687,481
Fire	75,702,503	(51,428,980)	24,273,523
Marine	295,051,052	(5,968,241)	289,082,811
Motor*	91,310,172	(8,506,768)	82,803,404
Oil & Gas*	1,652,258,884	(794,255,082)	858,003,802
<b>TOTAL</b>	<b>2,807,311,498</b>	<b>(1,235,039,039)</b>	<b>1,572,272,459</b>
<b>Accounts (Outstanding Claims)</b>	<b>2,739,572,667</b>	<b>(1,221,838,795)</b>	<b>1,517,733,873</b>
<b>Difference</b>	<b>67,738,831</b>	<b>(13,200,244)</b>	<b>54,538,586</b>

Incurred But Not Reported (IBNR) Table

**Table 3.1.4 IBNR Table**

Class of Business	Outstanding Claims Reserves N	Outstanding Reported Claims Reserves N	Incurred But Not Reported (IBNR) N
General Accident	200,592,463	169,311,497	31,280,966
Engineering	492,396,424	489,857,021	2,539,403
Fire	75,702,503	65,705,960	9,996,543
Marine	295,051,052	292,427,926	2,623,126
Motor*	91,310,172	70,011,380	21,298,792
Oil & Gas*	1,652,258,884	1,652,258,884	-
<b>TOTAL</b>	<b>2,807,311,498</b>	<b>2,739,572,668</b>	<b>67,738,830</b>

**Table 3.1.5 Reinsurance IBNR Table**

Class of Business	Total Outstanding Reinsurance Recoveries N	Outstanding Reported Reinsurance Recoveries N	Reinsurance IBNR N
General Accident	16,171,025	13,649,269	2,521,756
Engineering	358,708,943	356,858,998	1,849,945
Fire	51,428,980	44,637,765	6,791,215
Marine	5,968,241	5,915,181	53,060
Motor	8,506,768	6,522,500	1,984,268
Oil and Gas	794,255,082	794,255,082	-
<b>TOTAL</b>	<b>1,235,039,039</b>	<b>1,221,838,795</b>	<b>13,200,244</b>

**Table 3.1.6 UPR (Gross and Reinsurance UPR) Table**

Estimated UPR (net of reinsurance)

Class of Business	Gross UPR N	Reinsurance UPR N	NET UPR N
General Accident	16,944,070	(312,308)	16,631,762
Engineering	9,048,312		9,048,312
Fire	2,290,323		2,290,323
Marine	26,255,881		26,255,881
Motor			-
Oil and Gas			-
<b>TOTAL</b>	<b>54,538,586</b>	<b>(312,308)</b>	<b>54,226,278</b>

#### Additional Unexpired Risk Reserve (AURR)

We derived our expense ratio as the management expense ratio for the current year using the information provided by Industrial and General Insurance Plc. We do not have the breakdown of management expenses by line of business so we have used the management expense on a pooled basis to be 107%.

This level of expenses are clearly unsustainable and needs to be addressed through business expansion and/ or possible rationalisations. We have adopted 70% for the purpose of this exercise. This implies that if expense levels are uncurbed in 2020, the extra expenses over this assumption will be a charge on income.

# INDUSTRIAL AND GENERAL INSURANCE PLC

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2022

We have illustrated the combined ratio for each line of business with a maximum combined ratio of 101% for Marine in the table below:

**Table 3.1.7 Loss Ratio Table**

Class of Business	Claims Ratio (Net)	Combined Ratio	AURR
			N
General Accident	37%	176%	12,862,760
Engineering	11%	150%	4,516,288
Fire	20%	159%	1,349,299
Marine	10%	149%	14,973,749
Motor	14%	153%	
Oil and Gas	0%	139%	
<b>Total</b>			<b>33,702,096</b>

We summarise the estimated Gross Reserves and Reinsurance Recoveries under four (4) main methods below:

**Table 3.1.8 Gross Reserves**

Valuation Method	Discounted	Undiscounted
	N	N
BCL	2,743,747,629	2,850,872,367
IABCL	2,807,311,498	2,881,737,324

**Table 3.1.10 Reinsurance Recoveries**

Valuation Method	Discounted	Undiscounted
	N	N
BCL	1,224,775,069	1,252,756,166
IABCL	1,235,039,041	1,262,951,581

Detailed breakdown by line of business are presented in the Appendix 9.

### Conclusion

We are adopting the reserves from the Inflation Adjusted Discounted Chain Ladder method in this report. This method as indicated earlier.

- anticipates that total claim payments may be exposed to future inflationary pressures.
- recognises that reserves should represent the present value and timing of future claim payments.

### Technical Reserves

We are reporting Gross Reserves of N2.9 billion and Reinsurance Assets of N1.235 billion as shown in the table below. Our estimates meet the Liability Adequacy Test.

### Technical Reserves

Reserves	Gross Reserve	Reinsurance Assets	Net Reserve
	N	N	N
Claims	2,807,311,498	(1,235,039,041)	1,572,272,457
UPR	59,443,186	(312,308)	59,130,878
AURR*	33,702,097		33,702,097
<b>Total</b>	<b>2,900,456,781</b>	<b>(1,235,351,349)</b>	<b>1,665,105,432</b>

\*Although the AURR has been calculated on a net basis, we have listed it under the gross reserve for representation purposes.

### Appendix 1 : Illustration of Gross Claim Reserving - Fire

The tables shown are the step by step output of the IABCL Method in estimating Gross Claim Reserve:

The claims paid are allocated to claim development years as illustrated below. Of the claims that arose in 2009, N12.31 million was paid in 2009 (development year 1), N21.97 million in 2010 (development year 2) etc.

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### NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2022

Incremental Chain Ladder (Table of claims paid excluding large claims (Attritional Table))

Incremental Chain ladder-Yearly Projections (N'000)											
Accident year	1	2	3	4	5	6	7	8	9	10	11
2007	-	12,076	-	-	50	-	-	32	-	-	-
2008	10,535	15,312	5,910	13,692	-	-	-	-	-	-	-
2009	12,306	21,966	13,424	14	44,831	-	-	562	-	-	-
2010	8,530	5,084	2,153	18,794	17	453	-	-	-	-	1,835
2011	5,430	53,113	25,548	888	344	15	1,707	-	-	352	-
2012	43,215	4,963	2,291	3,168	2,760	-	-	-	3,468	-	-
2013	2,602	17,444	8,155	14,947	443	8	-	446	861	-	-
2014	7,694	15,347	3,914	882	256	254	465	476	5	-	-
2015	2,680	24,344	58,790	15,266	611	1,914	1,964	-	-	-	-
2016	8,356	7,754	52	-	680	1,878	-	-	-	-	-
2017	9,421	1,070	-	1,228	-	-	-	-	-	-	-
2018	2,883	4,854	15,424	4,000	14,745	-	-	-	-	-	-
2019	1,983	161	1,031	69	-	-	-	-	-	-	-
2020	113	12	-	-	-	-	-	-	-	-	-
2021	232	300	-	-	-	-	-	-	-	-	-
2022	581	-	-	-	-	-	-	-	-	-	-

Inflation Adjusted Chain Ladder

Inflation Adjusted Chain Ladder - Annual Projections (N'000)											
Accident year	1	2	3	4	5	6	7	8	9	10	11
2007	-	64,733	-	-	191	-	-	93	-	-	-
2008	56,472	72,065	24,880	52,257	-	-	-	-	-	-	-
2009	57,918	92,469	51,234	49	141,455	-	-	1,260	-	-	-
2011	20,724	180,991	80,610	2,587	914	35	3,319	-	-	480	-
2012	147,262	15,658	6,675	8,420	6,193	-	-	-	4,732	-	-
2013	8,208	50,821	21,678	33,535	862	13	-	609	1,032	-	-
2014	22,417	40,795	8,782	1,714	448	399	635	570	5	-	-
2015	7,125	54,618	114,330	26,678	959	2,611	2,353	-	-	-	-
2016	18,748	15,080	91	-	927	2,251	-	-	-	-	-
2017	18,321	1,869	-	1,676	-	-	-	-	-	-	-
2018	5,038	7,616	21,047	4,793	14,745	-	-	-	-	-	-
2019	3,112	220	1,235	69	-	-	-	-	-	-	-
2020	155	14	-	-	-	-	-	-	-	-	-
2021	278	300	-	-	-	-	-	-	-	-	-
2022	581	-	-	-	-	-	-	-	-	-	-

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#### Cumulative Inflation Adjusted Chain Ladder

	Cumulative Chain ladder-Annual Projections (N'000)										
Accident year	1	2	3	4	5	6	7	8	9	10	11
2007	-	64,733	64,733	64,733	64,924	64,924	64,924	65,017	65,017	65,017	65,017
2008	56,472	128,537	153,418	205,675	205,675	205,675	205,675	205,675	205,675	205,675	205,675
2009	57,918	150,387	201,621	201,670	343,125	343,125	343,125	344,385	344,385	344,385	344,385
2010	35,909	55,312	62,650	121,949	121,999	123,204	123,204	123,204	123,204	123,204	125,708
2011	20,724	201,715	282,325	284,913	285,827	285,862	289,181	289,181	289,181	289,660	289,660
2012	147,262	162,920	169,595	178,016	184,209	184,209	184,209	184,209	188,941	188,941	188,941
2013	8,208	59,029	80,707	114,243	115,105	115,118	115,118	115,727	116,758	116,758	-
2014	22,417	63,212	71,994	73,708	74,156	74,555	75,189	75,759	75,764	-	-
2015	7,125	61,743	176,073	202,751	203,710	206,321	208,674	208,674	-	-	-
2016	18,748	33,828	33,919	33,919	34,846	37,097	37,097	-	-	-	-
2017	18,321	20,190	20,190	21,866	21,866	21,866	-	-	-	-	-
2018	5,038	12,655	33,701	38,495	53,240	-	-	-	-	-	-
2019	3,112	3,333	4,568	4,637	-	-	-	-	-	-	-
2020	155	169	169	-	-	-	-	-	-	-	-
2021	278	578	-	(2,587)	-	-	-	-	-	-	-
2022	581	-	-	-	-	-	-	-	-	-	-
<b>Loss Dev</b>		<b>2.214</b>	<b>1.376</b>	<b>1.156</b>	<b>1.066</b>	<b>1.002</b>	<b>1.000</b>	<b>1.000</b>	<b>1.000</b>	<b>1.000</b>	<b>1.000</b>

We then use this table to estimate the loss development factor (LDF) for each period as average of the cumulative claims paid in one period divided by the corresponding amount paid in the previous period. The results were adjusted to allow for outliers, trends, etc, where necessary.

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These loss development factors were used to project cumulative payments for each accident year as shown below:

3.4 From the combined settlement patterns we project the accumulation amounts payable in future years with allowance for future inflation. The results are shown below:

#### Projected Table

Incremental Chain ladder-Yearly Projections (N'000)											
Accident year	1	2	3	4	5	6	7	8	9	10	11
2007	-	64,733	64,733	64,733	64,924	64,924	64,924	65,017	65,017	65,017	65,017
2008	56,472	128,537	153,418	205,675	205,675	205,675	205,675	205,675	205,675	205,675	205,675
2009	57,918	150,387	201,621	201,670	343,125	343,125	343,125	344,385	344,385	344,385	344,385
2010	35,909	55,312	62,650	121,949	121,999	123,204	123,204	123,204	123,204	123,204	125,708
2011	20,724	201,715	282,325	284,913	285,827	285,862	289,181	289,181	289,181	289,660	289,660
2012	147,262	162,920	169,595	178,016	184,209	184,209	184,209	184,209	188,941	188,941	188,941
2013	8,208	59,029	80,707	114,243	115,105	115,118	115,118	115,727	116,758	116,758	123,967
2014	22,417	63,212	71,994	73,708	74,156	74,555	75,189	75,759	75,764	85,265	85,265
2015	7,125	61,743	176,073	202,751	203,710	206,321	208,674	208,674	237,535	237,535	237,535
2016	18,748	33,828	33,919	33,919	34,846	37,097	37,097	38,523	38,523	38,523	38,523
2017	18,321	20,190	20,190	21,866	21,866	21,866	32,622	32,622	32,622	32,622	32,622
2018	5,038	12,655	33,701	38,495	53,240	64,057	64,057	64,057	64,057	64,057	64,057
2019	3,112	3,333	4,568	4,637	5,745	5,764	5,764	5,764	5,764	5,764	5,764
2020	155	169	169	1,155	1,248	1,252	1,252	1,252	1,252	1,252	1,252
2021	278	578	2,794	3,332	3,646	3,661	3,661	3,661	3,661	3,661	3,661
2022	581	2,710	3,970	4,824	5,323	5,347	5,347	5,347	5,347	5,347	5,347

3.5 Assuming claims are paid halfway through the year, the discounted cumulative claim amounts are as shown below.

Discounted Cumulative IABCL - Annual Projections (N'000)											
Accident year	1	2	3	4	5	6	7	8	9	10	11
2007	-	64,733	64,733	64,733	64,924	64,924	64,924	65,017	65,017	65,017	65,017
2008	56,472	128,537	153,418	205,675	205,675	205,675	205,675	205,675	205,675	205,675	205,675
2009	57,918	150,387	201,621	201,670	343,125	343,125	343,125	344,385	344,385	344,385	344,385
2010	35,909	55,312	62,650	121,949	121,999	123,204	123,204	123,204	123,204	123,204	125,708
2011	20,724	201,715	282,325	284,913	285,827	285,862	289,181	289,181	289,181	289,660	289,660
2012	147,262	162,920	169,595	178,016	184,209	184,209	184,209	184,209	188,941	188,941	188,941
2013	8,208	59,029	80,707	114,243	115,105	115,118	115,118	115,727	116,758	116,758	116,758
2014	22,417	63,212	71,994	73,708	74,156	74,555	75,189	75,759	75,764	84,711	84,711
2015	7,125	61,743	176,073	202,751	203,710	206,321	208,674	208,674	235,853	235,853	235,853
2016	18,748	33,828	33,919	33,919	34,846	37,097	37,097	38,440	38,440	38,440	38,440
2017	18,321	20,190	20,190	21,866	21,866	21,866	31,995	31,995	31,995	31,995	31,995
2018	5,038	12,655	33,701	38,495	53,240	63,427	63,427	63,427	63,427	63,427	63,427
2019	3,112	3,333	4,568	4,637	5,680	5,696	5,696	5,696	5,696	5,696	5,696
2020	155	169	169	1,097	1,175	1,178	1,178	1,178	1,178	1,178	1,178
2021	278	578	2,665	3,114	3,347	3,356	3,356	3,356	3,356	3,356	3,356
2022	581	2,586	3,638	4,271	4,599	4,613	4,613	4,613	4,613	4,613	4,613



## INDUSTRIAL AND GENERAL INSURANCE PLC

### NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2022

#### 3.6 We illustrate our reserves for Fire large loss as follows:

Accident Year	Exposure / Earned Premium (N'000)	Total Paid Amounts (N'000)	O/s Reported LG Reserve	No. of Large Losses	Claim Frequency	Average Paid Cost (N'000)	Ult Avg Cost	Ultimate Freq	Ultimate Claims (N'000)	Large Loss Reserves (N'000)
2007	744,163	-	-	-	0.00000%	-	-	0.00000%	-	-
2008	744,163	58,002	-	4	0.00054%	14,500	14,500	0.00054%	58,002	-
2009	744,163	-	-	-	0.00000%	-	-	0.00000%	-	-
2010	744,163	115,704	-	1	0.00013%	115,704	115,704	0.00013%	115,704	-
2011	714,331	17,048	-	1	0.00014%	17,048	17,048	0.00014%	17,048	-
2012	438,135	384,173	-	3	0.00068%	128,058	128,058	0.00068%	384,173	-
2013	439,703	131	-	20	0.00455%	7	7	0.00455%	131	-
2014	309,580	52,319	-	1	0.00032%	52,319	52,319	0.00032%	52,319	-
2015	257,809	44,816	-	-	0.00000%	-	-	0.00000%	44,816	-
2016	147,864	-	-	-	0.00000%	-	-	0.00000%	-	-
2017	167,829	-	-	-	0.00000%	-	-	0.00000%	-	-
2018	106,197	-	-	-	0.00000%	-	-	0.00000%	-	-
2019	91,224	-	-	-	0.00000%	-	-	0.00000%	-	-
2020	39,101	153	-	-	0.00000%	-	-	0.00000%	153	-
2021	31,067	-	-	-	0.00000%	-	-	0.00000%	-	-
2022	23,507	-	-	-	0.00000%	-	-	0.00000%	-	-
<b>Total</b>			-							<b>0</b>
									<b>Discounted</b>	<b>0</b>
									<b>Discounted*</b>	<b>0</b>

\* Average Paid Column is calculated thus: Total Paid Amounts/ No of Large Losses

\* The Ult Average Cost and Ultimate Frequency are informed selections from Claim Frequency and Average Paid columns

\* The Ultimate Paid amounts is calculated thus Ultimate Frequency \* Ult Avg Cost \* Exposure \* 1000

\* The Large Loss Reserves is calculated by subtracting the Total Paid amounts from the Ultimate Paid Amounts

#### 3.7 From the above tables, we illustrate the total expected payment for each future year as follows

Accident Year	Incremental Amounts N
2023	76,086
2024	1,595
2025	869
2026	338
2027	14
2028	-
2029	-
2030	-
2031	-
<b>Attritional Losses</b>	<b>78,902</b>
<b>Large Loss</b>	<b>-</b>
<b>Total</b>	<b>78,902</b>

## INDUSTRIAL AND GENERAL INSURANCE PLC

### NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2022

#### Appendix 3.8 : Illustration of Gross Claim Reserving - General Accident

The tables shown are the step by step output of the IABCL Method in estimating Gross Claim Reserve:

##### 3.8.1 Table of claims paid excluding large claims (Attritional Table)

Accident year	Incremental Chain ladder-Yearly Projections (N'000)											
	1	2	3	4	5	6	7	8	9	10	11	12
2007	-	11,394	1,934	165	728	-	15	30	-	-	-	-
2008	100,561	41,328	4,458	3,510	1,524	118	-	188	-	-	-	-
2009	53,098	38,543	68,421	354	2,775	58	211	-	-	-	-	82
2010	23,887	53,548	2,570	2,019	6,455	50	-	1,378	-	-	-	-
2011	13,849	22,712	9,650	7,566	1,240	12	596	240	-	106	-	-
2012	14,444	31,414	29,621	8,974	5,102	81	225	-	892	-	-	-
2013	19,342	36,842	23,141	2,738	1,397	224	-	434	-	-	-	-
2014	9,110	15,125	3,975	700	-	1,659	2,920	872	-	-	-	-
2015	3,493	9,039	7,196	2,705	4,184	3,863	2,260	-	-	-	-	-
2016	11,399	2,116	7,113	5,505	2,041	-	-	-	-	-	-	-
2017	6,570	5,889	9,283	-	101	-	-	-	-	-	-	-
2018	2,557	99,577	731	-	-	-	-	-	-	-	-	-
2019	3,968	23,844	15,926	-	-	-	-	-	-	-	-	-
2020	7,440	7,625	-	-	-	-	-	-	-	-	-	-
2021	-	-	-	-	-	-	-	-	-	-	-	-
2022	596	-	-	-	-	-	-	-	-	-	-	-

##### 3.8.2 Inflation Adjusted Chain Ladder Table

Accident year	Inflation Adjusted Chain Ladder - Annual Projections (N'000)											
	1	2	3	4	5	6	7	8	9	10	11	12
2007	-	61,081	9,103	694	2,780	-	48	87	-	-	-	-
2008	539,071	194,509	18,769	13,395	5,194	373	-	500	-	-	-	-
2009	249,906	162,255	261,134	1,206	8,755	168	561	-	-	-	-	112
2010	100,556	204,372	8,757	6,372	18,806	133	-	2,679	-	-	-	-
2011	52,857	77,397	30,449	22,043	3,296	27	1,160	420	-	145	-	-
2012	49,220	99,119	86,300	23,855	11,447	157	393	-	1,216	-	-	-
2013	61,029	107,337	61,514	6,144	2,716	391	-	592	-	-	-	-
2014	26,540	40,207	8,917	1,361	-	2,603	3,984	1,045	-	-	-	-
2015	9,286	20,279	13,994	4,728	6,565	5,271	2,708	-	-	-	-	-
2016	25,574	4,116	12,431	8,639	2,785	-	-	-	-	-	-	-
2017	12,778	10,291	14,567	-	122	-	-	-	-	-	-	-
2018	4,469	156,254	997	-	-	-	-	-	-	-	-	-
2019	6,227	32,536	19,084	-	-	-	-	-	-	-	-	-
2020	10,152	9,137	-	-	-	-	-	-	-	-	-	-
2021	-	-	-	-	-	-	-	-	-	-	-	-
2022	596	-	-	-	-	-	-	-	-	-	-	-

## INDUSTRIAL AND GENERAL INSURANCE PLC

### NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2022

#### 3.8.3 Projected Inflation Adjusted Chain Ladder Table

Accident year	Cumulative Chain ladder-Annual Projections (N'000)											
	1	2	3	4	5	6	7	8	9	10	11	12
2007	-	61,081	70,184	70,878	73,658	73,658	73,706	73,793	73,793	73,793	73,793	73,793
2008	539,071	733,580	752,349	765,744	770,937	771,310	771,310	771,811	771,811	771,811	771,811	771,811
2009	249,906	412,160	673,295	674,501	683,256	683,424	683,985	683,985	683,985	683,985	683,985	684,097
2010	100,556	304,928	313,685	320,057	338,863	338,996	338,996	341,675	341,675	341,675	341,675	341,675
2011	52,857	130,253	160,702	182,745	186,041	186,068	187,227	187,648	187,648	187,792	187,792	187,792
2012	49,220	148,339	234,638	258,493	269,940	270,097	270,491	270,491	271,707	271,707	271,707	280,923
2013	61,029	168,366	229,880	236,024	238,740	239,131	239,131	239,723	239,723	239,723	295,548	295,548
2014	26,540	66,747	75,665	77,025	77,025	79,628	83,612	84,657	84,657	117,448	117,448	117,448
2015	9,286	29,565	43,559	48,287	54,852	60,124	62,832	62,832	96,223	96,223	96,223	96,223
2016	25,574	29,690	42,121	48,283	53,545	53,545	53,545	68,975	68,976	68,976	68,976	68,976
2017	12,778	23,069	37,636	37,636	37,758	37,758	44,683	44,683	44,684	44,684	44,684	44,684
2018	4,469	160,724	161,721	161,721	161,721	179,632	179,632	179,632	179,637	179,637	179,637	179,637
2019	6,227	38,763	57,847	57,847	62,261	62,546	62,546	62,546	62,548	62,548	62,548	62,548
2020	10,152	19,288	19,288	19,999	20,607	20,719	20,719	20,719	20,720	20,720	20,720	20,720
2021	-	-	8,269	8,574	8,835	8,883	8,883	8,883	8,883	8,883	8,883	8,883
2022	596	18,488	23,677	24,682	25,543	25,701	25,701	25,701	25,703	25,703	25,703	25,703

#### 3.8.4 Projected Inflation Adjusted Chain Ladder Table - Discounted Results

Accident year	Discounted Cumulative IABCL - Annual Projections (N'000)											
	1	2	3	4	5	6	7	8	9	10	11	12
2007	-	61,081	70,184	70,878	73,658	73,658	73,706	73,793	73,793	73,793	73,793	73,793
2008	539,071	733,580	752,349	765,744	770,937	771,310	771,310	771,811	771,811	771,811	771,811	771,811
2009	249,906	412,160	673,295	674,501	683,256	683,424	683,985	683,985	683,985	683,985	683,985	684,097
2010	100,556	304,928	313,685	320,057	338,863	338,996	338,996	341,675	341,675	341,675	341,675	341,675
2011	52,857	130,253	160,702	182,745	186,041	186,068	187,227	187,648	187,648	187,792	187,792	187,792
2012	49,220	148,339	234,638	258,493	269,940	270,097	270,491	270,491	271,707	271,707	271,707	280,386
2013	61,029	168,366	229,880	236,024	238,740	239,131	239,131	239,723	239,723	239,723	292,295	292,295
2014	26,540	66,747	75,665	77,025	77,025	79,628	83,612	84,657	84,657	115,537	115,537	115,537
2015	9,286	29,565	43,559	48,287	54,852	60,124	62,832	62,832	94,277	94,277	94,277	94,277
2016	25,574	29,690	42,121	50,760	53,545	53,545	53,545	68,076	68,077	68,077	68,077	68,077
2017	12,778	23,069	37,636	37,636	37,758	37,758	44,279	44,279	44,280	44,280	44,280	44,280
2018	4,469	160,724	161,721	161,721	161,721	178,588	178,588	178,588	178,592	178,592	178,592	178,592
2019	6,227	38,763	57,847	57,847	62,004	62,241	62,241	62,241	62,243	62,243	62,243	62,243
2020	10,152	19,288	19,288	19,958	20,466	20,548	20,548	20,548	20,549	20,549	20,549	20,549
2021	-	-	7,787	8,042	8,235	8,266	8,266	8,266	8,267	8,267	8,267	8,267
2022	596	18,488	22,821	23,566	24,132	24,224	24,224	24,224	24,224	24,224	24,224	24,224

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### NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2022

#### 3.8.6 Reserve for Large losses

Accident Year	Exposure / Earned Premium (N'000)	Total Paid Amounts (N'000)	O/s Reported LG Reserve	No. of Large Losses	Claim Frequency	Average Paid Cost (N'000)	Ult Avg Cost	Ultimate Freq	Ultimate Claims (N'000)	Large Loss Reserves (N'000)
2007	748,944	-	-	-	0.00000%	-	-	0.00000%	-	-
2008	748,944	-	-	4	0.00053%	-	-	0.00053%	-	-
2009	748,944	-	-	1	0.00013%	-	-	0.00013%	-	-
2010	748,944	-	-	1	0.00013%	-	-	0.00013%	-	-
2011	473,732	-	-	3	0.00063%	-	-	0.00063%	-	-
2012	393,774	26	-	2	0.00051%	13	13	0.00051%	26	-
2013	357,261	-	-	1	0.00028%	-	-	0.00028%	-	-
2014	281,014	-	-	2	0.00071%	-	-	0.00071%	-	-
2015	243,484	-	-	-	0.00000%	-	-	0.00000%	-	-
2016	277,299	-	-	-	0.00000%	-	-	0.00000%	-	-
2017	300,575	-	-	-	0.00000%	-	-	0.00000%	-	-
2018	209,467	-	-	-	0.00000%	-	-	0.00000%	-	-
2019	165,903	2,835	-	1	0.00060%	2,835	2,835	0.00000%	2,835	-
2020	244,939	111,189	-	-	0.00000%	-	-	0.00000%	111,189	-
2021	122,722	-	-	-	0.00000%	-	-	0.00000%	-	-
2022	140,727	57,745	-	1	0.00071%	57,745	-	0.00012%	57,745	-
<b>Total</b>										
									<b>Discounted*</b>	<b>0</b>

We have assumed that the pre 2018 claims are fully developed. For 2019 accident year, we used the average of 2011 to 2018 (excluding 2014 to 2016) accident years to derive the Ultimate frequency and the ultimate average cost as the average cost over the same years.

#### 3.8.7 Gross Result Exhibit

Acc. Yr	Gross Earned Premium	Gross Paid Claims	O/s claims	Gross Incurred Claims	Paid Loss Ratio	Incurred Loss Ratio	Gross earned Premium	IBNR	Gross Ultimate Claims	Claims Reserve	IBNR Loss Ratio	Reserve Loss Ratio
2011	473,732	55,972	414	56,386	12%	12%	473,732	0	56,386	414	0%	0%
2012	393,774	90,778	8,678	99,456	23%	25%	393,774	0	99,456	8,678	0%	2%
2013	357,261	84,117	52,572	136,689	24%	38%	357,261	0	136,689	52,572	0%	15%
2014	281,014	34,360	30,880	65,240	12%	23%	281,014	0	65,240	30,880	0%	11%
2015	243,484	32,740	31,445	64,185	13%	26%	243,484	0	64,185	31,445	0%	13%
2016	277,299	28,174	14,532	42,706	10%	15%	277,299	0	42,706	14,532	0%	5%
2017	300,575	21,844	6,522	28,366	7%	9%	300,575	0	28,366	6,522	0%	2%
2018	209,467	102,865	16,871	119,736	49%	57%	209,467	0	119,736	16,871	0%	8%
2019	165,903	46,574	4,396	50,970	28%	31%	165,903	0	50,970	4,396	0%	3%
2020	244,939	126,253	0	126,253	52%	52%	244,939	1,260	127,514	1,260	1%	1%
2021	122,722	0	0	0	0%	0%	122,722		8,267	8,267	7%	7%
2022	140,727	58,341	1,000	59,341	41%	42%	140,727	21,586	80,927	22,586	15%	16%
<b>Total</b>			<b>167,311</b>							<b>198,424</b>		

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### NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2022

#### Appendix 3.9 : Illustration of Gross Claim Reserving - Engineering

The tables shown are the step by step output of the IABCL Method in estimating Gross Claim Reserve:

##### 3.9.1 Table of claims paid excluding large claims (Attritional Table)

Accident year	Incremental Chain ladder-Yearly Projections (N'000)											
	1	2	3	4	5	6	7	8	9	10	11	12
2007	-	6	-	-	-	-	-	-	-	-	-	-
2008	-	-	-	-	-	-	-	-	-	-	-	-
2009	-	-	-	-	-	-	-	-	-	-	-	-
2010	19,344	-	-	-	-	-	-	-	-	762	-	-
2011	9,457	-	-	-	-	5,250	-	762	-	-	-	-
2012	3,604	1,201	4,138	-	-	-	-	-	-	-	-	-
2013	704	1,140	1,044	-	-	-	-	-	-	-	-	-
2014	8,187	2,664	-	61	-	-	-	-	-	-	-	-
2015	552	5,463	93	-	-	-	-	-	-	-	-	-
2016	84	6,035	-	-	-	-	-	-	-	-	-	-
2017	-	1,114	1,355	-	-	-	-	-	-	-	-	-
2018	-	4,440	3,636	-	-	-	-	-	-	-	-	-
2019	-	-	-	5,990	-	-	-	-	-	-	-	-
2020	-	-	-	-	-	-	-	-	-	-	-	-
2021	-	-	-	-	-	-	-	-	-	-	-	-
2022	-	-	-	-	-	-	-	-	-	-	-	-

##### 3.9.2 Inflation Adjusted Chain Ladder Table

Accident year	Inflation Adjusted Chain Ladder - Annual Projections (N'000)											
	1	2	3	4	5	6	7	8	9	10	11	12
2007	-	32	-	-	-	-	-	-	-	-	-	-
2008	-	-	-	-	-	-	-	-	-	-	-	-
2009	-	-	-	-	-	-	-	-	-	-	-	-
2010	81,434	-	-	-	-	-	-	-	-	1,196	-	-
2011	36,094	-	-	-	-	11,779	-	1,332	-	-	-	-
2012	12,281	3,789	12,055	-	-	-	-	-	-	-	-	-
2013	2,222	3,322	2,775	-	-	-	-	-	-	-	-	-
2014	23,853	7,081	-	118	-	-	-	-	-	-	-	-
2015	1,466	12,258	181	-	-	-	-	-	-	-	-	-
2016	188	11,736	-	-	-	-	-	-	-	-	-	-
2017	-	1,946	2,126	-	-	-	-	-	-	-	-	-
2018	-	6,968	4,961	-	-	-	-	-	-	-	-	-
2019	-	-	-	5,990	-	-	-	-	-	-	-	-
2020	-	-	-	-	-	-	-	-	-	-	-	-
2021	-	-	-	-	-	-	-	-	-	-	-	-
2022	-	-	-	-	-	-	-	-	-	-	-	-

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### NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2022

#### 3.9.3 Projected Inflation Adjusted Chain Ladder Table

Accident year	Cumulative Chain ladder-Annual Projections (N'000)											
	1	2	3	4	5	6	7	8	9	10	11	12
2007	-	32	32	32	32	32	32	32	32	32	32	32
2008	-	-	-	-	-	-	-	-	-	-	-	-
2009	-	-	-	-	-	-	-	-	-	-	-	-
2010	81,434	81,434	81,434	81,434	81,434	81,434	81,434	81,434	81,434	82,630	82,630	82,630
2011	36,094	36,094	36,094	36,094	36,094	47,873	47,873	49,205	49,205	49,205	49,205	49,205
2012	12,281	16,070	28,125	28,125	28,125	28,125	28,125	28,125	28,125	28,125	28,125	30,002
2013	2,222	5,545	8,320	8,320	8,320	8,320	8,320	8,320	8,320	8,320	23,528	23,528
2014	23,853	30,935	30,935	31,053	31,053	31,053	31,053	31,053	31,053	34,316	34,316	34,316
2015	1,466	13,724	13,905	13,905	13,905	13,905	13,905	13,905	24,890	24,890	24,890	24,890
2016	188	11,923	11,923	11,923	11,923	11,923	11,923	24,900	24,900	24,900	24,900	24,900
2017	-	1,946	4,073	11,923	4,073	4,073	6,873	6,873	6,873	6,873	6,873	6,873
2018	-	6,968	11,928	11,928	11,928	12,208	12,208	12,208	12,208	12,208	12,208	12,208
2019	-	-	-	5,990	6,137	6,137	6,137	6,137	6,137	6,137	6,137	6,137
2020	-	-	-	140	140	140	140	140	140	140	140	140
2021	-	-	410	423	423	423	423	423	423	423	423	423
2022	-	84	95	99	99	99	99	99	99	99	99	99

#### 3.9.4 Projected Inflation Adjusted Chain Ladder Table - Discounted Results

Accident year	Discounted Cumulative IABCL - Annual Projections (N'000)											
	1	2	3	4	5	6	7	8	9	10	11	12
2007	-	32	32	32	32	32	32	32	32	32	32	32
2008	-	-	-	-	-	-	-	-	-	-	-	-
2009	-	-	-	-	-	-	-	-	-	-	-	-
2010	81,434	81,434	81,434	81,434	81,434	81,434	81,434	81,434	81,434	82,630	82,630	82,630
2011	36,094	36,094	36,094	36,094	36,094	47,873	47,873	49,205	49,205	49,205	49,205	49,205
2012	12,281	16,070	28,125	28,125	28,125	28,125	28,125	28,125	28,125	28,125	28,125	43,325
2013	2,222	5,545	8,320	8,320	8,320	8,320	8,320	8,320	8,320	8,320	24,799	24,799
2014	23,853	30,935	30,935	31,053	31,053	31,053	31,053	31,053	31,053	42,383	42,383	42,383
2015	1,466	13,724	13,905	13,905	13,905	13,905	13,905	13,905	46,776	46,776	46,776	46,776
2016	188	11,923	11,923	11,923	11,923	11,923	11,923	44,773	44,773	44,773	44,773	44,773
2017	-	1,946	4,073	4,073	4,073	4,073	30,720	30,720	30,720	30,720	30,720	30,720
2018	-	6,968	11,928	11,928	11,928	42,561	42,561	42,561	42,561	42,561	42,561	42,561
2019	-	-	-	5,990	7,659	7,669	7,669	7,669	7,669	7,669	7,669	7,669
2020	-	-	-	293	295	297	297	297	297	297	297	297
2021	-	-	1,334	1,382	1,393	1,402	1,402	1,402	1,402	1,402	1,402	1,402
2022	-	715	757	786	792	798	798	798	798	798	798	798

## INDUSTRIAL AND GENERAL INSURANCE PLC

### NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2022

#### 3.9.5 Reserve for Large losses

Accident Year	Exposure / Earned Premium (N'000)	Total Paid Amount (N'000)	O/s Reported LG Reserve	No. of Large Losses	Claim Freq	Average Paid Cost (N'000)	Ult Avg Cost	Ultimate Freq	Ultimate Claims (N'000)	Large Loss Reserves (N'000)
2007	662,227	-	-	-	0.00000%	-	-	0.00000%	-	-
2008	662,227	-	-	4	0.60402%	-	-	0.00060%	-	-
2009	662,227	-	-	1	0.15101%	-	-	0.00015%	-	-
2010	662,227	23,881	-	1	0.15101%	23,881	23,881	0.00015%	23,881	-
2011	529,540	24	-	3	0.56653%	8	8	0.00057%	24	-
2012	486,725	18,573	-	2	0.41091%	9,286	9,286	0.00041%	18,573	-
2013	222,644	33,000	172,318	1	1.34744%	33,000	33,000	0.00135%	205,318	172,318
2014	349,275	243,000	-	2	0.57261%	121,500	121,500	0.00057%	243,000	-
2015	579,535	-	168,480	-	0.17255%	-	-	0.00017%	168,480	168,480
2016	345,802	-	104,888	-	0.28918%	-	-	0.00029%	104,888	104,888
2017	209,495	9,748	17,197	1	0.95468%	9,748	9,748	0.00095%	26,945	17,197
2018	192,255	19,446	-	-	0.00000%	-	-	0.00000%	19,446	-
2019	43,135	-	-	-	0.00000%	-	-	0.00000%	-	-
2020	8,630	-	-	-	0.00000%	-	-	0.00000%	-	-
2021	3,270	-	-	-	0.00000%	-	-	0.00009%	-	-
2022	831	-	-	-	0.00000%	-	-	0.00009%	-	-
<b>Total</b>			<b>462,883</b>							<b>462,883</b>
									<b>Discounted*</b>	<b>124,917</b>

Acc. Yr	Gross Earned Premium	Gross Paid Claims	O/s claims	Gross Incurred Claims	Paid Loss Ratio	Incurred Loss Ratio	Gross earned Premium	IBNR	Gross Ultimate Claims	Claims Reserve	IBNR Loss Ratio	Reserve Loss Ratio
2011	529,540	15,493	0	15,493	3%	3%	529,540	0	15,493	0	0%	0%
2012	486,725	27,515	1,767	29,282	6%	6%	486,725	0	29,282	1,767	0%	0%
2013	222,644	35,889	176,588	212,477	16%	95%	222,644	0	212,477	176,588	0%	79%
2014	349,275	253,912	2,745	256,657	73%	73%	349,275	328	256,985	3,073	0%	1%
2015	579,535	6,108	168,480	174,588	1%	30%	579,535	518	175,106	168,998	0%	29%
2016	345,802	6,118	110,531	116,649	2%	34%	345,802	459	117,109	110,990	0%	32%
2017	209,495	12,217	18,697	30,914	6%	15%	209,495	133	31,048	18,831	0%	9%
2018	192,255	27,522	0	27,522	14%	14%	192,255	263	27,785	263	0%	0%
2019	43,135	5,990	76	6,066	14%	14%	43,135	62	6,129	139	0%	0%
2020	8,630	0	0	0	0%	0%	8,630	132	132	132	2%	2%
2021	3,270	0	0	0	0%	0%	3,270	397	397	397	12%	12%
2022	831	0	0	0	0%	0%	831	91	91	91	11%	11%
<b>Total</b>			<b>478,885</b>				<b>2,971,138</b>			<b>481,269</b>		

## INDUSTRIAL AND GENERAL INSURANCE PLC

### NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2022

#### Appendix 3.10 : Illustration of Gross Claim Reserving - Motor

The tables shown are the step by step output of the IABCL Method in estimating Gross Claim Reserve:

##### 3.10.1 Table of claims paid excluding large claims (Attritional Table)

Accident year	Incremental Chain ladder-Yearly Projections (N'000)											
	1	2	3	4	5	6	7	8	9	10	11	12
2007	-	56,234	1,006	17	5,744	-	-	-	-	300	-	-
2008	78,400	20,935	1,859	1,101	1,036	2,030	-	2,588	6	-	-	-
2009	90,967	54,092	16,484	1,697	8,552	-	3,672	45	-	-	-	-
2010	79,331	123,520	25,665	752	-	1,040	120	-	-	-	-	-
2011	93,760	71,679	7,279	7,659	5,166	52	-	-	-	-	636	-
2012	73,639	54,002	7,538	12	446	2,016	-	-	607	1,072	-	-
2013	79,406	50,280	3,400	541	311	-	-	-	-	-	-	-
2014	43,663	43,998	10,316	102	3,060	2,370	386	1,260	-	-	-	-
2015	39,104	41,503	5,284	2,942	-	498	-	-	-	-	-	-
2016	49,364	10,729	2,286	360	-	-	-	-	-	-	-	-
2017	31,055	15,689	9,914	6,034	-	-	-	-	-	-	-	-
2018	17,547	18,229	8,756	989	-	-	-	-	-	-	-	-
2019	17,733	9,781	219	-	-	-	-	-	-	-	-	-
2020	7,895	5,879	-	-	-	-	-	-	-	-	-	-
2021	15,745	2,582	-	-	-	-	-	-	-	-	-	-
2022	5,878	-	-	-	-	-	-	-	-	-	-	-

##### 3.10.2 Inflation Adjusted Chain Ladder Table

Accident year	Inflation Adjusted Chain Ladder - Annual Projections (N'000)											
	1	2	3	4	5	6	7	8	9	10	11	12
2007	-	301,451	4,733	73	21,924	-	-	-	-	673	-	-
2008	420,276	98,531	7,825	4,204	3,530	6,404	-	6,879	14	-	-	-
2009	428,133	227,711	62,913	5,783	26,984	-	9,761	102	-	-	-	-
2010	333,960	471,425	87,457	2,374	-	2,763	269	-	-	-	-	-
2011	357,843	244,260	22,966	22,314	13,733	118	-	-	-	-	762	-
2012	250,939	170,389	21,961	32	1,001	3,921	-	-	828	1,285	-	-
2013	250,547	146,488	9,039	1,214	606	-	-	-	-	-	-	-
2014	127,210	116,958	23,144	199	5,348	3,719	527	1,510	-	-	-	-
2015	103,948	93,118	10,277	5,142	-	680	-	-	-	-	-	-
2016	110,754	20,864	3,995	565	-	-	-	-	-	-	-	-
2017	60,394	27,419	15,556	8,233	-	-	-	-	-	-	-	-
2018	30,666	28,604	11,948	1,185	-	-	-	-	-	-	-	-
2019	27,826	13,347	263	-	-	-	-	-	-	-	-	-
2020	10,773	7,045	-	-	-	-	-	-	-	-	-	-
2021	18,867	2,582	-	-	-	-	-	-	-	-	-	-
2022	5,878	-	-	-	-	-	-	-	-	-	-	-



## INDUSTRIAL AND GENERAL INSURANCE PLC

### NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2022

**3.10.3 Projected Inflation Adjusted Chain Ladder Table**

Accident year	Cumulative Chain ladder-Annual Projections (N'000)											
	1	2	3	4	5	6	7	8	9	10	11	12
2007	-	301,451	306,185	306,257	328,181	328,181	328,181	328,181	328,181	328,854	328,854	328,854
2008	420,276	518,806	526,631	530,835	534,364	540,768	540,768	547,646	547,661	547,661	547,661	547,661
2009	428,133	655,844	718,757	724,539	751,524	751,524	761,285	761,386	761,386	761,386	761,386	761,386
2010	333,960	805,384	892,841	895,215	895,215	897,979	898,248	898,248	898,248	898,248	898,248	898,248
2011	357,843	602,103	625,069	647,383	661,117	661,234	661,234	661,234	661,234	661,234	661,996	661,996
2012	250,939	421,328	443,289	443,321	444,322	448,243	448,243	448,243	449,071	450,356	450,356	450,386
2013	250,547	397,035	406,074	407,288	407,893	407,893	407,893	407,893	407,893	407,893	412,908	412,908
2014	127,210	244,168	267,312	267,511	272,859	276,577	277,105	278,614	278,614	289,110	289,110	289,110
2015	103,948	197,066	207,342	212,484	212,484	213,164	213,164	213,164	226,746	226,746	226,746	226,746
2016	110,754	131,618	135,613	136,178	136,178	136,178	136,178	141,841	141,841	141,841	141,841	141,841
2017	60,394	87,812	103,369	111,601	111,601	111,601	127,218	127,218	127,218	127,218	127,218	127,218
2018	30,666	59,270	71,217	107,398	72,402	80,176	80,428	80,428	80,428	80,428	80,428	80,428
2019	27,826	41,173	41,436	41,436	50,338	50,637	50,824	50,824	50,824	50,824	50,824	50,824
2020	10,773	17,817	17,817	20,845	21,287	21,438	21,532	21,532	21,532	21,532	21,532	21,532
2021	18,867	21,449	30,495	30,939	31,698	31,956	32,117	32,117	32,117	32,117	32,117	32,117
2022	5,878	19,646	21,198	21,535	22,111	22,307	22,429	22,429	22,429	22,429	22,429	22,429

**3.10.4 Projected Inflation Adjusted Chain Ladder Table - Discounted Results**

Accident year	Discounted Cumulative IABCL - Annual Projections (N'000)											
	1	2	3	4	5	6	7	8	9	10	11	12
2007	-	301,451	306,185	306,257	328,181	328,181	328,181	328,181	328,181	328,854	328,854	328,854
2008	420,276	518,806	526,631	530,835	534,364	540,768	540,768	547,646	547,661	547,661	547,661	547,661
2009	428,133	655,844	718,757	724,539	751,524	751,524	761,285	761,386	761,386	761,386	761,386	761,386
2010	333,960	805,384	892,841	895,215	895,215	897,979	898,248	898,248	898,248	898,248	898,248	898,248
2011	357,843	602,103	625,069	647,383	661,117	661,234	661,234	661,234	661,234	661,234	661,996	661,996
2012	250,939	421,328	443,289	443,321	444,322	448,243	448,243	448,243	449,071	450,356	450,356	450,474
2013	250,547	397,035	406,074	407,288	407,893	407,893	407,893	407,893	407,893	407,893	425,589	425,589
2014	127,210	244,168	267,312	267,511	272,859	276,577	277,105	278,614	278,614	288,498	288,498	288,498
2015	103,948	197,066	207,342	212,484	212,484	213,164	213,164	213,164	225,954	225,954	225,954	225,954
2016	110,754	131,618	135,613	136,178	136,178	136,178	136,178	141,511	141,511	141,511	141,511	141,511
2017	60,394	87,812	103,369	111,601	111,601	111,601	126,308	126,308	126,308	126,308	126,308	126,308
2018	30,666	59,270	71,217	72,402	72,402	79,723	79,934	79,934	79,934	79,934	79,934	79,934
2019	27,826	41,173	41,436	41,436	49,819	50,069	50,207	50,207	50,207	50,207	50,207	50,207
2020	10,773	17,817	17,817	20,669	21,038	21,149	21,211	21,211	21,211	21,211	21,211	21,211
2021	18,867	21,449	29,968	30,339	30,901	31,070	31,164	31,164	31,164	31,164	31,164	31,164
2022	5,878	18,843	20,140	20,390	20,768	20,882	20,945	20,945	20,945	20,945	20,945	20,945

## INDUSTRIAL AND GENERAL INSURANCE PLC

### NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2022

#### 3.10.5 Reserve for Large losses

##### Reserve for Large losses

Accident Year	Exposure / Earned Premium (N'000)	Total Paid Amounts (N'000)	O/s Reported LG Reserve	No. of Large Losses	Claim Frequency	Average Paid Cost (N'000)	Ult Avg Cost	Ultimate Freq	Ultimate Claims (N'000)	Large Loss Reserves (N'000)
2007	994,754	2,081,932	-	-	0.00000%	-	-	0.00000%	2,081,932	-
2008	994,754	4,163,865	-	-	0.00000%	-	-	0.00000%	4,163,865	-
2009	994,754	-	-	-	0.00000%	-	-	0.00000%	-	-
2010	994,754	-	-	-	0.00000%	-	-	0.00000%	-	-
2011	1,173,862	-	-	-	0.00000%	-	-	0.00000%	-	-
2012	1,132,834	-	-	-	0.00000%	-	-	0.00000%	-	-
2013	859,016	-	-	-	0.00000%	-	-	0.00000%	-	-
2014	669,873	-	-	-	0.00000%	-	-	0.00000%	-	-
2015	518,927	-	-	2	0.00039%	-	-	0.00000%	-	-
2016	423,105	-	-	-	0.00000%	-	-	0.00000%	-	-
2017	439,619	-	-	-	0.00000%	-	-	0.00000%	-	-
2018	417,626	-	-	-	0.00000%	-	-	0.00000%	-	-
2019	263,964	1,358,984	-	-	0.00000%	-	-	0.00000%	1,358,984	-
2020	254,239	-	-	-	0.00000%	-	-	0.00000%	-	-
2021	231,343	-	-	-	0.00000%	-	-	0.00000%	-	-
2022	90,862	-	-	-	0.00000%	-	-	0.00000%	-	-
<b>Total</b>										
									<b>Discounted*</b>	-

##### Gross Result Exhibit

Acc. Yr	Gross Earned Premium	Gross Paid Claims	O/s claims	Gross Incurred Claims	Paid Loss Ratio	Incurred Loss Ratio	Gross earned Premium	IBNR	Gross Ultimate Claims	Claims Reserve	IBNR Loss Ratio	Reserve Loss Ratio
2011	1,173,862	186,231	972	187,203	16%	16%	1,173,862	-	187,203	972	0%	0%
2012	1,132,834	139,332	28	139,360	12%	12%	1,132,834	-	139,360	28	0%	0%
2013	859,016	133,939	4,723	138,661	16%	16%	859,016	-	138,661	4,723	0%	1%
2014	669,873	105,155	9,884	115,039	16%	17%	669,873	-	115,039	9,884	0%	1%
2015	518,927	89,332	12,790	102,122	17%	20%	518,927	-	102,122	12,790	0%	2%
2016	423,105	62,738	5,333	68,072	15%	16%	423,105	-	68,072	5,333	0%	1%
2017	439,619	62,692	13,140	75,831	14%	17%	439,619	1,567	77,398	14,706	0%	3%
2018	417,626	45,520	6,720	52,240	11%	13%	417,626	812	53,052	7,532	0%	2%
2019	263,964	1,386,718	7,782	1,394,500	525%	528%	263,964	989	1,395,489	8,772	0%	3%
2020	254,239	13,774	-	13,774	5%	5%	254,239	3,394	17,168	3,394	1%	1%
2021	231,343	18,327	-	18,327	8%	8%	231,343	-	28,042	9,714	4%	4%
2022	90,862	5,878	8,640	14,517	6%	16%	90,862	6,428	20,945	15,067	7%	17%
<b>Total</b>			<b>70,011</b>							<b>92,915</b>		
<b>Total</b>				<b>91,129</b>								

## INDUSTRIAL AND GENERAL INSURANCE PLC

### NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2022

#### Appendix 3.11 : Illustration of Gross Claim Reserving - Marine

The tables shown are the step by step output of the IABCL Method in estimating Gross Claim Reserve:

##### 3.11.1 Table of claims paid excluding large claims (Attritional Table)

Accident year	Incremental Chain ladder-Yearly Projections (N'000)											
	1	2	3	4	5	6	7	8	9	10	11	12
2007	-	-	-	-	-	-	-	-	-	-	-	-
2008	10,500	-	-	-	-	-	-	-	-	-	-	-
2009	312	-	-	-	-	-	-	-	-	-	-	-
2010	51,664	-	-	-	-	-	-	-	-	-	-	-
2011	111,956	-	-	5,610	-	-	-	-	-	-	-	-
2012	26,563	21,882	9,219	-	-	-	-	-	-	-	-	-
2013	42	14,399	17,122	18,585	-	-	-	-	-	-	-	-
2014	18	5,050	536	18,511	-	-	-	-	-	-	-	-
2015	578	3,752	17,752	-	-	-	-	-	-	-	-	-
2016	-	1,524	-	-	-	-	-	-	-	-	-	-
2017	20,131	13,104	-	-	21,558	-	-	-	-	-	-	-
2018	18,147	-	-	-	-	-	-	-	-	-	-	-
2019	-	-	-	-	-	-	-	-	-	-	-	-
2020	-	-	-	-	-	-	-	-	-	-	-	-
2021	-	-	-	-	-	-	-	-	-	-	-	-
2022	-	-	-	-	-	-	-	-	-	-	-	-

##### 3.11.2 Inflation Adjusted Chain Ladder Table

Accident year	Inflation Adjusted Chain Ladder - Annual Projections (N'000)											
	1	2	3	4	5	6	7	8	9	10	11	12
2007	-	-	-	-	-	-	-	-	-	-	-	-
2008	56,285	-	-	-	-	-	-	-	-	-	-	-
2009	1,468	-	-	-	-	-	-	-	-	-	-	-
2010	217,491	-	-	-	-	-	-	-	-	-	-	-
2011	427,291	-	-	16,345	-	-	-	-	-	-	-	-
2012	90,518	69,044	26,858	-	-	-	-	-	-	-	-	-
2013	133	41,950	45,514	41,697	-	-	-	-	-	-	-	-
2014	51	13,424	1,203	35,998	-	-	-	-	-	-	-	-
2015	1,538	8,418	34,523	-	-	-	-	-	-	-	-	-
2016	-	2,964	-	-	-	-	-	-	-	-	-	-
2017	39,150	22,900	-	-	25,833	-	-	-	-	-	-	-
2018	31,714	-	-	-	-	-	-	-	-	-	-	-
2019	-	-	-	-	-	-	-	-	-	-	-	-
2020	-	-	-	-	-	-	-	-	-	-	-	-
2021	-	-	-	-	-	-	-	-	-	-	-	-
2022	-	-	-	-	-	-	-	-	-	-	-	-

## INDUSTRIAL AND GENERAL INSURANCE PLC

### NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2022

#### 3.11.3 Projected Inflation Adjusted Chain Ladder Table

Accident year	Cumulative Chain ladder-Annual Projections (N'000)											
	1	2	3	4	5	6	7	8	9	10	11	12
2007	-	-	-	-	-	-	-	-	-	-	-	-
2008	56,285	56,285	56,285	56,285	56,285	56,285	56,285	56,285	56,285	56,285	56,285	56,285
2009	1,468	1,468	1,468	1,468	1,468	1,468	1,468	1,468	1,468	1,468	1,468	1,468
2010	217,491	217,491	217,491	217,491	217,491	217,491	217,491	217,491	217,491	217,491	217,491	217,491
2011	427,291	427,291	427,291	443,637	443,637	443,637	443,637	443,637	443,637	443,637	443,637	443,637
2012	90,518	159,562	186,421	186,421	186,421	186,421	186,421	186,421	186,421	186,421	186,421	202,561
2013	133	42,083	87,597	129,294	129,294	129,294	129,294	129,294	129,294	129,294	146,793	146,793
2014	51	13,475	14,678	50,677	50,677	50,677	50,677	50,677	50,677	62,708	62,708	62,708
2015	1,538	9,955	44,478	44,478	44,478	44,478	44,478	44,478	79,384	79,384	79,384	79,384
2016	-	2,964	2,964	2,964	2,964	2,964	2,964	37,846	37,846	37,846	37,846	37,846
2017	39,150	62,050	62,050	2,964	87,883	87,883	116,179	116,179	116,179	116,179	116,179	116,179
2018	31,714	31,714	31,714	31,714	31,714	64,242	64,242	64,242	64,242	64,242	64,242	64,242
2019	-	-	-	-	1,773	1,785	1,785	1,785	1,785	1,785	1,785	1,785
2020	-	-	-	311	314	317	317	317	317	317	317	317
2021	-	-	1,416	1,474	1,489	1,503	1,503	1,503	1,503	1,503	1,503	1,503
2022	-	760	809	848	858	868	868	868	868	868	868	868

#### 3.11.4 Projected Inflation Adjusted Chain Ladder Table - Discounted Results

Accident year	Discounted Cumulative IABCL - Annual Projections (N'000)											
	1	2	3	4	5	6	7	8	9	10	11	12
2007	-	-	-	-	-	-	-	-	-	-	-	-
2008	56,285	56,285	56,285	56,285	56,285	56,285	56,285	56,285	56,285	56,285	56,285	56,285
2009	1,468	1,468	1,468	1,468	1,468	1,468	1,468	1,468	1,468	1,468	1,468	1,468
2010	217,491	217,491	217,491	217,491	217,491	217,491	217,491	217,491	217,491	217,491	217,491	217,491
2011	427,291	427,291	427,291	443,637	443,637	443,637	443,637	443,637	443,637	443,637	443,637	443,637
2012	90,518	159,562	186,421	186,421	186,421	186,421	186,421	186,421	186,421	186,421	186,421	201,621
2013	133	42,083	87,597	129,294	129,294	129,294	129,294	129,294	129,294	129,294	145,773	145,773
2014	51	13,475	14,678	50,677	50,677	50,677	50,677	50,677	62,007	62,007	62,007	62,007
2015	1,538	9,955	44,478	44,478	44,478	44,478	44,478	44,478	77,350	77,350	77,350	77,350
2016	-	2,964	2,964	2,964	2,964	2,964	2,964	35,813	35,813	35,813	35,813	35,813
2017	39,150	62,050	62,050	62,050	87,883	87,883	114,530	114,530	114,530	114,530	114,530	114,530
2018	31,714	31,714	31,714	31,714	31,714	62,346	62,346	62,346	62,346	62,346	62,346	62,346
2019	-	-	-	-	1,669	1,679	1,679	1,679	1,679	1,679	1,679	1,679
2020	-	-	-	293	295	297	297	297	297	297	297	297
2021	-	-	1,334	1,382	1,393	1,402	1,402	1,402	1,402	1,402	1,402	1,402
2022	-	715	757	786	792	798	798	798	798	798	798	798

## INDUSTRIAL AND GENERAL INSURANCE PLC

### NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2022

#### 3.11.5 Reserve for Large losses

Accident Year	Exposure / Earned Premium (N'000)	Total Paid Amount (N'000)	O/s Reported LG Reserve	No. of Large Losses	Claim Freq	Average Paid Cost (N'000)	Ult Avg Cost	Ultimate Freq	Ultimate Claims (N'000)	Large Loss Reserves (N'000)
2007	1,040,074	-	-	1	0.00010%	-	-	0.00010%	-	-
2008	1,040,074	2,018	-	-	0.00000%	-	-	0.00000%	2,018	-
2009	1,040,074	-	-	-	0.00000%	-	-	0.00000%	-	-
2010	1,040,074	-	-	-	0.00000%	-	-	0.00000%	-	-
2011	1,045,561	-	-	-	0.00000%	-	-	0.00000%	-	-
2012	789,139	2,502	-	1	0.00013%	2,502	2,502	0.00013%	2,502	-
2013	618,381	-	-	1	0.00016%	-	-	0.00016%	-	-
2014	462,695	136,060	-	1	0.00022%	136,060	136,060	0.00022%	136,060	-
2015	358,188	-	-	-	0.00000%	-	-	0.00000%	-	-
2016	272,899	-	-	-	0.00000%	-	-	0.00000%	-	-
2017	383,402	4,575	-	-	0.00000%	-	-	0.00000%	4,575	-
	164,788	-	132,675	-	0.00061%	-	-	0.00061%	132,675	132,675
2019	26,952	-	-	-	0.00000%	-	-	0.00000%	-	-
2020	19,450	-	-	-	0.00000%	-	-	0.00000%	-	-
2021	20,840	-	-	-	0.00000%	-	-	0.00000%	-	-
2022	8,534	-	-	-	0.00000%	-	-	0.00000%	-	-
<b>Total</b>			<b>132,675</b>							<b>132,675</b>
									<b>Discounted*</b>	<b>124,917</b>

We have assumed that the pre 2021 claims are fully developed. For 2022 accident year, we used 2021 accident year to derive the Ultimate frequency and the ultimate average as the cost of 2022 accident year.

## INDUSTRIAL AND GENERAL INSURANCE PLC

### NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2022

#### 3.11.6 Gross IBNR & ULR Results

Acc. Yr	Gross Earned Premium	Gross Paid Claims	O/s claims	Gross Incurred Claims	Paid Loss Ratio	Incurred Loss Ratio	Gross earned Premium	IBNR	Gross Ultimate Claims	Claims Reserve	IBNR Loss Ratio	Reserve Loss Ratio
2011	1,045,561	117,566	-	117,566	11%	11%	1,045,561	-	117,566	0	0%	0%
2012	789,139	60,166	15,200	75,366	8%	10%	789,139	-	75,366	15,200	0%	2%
2013	618,381	50,147	16,479	66,627	8%	11%	618,381	-	66,627	16,479	0%	3%
2014	462,695	160,175	11,331	171,505	35%	37%	462,695	-	171,505	11,331	0%	2%
2015	358,188	22,082	32,872	54,954	6%	15%	358,188	-	54,954	32,872	0%	9%
2016	272,899	1,524	32,849	34,373	1%	13%	272,899	-	34,373	32,849	0%	12%
2017	383,402	59,368	26,647	86,015	15%	22%	383,402	-	86,015	26,647	0%	7%
2018	164,788	18,147	155,550	173,697	11%	105%	164,788	-	173,697	155,550	0%	94%
2019	26,952	-	1,500	1,500	0%	6%	26,952	179	1,679	1,679	1%	6%
2020	19,450	-	-	-	0%	0%	19,450	297	297	297	2%	2%
2021	20,840	-	-	-	0%	0%	20,840	1,402	1,402	1,402	7%	7%
2022	8,534	-	-	-	0%	0%	8,534	798	798	798	9%	9%
<b>Total</b>			<b>292,428</b>					<b>2,677</b>		<b>295,105</b>		

#### Appendix 3.12 : Illustration of Gross Claim Reserving - Oil & Gas

The table shown is the output of the Expected Loss Ratio Method used in estimating Gross Claim Reserve for Oil & Gas:

#### Expected Loss Ratio Method Table

Accident Year	Gross Earned Premium (N' 000)	Claims Paid till date (N' 000)	Total O/s as at 31 Dec 2020 (N'000)	Current Incurred (N'000)	Current Loss Ratio	Ultimate Loss Ratio	Ultimate Losses (N'000)	O/s Claim Reserves (N'000)
2007	2,060,248	44,799	-	44,799	2%	2%	44,799	-
2008	2,060,248	59,201	-	59,201	3%	3%	59,201	-
2009	2,060,248	1,209,550	-	1,209,550	59%	59%	1,209,550	-
2010	2,060,248	27,135	21,756	48,891	2%	2%	48,891	21,756
2011	3,123,472	3,232,784	93,290	3,326,074	106%	106%	3,326,074	93,290
2012	3,384,452	272,082	626,750	898,832	27%	27%	898,832	626,750
2013	3,047,691	1,500,403	759	1,501,162	49%	49%	1,501,162	759
2014	2,765,860	38,992	866,019	905,011	33%	33%	905,011	866,019
2015	798,615	-	27,555	27,555	3%	3%	27,555	27,555
2016	728,781	10,590	16,129	26,719	4%	4%	26,719	16,129
2017	1,183,021	1,791	-	1,791	0%	0%	1,791	-
2018	457,611	-	-	-	0%	0%	-	-
2019	11,718	-	-	-	0%	0%	-	-
2020	1,725	-	-	-	0%	0%	-	-
2021	275	-	-	-	0%	0%	-	-
2022	18	-	-	-	0%	0%	-	-
<b>Total</b>			<b>1,652,259</b>					<b>1,652,259</b>
							<b>Discounted</b>	

## INDUSTRIAL AND GENERAL INSURANCE PLC

### NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2022

#### Gross Result Exhibit

Acc. Yr	Gross Earned Premium	Gross Paid Claims	O/s claims	Gross Incurred Claims	Paid Loss Ratio	Incurred Loss Ratio	Gross earned Premium	IBNR	Gross Ultimate Claims	Claims Reserve	IBNR Loss Ratio	Reserve Loss Ratio	Ultimate Loss Ratio
2011	3,123,472	3,232,784	93,290	3,326,074	103%	106%	3,123,472	-	3,326,074	93,290	0%	3%	106%
2012	3,384,452	272,082	626,750	898,832	8%	27%	3,384,452	-	898,832	626,750	0%	19%	27%
2013	3,047,691	1,500,403	759	1,501,162	49%	49%	3,047,691	-	1,501,162	759	0%	0%	49%
2014	2,765,860	38,992	866,019	905,011	1%	33%	2,765,860	-	905,011	866,019	0%	31%	33%
2015	798,615	-	27,555	27,555	0%	3%	798,615	-	27,555	27,555	0%	3%	3%
2016	728,781	10,590	16,129	26,719	1%	4%	728,781	-	26,719	16,129	0%	2%	4%
2017	1,183,021	1,791	-	1,791	0%	0%	1,183,021	-	1,791	-	0%	0%	0%
2018	457,611	-	-	-	0%	0%	457,611	-	-	-	0%	0%	0%
2019	11,718	-	-	-	0%	0%	11,718	-	-	-	0%	0%	0%
2020	1,725	-	-	-	0%	0%	1,725	-	-	-	0%	0%	0%
2021	275	-	-	-	0%	0%	275	-	-	-	0%	0%	0%
2022	18	-	-	-	0%	0%	18	-	-	-	0%	0%	0%
<b>Total</b>			<b>1,630,502</b>							<b>1,630,502</b>			

## INDUSTRIAL AND GENERAL INSURANCE PLC

### NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2022

#### Appendix 3.13 – Illustration of Reinsurance Recoveries Reserving

The tables shown are the step by step output of the IABCL Method in estimating Reinsurance Recoveries:

##### 3.13.1 General Accident Reinsurance Recoveries

##### 3.13.2 Table of reinsurance recoveries

Accident year	Incremental Chain ladder-Yearly Projections (N'000)											
	1	2	3	4	5	6	7	8	9	10	11	12
2008	-	-	-	-	-	-	-	-	-	-	-	-
2009	3,863	14,227	-	-	-	-	-	-	-	-	-	-
2010	588	-	-	-	841	-	-	-	-	-	-	-
2011	8,966	6,304	-	1,855	-	-	-	-	-	-	-	-
2012	-	942	8,193	-	2,020	-	-	-	-	-	-	-
2013	4,516	-	1,654	-	-	-	-	-	-	-	-	-
2014	1,488	-	-	-	-	-	-	-	-	-	-	-
2015	-	-	-	-	-	-	-	-	-	-	-	-
2016	2,449	-	-	2,097	-	-	-	-	-	-	-	-
2017	660	-	5,725	-	-	-	-	-	-	-	-	-
2018	-	61,898	-	-	-	-	-	-	-	-	-	-
2019	-	-	-	-	-	-	-	-	-	-	-	-
2020	-	-	-	-	-	-	-	-	-	-	-	-
2021	-	-	-	-	-	-	-	-	-	-	-	-
2022	-	-	-	-	-	-	-	-	-	-	-	-

##### 3.13.3 Inflation Adjusted Chain Ladder Table

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Accident year	Inflation Adjusted Chain Ladder - Annual Projections (N'000)											
	1	2	3	4	5	6	7	8	9	10	11	12
2008	-	-	-	-	-	-	-	-	-	-	-	-
2009	11,586	38,168	-	-	-	-	-	-	-	-	-	-
2010	1,576	-	-	-	1,561	-	-	-	-	-	-	-
2011	21,807	13,690	-	3,444	-	-	-	-	-	-	-	-
2012	-	1,894	15,211	-	2,888	-	-	-	-	-	-	-
2013	9,080	-	2,803	-	-	-	-	-	-	-	-	-
2014	2,763	-	-	-	-	-	-	-	-	-	-	-
2015	-	-	-	-	-	-	-	-	-	-	-	-
2016	3,501	-	-	2,097	-	-	-	-	-	-	-	-
2017	818	-	5,725	-	-	-	-	-	-	-	-	-
2018	-	61,898	-	-	-	-	-	-	-	-	-	-
2019	-	-	-	-	-	-	-	-	-	-	-	-
2020	-	-	-	-	-	-	-	-	-	-	-	-
2021	-	-	-	-	-	-	-	-	-	-	-	-
2022	-	-	-	-	-	-	-	-	-	-	-	-



## INDUSTRIAL AND GENERAL INSURANCE PLC

### NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2022

#### 3.14.4 Projected Inflation Adjusted Chain Ladder Table

Accident year	Cumulative Chain ladder-Annual Projections (N'000)											
	1	2	3	4	5	6	7	8	9	10	11	12
2008	-	-	-	-	-	-	-	-	-	-	-	-
2009	11,586	49,753	49,753	49,753	49,753	49,753	49,753	49,753	49,753	49,753	-	-
2010	1,576	1,576	1,576	1,576	3,137	3,137	3,137	3,137	3,137	3,137	-	-
2011	21,807	35,498	35,498	38,942	38,942	38,942	38,942	38,942	38,942	38,942	38,942	-
2012	-	1,894	17,105	17,105	19,993	19,993	19,993	19,993	19,993	19,993	19,993	-
2013	9,080	9,080	11,882	11,882	11,882	11,882	11,882	11,882	11,882	11,882	11,882	-
2014	2,763	2,763	2,763	2,763	2,763	2,763	2,763	2,763	2,763	2,763	2,763	-
2015	-	-	-	-	-	-	-	-	-	-	-	-
2016	3,501	3,501	3,501	5,599	5,681	5,681	5,681	5,681	5,681	5,681	5,681	-
2017	818	818	6,543	6,664	6,774	6,774	6,774	6,774	6,774	6,774	6,774	-
2018	-	61,898	67,051	68,425	69,680	69,680	69,680	69,680	69,680	69,680	69,680	-
2019	-	-	-	-	-	-	-	-	-	-	-	-
2020	-	-	-	-	-	-	-	-	-	-	-	-
2021	-	-	-	-	-	-	-	-	-	-	-	-
2022	-	-	-	-	-	-	-	-	-	-	-	-

#### 3.13.5. Projected Inflation Adjusted Chain Ladder Table - Discounted Results

Accident year	Discounted Cumulative IABCL - Annual Projections (N'000)											
	1	2	3	4	5	6	7	8	9	10	11	12
2008	-	-	-	-	-	-	-	-	-	-	-	-
2009	11,586	49,753	49,753	49,753	49,753	49,753	49,753	49,753	49,753	49,753	49,753	-
2010	1,576	1,576	1,576	1,576	3,137	3,137	3,137	3,137	3,137	3,137	3,137	-
2011	21,807	35,498	35,498	38,942	38,942	38,942	38,942	38,942	38,942	38,942	38,942	-
2012	-	1,894	17,105	17,105	19,993	19,993	19,993	19,993	19,993	19,993	19,993	-
2013	9,080	9,080	11,882	11,882	11,882	11,882	11,882	11,882	11,882	11,882	11,882	-
2014	2,763	2,763	2,763	2,763	2,763	2,763	2,763	2,763	2,763	2,763	2,763	-
2015	-	-	-	-	-	-	-	-	-	-	-	-
2016	3,501	3,501	3,501	5,599	5,677	5,677	5,677	5,677	5,677	5,677	5,677	-
2017	818	818	6,543	6,657	6,749	6,749	6,749	6,749	6,749	6,749	6,749	-
2018	-	61,898	66,753	67,901	68,833	68,833	68,833	68,833	68,833	68,833	68,833	-
2019	-	-	-	-	-	-	-	-	-	-	-	-
2020	-	-	-	-	-	-	-	-	-	-	-	-
2021	-	-	-	-	-	-	-	-	-	-	-	-
2022	-	-	-	-	-	-	-	-	-	-	-	-

## INDUSTRIAL AND GENERAL INSURANCE PLC

### NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2022

#### 3.14 Fire Reinsurance Recoveries

##### 3.14.1 Table of reinsurance recoveries

Accident year	Incremental Chain ladder-Yearly Projections (N'000)											
	1	2	3	4	5	6	7	8	9	10	11	12
2008	-	-	-	-	-	-	-	-	-	-	-	-
2009	8,648	16,518	558	-	4,846	-	-	162	-	-	-	-
2010	6,824	66,242	49,878	681	6	435	-	-	-	-	-	-
2011	13,533	17,687	4,121	6,552	50	15	927	-	-	-	-	-
2012	35,649	3,846	590	330	2,623	-	-	366,911	-	-	-	-
2013	671	12,584	10,259	9,279	143	2	-	-	-	-	-	-
2014	4,138	8,448	122	47,114	51	203	-	-	-	-	-	-
2015	770	53,621	37,080	8,593	9	-	-	-	-	-	-	-
2016	6,880	576	44	-	-	-	-	-	-	-	-	-
2017	4,045	732	-	-	-	-	-	-	-	-	-	-
2018	2,077	545	-	-	-	-	-	-	-	-	-	-
2019	703	-	-	-	-	-	-	-	-	-	-	-
2020	-	-	-	-	-	-	-	-	-	-	-	-
2021	-	-	-	-	-	-	-	-	-	-	-	-
2022	-	-	-	-	-	-	-	-	-	-	-	-

##### 3.14.2 Inflation Adjusted Chain Ladder Table

Accident year	Inflation Adjusted Chain Ladder - Annual Projections (N'000)											
	1	2	3	4	5	6	7	8	9	10	11	12
2008	-	-	-	-	-	-	-	-	-	-	-	-
2009	25,938	44,313	1,358	-	9,745	-	-	232	-	-	-	-
2010	18,307	161,115	108,316	1,370	11	737	-	-	-	-	-	-
2011	32,916	38,409	8,287	12,164	84	21	1,148	-	-	-	-	-
2012	77,417	7,734	1,095	559	3,750	-	-	366,911	-	-	-	-
2013	1,350	23,364	17,380	13,267	177	2	-	-	-	-	-	-
2014	7,683	14,312	174	58,390	57	203	-	-	-	-	-	-
2015	1,304	76,667	45,954	9,570	9	-	-	-	-	-	-	-
2016	9,838	714	49	-	-	-	-	-	-	-	-	-
2017	5,013	815	-	-	-	-	-	-	-	-	-	-
2018	2,313	545	-	-	-	-	-	-	-	-	-	-
2019	703	-	-	-	-	-	-	-	-	-	-	-
2020	-	-	-	-	-	-	-	-	-	-	-	-
2021	-	-	-	-	-	-	-	-	-	-	-	-
2022	-	-	-	-	-	-	-	-	-	-	-	-

## INDUSTRIAL AND GENERAL INSURANCE PLC

### NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2022

#### 3.14.3 Projected Inflation Adjusted Chain Ladder Table

Accident year	Cumulative Chain ladder-Annual Projections (N'000)											
	1	2	3	4	5	6	7	8	9	10	11	12
2008	-	-	-	-	-	-	-	-	-	-	-	-
2009	25,938	70,251	71,609	71,609	81,354	81,354	81,354	81,585	81,585	81,585	-	-
2010	18,307	179,422	287,739	289,109	289,119	289,856	289,856	289,856	289,856	289,856	-	-
2011	32,916	71,326	79,613	91,777	91,861	91,882	93,031	93,031	93,031	93,031	94,567	-
2012	77,417	85,152	86,247	86,806	90,555	90,555	90,555	457,467	459,293	459,293	-	-
2013	1,350	24,715	42,094	55,361	55,539	55,540	55,540	62,048	62,048	62,048	-	-
2014	7,683	21,995	22,169	80,558	80,616	80,819	88,589	88,589	88,589	88,589	-	-
2015	1,304	77,971	123,925	133,495	133,503	152,824	152,824	152,824	152,824	152,824	-	-
2016	9,838	10,552	10,601	10,601	12,016	12,029	12,029	12,029	12,029	12,029	-	-
2017	5,013	5,829	5,829	11,343	11,501	11,515	11,515	11,515	11,515	11,515	-	-
2018	2,313	2,858	20,977	23,519	23,867	23,898	23,898	23,898	23,898	23,898	-	-
2019	703	1,928	2,426	2,755	2,800	2,804	2,804	2,804	2,804	2,804	-	-
2020	-	-	-	-	-	-	-	-	-	-	-	-
2021	-	-	-	-	-	-	-	-	-	-	-	-
2022	-	-	-	-	-	-	-	-	-	-	-	-

#### 3.14.4 Projected Inflation Adjusted Chain Ladder Table - Discounted Results

Accident year	Discounted Cumulative IABCL - Annual Projections (N'000)											
	1	2	3	4	5	6	7	8	9	10	11	12
2008	-	-	-	-	-	-	-	-	-	-	-	-
2009	25,938	70,251	71,609	71,609	81,354	81,354	81,354	81,585	81,585	81,585	-	-
2010	18,307	179,422	287,739	289,109	289,119	289,856	289,856	289,856	289,856	289,856	-	-
2011	32,916	71,326	79,613	91,777	91,861	91,882	93,031	93,031	93,031	93,031	94,478	-
2012	77,417	85,152	86,247	86,806	90,555	90,555	90,555	457,467	459,187	459,187	-	-
2013	1,350	24,715	42,094	55,361	55,539	55,540	55,540	61,671	61,671	61,671	-	-
2014	7,683	21,995	22,169	80,558	80,616	80,819	88,139	88,139	88,139	88,139	-	-
2015	1,304	77,971	123,925	133,495	133,503	151,705	151,705	151,705	151,705	151,705	-	-
2016	9,838	10,552	10,601	10,601	11,934	11,945	11,945	11,945	11,945	11,945	-	-
2017	5,013	5,829	5,829	11,023	11,156	11,166	11,166	11,166	11,166	11,166	-	-
2018	2,313	2,858	19,928	22,053	22,312	22,332	22,332	22,332	22,332	22,332	-	-
2019	703	1,857	2,274	2,517	2,547	2,549	2,549	2,549	2,549	2,549	-	-
2020	-	-	-	-	-	-	-	-	-	-	-	-
2021	-	-	-	-	-	-	-	-	-	-	-	-
2022	-	-	-	-	-	-	-	-	-	-	-	-

## INDUSTRIAL AND GENERAL INSURANCE PLC

### NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2022

#### 3.15 Engineering Reinsurance Recoveries

##### 3.15.1 Table of reinsurance recoveries

Accident year	Incremental Chain ladder-Yearly Projections (N'000)											
	1	2	3	4	5	6	7	8	9	10	11	12
2009	95	4,319	-	466	-	-	-	-	-	-	-	-
2010	188	-	-	-	-	-	-	-	-	-	-	-
2011	9,507	7,345	-	-	62	62	-	637	-	-	-	-
2012	4,304	616	-	-	13,509	-	-	-	-	-	-	-
2013	372	2,912	44,666	1,780	-	-	-	-	-	-	-	-
2014	1,032	1,555	22,321	39	-	-	-	-	-	-	-	-
2015	580	3,776	2,764	-	-	-	-	-	-	-	-	-
2016	55	2,200	-	-	-	-	-	-	-	-	-	-
2017	-	843	526	-	-	-	-	-	-	-	-	-
2018	-	-	-	-	-	-	-	-	-	-	-	-
2019	-	-	-	-	-	-	-	-	-	-	-	-
2020	-	-	-	-	-	-	-	-	-	-	-	-
2021	-	-	-	-	-	-	-	-	-	-	-	-
2022	-	-	-	-	-	-	-	-	-	-	-	-

##### 3.15.2 Inflation Adjusted Chain Ladder Table

Accident year	Inflation Adjusted Chain Ladder - Annual Projections (N'000)											
	1	2	3	4	5	6	7	8	9	10	11	12
2009	285	11,586	-	1,013	-	-	-	-	-	-	-	-
2010	505	-	-	-	-	-	-	-	-	-	-	-
2011	23,123	15,951	-	-	106	88	-	709	-	-	-	-
2012	9,346	1,238	-	-	19,316	-	-	-	-	-	-	-
2013	748	5,406	75,665	2,544	-	-	-	-	-	-	-	-
2014	1,916	2,634	31,915	49	-	-	-	-	-	-	-	-
2015	983	5,399	3,426	-	-	-	-	-	-	-	-	-
2016	79	2,726	-	-	-	-	-	-	-	-	-	-
2017	-	939	526	-	-	-	-	-	-	-	-	-
2018	-	-	-	-	-	-	-	-	-	-	-	-
2019	-	-	-	-	-	-	-	-	-	-	-	-
2020	-	-	-	-	-	-	-	-	-	-	-	-
2021	-	-	-	-	-	-	-	-	-	-	-	-
2022	-	-	-	-	-	-	-	-	-	-	-	-

## INDUSTRIAL AND GENERAL INSURANCE PLC

### NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2022

#### 3.15.3 Projected Inflation Adjusted Chain Ladder Table

Accident year	Cumulative Chain ladder-Annual Projections (N'000)											
	1	2	3	4	5	6	7	8	9	10	11	12
2009	285	11,872	11,872	12,884	12,884	12,884	12,884	12,884	12,884	12,884	-	-
2010	505	505	505	505	505	505	505	505	505	505	-	-
2011	23,123	39,074	39,074	39,074	39,180	39,268	39,268	39,977	39,977	50,300	-	-
2012	9,346	10,585	10,585	10,585	29,900	29,900	29,900	29,900	30,255	30,255	-	-
2013	748	6,154	81,819	84,364	84,364	84,364	84,364	186,406	186,406	186,406	-	-
2014	1,916	4,550	36,465	36,514	36,514	36,514	40,468	40,468	40,468	40,468	-	-
2015	983	6,382	9,808	9,808	9,808	9,808	12,768	12,768	12,768	12,768	-	-
2016	79	2,805	2,805	2,805	265,104	265,228	265,228	265,228	265,228	265,228	-	-
2017	-	939	1,464	17,362	19,249	19,259	19,259	19,259	19,259	19,259	-	-
2018	-	-	4,952	5,051	5,658	5,662	5,662	5,662	5,662	5,662	-	-
2019	-	5,664	13,416	13,699	15,429	15,438	15,438	15,438	15,438	15,438	-	-
2020	-	-	-	-	-	-	-	-	-	-	-	-
2021	-	-	-	-	-	-	-	-	-	-	-	-
2022	-	-	-	-	-	-	-	-	-	-	-	-

#### 3.15.4 Projected Inflation Adjusted Chain Ladder Table - Discounted Results

Accident year	Discounted Cumulative IABCL - Annual Projections (N'000)											
	1	2	3	4	5	6	7	8	9	10	11	12
2009	285	11,872	11,872	12,884	12,884	12,884	12,884	12,884	12,884	12,884	-	-
2010	505	505	505	505	505	505	505	505	505	505	-	-
2011	23,123	39,074	39,074	39,074	39,180	39,268	39,268	39,977	39,977	49,702	-	-
2012	9,346	10,585	10,585	10,585	29,900	29,900	29,900	29,900	30,234	30,234	-	-
2013	748	6,154	81,819	84,364	84,364	84,364	84,364	180,497	180,497	180,497	-	-
2014	1,916	4,550	36,465	36,514	36,514	36,514	40,239	40,239	40,239	40,239	-	-
2015	983	6,382	9,808	9,808	9,808	9,808	12,596	12,596	12,596	12,596	-	-
2016	79	2,805	2,805	2,805	249,916	250,020	250,020	250,020	250,020	250,020	-	-
2017	-	939	1,464	16,441	18,019	18,027	18,027	18,027	18,027	18,027	-	-
2018	-	-	4,665	4,748	5,199	5,201	5,201	5,201	5,201	5,201	-	-
2019	-	5,336	11,818	12,028	13,167	13,173	13,173	13,173	13,173	13,173	-	-
2020	-	-	-	-	-	-	-	-	-	-	-	-
2021	-	-	-	-	-	-	-	-	-	-	-	-
2022	-	-	-	-	-	-	-	-	-	-	-	-

## INDUSTRIAL AND GENERAL INSURANCE PLC

### NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2022

#### 3.16 Engineering Reinsurance Loss Ratio Table

The table shown is the output of the Expected Loss Ratio Method used in estimating Reinsurance Recoveries Reserve for Engineering:

Expected Loss Ratio Method Table

Accident Year	Reinsurance Earned Premium (N' 000)	RI Claims till date (N' 000)	Total O/s as at 30 June 2019 (N'000)	Current Incurred (N'000)	Current Loss Ratio	Ultimate Loss Ratio	Ultimate Losses (N'000)	Outstanding RI Reserves (N'000)
2009	-	-	-	-	0%	0%	-	-
2010	-	455,099	-	4,876,531	0%	0%	-	-
2011	149,280,507	16,516,685	-	22,609,916	15%	15%	22,609,916	-
2012	149,280,507	50,595,316	-	117,262,049	79%	79%	117,262,049	-
2013	149,280,507	91,818,494	-	58,834,520	39%	39%	58,834,520	-
2014	149,280,507	44,491,850	-	6,467,078	4%	4%	6,467,078	-
2015	134,285,253	4,770,315	-	1,501,805	1%	1%	1,501,805	-
2016	153,890,155	10,260,860	68,774,193	80,863,053	53%	53%	80,863,053	68,774,193
2017	280,158,030	12,648	31,907,487	67,263,546	24%	24%	67,263,546	31,907,487
2018	1,035,591,814	54,937,584	301,840	78,907,852	8%	10%	100,856,761	22,250,749
2019	4,262,310,552	139,051,502	9,576,902	84,884,424	2%	3%	116,159,354	40,851,832
<b>Total</b>			<b>100,983,520</b>					<b>122,932,430</b>

#### 3.16 Motor Reinsurance Recoveries

3.16.1 Table of reinsurance recoveries

Accident year	Incremental Chain ladder-Yearly Projections (N'000)											
	1	2	3	4	5	6	7	8	9	10	11	12
2009	1,864	6,887	-	-	2,524	-	-	-	-	-	-	-
2010	2,977	4,806	2,015	-	-	-	-	-	-	-	-	-
2011	1,984	1,518	-	1,104	-	-	-	-	-	-	-	-
2012	3,101	2,279	2,000	2,355	-	-	-	-	-	-	-	-
2013	9,156	5,671	7,269	-	-	-	-	-	-	-	-	-
2014	3,776	2,400	40	-	60	-	-	-	-	-	-	-
2015	-	1,160	595	-	-	-	-	-	-	-	-	-
2016	9,356	-	-	-	-	-	-	-	-	-	-	-
2017	5,881	4,089	1,000	-	-	-	-	-	-	-	-	-
2018	-	2,927	-	-	-	-	-	-	-	-	-	-
2019	90	-	-	-	-	-	-	-	-	-	-	-
2020	-	-	-	-	-	-	-	-	-	-	-	-
2021	-	-	-	-	-	-	-	-	-	-	-	-
2022	-	-	-	-	-	-	-	-	-	-	-	-

## INDUSTRIAL AND GENERAL INSURANCE PLC

### NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2022

#### 3.16.2 Inflation Adjusted Chain Ladder Table

Inflation Adjusted Chain Ladder - Annual Projections (N'000)												
Accident year	1	2	3	4	5	6	7	8	9	10	11	12
2009	5,590	18,476	-	-	5,075	-	-	-	-	-	-	-
2010	7,986	11,689	4,376	-	-	-	-	-	-	-	-	-
2011	4,827	3,296	-	2,050	-	-	-	-	-	-	-	-
2012	6,735	4,583	3,713	3,989	-	-	-	-	-	-	-	-
2013	18,410	10,529	12,314	-	-	-	-	-	-	-	-	-
2014	7,010	4,066	57	-	67	-	-	-	-	-	-	-
2015	-	1,659	737	-	-	-	-	-	-	-	-	-
2016	13,377	-	-	-	-	-	-	-	-	-	-	-
2017	7,289	4,554	1,000	-	-	-	-	-	-	-	-	-
2018	-	2,927	-	-	-	-	-	-	-	-	-	-
2019	90	-	-	-	-	-	-	-	-	-	-	-
2020	-	-	-	-	-	-	-	-	-	-	-	-
2021	-	-	-	-	-	-	-	-	-	-	-	-
2022	-	-	-	-	-	-	-	-	-	-	-	-

#### 3.16.3 Projected Inflation Adjusted Chain Ladder Table

Cumulative Chain ladder-Annual Projections (N'000)												
Accident year	1	2	3	4	5	6	7	8	9	10	11	12
2009	5,590	24,066	24,066	24,066	29,141	29,141	29,141	29,141	29,141	29,141	29,141	29,141
2010	7,986	19,675	24,051	24,051	24,051	24,051	24,051	24,051	24,051	24,051	-	-
2011	4,827	8,122	8,122	10,172	10,172	10,172	10,172	10,172	10,172	10,172	10,172	-
2012	6,735	11,318	15,031	19,021	19,021	19,021	19,021	19,021	19,021	19,021	19,021	-
2013	18,410	28,939	41,253	41,253	41,253	41,253	41,253	41,253	41,253	41,253	41,253	-
2014	7,010	11,076	11,133	11,133	11,200	11,200	15,456	15,456	15,456	15,456	15,456	-
2015	-	1,659	2,396	2,396	2,396	3,740	3,740	3,740	3,740	3,740	3,740	-
2016	13,377	13,377	13,377	13,377	13,377	13,377	13,377	13,377	13,377	13,377	13,377	-
2017	7,289	11,843	12,843	16,224	16,224	16,224	16,224	16,224	16,224	16,224	16,224	-
2018	-	2,927	6,674	6,934	6,934	6,934	6,934	6,934	6,934	6,934	6,934	-
2019	90	655	751	782	782	782	782	782	782	782	782	-
2020	-	-	-	-	-	-	-	-	-	-	-	-
2021	-	-	-	-	-	-	-	-	-	-	-	-
2022	-	-	-	-	-	-	-	-	-	-	-	-

## INDUSTRIAL AND GENERAL INSURANCE PLC

### NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2022

#### 3.16.4 Projected Inflation Adjusted Chain Ladder Table - Discounted Results

Accident year	Discounted Cumulative IABCL - Annual Projections (N'000)											
	1	2	3	4	5	6	7	8	9	10	11	12
2009	5,590	24,066	24,066	24,066	29,141	29,141	29,141	29,141	29,141	29,141	-	-
2010	7,986	19,675	24,051	24,051	24,051	24,051	24,051	24,051	24,051	24,051	-	-
2011	4,827	8,122	8,122	10,172	10,172	10,172	10,172	10,172	10,172	10,172	-	-
2012	6,735	11,318	15,031	19,021	19,021	19,021	19,021	19,021	19,021	19,021	-	-
2013	18,410	28,939	41,253	41,253	41,253	41,253	41,253	42,860	42,860	42,860	-	-
2014	7,010	11,076	11,133	11,133	11,200	11,200	15,209	15,209	15,209	15,209	-	-
2015	-	1,659	2,396	2,396	2,396	3,662	3,662	3,662	3,662	3,662	-	-
2016	13,377	13,377	13,377	13,377	13,377	13,377	13,377	13,377	13,377	13,377	-	-
2017	7,289	11,843	12,843	16,029	16,029	16,029	16,029	16,029	16,029	16,029	-	-
2018	-	2,927	6,457	6,675	6,675	6,675	6,675	6,675	6,675	6,675	-	-
2019	90	622	702	725	725	725	725	725	725	725	-	-
2020	-	-	-	-	-	-	-	-	-	-	-	-
2021	-	-	-	-	-	-	-	-	-	-	-	-
2022	-	-	-	-	-	-	-	-	-	-	-	-

#### 3.17 Marine Reinsurance Recoveries

##### 3.17.1 Table of reinsurance recoveries

Accident year	Incremental Chain ladder-Yearly Projections (N'000)											
	1	2	3	4	5	6	7	8	9	10	11	12
2009	8,426	-	-	-	-	-	-	-	-	-	-	-
2010	27,530	-	-	-	-	-	-	-	-	-	-	-
2011	28,870	-	-	-	218	-	-	-	-	-	-	-
2012	4,399	208	-	-	-	-	-	-	-	-	-	-
2013	-	918	-	-	-	-	-	-	-	-	-	-
2014	1,816	80	458	29,335	-	-	-	-	-	-	-	-
2015	-	74	-	-	-	-	-	-	-	-	-	-
2016	-	-	-	-	-	-	-	-	-	-	-	-
2017	-	-	-	-	-	-	-	-	-	-	-	-
2018	-	-	-	-	-	-	-	-	-	-	-	-
2019	-	-	-	-	-	-	-	-	-	-	-	-
2020	-	-	-	-	-	-	-	-	-	-	-	-
2021	-	-	-	-	-	-	-	-	-	-	-	-
2022	-	-	-	-	-	-	-	-	-	-	-	-



## INDUSTRIAL AND GENERAL INSURANCE PLC

### NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2022

#### 3.17.2 Inflation Adjusted Chain Ladder Table

Inflation Adjusted Chain Ladder - Annual Projections (N'000)												
Accident year	1	2	3	4	5	6	7	8	9	10	11	12
2009	25,273	-	-	-	-	-	-	-	-	-	-	-
2010	73,855	-	-	-	-	-	-	-	-	-	-	-
2011	70,217	-	-	-	369	-	-	-	-	-	-	-
2012	9,552	419	-	-	-	-	-	-	-	-	-	-
2013	-	1,704	-	-	-	-	-	-	-	-	-	-
2014	3,372	135	655	36,356	-	-	-	-	-	-	-	-
2015	-	106	-	-	-	-	-	-	-	-	-	-
2016	-	-	-	-	-	-	-	-	-	-	-	-
2017	-	-	-	-	-	-	-	-	-	-	-	-
2018	-	-	-	-	-	-	-	-	-	-	-	-
2019	-	-	-	-	-	-	-	-	-	-	-	-
2020	-	-	-	-	-	-	-	-	-	-	-	-
2021	-	-	-	-	-	-	-	-	-	-	-	-
2022	-	-	-	-	-	-	-	-	-	-	-	-

#### 3.17.3 Projected Inflation Adjusted Chain Ladder Table

Cumulative Chain ladder-Annual Projections (N'000)												
Accident year	1	2	3	4	5	6	7	8	9	10	11	12
2009	25,273	25,273	25,273	25,273	25,273	25,273	25,273	25,273	25,273	25,273	25,273	25,273
2010	73,855	73,855	73,855	73,855	73,855	73,855	73,855	73,855	73,855	73,855	-	-
2011	70,217	70,217	70,217	70,217	70,587	70,587	70,587	70,587	70,587	70,587	70,587	-
2012	9,552	9,972	9,972	9,972	9,972	9,972	9,972	9,972	9,972	9,972	9,972	-
2013	-	1,704	1,704	1,704	1,704	1,704	1,704	5,368	5,368	5,368	5,368	-
2014	3,372	3,507	4,162	40,518	40,518	40,518	40,518	40,518	40,518	40,518	40,518	-
2015	-	106	106	106	106	106	106	106	106	106	106	-
2016	-	-	-	-	1,129	1,129	1,129	1,129	1,129	1,129	1,129	-
2017	-	-	-	-	-	-	-	-	-	-	-	-
2018	-	-	2,018	2,018	2,018	2,018	2,018	2,018	2,018	2,018	2,018	-
2019	-	2,168	2,175	2,175	2,175	2,175	2,175	2,175	2,175	2,175	2,175	-
2020	-	-	-	-	-	-	-	-	-	-	-	-
2021	-	-	-	-	-	-	-	-	-	-	-	-
2022	-	-	-	-	-	-	-	-	-	-	-	-

## INDUSTRIAL AND GENERAL INSURANCE PLC

### NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2022

#### 3.17.4 Projected Inflation Adjusted Chain Ladder Table - Discounted Results

Accident year	Discounted Cumulative IABCL - Annual Projections (N'000)												
	1	2	3	4	5	6	7	8	9	10	11	12	
2009	25,273	25,273	25,273	25,273	25,273	25,273	25,273	25,273	25,273	25,273	25,273	89,448	89,448
2010	73,855	73,855	73,855	73,855	73,855	73,855	73,855	73,855	73,855	73,855	73,855	-	-
2011	70,217	70,217	70,217	70,217	70,587	70,587	70,587	70,587	70,587	70,587	70,587	-	-
2012	9,552	9,972	9,972	9,972	9,972	9,972	9,972	9,972	9,972	9,972	9,972	-	-
2013	-	1,704	1,704	1,704	1,704	1,704	1,704	1,704	5,368	5,368	5,368	-	-
2014	3,372	3,507	4,162	40,518	40,518	40,518	40,518	40,518	40,518	40,518	40,518	-	-
2015	-	106	106	106	106	106	106	106	106	106	106	-	-
2016	-	-	-	-	1,129	1,129	1,129	1,129	1,129	1,129	1,129	-	-
2017	-	-	-	-	-	-	-	-	-	-	-	-	-
2018	-	-	2,018	2,018	2,018	2,018	2,018	2,018	2,018	2,018	2,018	-	-
2019	-	2,168	2,175	2,175	2,175	2,175	2,175	2,175	2,175	2,175	2,175	-	-
2020	-	-	-	-	-	-	-	-	-	-	-	-	-
2021	-	-	-	-	-	-	-	-	-	-	-	-	-
2022	-	-	-	-	-	-	-	-	-	-	-	-	-

#### 3.18 Motor Reinsurance Loss Ratio Table

The table shown is the output of the Expected Loss Ratio Method used in estimating Reinsurance Recoveries Reserve for Motor:

##### Expected Loss Ratio Method Table

Accident Year	Reinsurance Earned Premium (N' 000)	RI Claims till date (N' 000)	Total O/s as at 30 June 2019 (N'000)	Current Incurred (N'000)	Current Loss Ratio	Ultimate Loss Ratio	Ultimate Losses (N'000)	Outstanding RI Reserves (N'000)
2009	-	-	-	-	0%	0%	-	-
2010	-	-	-	-	0%	0%	-	-
2011	68,551	-	-	-	0%	0%	-	-
2012	68,551	-	-	-	0%	0%	-	-
2013	68,551	-	-	-	0%	0%	-	-
2014	68,551	-	-	-	0%	0%	-	-
2015	456,057	13	-	13	0%	0%	13	-
2016	186,382	224	-	224	0%	0%	224	0
2017	193,420	26,124	49	26,172	14%	14%	26,172	49
2018	148,752	42,998	106	43,104	29%	31%	46,079	3,081
2019	171,544	36,076	1,546	37,622	22%	24%	41,053	4,977
Total			155					3,130

## INDUSTRIAL AND GENERAL INSURANCE PLC

### NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2022

#### 3.19 Marine Reinsurance Loss Ratio Table

The table shown is the output of the Expected Loss Ratio Method used in estimating Reinsurance Recoveries Reserve for Marine:

*Expected Loss Ratio Method Table*

Accident Year	Reinsurance Earned Premium (N' 000)	RI Claims till date (N' 000)	Total O/s as at 30 June 2019 (N'000)	Current Incurred (N'000)	Current Loss Ratio	Ultimate Loss Ratio	Ultimate Losses (N'000)	Outstanding RI Reserves (N'000)
2009	-	-	-	-	0%	0%	-	-
2010	-	827	-	827	0%	0%	-	-
2011	78,833	7,215	-	7,215	9%	9%	7,215	-
2012	78,833	4,451	-	4,451	6%	6%	4,451	-
2013	78,833	1,827	-	1,827	2%	2%	1,827	-
2014	78,833	1,122	-	1,122	1%	1%	1,122	-
2015	120,807	5,739	-	5,739	5%	5%	5,739	-
2016	123,181	56,518	202	56,720	46%	46%	56,720	202
2017	138,144	17,060	144	17,204	12%	12%	17,204	144
2018	162,966	71,130	833	71,964	44%	47%	76,038	4,908
2019	206,708	2,672	2,173	4,846	2%	6%	12,314	9,642
<b>Total</b>			<b>1,180</b>					<b>5,254</b>

#### 3.20 Oil & Gas Reinsurance Loss Ratio Table

The table shown is the output of the Expected Loss Ratio Method used in estimating Reinsurance Recoveries Reserve for Oil & Gas:

*Expected Loss Ratio Method Table*

Accident Year	Reinsurance Earned Premium (N' 000)	RI Claims till date (N' 000)	Total O/s as at 31 Dec 2019 (N'000)	Current Incurred (N'000)	Current Loss Ratio	Ultimate Loss Ratio	Ultimate Losses (N'000)	
2009	1,178,393	453,359	-	453,359	38%	38%	453,359	0
2010	1,178,393	3,978	11,366	15,343	1%	1%	15,343	11,366
2011	1,178,393	551,025	24,824	575,850	49%	49%	575,850	24,824
2012	1,178,393	33,729	23,145	56,874	5%	5%	56,874	23,145
2013	1,138,932	110,868	437	111,305	10%	10%	111,305	437
2014	1,217,854	-	578,562	578,562	48%	48%	578,562	578,562
2015	571,453	101,126	-	101,126	18%	18%	101,126	-
2016	611,473	-	-	-	0%	0%	-	-
2017	158,443	-	-	-	0%	0%	-	-
2018	19,732	-	-	-	0%	11%	2,124	2,124
2019	269	-	-	-	0%	11%	29	29
<b>Total</b>			<b>638,334</b>					<b>640,487</b>

## INDUSTRIAL AND GENERAL INSURANCE PLC

### NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2022

#### Appendix 3.21: Gross Claims Paid Data- Combined Claims Data (Attritional and Large Losses)

The claims data has eight risk groups – (Marine, Motor, Engineering, Fire, General Accident, Aviation, Bond and Oil & Gas).

The combined claims data, for all lines of business between 2007 and 31st December 2019 are summarized in the table below.

Incremental Chain Ladder (Table of combined claims paid)

Accident year	Incremental Chain ladder-Yearly Projections (N'000)-Attritional and Large Losses											
	1	2	3	4	5	6	7	8	9	10	11	12
2007	-	80,196	2,940	182	6,523	-	15	44,861	-	300	-	-
2008	261,329	78,392	14,010	18,303	2,560	58,749	-	(27,766)	-	-	-	-
2009	156,696	1,256,076	98,329	2,065	117,709	58	3,883	7,118	-	-	-	-
2010	227,651	222,152	106,092	21,566	6,472	1,543	6,240	1,378	-	(762)	-	-
2011	3,053,710	147,504	303,815	66,986	110,895	25,181	2,303	1,003	-	-	-	-
2012	165,067	236,663	102,307	14,655	84,305	11,292	6,325	386,629	-	-	-	-
2013	1,418,909	309,705	59,995	51,942	2,151	5,088	-	-	-	-	-	-
2014	68,672	374,161	140,240	77,149	3,316	4,283	-	-	-	-	-	-
2015	46,407	128,916	89,115	20,913	4,795	-	-	-	-	-	-	-
2016	69,202	28,158	14,746	11,161	-	-	-	-	-	-	-	-
2017	68,969	41,440	20,552	-	-	-	-	-	-	-	-	-
2018	41,135	141,579	-	-	-	-	-	-	-	-	-	-
2019	23,685	-	-	-	-	-	-	-	-	-	-	-
2020	-	-	-	-	-	-	-	-	-	-	-	-
2021	-	-	-	-	-	-	-	-	-	-	-	-
2022	-	-	-	-	-	-	-	-	-	-	-	-

#### Appendix 3.22 : Gross Claim Paid-Large Losses

##### 3.22.1 Gross Claims Paid (Large Losses) - General Accident

The claims paid for large losses are allocated to claim development years as illustrated below.

Incremental Chain Ladder (Table of claims paid -Large losses)

Accident year	Incremental Chain ladder-Yearly Projections (N'000) - Large Losses											
	1	2	3	4	5	6	7	8	9	10	11	12
2007	-	-	-	-	-	-	-	-	-	-	-	-
2008	73,029	22,994	-	-	-	-	-	-	-	-	-	-
2009	44,893	14,977	51,296	-	-	-	-	-	-	-	-	-
2010	-	17,574	-	-	-	-	-	-	-	-	-	-
2011	-	9,304	-	-	-	-	-	-	-	-	-	-
2012	-	-	10,600	-	-	-	-	-	-	-	-	-
2013	7,500	-	-	-	-	-	-	-	-	-	-	-
2014	-	-	-	-	-	-	-	-	-	-	-	-
2015	-	-	-	-	-	-	-	-	-	-	-	-
2016	-	-	-	-	-	-	-	-	-	-	-	-
2017	-	-	8,725	-	-	-	-	-	-	-	-	-
2018	-	92,898	-	-	-	-	-	-	-	-	-	-
2019	-	-	-	-	-	-	-	-	-	-	-	-
2020	-	-	-	-	-	-	-	-	-	-	-	-
2021	-	-	-	-	-	-	-	-	-	-	-	-
2022	-	-	-	-	-	-	-	-	-	-	-	-

## INDUSTRIAL AND GENERAL INSURANCE PLC

### NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2022

#### 3.23 Gross Claims Paid (Large Losses) - Motor

Accident year	Incremental Chain ladder-Yearly Projections (N'000) - Large Losses											
	1	2	3	4	5	6	7	8	9	10	11	12
2007	-	23,279	1,006	(5,744)	-	-	-	-	-	-	-	-
2008	29,868	334	-	-	-	-	-	-	-	-	-	-
2009	7,952	20,246	9,049	-	8,552	-	-	-	-	-	-	-
2010	14,900	49,200	8,021	9	-	-	-	-	-	-	-	-
2011	29,318	10,518	-	6,039	1,972	-	-	-	-	-	-	-
2012	15,533	17,279	5,249	12	-	-	-	-	-	-	-	-
2013	24,156	23,542	-	-	-	-	-	-	-	-	-	-
2014	6,776	17,460	3,040	-	3,060	-	-	-	-	-	-	-
2015	13,869	7,160	3,597	2,942	-	-	-	-	-	-	-	-
2016	22,036	-	-	-	-	-	-	-	-	-	-	-
2017	11,881	7,089	4,020	-	-	-	-	-	-	-	-	-
2018	-	4,794	-	-	-	-	-	-	-	-	-	-
2019	9,057	-	-	-	-	-	-	-	-	-	-	-
2020	-	-	-	-	-	-	-	-	-	-	-	-
2021	-	-	-	-	-	-	-	-	-	-	-	-
2022	-	-	-	-	-	-	-	-	-	-	-	-

#### 3.24 Gross Claims Paid (Large Losses) - Fire

Accident year	Incremental Chain ladder-Yearly Projections (N'000) - Large Losses											
	1	2	3	4	5	6	7	8	9	10	11	12
2007	-	-	-	-	-	-	-	-	-	-	-	-
2008	58,942	-	-	-	-	-	-	-	-	-	-	-
2009	-	-	-	-	44,782	-	-	562	-	-	-	-
2010	-	40,000	75,983	18,130	17	-	-	-	-	-	-	-
2011	-	19,543	23,767	-	344	-	-	-	-	-	-	-
2012	33,000	-	232	2,214	-	-	-	382,054	-	-	-	-
2013	-	-	-	-	-	-	-	-	-	-	-	-
2014	-	-	-	52,206	-	-	-	-	-	-	-	-
2015	-	44,816	55,000	5,000	-	-	-	-	-	-	-	-
2016	-	-	-	-	-	-	-	-	-	-	-	-
2017	-	-	-	-	-	-	-	-	-	-	-	-
2018	-	-	-	-	-	-	-	-	-	-	-	-
2019	-	-	-	-	-	-	-	-	-	-	-	-
2020	-	-	-	-	-	-	-	-	-	-	-	-
2021	-	-	-	-	-	-	-	-	-	-	-	-
2022	-	-	-	-	-	-	-	-	-	-	-	-

## INDUSTRIAL AND GENERAL INSURANCE PLC

### NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2022

#### 3.25 Gross Claims Paid (Large Losses) - Marine

Accident year	Incremental Chain ladder-Yearly Projections (N'000) -Large Losses											
	1	2	3	4	5	6	7	8	9	10	11	12
2007	-	-	-	-	-	-	-	-	-	-	-	-
2008	-	-	-	-	-	-	-	-	-	-	-	-
2009	-	-	-	-	-	-	-	-	-	-	-	-
2010	-	-	-	-	-	-	-	-	-	-	-	-
2011	-	-	-	-	-	-	-	-	-	-	-	-
2012	-	-	-	-	-	-	-	-	-	-	-	-
2013	-	-	-	-	-	-	-	-	-	-	-	-
2014	-	136,060	-	-	-	-	-	-	-	-	-	-
2015	-	-	-	-	-	-	-	-	-	-	-	-
2016	-	-	-	-	-	-	-	-	-	-	-	-
2017	-	-	-	-	-	-	-	-	-	-	-	-
2018	-	-	-	-	-	-	-	-	-	-	-	-
2019	-	-	-	-	-	-	-	-	-	-	-	-
2020	-	-	-	-	-	-	-	-	-	-	-	-
2021	-	-	-	-	-	-	-	-	-	-	-	-
2022	-	-	-	-	-	-	-	-	-	-	-	-

#### 3.26 Gross Claims Paid (Large Losses) - Engineering

Accident year	Incremental Chain ladder-Yearly Projections (N'000) -Large Losses											
	1	2	3	4	5	6	7	8	9	10	11	12
2007	-	-	-	-	-	-	-	-	-	-	-	-
2008	-	-	-	-	-	-	-	-	-	-	-	-
2009	-	-	-	-	-	-	-	-	-	-	-	-
2010	-	-	-	-	-	-	-	-	-	-	-	-
2011	-	-	-	-	-	-	-	-	-	-	-	-
2012	-	-	-	-	-	-	-	-	-	-	-	-
2013	-	-	-	-	-	-	-	-	-	-	-	-
2014	-	121,500	121,500	-	-	-	-	-	-	-	-	-
2015	-	-	-	-	-	-	-	-	-	-	-	-
2016	-	-	-	-	-	-	-	-	-	-	-	-
2017	-	-	-	-	-	-	-	-	-	-	-	-
2018	-	-	-	-	-	-	-	-	-	-	-	-
2019	-	-	-	-	-	-	-	-	-	-	-	-
2020	-	-	-	-	-	-	-	-	-	-	-	-
2021	-	-	-	-	-	-	-	-	-	-	-	-
2022	-	-	-	-	-	-	-	-	-	-	-	-

## INDUSTRIAL AND GENERAL INSURANCE PLC

### NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2022

#### Overview of Gross Technical Reserves

Class of Business	2021 O/s Claims Reserves (IBNR+ O/s Reported Claims) A	Paid in 2022 for prior accident years B	Remaining Gross Reserves C = A - B	Outstanding Reported as at 31st December 2022 D	Recalculated Reserves as at 31st December 2022 for prior Accident years E	Actuarial Loss/Gain F = C - E	IBNR & IBNER G = E - D
<b>Motor</b>	97,209,932	2,582,069	94,627,862	61,371,700	77,847,921	16,779,941	16,476,222
<b>General Accident</b>	219,292,295	-	219,292,295	168,311,497	178,412,124	40,880,171	10,100,628
<b>Fire</b>	77,274,235	15,119,140	62,155,095	65,205,960	74,870,034	(12,714,939)	9,664,074
<b>Marine</b>	291,488,945	-	291,488,945	292,427,926	294,307,074	(2,818,129)	1,879,148
<b>Engineering</b>	493,043,576	5,990,000	487,053,576	489,857,021	492,929,495	(5,875,919)	3,072,475
<b>Oil &amp; Gas</b>	1,652,258,884	16,572,294	1,635,686,590	1,652,258,884	1,652,258,884	(16,572,294)	-
<b>Total</b>	<b>2,830,567,867</b>	<b>40,263,504</b>	<b>2,790,304,364</b>	<b>2,729,432,987</b>	<b>2,770,625,533</b>	<b>19,678,831</b>	<b>41,192,546</b>

# INDUSTRIAL AND GENERAL INSURANCE PLC

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2022

### iii) Life Valuation Methodology and Assumptions Report 31 December 2022

#### Valuation methods & assumptions

The valuation methods and assumptions should be consistent over time and should not be changed arbitrarily. It is, therefore, appropriate to start by considering the methods and assumptions used for the previous valuation and considering whether any changes are justified.

#### Valuation Methods

The Insurance Act 2003 does not specify any particular approach that must be used in determining the statutory value of insurance liabilities. Whilst some sections of the Act appear to make reference to the net premium approach to reserving, we understand that this simply reflects the practice at the time the Act was written and is not a requirement to adopt a net premium valuation approach. We have in the last few years adopted the gross premium valuation approach for statutory purposes as standard and this has been acceptable to NAICOM.

From the IFRS perspective, the main features of IFRS 4 that impact the liability calculations are as follows:

- a) The IFRS prohibits provisions for possible claims under contracts that are not in existence at the end of the reporting period.
- b) The IFRS requires an insurer to keep insurance liabilities in its statement of financial position until they are discharged or cancelled, or expire, and to present insurance liabilities **without offsetting** them against related reinsurance assets.
- c) The IFRS requires a test for the adequacy of recognised insurance liabilities and an impairment test for reinsurance assets.

#### Liability Adequacy Test

IFRS 4 paragraph 15 describes the liability adequacy test which, if the conditions are not met, requires any deficiency to be recognised in profit or loss. Section 16 states that:

If an insurer applies a liability adequacy test that meets specified minimum requirements, this IFRS imposes no further requirements. The minimum requirements are the following:

- a) The test considers current estimates of all contractual cash flows, and of related cash flows such as claims handling costs, as well as cash flows resulting from embedded options and guarantees.
- b) If the test shows that the liability is inadequate, the entire deficiency is recognised in profit or loss."

The proposed methodology is as follows:

Type of Business	Valuation Method
Individual Risk Business	Gross premium (1)
Individual Deposit Based Business	Deposit Reserve Account balance at valuation date (2a).
Group Life	UPR + IBNR (3)
Group Deposit Administration	Account balance at valuation date (2a)

#### Notes:

1. A gross premium method is proposed for individual traditional risk business. This is a monthly cashflow approach taking into account the incidence of all expected future cashflows including office premiums, expenses and benefit payments, satisfying the Liability Adequacy Test. This implies that no further testing is required as a result of the implementation of the IFRS; or in other words the liability adequacy test has been met implicitly and a separate liability calculation will not be required for accounting purposes. Negative reserves will be zeroised at the

2.a A reserve for the Individual deposit-based business (Deposit Plus Plan) will be maintained being the amount standing to the credit of the policyholders (account balance) at the valuation date.

b) Reserves for the supplementary life cover and expenses for individual deposit based business will be calculated using a gross premium cashflow approach as described in (1). This is the present value of future guaranteed benefit costs and expenses, less future risk premiums. For the paid-up DPP policies, we have held two times of the annual estimated expense as the risk reserves.

3. Reserves for Group Life business will comprise an unexpired premium reserve (UPR) and where necessary, a reserve for Incurred But Not Reported Claims (IBNR) to make an allowance for the delay in reporting of claims.

The UPR will represent the unexpired portion of the premium for each scheme, net of an expense margin reflecting the acquisition cost loadings. The adequacy of the UPR will be tested by comparing against an Additional Unexpired Risk Reserve (AURR), which will be calculated using pooled industry claims data for the underlying assumptions. An AURR will be held in cases where the UPR is deemed insufficient to meet claims in respect of the unexpired period.

A loss ratio approach will be used for IBNR reserving, where the underlying claim rates are based on an analysis of historical group life claims experience, with judgement adopted where required.

No separate reserve is proposed for claims handling costs for Group Life business as these are typically insignificant in size. Any costs incurred are absorbed as part of the general business management costs.



# INDUSTRIAL AND GENERAL INSURANCE PLC

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2022

### Assumptions

The Insurance Act 2003 does not specify any particular rules for determining the valuation assumptions but instead places reliance on the advice of the Actuary.

Paragraphs 22-30 of IFRS4 make reference to the setting of an IFRS compliant valuation basis. The following points are noted in particular:

\* Paragraph 24 - Current market interest rates: An insurer is permitted, but not required, to change its accounting policies so that it re-measures designated insurance liabilities to reflect current market interest rates and recognises changes in those liabilities in profit and loss. At that time it may also introduce accounting policies that require other current estimates and assumptions for the designated liabilities.

\* Paragraph 26 - Prudence: An insurer need not change its accounting policies for insurance contracts to eliminate excessive prudence. However, if an insurer already measures its insurance contracts with sufficient prudence it shall not introduce additional prudence.

In light of the above requirements we have determined a valuation basis adopting the following principles:

\* The basis is a single set of realistic long term assumptions expected to reflect the average future experience of the business.

\* Adjustments are then made to the individual assumptions for prudence and other considerations.

### Valuation interest rate

The proposed valuation interest rate is based on current market risk-free yields with adjustments. This is in line with the requirements of IFRS 4 (Paragraph 24). The use of a riskfree rate also implies that future investment margins (in excess of the risk-free return) will not be capitalised upon, which satisfies paragraph 27 of IFRS 4. Further the result is a "fair value" liability calculation which aids the comparability of accounts between insurers.

We propose to adopt net valuation interest rates of 11.42% pa for all long term business except Annuity, and 11.90% pa for Annuity business. These rates are to be applied as single long term rates of return.

The VIR is calculated based on the weighted average of Gross Redemption Yield (GRY) on Long term FGN Bond (reference: FMDQ Daily Quotations List as at 31st December 2019).

For the purpose of determining the valuation interest rate we have considered a 0.25% deduction from the long term yield to arrive at a gross valuation interest rate of 12.15%p.a. This makes some allowance for the volatility of the "risk free" yields.

A Life Assurance company pays tax at 30% of Income minus Expenses (the "I minus E" basis) on non-annuity business, with some specific investment income being exempt from tax. However, this calculation is subjected to a minimum tax, which is payable on 20% of gross incomes, with no exemptions or deductions. This is equivalent to tax payable of 6% of gross investment income. The minimum tax test implies that tax will always be payable, and as such the payment of future tax needs to be allowed for. We propose to do so implicitly by deducting 6% of the gross valuation interest rate, to arrive at net rates to adopt for valuation of non-annuity business.

When setting the valuation interest rate for annuity business we have taken into account that the annuity liability duration is longer than the duration of the longest available Government bonds. The longer term introduces uncertainty – which typically will be reflected in higher yield/reward demand by investors. The duration mismatch between available bonds and the liabilities also implies there is a reinvestment risk. We have made a provision for this by deducting a margin of 0.25% of the gross yield.

Type of Business	Long-Term Business excluding Annuities	Annuities
Average yield on 20 year FGN bonds	12.40%	12.40%
Less Prudent Margin	(0.25%)	(0.25%)
Less Reinvestment Risk margin	0.00%	(0.25%)
Gross Valuation interest rate	12.15%	11.90%
Less tax (6%)	(0.73%)	-
Net Valuation interest rate	11.42%	11.90%
Rates to adopt	11.42%	11.90%

The proposed valuation interest rates for individual risk products are as follows:

	Current Valuation	Previous Valuation
Risk Business	11.42%	14.21%
Deposit Based Policies	11.42%	14.21%
Annuities	11.90%	14.87%

### Expenses

A firm must make provisions for expenses, either implicitly or explicitly, in its mathematical reserves of an amount which is not less than the amount expected to be incurred in fulfilling its long-term insurance contracts. IFRS 4 explicitly requires the consideration of claims handling expenses.

### Future maintenance expenses

The regulatory maintenance expenses are derived from the best estimate maintenance expenses plus a prudence margin for adverse deviations.

## INDUSTRIAL AND GENERAL INSURANCE PLC

### NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2022

The best estimate maintenance expenses are calculated as the sum of the following:

- \* Per policy maintenance charges
- \* Allocated operating expenses

An expense analysis has not been provided however we have based the expense assumptions on the information provided in the draft management accounts for 2019. Below we summarise the approach we have taken to estimating the ongoing per policy maintenance expenses for the purpose of setting the valuation expense assumptions:

31 December 2022 Accounts	Expenses attributable to Individual Life(N)
Operating expenses	56,497,000.00
Add other maintenance expense	482,226,536.02
Total	538,723,536.02
<b>Less</b>	
Allocation of Acquisition Cost to Group Life (10%)	(213,313,414.41)
Expense Allocation to Individual Life Business	255,976,097.29
Acquisition Cost on the Individual Life Business (20%)	
Maintenance Expense on individual Life Business	(69,434,024.32)
Number of policies as at 1.1.2022	8,741.00
Number of policies as at 31.12.2022	6,965.00
Average number of policies in force	7,853.00
<b>Best estimate expense per policy</b>	<b>36,751.77</b>
Prior year expense per policy	10,000.00
Proposed expense per policy	12,564.09
<b>Expense Overrun</b>	<b>168,467,210.44</b>

In the absence of an expense analysis we have assumed that:

- 10% of the overheads (management expenses) were incurred in managing the group life portfolio, with the balance relating to individual life. The reduced portion of expense allocation to group life business is reflective of the low premium income written in the current year relative to previous year.
- Of the individual life share, 10% of the overheads were incurred in the acquisition and administration of a new business.

We recommend that an expense analysis project is undertaken for the life business. This will make clearer the actual maintenance costs being incurred, and also help understand whether there is any difference in terms of costs incurred in managing different products, regular versus single premium business etc. This will help to set more product/policy specific expense assumptions going forward.

Expense Assumptions	Current Valuation	Previous valuation
Risk Business	N18,480 pp	N16,650 pp
Deposit based Policies	N18,480 pp	N16,650 pp

#### Expense inflation & other inflation measures

We propose adopting an ongoing expense per policy inflation assumption of 11% pa. The latest published annual Consumer Price Inflation as at 30 November 2022 was 11.85%. We do not expect the current high inflation levels to persist, more so, we expect internal efficiencies to be put in place to reduce administrative costs – hence our assumed low inflation assumption.

#### Commission

Commission rates are set at the rates payable.

#### Mortality

There has been no change to the mortality assumptions since the previous valuation. The proposed mortality tables for the current valuation remains The UK's A6770 mortality table without adjustment for Individual risk business. We conducted a mortality study in 2022 using industry mortality experience data which demonstrated a good fit to the A6770 table.

#### Future mortality improvements

No allowance has been made for future mortality improvements as there is no business in force with exposure to longevity risk.

#### Withdrawals

The full account balance will be maintained for lapsed deposit based policies at the valuation date, as the funds remain a policyholder entitlement. No reserve will be held for future guaranteed life insurance benefits.

## INDUSTRIAL AND GENERAL INSURANCE PLC

### NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2022

No allowance will be made for a future lapse or surrender in the reserve calculations.

#### **Group Life Business**

Unexpired premium reserves (UPR) are reduced by a margin representing acquisition expenses, as these have been loaded into rates yet they have already been incurred. We propose to adopt an acquisition expense ratio of 20% of the gross premium. Group Life commission is currently paid at 9% of premium and a NAICOM (regulatory) fee is payable at 1% of premium. The remaining 10% of premium reflects the loading for additional acquisition expenses.

The following average loss ratios are proposed for AURR estimation and IBNR reserving purposes, based on Industrial and General Insurance group life coverage for 2022.

	Pure risk rates assumed
Average schemes	2.8 per mille
Large Private Oil Schemes	2.0 per mille
Public Oil (NNPC)	6.5 per mille
Police, Armed Forces, Paramilitary	80% of premium
Federal Head of Service schemes	45% of premium

#### **Reinsurance Agreements**

Reinsurance is allowed for in the valuation by having gross and reinsurance ceded records in the policy files. For IFRS compliance purposes all reserves will be reported gross of reinsurance, with the value of the reinsurance asset calculated and reported separately.

## INDUSTRIAL AND GENERAL INSURANCE PLC

### NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2022

#### FORM 16

#### ACTUARIAL VALUATION OF LIFE INSURANCE BUSINESS

(Under the Insurance Act 2003)

#### SUMMARY AND VALUATION OF THE POLICIES OF INDUSTRIAL AND GENERAL INSURANCE PLC AS AT 31 DECEMBER 2022

Description of Transaction	Number of Policies	Amount of Sum Insured	Amount of Bonuses	Amount of Office Yearly Premiums	Amount OF Single Premium	DA liability (Account Balance)	Risk Liability	Total Liabilities
<b>INDIVIDUAL BUSINESS</b>		N	N	N	N	N	N	N
<b><i>Deposit Based Policies</i></b>								
Dividend Plus Plan-Active	651	1,634,917,271	-	932,014,280	-	1,071,747,759	17,656,519	1,089,404,278
Dividend Plus Plan Paid up	4,705	8,945,569,705				3,151,148,403	118,228,087	3,269,376,490
						4,387,427,979		4,387,427,979
<b>Total Deposit Based</b>	<b>5,356</b>	<b>10,580,486,976</b>	<b>-</b>	<b>932,014,280</b>	<b>-</b>	<b>8,610,324,141</b>	<b>135,884,606</b>	<b>8,746,208,747</b>
<b><i>Individual with Participation in Profits</i></b>								
Anticipated Endowments	1,609	1,445,827,097	354,533,525	173,880,568			1,184,817,434	1,184,817,434
Educational Endowments								-
Endowments Assurances								-
Continuous Educational Endowment								-
<b><i>Individual without Participation in profits</i></b>								-
Mortgage								-
Term Assurance								-
<b>Total risk</b>	<b>1,609</b>	<b>1,445,827,097</b>	<b>354,533,525</b>	<b>173,880,568</b>	<b>-</b>	<b>-</b>	<b>1,184,817,434</b>	<b>1,184,817,434</b>
<b>Total Individual Business</b>	<b>6,965</b>	<b>12,026,314,073</b>	<b>354,533,525</b>	<b>1,105,894,848</b>	<b>-</b>	<b>8,610,324,141</b>	<b>1,320,702,040</b>	<b>9,931,026,181</b>
<b>Group Deposit Based Business</b>								
Group Deposit Administration	32	2,318,917,322				2,318,917,322		2,318,917,322
<b>Total Group Deposit Based business</b>	<b>32</b>	<b>2,318,917,322</b>				<b>2,318,917,322</b>		<b>2,318,917,322</b>

## INDUSTRIAL AND GENERAL INSURANCE PLC

### NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2022

Description of Transaction	Number of Policies	Amount of Sum Insured	Amount of Bonuses	Amount of Office Yearly Premiums	Amount OF Single Premium	DA liability (Account Balance)	Risk Liability	Total Liabilities
		N	N	N	N	N	N	N
Group Life	144	67,966,170,094		251,937,983			182,306,375	182,306,375
<b>Total Group Business</b>	<b>176</b>	<b>70,285,087,416</b>		<b>251,937,983</b>		<b>2,318,917,322</b>	<b>182,306,375</b>	
Additional reserve - Expense Overrun							168,467,210	
Additional reserve - Data Contingency							172,206,483	172,206,483
Unallocated premium							-	-
<b>Grand Total</b>	<b>7,141</b>	<b>82,311,401,489</b>	<b>354,533,525</b>	<b>1,357,832,831</b>	<b>-</b>	<b>10,929,241,463</b>	<b>1,671,475,625</b>	<b>10,103,232,664</b>

The valuation has been made on the following principles which were determined by the Actuary: -

#### **a) Individual Business**

- 1) For all Endowment, Term Assurance and Mortgage Protection policies, the gross premium method of valuation was adopted.
- 2) Reserves were calculated via a monthly cash flow projection approach, taking into account future office premiums, expenses and benefit payments. Future cash flows were discounted back to the valuation date at the valuation rate of interest. The full valuation assumptions are given (after Group Business section) below.
- 3) The reserve for the deposit based policies has been taken as the amount standing to the credit of the policy holders at the valuation date. We were provided with individual policyholder account balances as part of the valuation data, which were relied upon without qualification. Where policies still have active life cover, this has been valued using a monthly cashflow projection approach as described above for other risk business.

#### **b) Group Business**

- 1) An unexpired premium was included for Group business policies. An allowance was made for IBNR (Incurred But Not Reported) claims in Group Life to take care of the delay in reporting claims. No assets have been established in respect of deferred Acquisition Costs (DAC).
- 2) An allowance was made for IBNR (Incurred But Not Reported) claims in Group Life to take care of the delay in reporting claims. This was based on a loss ratio approach, which uses historical claims experience to estimate the ultimate claim rates, from which the IBNR portion is determined.
- 3) For Individual policies, the valuation age has been taken as Age Last Birthday at the valuation date. The period to maturity has been taken as the full term of the policy less the expired term. Full credit has been taken for premiums due between the valuation date and the end of the premium term.
- 4) The valuation of the liabilities was made on the assumption that premiums have been credited to the accounts as they fall due, according to the frequency of the particular payment.

## INDUSTRIAL AND GENERAL INSURANCE PLC

### NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2022

- 5)
- i. No specific adjustment has been made for immediate payment of claims.
  - ii. No specific adjustment has been made for expenses after premiums have ceased in the case of limited payment policies i.e. they have been allocated the same level of expenses as premium paying policies
- 6) There were no policies subject to substandard terms in force at the valuation date.
- 7) The Mortality Table used in the valuation is the UK's Mortality of Assured Lives Table (A6770).
- 8) The rate of interest used in the valuation is 14.21%.
- 9) Expenses for individual risk and deposit based business were reserved for explicitly at N12,321 pa increasing with inflation at 11% pa.
- 10) The basis to be adopted for the distribution of profits among policyholders and shareholders is determined by the Directors, on the advice of the Actuary, bearing in mind the distribution of profits to with-profits policyholders.
- 10a) The principles upon which any distribution of profits to policyholders will be made are determined by the Directors, acting upon the advice of the Actuary.
- 10b) Reversionary bonuses are allotted in respect of each full year's premium paid.
- 10c) Reversionary bonuses vest on the policy anniversary.
- 11) The liabilities given in Form 16 are presented gross of reinsurance. The table below summarizes the gross position and impact of

	Gross liability (N)	Reinsurance (N)	Net liability (N)
Individual Traditional	1,320,702,039	-	1,320,702,039
Individual DA	8,610,324,140	-	8,610,324,140
Group DA	2,318,917,322	-	2,318,917,322
Group Life- UPR	94,516,358	(7750341)	86,766,017
Group Life- IBNR	87,790,017	-8,779,002	79,011,015
Additional reserves	340,673,693	0	340,673,693
Outstanding Claims	3,517,677,429	-1,553,901,630	1,963,775,799
<b>Total</b>	<b>16,290,600,998</b>	<b>-1,570,430,973</b>	<b>14,720,170,025</b>

The solvency level at the valuation date was 91.55%. That is assets representing the Life fund and Deposit Administration Funds on the company's statement of financial position (N5.847bn) were 91.55% of the corresponding actuarially net liabilities (N6.386bn)

An additional reserve of N205,431,000 was held representing a cautionary contingent reserve against an expense overrun at the valuation

#### FORM 15 PART B (Under the Insurance Act 2003) Industrial and General Insurance Plc

#### POLICIES INCLUDED IN THE VALUATION AT 31 DECEMBER 2022

	With Profits Sums Assured	Declared Bonus	Without Profits Sums Assured
	N	N	N
<b>ANTICIPATED ENDOWMENT</b>			
<u>Year of Maturity</u>			
2021-2025	2,135,931,547	619,868,399	-
2026-2030	366,730,778	90,353,056	-
2031-2035	71,538,000	14,485,560	-
2036-2040	-	-	-
<b>TOTAL</b>	<b>2,574,200,325</b>	<b>724,707,015</b>	<b>-</b>

## INDUSTRIAL AND GENERAL INSURANCE PLC

### NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2022

#### 3c. HYPOTHECATION OF ASSETS AS At 31 DECEMBER, 2022

	General Business			Life Business		TOTAL	
	Shareholders' Fund	Policy Holders' Fund	Others	Shareholders' Fund	Deposit Admin Fund	Policy Holders' Fund	Others
AS AT DECEMBER, 2022	N'000	N'000	N'000	N'000	N'000	N'000	N'000
COMPANY							
TOTAL	6,524,577	3,212,597	8,162,445	2,375,601	10,929,241	6,065,844	2,570,443
ASSETS:							
Investment Property	8,007,312	803,149	6,460,484	994,456	3,825,234	2,123,045	2,588,532
Land and Building			2,620,853				2,941,309
Computer and Other Equipment			21				112
Motor vehicles			4				0
Furniture and Fittings			35				95
Trade Receivables							-
Reinsurance Assets		1,349,973				2,115,836	
Loans to Policy Holders						241,563	
Loans and receivables						3,663	
Statutory Deposits	300,000.00			200,000			
Financial Assets- Fair Value through P or L		12,711				13,365	
- Available for sale			850,318				386,085
Cash & Cash equivalents		286,188				137,660	
Investment in Subsidiaries	262,385						3,127,398
Other Assets			(3,053,744)				3,242,777
TOTAL	8,569,697	2,452,021	6,877,901	1,194,456	3,825,234	4,635,132	12,286,307
Surplus/(Deficit)	2,045,120	-760,576	1,284,544	-1,181,145	-7,104,007	-1,430,712	9,715,864
Other Assets:							
	Non-Life			Life			
Loans and Receivables-Staff						<b>SUMMARY OF DEFICIT</b>	
Other Receivables and Prepayment	(3,062,509)			3,242,777		<b>General Business</b>	
Deferred Acquisition Cost	8,765					Shareholder	-
Loans and Receivables-Staff	-					Policy Holders Fund Bal.	(760,576)
Deferred Income Tax							
Intangible Assets						<b>Life Business</b>	
TOTAL	(3,053,744)			3,242,777		Policy Holders Fund Balance	(1,430,712)
						Deposit Admin Balance	(7,104,007)
							<b>(9,295,294)</b>

NOTE: As demonstrated in the table above, there are other assets to account for the shortfall in the asset hypothecation as they become admissible under the existing guidelines. The company has taken steps to make the assets admissible.

# INDUSTRIAL AND GENERAL INSURANCE PLC

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2022

### HYPOTHECATION OF ASSETS AS At 31 DECEMBER, 2021

AS AT DECEMBER, 2021	General Business			Life Business				TOTAL
	Shareholders' Fund	Policy Holders' Fund	Others	Shareholders' Fund	Deposit Admin Fund	Policy Holders' Fund	Others	
	N'000	N'000	N'000	N'000	N'000	N'000	N'000	N'000
COMPANY								
TOTAL	7,713,867	2,935,861	7,499,908	2,846,286	10,785,617	5,730,889	2,705,408	40,217,836
ASSETS:								
Investment Property	7,864,028	733,965	6,846,425	2,472,646	3,774,966	2,005,811	1,077,844	24,775,685
Land and Building			2,517,253				2,954,109	5,471,362
Leasehold Improvement								-
Computer and Other Equipment			133				483	616
Motor vehicles			4				0	4
Furniture and Fittings			44				193	149
Trade Receivables								-
Reinsurance Assets		1,801,891				1,893,246		3,695,137
Loans and Receivables-Staff	-319					313,287		312,968
Statutory Deposits	300,000			200,000				500,000
Financial Assets- Fair Value through P or L		11,429				2,684		14,113
- Available for sale			60,633				1,587,716	1,648,349
Cash & Cash equivalents	75,000	152,633				165,814		393,447
Investment in Subsidiaries			262,385				3,127,398	3,389,783
Other Assets			(2,475,780)				2,492,003	16,223
<b>TOTAL</b>	<b>8,238,709</b>	<b>2,699,918</b>	<b>7,211,008</b>	<b>2,672,646</b>	<b>3,774,966</b>	<b>4,380,842</b>	<b>11,239,746</b>	<b>40,217,836</b>
	524,842	(235,943)	(288,900)	(173,640)	(7,010,651)	(1,350,047)	8,534,338	0
Other Assets:								
	<b>Non-Life</b>			<b>Life</b>				
Loans and Receivables-Staff				0				
Other Receivables and Prepayment	(2,486,995)			2,486,995				
Deferred Acquisition Cost	11,215			5,008				
Deferred Income Tax								
Intangible Assets								
	0							
<b>TOTAL</b>				<b>2,492,003</b>				
	(2,475,780)							

<b>SUMMARY OF DEFICIT</b>		
<b>General Business</b>		
Shareholder		-
Policy Holders Fund Bal.		(235,943)
Others		(288,900)
<b>Life Business</b>		
Shareholder		(173,640)
Policy Holders Fund Balance		(1,350,047)
Deposit Admin Balance		(7,010,651)
		<b>(9,059,180)</b>

NOTE: As demonstrated in the table above, there are other assets to account for the shortfall in the asset hypothecation as they become admissible



# INDUSTRIAL AND GENERAL INSURANCE PLC

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2022

### 3. Management of insurance and financial risk (continued)

#### Financial risk management

Financial Risks Management (FRM) Risk Classification: Most financial risk can be categorized as either systematic or non-systematic. Systematic risk affects an entire economy and all of the businesses within it; an example of systematic risk would be losses due to a recession. Non-systematic risks are those that vary between companies or industries; these risks can be avoided completely through careful planning. There are several types of systematic risk. Interest risk is the risk that changing interest rates will make the current investment's rate look unfavourable. Inflation risk is the risk that inflation will increase, making the current investment's return smaller in relation. Liquidity risk is associated with "tying up" investible funds in long-term assets that cannot be sold easily. There are also different types of non-systematic risk. Management risk is the risk that bad management decisions will hurt the company in which investment had been made. Credit risk is the risk that a debt instrument issuer (such as a bond issuer) will default on their repayments. The Group is exposed to an array of risks through its operations and has identified and categorized its exposure to these broad risks listed below: Market Risk, Credit Risk, Operational Risk, Liquidity Risk, Interest Rate Risk, Reputational Risk, Foreign Currency Risk, Equity risk.

The Group manages financial risks via the Board Assets & Liabilities Committee (ALCO) which is mandated to achieve long-term investment returns in excess of the group's obligations under insurance and investment contracts. The principal technique of the Group's BIC is to match assets to the liabilities arising from insurance and investment contracts by reference to the type of benefits payable to contract holders. For each distinct category of business, a separate portfolio of assets is maintained.

#### i) Market risk

Market Risk is the risk that changes in market prices, which include currency exchange rates and interest rates, will affect the fair value or future cash flows of a financial instrument. Market risk arises from open positions in interest rates, foreign currencies and equity products, all of which are exposed to general and specific market movements and changes in the level of volatility. The objective of market risk management is to manage and control market risk exposures within acceptable limits, while optimizing the return on risk. Overall responsibility for managing market risk rests with the Assets and Liabilities Committee (ALCO).

#### Market risk measurement techniques

The following market risk limits are adopted by the group to measure market volatilities in interest rate, liquidity, foreign exchange risk and trading exposures:

- i. Counterparty limits;
- ii. Liquidity gap reports;
- iii. 3-6 month repricing gap report;
- iv. Liquidity and cash forecasting.

#### ii) Credit risks

Credit risk is the risk of financial loss to the Group if a debtor fails to make payments of interest and principal when due. The Group is exposed to this risk relating to its debt holdings in its investment portfolio and the reliance on reinsurers to make payment when certain loss conditions are met. Sources of credit risk identified are Direct Default Risk that the Group will not receive the cash flows or assets to which it is entitled because a party with which the firm has a bilateral contract defaults on one or more obligations. Downgrade Risk that changes the possibility of future default by an obligor will adversely present value of the contract with the obligor today and Settlement risk arising from lag between the value and settlement dates of transactions. All these risks are closely monitored and measures are put in place to minimise the Groups exposure to them.

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

The Group's set guidelines to determine when to obtain collateral and guarantees. The Group also maintains strict control limits by amount and terms on financial assets. The amounts subject to credit risk are limited to the fair value of 'in the money' financial assets against which the Group either obtains collateral from counterparties or requires margin deposits. Collateral may be sold or pledged by the Group and is repayable if the contract terminates or the contract's fair value falls.

## INDUSTRIAL AND GENERAL INSURANCE PLC

### NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2022

	Note	Group		Company	
		2022 N'000	2021 N'000	2022 N'000	2021 N'000
<b>ii) Credit risk (continued)</b>					
<b>Maximum exposure to credit risk</b>					
Cash and cash equivalents (excl. cash on hand)	5.	4,147,878	1,413,980	423,848	393,447
Investment Securities:					
- Held to Maturity	6.3.	1,602,413	2,041,723	-	-
- Loans and Receivables	6.4.	274,446	313,820	245,226	312,967
Trade receivables	7.	115,969	1,180,412	-	-
Reinsurance Assets	8.	4,705,446	4,756,932	3,465,808	3,695,137
Other receivables and prepayments	12.	1,818,124	-	180,268	-
Statutory deposits	18.	674,943	597,188	500,000	500,000
<b>Total assets exposed to credit risk</b>		<b>13,339,219</b>	<b>10,304,055</b>	<b>4,815,151</b>	<b>4,901,550</b>

The Company has exposure to credit risk, which is the risk that a counterparty will be unable to pay amounts in full when due. Key areas where the Company is exposed to credit risk are:

- \* receivables arising out of direct insurance arrangements;
- \* receivables arising out of reinsurance arrangements; and
- \* reinsurers' share of insurance liabilities.

Other areas where credit risk arises include cash and cash equivalents, derivative financial instrument, corporate bonds and deposits with banks and other receivables.

The Company has no significant concentrations of credit risk. The Company structures the levels of credit risk it accepts by placing limits on its exposure to a single counterparty, or groups of counterparty, and to geographical and industry segments. Such risks are subject to an annual or more frequent review. Limits on the level of credit risk by category and territory are approved quarterly by the Board of Directors.

Reinsurance is used to manage insurance risk. This does not, however, discharge the Company's liability as primary insurer. If a reinsurer fails to pay a claim for any reason, the Company remains liable for the payment to the policyholder. The creditworthiness of reinsurers is considered on an annual basis by reviewing their financial strength prior to finalisation of any contract.

The exposure to individual counterparties is also managed by other mechanisms, such as the right of offset where counterparties are both debtors and creditors of the Company. Management information reported to the Company includes details of provisions for impairment on loans and receivables and subsequent write-offs. Internal audit makes regular reviews to assess the degree of compliance with the Company procedures on credit. Exposures to individual policyholders and groups of policyholders are collected within the ongoing monitoring of the controls associated with regulatory solvency. Where there exists significant exposure to individual policyholders, or homogenous groups of policyholders, a financial analysis equivalent to that conducted for reinsurers is carried out by the Company risk department.

#### Maximum exposure to credit risk before collateral held

	2022		2021	
	Group N'000	Company N'000	Group N'000	Company N'000
Trade receivables	115,969	-	1,180,412	-
Reinsurance assets	4,705,446	3,465,808	4,756,932	3,695,137
Loans and receivables	274,446	245,226	313,820	312,967
Other receivables	1,818,124	180,268	-	-
Deposits with financial institutions	162,742	162,742	171,487	171,486
Cash and bank balances	4,146,965	422,935	1,415,305	397,485
	<b>11,223,692</b>	<b>4,476,979</b>	<b>7,837,956</b>	<b>4,577,075</b>

No collateral is held for any of the above assets. All receivables that are neither past due or impaired are within their approved credit limits, and no receivables have had their terms renegotiated. None of the Company's credit risk counterparties are rated.

None of the above assets are past due or impaired except for the following amounts in:

- receivables arising out of direct insurance arrangements (which are due on inception of insurance cover):
- receivables arising out of reinsurance arrangements.

## INDUSTRIAL AND GENERAL INSURANCE PLC

### NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2022

Financial assets that are past due or impaired are summarised as follows:

	Receivables arising out of direct insurance arrangements		Receivables arising out of reinsurance arrangements	
	2022 N'000	2021 N'000	2022 N'000	2021 N'000
Neither past due nor impaired	-	-	4,054,447	3,844,201
Past due but not impaired	-	-	-	-
Impaired	-	-	-	-
<b>Gross</b>	-	-	<b>4,054,447</b>	<b>3,844,201</b>
<b>Less: Allowance for impairment</b>	-	-	-	-
<b>Net</b>	-	-	<b>4,054,447</b>	<b>3,844,201</b>
Financial assets past due but not impaired:				
Past due but not impaired:				
- by 91 to 180 days	-	-	-	-

All receivables past due by more than 90 days are considered to be impaired, and are carried at their estimated recoverable value.

#### Financial assets individually impaired

Of the total gross amount of impaired receivables, the following amounts have been individually assessed:

	Receivables arising out of direct insurance arrangements		Receivables arising out of reinsurance arrangements	
	2022 N'000	2021 N'000	2022 N'000	2021 N'000
Individually assessed impaired receivables	-	-	-	-
- direct clients	-	-	-	-
- agency	-	-	-	-
- insurance brokers	-	-	-	-

#### iii) Sensitivity analysis - interest-rate risk

The sensitivity analysis below is based on a change in one assumption while holding all other assumptions constant. In practice this is unlikely to occur, and changes in some of the assumptions may be correlated - for example, change in interest rate and change in market values.

	2022			
	Carrying amount N'000	Fixed rate N'000	Floating rate N'000	Non-interest bearing N'000
<b>Assets</b>				
Cash and cash equivalent	423,848	-	-	423,848
Trade receivable	-	-	-	-
Reinsurance Assets	3,465,808	-	-	3,465,808
	<b>3,889,657</b>	-	-	<b>3,889,657</b>
<b>Liabilities</b>				
Life & Non-life insurance liability	3,212,597	-	-	3,212,597
Other liabilities	18,790,693	10,929,241	-	7,861,452
Loans and Borrowings	635,025	10,929,241	-	-
	<b>22,638,315</b>	<b>21,858,482</b>	-	<b>11,074,049</b>

# INDUSTRIAL AND GENERAL INSURANCE PLC

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2022

	2021			Non-interest bearing N'000
	Carrying amount N'000	Fixed rate N'000	Floating rate N'000	
<b>Assets</b>				
Cash and cash equivalent	393,447	-	-	393,447
Trade receivables	-	-	-	-
Reinsurance Assets	3,695,137	-	-	3,695,137
	<u>4,088,583</u>	<u>-</u>	<u>-</u>	<u>4,088,583</u>
<b>Liabilities</b>				
Non-life insurance liability	3,212,597	-	-	3,212,597
Other liabilities	18,455,738	10,785,617	-	7,670,121
Loans and Borrowings	635,025	854,483	-	(219,458)
	<u>22,303,360</u>	<u>11,640,100</u>	<u>-</u>	<u>10,663,260</u>

The impact on the Company's profit before tax if interest rates on financial instruments held at amortised cost or at fair value had increased or decreased by 100 basis points, with all other variables held constant are considered insignificant. This is due to the short term nature of the majority of the financial assets measured at amortised cost.

#### iv) Sensitivity analysis - equity risk

The sensitivity analysis for equity price risk illustrates how changes in the fair value of equity securities will fluctuate because of changes in market prices, whether those changes are caused by factors specific to the individual equity issuer, or factors affecting all similar equity securities traded in the market.

Management monitors movements of financial assets and equity price risk movements by assessing the expected changes in the different portfolios due to parallel movements of a 10% increase or decrease in the Nigeria All share index with all other variables held constant and all the Company's equity instruments in that particular index moving proportionally.

As at 31 December 2022, the market value of quoted securities held by the Company is N26.048 Million (2021: N14.660 million). If the all share index of the NSE moves by 100 basis points at 31 December 2022, the effect on profit would have been N2.03 million high.

The Company holds a number of investments in unquoted securities with a market value of N1.236 billion as at 31 December 2022 (2021: N1.648 billion).

#### v) Foreign exchange risk

The Company holds offshore investments and carries out cross-border business transactions, which exposes it to foreign exchange risk arising from various currency exposures, primarily with respect to the US dollar. Foreign exchange risk arises from future commercial transactions and recognised assets.

The Company does not deem this exposure as being significant and manages it through holding USD denominated bank accounts.

At 31 December 2019, if the Nigeria Naira had weakened/strengthened by 10% against the US dollar with all other variables held constant, pre-tax profit for short term insurance for the year would have been Naira 5.3 billion (2018: Naira 270 million) higher/lower and pre-tax profit for long-term business for the year would have been Naira 6.4 billion (2018: Naira 1.364 million), mainly as a result of US dollar receivables and bank balances.

#### vi) Price risk

The Company is exposed to equity securities price risk because of investments in quoted securities classified either as available-for-sale or at fair value through profit or loss. The Company is not exposed to commodity price risk. To manage its price risk arising from investments in equity and debt securities, the Company diversifies its portfolio. Diversification of the portfolio is done in accordance with limits set by the Company. All quoted shares held by the Company are traded on the Nigerian Stock Exchange (NSE).

At 31 December 2022, if the NSE Index had increased/decreased by 10 % with all other variables held constant and all the Company's equity instruments moved according to the historical correlation to the index, pre-tax profit for short term insurance for the year would have been N2.7 million higher, and equity for long-term business would have been Naira Ni1.16 million higher.

#### c) Liquidity risk

Liquidity risk is the risk that the Group will not be able to meet all cash outflow obligations as they come due. The Group mitigates this risk by monitoring cash activities and expected outflows. The Group's current liabilities arise as claims are made. The Group does not have material liabilities that can be called unexpectedly at the demand of a lender or client. It has no material commitments for capital expenditures and there is no need for such expenditures in the normal course of business. Claim payments are funded by current operating cash flow including investment income. Short-term investments are term deposits with an original maturity of less than one year. There have been no significant changes from the previous year in the exposure to risk or policies, procedures and methods used to measure the risk.

## INDUSTRIAL AND GENERAL INSURANCE PLC

### NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2022

#### 3. Management of insurance and financial risk (continued)

The table below presents the discounted cash flows payable by the Company under financial and other liabilities by remaining contractual maturities at the balance sheet date.

	1-12 months N'000
<b>General insurance:</b>	
<b>At 31 DECEMBER 2022:</b>	
<b>Liabilities</b>	
Insurance contract liabilities	3,212,597
Other payables	7,527,420
Loans and borrowings	635,025
<b>Total financial liabilities</b>	<b>11,375,042</b>
	1-12 months N'000
<b>At 31 DECEMBER 2021:</b>	
<b>Liabilities</b>	
Insurance contract liabilities	2,935,861
Other payables	6,645,425
Loans and Borrowings	5,499
<b>Total financial liabilities</b>	<b>9,586,786</b>

Experience shows that the short term insurance contract liabilities are settled over periods exceeding the brackets shown above.

	1-3 months N'000	3-12 months N'000	1-5 years N'000	Total N'000
<b>Life business:</b>				
<b>At 31 DECEMBER 2022:</b>				
Insurance contract liabilities	6,065,844	-	-	6,065,844
Payable under investment contracts	-	-	10,929,241	10,929,241
Other payables	2,570,444	-	-	2,570,444
Loans and Borrowings	-	-	-	-
<b>Total financial liabilities</b>	<b>8,636,288</b>	<b>-</b>	<b>10,929,241</b>	<b>19,565,529</b>
<b>At 31 DECEMBER 2021</b>				
Insurance contract liabilities	5,730,889	-	-	5,730,889
Payable under investment contracts	-	-	10,785,617	10,785,617
Other payables	2,705,407	-	-	2,705,407
Loans and borrowings	-	-	-	-
<b>Total financial liabilities</b>	<b>8,436,296</b>	<b>-</b>	<b>10,785,617</b>	<b>19,221,913</b>

## INDUSTRIAL AND GENERAL INSURANCE PLC

### NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2022

#### Liquidity risk

The following table shows amount expected to be recovered or settled after more than twelve months (non current) for each asset and liability line item and the amount expected to be recovered or settled not more than twelve months after the reporting date (current).

Group	2022			2021		
	Current N'000	Non current N'000	Total N'000	Current N'000	Non current N'000	Total N'000
<b>Assets</b>						
Cash and cash equivalents	4,147,878	-	4,147,878	1,413,980	-	1,413,980
Financial Assets	2,333,318	2,022,337	4,355,656	7,826,728	5,471,186	13,297,914
Trade receivables	115,969	-	115,969	1,180,412	-	1,180,412
Reinsurance Assets	4,705,446	-	4,705,446	4,756,932	-	4,756,932
	282,819	-	282,819	234,845	-	234,845
Loans and advances to customers	310,284	77,571	387,855	-	4,465	4,465
Other receivables and prepayments	1,818,124	-	1,818,124	-	-	-
Deferred tax assets	-	-	-	-	-	-
Investment Property	-	31,842,940	31,842,940	-	30,950,121	30,950,121
Property plant and equipment	-	7,921,750	7,921,750	-	7,597,163	7,597,163
Statutory deposits	-	674,943	674,943	-	597,188	597,188
	<b>13,713,838</b>	<b>42,539,541</b>	<b>56,253,379</b>	<b>15,412,898</b>	<b>44,611,192</b>	<b>60,024,090</b>
Non current assets held for sale	-	2,127,359	2,127,359	-	-	-
Assets classified as discontinued operations	-	5,735,010	5,735,010	-	5,735,010	5,735,010
<b>Total assets</b>	<b>13,713,838</b>	<b>50,401,910</b>	<b>64,115,748</b>	<b>15,412,898</b>	<b>50,346,202</b>	<b>65,759,100</b>
<b>Liabilities</b>						
Insurance Contract Liabilities	5,578,297	6,817,918	12,396,215	5,120,518	6,258,410	11,378,928
Investment Contract Liabilities	-	11,668,362	11,668,362	-	11,420,763	11,420,763
Trade Payable	3,607,705	-	3,607,705	3,471,779	-	3,471,779
Loans and Borrowings	344,923	1,473,486	1,818,409	188,585	112,836	301,421
Other payables and accruals	12,042,855	-	12,042,855	9,030,484	-	9,030,484
Income tax payable	-	2,216,817	2,216,817	-	2,541,378	2,541,378
Deferred tax liabilities	-	2,424,113	2,424,113	-	2,424,113	2,424,113
Deposit for shares	1,239,082	-	1,239,082	-	-	-
	<b>22,812,862</b>	<b>24,600,696</b>	<b>47,413,558</b>		<b>22,757,500</b>	<b>40,568,866</b>
Liabilities classified as discontinued operations	-	5,735,010	5,735,010	-	5,735,010	5,735,010
<b>TB Total liabilities</b>	<b>22,812,862</b>	<b>30,335,706</b>	<b>53,148,568</b>	<b>-</b>	<b>28,492,510</b>	<b>46,303,876</b>
<b>Gap</b>	<b>-9,099,024</b>	<b>20,066,204</b>	<b>10,967,180</b>	<b>15,412,898</b>	<b>21,853,692</b>	<b>19,455,224</b>

## INDUSTRIAL AND GENERAL INSURANCE PLC

### NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2022

#### Liquidity risk

The following table shows amount expected to be recovered or settled after more than twelve months (non current) for each asset and liability line item and the amount expected to be recovered or settled not more than twelve months after the reporting date (current).

	2022			2021		
	Current N'000	Non current N'000	Total N'000	Current N'000	Non current N'000	Total N'000
<b>Company</b>						
<b>Assets</b>						
Cash and cash equivalents	423,848	-	423,848	393,447	-	393,447
Financial Assets	1,062,012	445,693	1,507,705	-	-	-
Trade receivables	-	-	-	-	-	-
Reinsurance assets	3,465,808	-	3,465,808	3,695,137	-	3,695,137
Deferred acquisition costs	8,765	-	8,765	16,223	-	16,223
Other receivables and prepayments	180,268	-	180,268	-	-	-
Investment in Subsidiaries	-	3,389,783	3,389,783	-	3,389,783	3,389,783
Investment Property	-	24,802,212	24,802,212	-	24,775,684	24,775,684
Property plant and equipment	-	5,562,359	5,562,359	-	5,472,130	5,472,130
Statutory deposits	-	500,000	500,000	-	500,000	500,000
	<u>5,140,702</u>	<u>34,700,047</u>	<u>39,840,748</u>	<u>4,104,806</u>	<u>34,137,597</u>	<u>38,242,403</u>
Assets classified as discontinued operations	-	-	-	-	-	-
<b>Total Assets</b>	<u><b>5,140,702</b></u>	<u><b>34,700,047</b></u>	<u><b>39,840,748</b></u>	<u><b>4,104,806</b></u>	<u><b>34,137,597</b></u>	<u><b>38,242,403</b></u>
<b>Liabilities</b>						
Insurance contract liabilities	4,175,298	5,103,143	9,278,441	3,900,038	4,766,713	8,666,751
Investment contract liabilities	-	10,929,241	10,929,241	-	7,274,841	7,274,841
Trade payable	1,795,608	-	1,795,608	1,109,685	-	1,109,685
Loans and borrowings	344,923	290,102	635,025	848,984	5,499	854,483
Other payables and accruals	4,802,183	-	4,802,183	4,726,598	-	4,726,598
Income tax payable	-	1,571,018	1,571,018	-	1,585,494	1,585,494
Deferred tax liabilities	-	1,929,056	1,929,056	-	1,929,056	1,929,056
<b>TB total liabilities</b>	<u><b>11,118,012</b></u>	<u><b>19,822,560</b></u>	<u><b>30,940,572</b></u>	<u><b>10,585,305</b></u>	<u><b>15,561,603</b></u>	<u><b>26,146,908</b></u>
<b>Gap</b>	<u><b>-5,977,311</b></u>	<u><b>14,877,487</b></u>	<u><b>8,900,183</b></u>	<u><b>-6,480,499</b></u>	<u><b>18,575,994</b></u>	<u><b>12,095,495</b></u>

# INDUSTRIAL AND GENERAL INSURANCE PLC

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2022

### 3. Management of insurance and financial risk (continued)

#### d) Strategic risk management

Strategic risks are the high level goals that directors set concerning an organization's objectives. Essentially, strategic risks are the risks of failing to achieve these business objectives.

The company's strategic risks are:

i) **Business risks** – risks that derive from the decisions that the Board takes about the creation of new products for future business developments for the company. They include risks associated with developing and marketing these products, economic risks affecting the products and risks arising from changes in the technological environment which impact on revenue generation.

ii) **Non-business risks** – risks that do not derive from the products developed for the business. For example, risks associated with the long-term sources of finance used.

Strategic risk levels link in with how the whole organization is positioned in relation to its environment and are not affected solely by what the directors decide. Competitor actions will affect risk levels in product markets and technological developments may mean that production processes, or products, quickly become out-of-date.

#### Responsibility for strategic risk management

Strategic risks are determined by Board decisions about the objectives and direction of the company. Board strategic planning and decision-making processes, therefore, must be thorough. It's important that directors establish a formal schedule of matters that are reserved for their decision.

These should include significant acquisitions and disposals of assets, investments, capital projects, and treasury policies. To take strategic decisions effectively, the Board needs sufficient information about how the business is performing, and about relevant aspects of the economic, commercial, and technological environments. To assess the variety of strategic risks the company faces, the board needs to have a breadth of vision; hence governance reports recommend that a Board be balanced in skills, knowledge, and experience.

However, even if the Board follows corporate governance best practices concerning the procedures for strategic decision making, this will not necessarily ensure that the directors make the correct decisions.

#### Managing strategic risks

Strategic risks are often risks that company may have to take in order to expand, and even to continue in the long term. For example, the risks connected with developing a new product may be very significant – the technology may be uncertain, and the competition facing the company may severely limit premium generation.

However, the alternative strategy may be to persist with products in mature markets, the marketing of which are static and ultimately likely to decline.

The company may accept other strategic risks in the short term, but take action to reduce or eliminate those risks over a longer timeframe.

#### e) Operational risk management

Operational risk is the risk of indirect loss arising from a wide variety of causes associated with the Company's processes, personnel, technology and infrastructure, and from external factors other than credit, market and liquidity risks such as those arising from legal and regulatory requirements and generally accepted standards of corporate behaviour.

The Company's objective is to manage operational risk so as to balance the avoidance of financial losses and damage to the Company's reputation with overall cost effectiveness and to avoid control procedures that restrict initiative and creativity.

The primary responsibility for the development and implementation of controls to address operational risk is assigned to senior management within each department. This responsibility is supported by the development of overall Company standards for the management of operational risks in the following areas:

- Requirements for appropriate segregation of duties, including the independent authorization of transactions:
- Requirements for the reconciliation and monitoring of transactions;
- Compliance with regulatory and other requirements;
- Documentation of controls and procedures;
- Requirements for the periodic assessment of operational risks faced, and the adequacy of controls and procedures to address the risks
- Requirements for the reporting of operational losses and proposed remedial action;
- Development of contingency plans;
- Training and professional development and
- Ethical and business standards.



# INDUSTRIAL AND GENERAL INSURANCE PLC

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2022

### f) Compliance risk management

Compliance risk management is the current and prospective risk to earnings or capital arising from violations of, or non-conformity with, laws, rules, regulations, prescribed practices, internal policies, and procedures, or ethical standards. Compliance risk also arises in situations where the laws or rules governing certain Insurance products or activities of the Insurer's clients may be ambiguous or untested. This risk exposes the institution to fines, civil money penalties, payment of damages, and the voiding of contracts. Compliance risk can lead to diminished reputation, reduced franchise value, limited business opportunities, reduced expansion potential, and an inability to enforce contracts.

#### Quantity of Compliance Risk Indicators

The following indicators are used when assessing the quantity of compliance risk.

##### Low

- Violations or noncompliance issues are insignificant, as measured by their number or seriousness.
- The institution has a good record of compliance. The Company has a strong control structure that has proven effective. Compliance management systems are sound and minimize the likelihood of excessive or serious future violations or non-compliance.

##### Moderate

- The frequency or severity of violations or non-compliance is reasonable.
- The company has a satisfactory record of compliance. Compliance management systems are adequate to avoid significant or frequent violations or non-compliance.

##### High

Violations or non-compliance expose the company to significant impairment of reputation, value, earnings, or business opportunity.

The company has an unsatisfactory record of compliance. Compliance management systems are deficient, reflecting an inadequate commitment to risk management.

#### Quality of Compliance Risk Management Indicators

The following indicators are used when assessing the quality of compliance risk management.

##### Strong

- Management fully understands all aspects of compliance risk and exhibits a clear commitment to compliance. The commitment is communicated throughout the institution.
- Authority and accountability for compliance are clearly defined and enforced.
- Management anticipates and responds well to changes of a market, technological, or regulatory nature.
- Compliance considerations are incorporated into product and system development and modification processes, including changes made by outside service providers or vendors.

When deficiencies are identified, management promptly implements meaningful corrective action.

- Appropriate controls and systems are implemented to identify compliance problems and assess performance.
- Training programs are effective, and the necessary resources have been provided to ensure compliance.
- Compliance management process and information systems are sound, and the company has a strong control culture that has proven effective.
- The company's privacy policies fully consider legal and litigation concerns.

##### Satisfactory

- Management reasonably understands the key aspects of compliance risk. Its commitment to compliance is reasonable and satisfactorily communicated.
- Authority and accountability are defined, although some refinements may be needed.
- Management adequately responds to changes of a market, technological, or regulatory nature.
- While compliance may not be formally considered when developing products and systems, issues are typically addressed before they are fully implemented.
- Problems can be corrected in the normal course of business without a significant investment of money or management attention. Management is responsive when deficiencies are identified.
- No shortcomings of significance are evident in controls or systems. The probability of serious future violations or noncompliance is within acceptable tolerance.
- Management provides adequate resources and training given the complexity of products and operations.
- Compliance management processes and information systems are adequate to avoid significant or frequent violations or noncompliance.
- Company privacy policies adequately consider legal and litigation concerns.

##### Weak

- Management does not understand, or has chosen to ignore, key aspects of compliance risk. The importance of compliance is not emphasized or communicated throughout the organization.
- Management has not established or enforced accountability for compliance performance.
- Management does not anticipate or take timely or appropriate actions in response to changes of a market, technological, or regulatory nature.
- Compliance considerations are not incorporated into product and system development.

## INDUSTRIAL AND GENERAL INSURANCE PLC

### NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2022

- Errors are often not detected internally, corrective action is often ineffective, or Management is unresponsive.
- The likelihood of continued violations or noncompliance is high because a corrective action program does not exist, or extended time is needed to implement such a program.
- Management has not provided adequate resources or training.
- Compliance management processes and information systems are deficient.
- Company privacy policies are non-existent or do not consider legal and litigation concerns.

#### **g) Capital management**

The Company's objectives when managing capital, which is a broader concept than the 'equity' on the balance sheets, are:

- to comply with the capital requirements as set out in the Insurance Act, CAP 117 LFN 2004 governing the organisation of insurance business in Nigeria and the related regulations (together "insurance regulations");
- to comply with regulatory solvency requirements as set out in the insurance regulations;
- to safeguard the Company's ability to continue as a going concern, so that it can continue to provide returns to shareholders and benefits to its policyholders; and
- to provide an adequate return to shareholders by pricing insurance and investment contracts commensurately with the level of risk.

The deficit in asset cover of N511million (2021: Deficit of N82.837 million) in respect of general business and N861.157 million (2021: N433.654 million) for Life business totalling N7.104 billion (2021: N7.01 billion) recorded in Hypothecation under the Insurance and Investment Contracts Liabilities as at the reporting date arose as a result of the restrictions placed on investment of the policy holders funds by the Insurance Act 2003 and NAICOM regulations, as the Company has adequate assets to provide cover to the liabilities. The Directors have commenced the process of restructuring the investment portfolio towards liquidity and admissibility by placing some assets for sale and have obtained the permission of the Financial Reporting Council of Nigerian accordingly.

Insurance regulations require each insurance Company to hold the minimum level of paid up capital as follows:

- General insurance business companies 3 billion Naira; and
- Life insurance business companies 2 billion Naira.

Composite insurance businesses are required to maintain a solvency margin (admitted assets less admitted liabilities) equivalent to the higher of 15% of net premium or the amount of Minimum Capital Base whichever is higher.

Capital adequacy and solvency margin are monitored regularly by the Board of Directors. The required information is filed with the NAICOM on a quarterly basis.

During the year the Company held the minimum paid up capital required for both general insurance and life businesses.

#### **h)(i) Minimum Capital Requirement**

Industrial and General Insurance Plc complied with the minimum capital requirement of N3 billion for general business. This is shown under Shareholders' fund in the statement of financial Position.

#### **h)(ii) Solvency Margin**

Insurance industry regulator measures the financial strength of general business insurers using a solvency margin model, which NAICOM generally expects general business insurers to comply with this capital adequacy requirements.

Section 24 of the Insurance Act 2003 defines Solvency margin of a general business insurer as the difference between the admissible assets and liabilities and this shall not be less than 15% of Net premium income or the minimum capital base (N3billion) whichever is higher.

This test compares insurers' capital against the risk profile. The regulator indicated that insurers should produce a minimum solvency margin of 100%. The company had a negative solvency margin of N11.967 billion (2021: N10.476 billion) and a shortfall of N16.967 billion (2021: N15.476 billion) in its solvency margin for the year ended 31 December 2022. The regulator has the authority to request more extensive reporting and can place restriction on the Company's operations if the company falls below this requirement.

#### **Key highlight of management's plan to improve liquidity**

The negative solvency margin and deficient asset cover remain critical concerns for the Board and Management. To address these challenges and restore financial stability, the Company has outlined the following strategic measures for implementation in the short to medium term:

1. Capital Injection – At the Annual General Meeting held on December 8, 2022, shareholders authorized the Board and Management to explore the issuance of the Company's outstanding unissued shares (9,768,562,924) through a private placement. This initiative aims to raise fresh capital to strengthen the Company's regulatory capital base and provide essential working capital.
2. Asset Optimization – The Management will actively optimize the Company's asset portfolio to enhance returns. This includes the strategic disposal of inadmissible and non-performing assets to improve solvency and generate liquidity.
3. Operational Efficiency and Sustainability – Upon successful capital infusion, the Board and Management will prioritize generating sustainable cash flow from operations. Key initiatives include the timely settlement of outstanding claims and liabilities, procurement of regulatory approvals, and the provision of necessary resources to drive sales growth.

These strategic initiatives underscore the Company's commitment to financial resilience and long-term sustainability. With disciplined execution and stakeholder support, the Company is confident in its ability to restore solvency, strengthen its financial position, and deliver long-term value to shareholders.

## INDUSTRIAL AND GENERAL INSURANCE PLC

### NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2022

The table below summarises the solvency margin of the Company at 31 December 2022.

	Total N'000	Admissible N'000	Inadmissible N'000
<b>Admissible assets</b>			
Cash & cash equivalent	423,848	423,848	-
Financial Assets:-			
- At fair value through profit or loss	26,076	26,076	
- Available for sale	1,236,403	1,236,403	-
- Loans and Receivables	245,226	245,226	
Trade Receivables	-	-	-
Reinsurance assets	3,465,808	3,465,808	
Deferred acquisition cost	8,765	8,765	
Investment in subsidiaries - local	2,539,535	2,539,535	-
Investment in subsidiaries - foreign	850,248		850,248
Investment properties	24,802,212	8,418,096	16,384,116
Statutory deposits with CBN	500,000	500,000	-
Other receivables and prepayments	180,268	180,268	
Property, plant & equipment	5,562,359	-	5,562,359
	<b>39,840,748</b>	<b>17,044,025</b>	<b>22,796,723</b>
<b>Less:</b>			
<b>Admissible liabilities</b>			
Insurance contract liabilities	9,278,441	9,278,441	
Investment Contract Liabilities	10,929,241	10,929,241	
Trade payable	1,795,608	1,795,608	
Other payables and accruals	4,802,183	4,802,183	
income tax payable	1,571,018	1,571,018	
Deferred tax liabilities	1,929,056	-	1,929,056
Loans and Borrowings	635,025	635,025	
	<b>30,940,572</b>	<b>29,011,516</b>	<b>1,929,056</b>
<b>Solvency margin</b>		<b>(11,967,491)</b>	
<b>15% of Net Premium</b>	<b>74,615</b>		
Minimum Capital Base	<b>5,000,000</b>	<b>5,000,000</b>	
<b>Surplus in solvency margin</b>		<b>(16,967,491)</b>	
<b>Solvency ratio</b>		<b>(239)</b>	

# INDUSTRIAL AND GENERAL INSURANCE PLC

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2022

The table below summarises the solvency margin of the Company at 31 December 2021.

	Total N'000	Admissible N'000	Inadmissible N'000
<b>Admissible assets</b>			
Cash and cash equivalents	393,447	344,698	48,749
Financial Assets:-			
- At fair value through profit or loss	14,112	14,112	
- Available for sale	1,648,349	1,648,349	-
- Loans and Receivables	312,967	312,967	
Trade Receivables	-	-	-
Reinsurance assets	3,695,136	3,695,136	
Deferred acquisition cost	16,223	16,223	
Investment in subsidiaries - Local	850,248	-	850,248
Investment in subsidiaries - Foreign	2,539,535	2,539,535	
Investment properties	24,775,685	8,181,409	16,594,276
Statutory deposits with CBN	500,000	500,000	-
Other receivables and prepayments	-	-	-
Property, plant & equipment	5,472,130	-	5,472,130
	<b>40,217,832</b>	<b>17,252,430</b>	<b>22,965,403</b>
<b>Less:</b>			
<b>Admissible liabilities</b>			
Insurance contract liabilities	8,666,751	8,666,751	
Investment Contract Liabilities	10,785,617	10,785,617	
Trade payable	1,109,685	1,109,685	
Other payables and accruals	4,726,598	4,726,598	
income tax payable	1,585,494	1,585,494	
Deferred tax liabilities	1,929,056	-	1,929,056
Loans and Borrowings	854,483	854,483	
	<b>29,657,684</b>	<b>27,728,628</b>	<b>1,929,056</b>
<b>Solvency margin</b>		<b>(10,476,199)</b>	
<b>15% of Net Premium</b>	<b>100,556</b>		
Minimum Capital Base	<b>5,000,000</b>	<b>5,000,000</b>	
<b>Surplus in solvency margin</b>		<b>(15,476,199)</b>	
<b>Solvency ratio</b>		<b>(210)</b>	

### Solvency capital requirements

As an existing company, the capital requirement that Industrial and General Insurance Plc attained as at 31 December, 2019 (under the Finance Act 2021 – Part IX – Insurance Act) is as shown below:

	2022 N'000	2021 N'000
Share capital	7,115,619	7,115,619
Share premium	8,530,782	8,530,782
Statutory contingency reserve	4,151,794	4,141,481
Accumulated losses	(17,664,428)	(14,767,465)
<b>Excess of admissible assets over liabilities</b>	<b>2,133,767</b>	<b>5,020,417</b>
Less own shares	-	-
	<b>2,133,767</b>	<b>5,020,417</b>
Subordinated liabilities approved by the Commission	-	-
Other instruments approved by the Commission	-	-
Capital Requirements	<b>2,133,767</b>	<b>5,020,417</b>

# INDUSTRIAL AND GENERAL INSURANCE PLC

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2022

### Enterprise-wide Risk Management Principles

The Group's business operations are largely diversified and spread across different geographical locations. This necessitates the need for proper identification, measurement, aggregation and effective management of risks and efficient utilisation of capital to derive an optimal risk and return ratio. To ensure effective integration over time into organization processes so that risk management not only protects value but creates value, the Group is guided by the following principles:

- The Group will not take any action that will compromise its integrity. It shall identify, measure, manage, control and report as practical as possible all risks.
- The Group will at all times comply with all government regulations and uphold international best practice.
- The Group will build and entrench an enduring risk culture, which shall pervade the entire organization.
- The Group will make decision based on careful analysis of the implication of such risk to its strategic goals and operating environment.

### Enterprise-wide Risk Management Framework

This framework is developed to promote a strong risk management culture and integrate risk considerations into management and decision-making processes through a robust risk governance structure. It ensures that top risks are properly identified, analyzed and assessed, in a consistent manner across the organisation. We operate the 'three lines of defence model' for the oversight and management of risk to create and promote a culture that emphasizes effective management and adherence to operating controls as illustrated below:

### Risk Appetite

The Group's risk appetite is reviewed by the Board of Directors annually at a level that minimises erosion of earnings or capital due to avoidable losses or from frauds and operational inefficiencies. This reflects the conservative nature of IGI Group as far as risk taking is concerned.

The Group employs a range of quantitative indicators to monitor the risk profile. Specific limits have been set in line with the Group's risk

### Risk management Approach

The Group addresses the challenge of risks comprehensively through an Enterprise-wide risk management framework by applying leading practices that is supported by a robust governance structure consisting of board level and executive management committees. The Board drives the risk governance and compliance process through its committees. The audit committee provides oversight function on the system of internal control, financial reporting and compliance. The Board Risk Committee sets the risk philosophy, policies and strategies as well as provides guidance on the various risk element and their management. The management risk committee drives the management of the financial risks (Market, Liquidity and credit Risk), operational risks as well as strategic and reputational risks.

In addition, the Group manages its risk in a structured, systematic and transparent manner through a global risk policy which embeds comprehensive risk management processes into the organisational structure and risk measurement and monitoring activities. This structure ensures that the Group's overall risk exposure are within the parameters set by the Board.

The key features of the Group's risk management policy are:

- i. The Board of Directors provides overall risk management direction and oversight
- ii. The Group's risk appetite is approved by the Board of Directors.
- iii. Risk management is embedded in the Group as an intrinsic process and is core competency of all its employees.
- iv. The Group manages its credit, market, operational and liquidity risks in a co-ordinated manner within the organisation.
- v. The Group's risk management function is independent of the business divisions
- vi. The Group's internal audit function reports to the Board Audit committee and provides independent validation of the business units compliance with risks policies and procedures and the adequacy and effectiveness of the risk management framework on an enterprise-wide

The Group continually modifies and enhances its risk management policies and systems to reflect changes in markets, products and international best practices. Training, individual responsibility and accountability, together with a disciplined and cautious culture of control, lie at the heart of the Group's management of risk.

The Board of Directors is committed to managing compliance with a robust compliance framework to enforce compliance with applicable laws, rules and standards issued by the industry regulators and other law enforcement agencies, market conventions, codes of practices promoted by industry associations and internal policies.

### 4. SEGMENT INFORMATION-Group

Segment performance is evaluated based on profit or loss which in certain respects is measured differently from profit or loss in the consolidated financial statements. Group financing, including finance cost and income taxes are managed on group basis and are not allocated to individual operating segments.

No inter-segment transactions occurred in the year. If any transaction were to occur, transfer prices between operation segments are set on arm's length basis in a manner similar to transaction's with third parties. Segment income, expenses and results will then include those transfers between business segments which will then be eliminated on consolidation.

The Group comprises of 9 operating segments. These segments distribute their products through various forms of brokers, agencies and direct marketing consistent with the reports used by the Management Investment and Underwriting Committee. These segments and their programs. Management identifies its reportable operating segments by product line respective operations are as follows:

## INDUSTRIAL AND GENERAL INSURANCE PLC

### NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2022

**Insurance:** The insurance aspect of the group is made up of six operating segments based on geographical locations and broadly classified as short term (Non life) and long term (life) insurance businesses.

**Non-Life:** This segments covers the protection of customers' assets (particularly their properties, both for personal and commercial business) and indemnification of other parties that have suffered damage as a result of customers' accidents. All contracts in this segment are short-term in nature. Revenue in this segment is derived primarily from insurance premium, investment income, net realized gains on financial assets, and net fair value gains on financial assets at fair value through profit or loss.

**Life:** This segment covers the protection of the Group's customer against the risk of premature death, disability, critical illness and other accidents. Revenue from this segment is derived primarily from insurance premium, investment income, net realized gains on financial assets and net fair value gains on financial assets at fair value through profit and loss.

**Banking:** This segment is engaged in the business of banking and provision of related services.

**Telecommunications:** services in this segment include Fixed Wireless and Wire line, Private Network link, Internet Services, Paging and voicemail Services, Public Payphones Services, Prepaid Calling Cards, Cabling, Sales and individual needs.

**Registrars:** This segment carries on the business of share registration and act as Company Registrar.

**Health Management Services:** The principal activity of this segment is the provision of healthcare maintenance, management, advisory, administrative and logistics support services.

# INDUSTRIAL AND GENERAL INSURANCE PLC

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2022

### 4a SEGMENT INFORMATION-Group

31 DECEMBER 2022

		STATEMENT OF FINANCIAL POSITION								
	Note	IGI Plc Nigeria N'000	Global Trust Savings & Loans Ltd Nigeria N'000	All Crown Registrars Nigeria N'000	Int'l Health Mgt. Serv Ltd Nigeria N'000	NIC Holdings Ltd Uganda N'000	IGI Gamstar Ins. Company Gambia N'000	Monarch Communicati ons Limited Nigeria N'000	Elimination adjustment N'000	Total N'000
<b>Assets</b>										
Cash and cash equivalents	5.	423,848	577,820	57,108	874,401	2,146,996	60,868	6,837	-	4,147,878
<b>Financial Assets:</b>										
At fair value through profit or loss	6.1	26,076	-	-	-	430,383	-	-	-	456,459
Available for sale	6.2	1,236,403	-	-	-	849,413	-	-	(63,479)	2,022,337
Held to maturity	6.3.	-	-	-	-	1,176,028	426,385	-	-	1,602,413
Loans and receivables	6.4.	245,226	-	-	-	20,642	8,578	-	-	274,446
Trade receivables	7.	-	-	6,594	22,807	-	86,568	-	-	115,969
Reinsurance assets	8.	3,465,808	-	-	-	1,222,740	16,901	-	-	4,705,449
Deferred acquisition cost	9.1	8,765	-	-	-	274,054	-	-	-	282,819
Loans and advances to customers	10.	-	387,855	-	-	-	-	-	-	387,855
Other receivables and prepayments	12.	180,268	6,035	-	235	1,611,477	20,109	-	-	1,818,124
Investment in subsidiaries	14.	3,389,783	-	-	-	-	-	-	(3,389,783)	-
Intangible assets	15.	-	2,500	-	7,422	12,819	-	-	-	22,741
Deferred tax assets	48.4.2	-	-	-	-	-	-	-	-	-
Investment properties	16.	24,802,212	2,127,359	115,000	-	7,355,511	-	-	(2,557,142)	31,842,940
Property plant and equipment	17.4	5,562,359	16,758	660	337,564	1,682,585	321,816	16,500	(16,492)	7,921,750
Statutory deposits	18.	500,000	-	-	-	174,943	-	-	-	674,943
		<b>39,840,748</b>	<b>3,118,327</b>	<b>179,362</b>	<b>1,242,429</b>	<b>16,957,591</b>	<b>941,225</b>	<b>23,337</b>	<b>(6,026,896)</b>	<b>56,276,124</b>
Non-current assets held for sale	11.	-	-	-	-	-	-	-	2,127,359	2,127,359
Assets classified as discontinued operations	57.2a	-	-	-	-	-	-	-	5,735,010	5,735,010
<b>Total assets</b>		<b>39,840,748</b>	<b>3,118,327</b>	<b>179,362</b>	<b>1,242,429</b>	<b>16,957,591</b>	<b>941,225</b>	<b>23,337</b>	<b>1,835,473</b>	<b>64,138,493</b>
<b>Equity</b>										
Ordinary share capital	19.2	7,115,619	1,100,000	168,556	462,676	1,427,360	256,461	1,000,000	(4,415,053)	7,115,619
Share premium	19.3	8,530,781	1,000,000	-	7,768	9,062	-	-	(1,016,830)	8,530,781
Assets revaluation reserve	20.	5,743,592	-	-	88,667	126,944	266,041	-	(94,722)	6,130,522
Fairvalue reserve	21.	1,022,821	-	-	-	1,461	-	-	(174,324)	849,958
Contingency reserve	22.	4,151,798	-	-	-	924,289	87,616	-	(1,011,905)	4,151,798
Loss sustained	23.	(17,664,432)	18,902	(19,794)	(43,725)	3,107,797	(71,128)	(4,838,469)	5,023,487	(14,487,362)
Capital reserve	24.	-	-	-	-	357,772	-	-	19,118	376,890
Foreign exchange reserve	25.	-	-	-	-	-	-	-	(5,832,240)	(5,832,240)
Statutory(regulatory) reserve	26.	-	202,793	-	-	-	-	-	34,947	237,740
<b>Shareholder's fund</b>		<b>8,900,179</b>	<b>2,321,695</b>	<b>148,762</b>	<b>515,386</b>	<b>5,954,685</b>	<b>538,990</b>	<b>(3,838,469)</b>	<b>(7,467,522)</b>	<b>7,073,706</b>
Non-controlling interests	27.	-	-	-	-	-	-	-	3,916,211	3,916,211
<b>Total equity</b>		<b>8,900,179</b>	<b>2,321,695</b>	<b>148,762</b>	<b>515,386</b>	<b>5,954,685</b>	<b>538,990</b>	<b>(3,838,469)</b>	<b>(3,551,311)</b>	<b>10,989,917</b>

## INDUSTRIAL AND GENERAL INSURANCE PLC

### NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2022

#### 4a SEGMENT INFORMATION-Group

		STATEMENT OF FINANCIAL POSITION							
		IGI Plc Nigeria N'000	Global Trust Savings & Loans Ltd Nigeria N'000	All Crown Registrars Nigeria N'000	Int'l Health Mgt. Serv Ltd Nigeria N'000	NIC Holdings Ltd Uganda N'000	IGI Gamstar Ins. Company Gambia N'000	Monarch Communicati ons Limited Nigeria N'000	Elimination adjustment N'000
<b>31 DECEMBER 2022</b>									
	<b>Note</b>								
<b>Liabilities</b>									
Insurance contract liabilities	28.	9,278,441	-	-	37,851	2,849,544	230,379	-	12,396,215
Investment contract liabilities	29.	10,929,241	-	-	-	688,858	-	50,263	11,668,362
Trade payables	30.	1,795,608	-	4,589	676,961	1,121,592	8,955	-	3,607,705
Loans and borrowings	31.	635,025	-	-	-	1,503,496	-	107,336	1,818,409
Other payables and accruals	32.	4,802,183	795,110	23,549	-	3,697,974	120,921	2,616,194	12,042,855
Income tax payable	48.2	1,571,018	1,523	2,461	6,865	621,392	13,559	-	2,216,817
Deferred tax liabilities	48.4.1	1,929,056	-	-	-	424,605	28,424	-	2,424,114
Deposit for shares	33.	-	-	-	5,366	95,441	-	1,138,275	1,239,082
		<b>30,940,572</b>	<b>796,633</b>	<b>30,599</b>	<b>727,043</b>	<b>11,002,902</b>	<b>402,238</b>	<b>3,861,805</b>	<b>47,413,559</b>
Liabilities classified as discontinued operations	57.2a	-	-	-	-	-	-	5,735,010	5,735,010
<b>Total liabilities</b>		<b>30,940,572</b>	<b>796,633</b>	<b>30,599</b>	<b>727,043</b>	<b>11,002,902</b>	<b>402,238</b>	<b>3,861,805</b>	<b>53,148,569</b>
<b>Total equity and liabilities</b>		<b>39,840,743</b>	<b>3,118,328</b>	<b>179,361</b>	<b>1,242,429</b>	<b>16,957,593</b>	<b>941,225</b>	<b>23,337</b>	<b>64,138,487</b>



## INDUSTRIAL AND GENERAL INSURANCE PLC

### NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2022

#### 4b. SEGMENT INFORMATION-Group

#### STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

31 DECEMBER 2022		IGI Plc Nigeria N'000	Global Trust Savings & Loans Ltd Nigeria N'000	All Crown Registrars Nigeria N'000	Int'l Health Mgt. Serv Ltd Nigeria N'000	NIC Holdings Ltd Uganda N'000	IGI Gamstar Ins. Company Gambia N'000	Monarch Communicati ons Limited Nigeria N'000	Elimination adjustment N'000	Total N'000
	Note									
<b>Gross premium written</b>	34.	547,763	-	-	1,997,070	3,901,290	501,777	-	-	6,947,900
Changes in unearned premium	34.	(13,714)	-	-	-	(177,295)	1,158	-	-	(189,851)
<b>Gross premium income</b>		534,049	-	-	1,997,070	3,723,995	502,935	-	-	6,758,049
Reinsurance costs	35.	(36,615)	-	-	-	(1,464,798)	(191,931)	-	-	(1,693,344)
<b>Net premium income</b>		497,434	-	-	1,997,070	2,259,197	311,004	-	-	5,064,705
	36.	6,693	-	-	-	269,624	47,442	-	-	323,759
<b>Net underwriting income</b>		504,127	-	-	1,997,070	2,528,821	358,446	-	-	5,388,464
Claims expenses (Gross)	37.1b	(1,186,647)	-	-	(1,689,263)	(635,522)	(96,534)	-	-	(3,607,966)
Changes in claims recoveries	37.2	370,766	-	-	-	33,457	57,566	-	-	461,789
<b>Net claims incurred</b>		(815,881)	-	-	(1,689,263)	(602,065)	(38,968)	-	-	(3,146,177)
Underwriting expenses	38.2	(166,993)	-	-	(38,409)	-	(173,277)	-	2,713	(375,966)
Changes in contract liabilities	39.	228,426	-	-	-	63,808	-	-	-	292,234
<b>Underwriting (loss)/profit</b>		(250,321)	-	-	269,398	1,990,564	146,201	-	2,713	2,158,555
Investments incomes	40.	150,205	-	-	-	346,878	-	-	-	497,083
Profit/(loss) on disposal of Investment properties		-	(253,503)	-	-	-	-	-	-	(253,503)
Profit/(loss) on disposal of ppe		294								294
Net interest income	41.	-	59,678	188	19,089	246,713	7,155	-	-	332,823
Other operating incomes	42.	43,737	9,229	355	25,504	32,351	47,642	-	-	158,818
Loss on investment contract	43.	(706,172)	-	-	-	-	-	-	-	(706,172)
Fair value gain/(loss) through profit or loss	44.	1,293,914	-	-	-	343,862	-	-	-	1,637,776
Impairment charge	45.	(386,500)	-	-	-	1,919	-	-	549	(384,032)
Management and administrative expenses	46.	(3,006,322)	(222,502)	(1,254)	(291,314)	(1,844,734)	(175,052)	-	-	(5,541,178)
<b>Net operating (loss)/income</b>		(2,861,165)	(407,098)	(711)	22,677	1,117,553	25,946	-	3,262	(2,099,536)
Finance costs	47.	(4,603)	(4,985)	-	-	(82,670)	-	-	-	(92,258)
<b>Profit/(loss) before income tax</b>		(2,865,768)	(412,083)	(711)	22,677	1,034,883	25,946	-	3,262	(2,191,794)
Income tax expense	48.1	(20,881)	(1,523)	(1)	(6,865)	52,712	(21,359)	-	-	2,083
<b>Profit/(loss) from continuing operations</b>		(2,886,649)	(413,606)	(712)	15,812	1,087,595	4,587	-	3,262	(2,189,711)

## INDUSTRIAL AND GENERAL INSURANCE PLC

### NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2022

#### 4c SEGMENT INFORMATION-Group

		STATEMENT OF FINANCIAL POSITION									
31 DECEMBER 2021		IGI Plc Nigeria	Global Trust Savings & Loans Ltd Nigeria	All Crown Registrars Nigeria	Int'l Health Mgt. Serv Ltd Nigeria	NIC Holdings Ltd Uganda	IGI Gamstar Ins. Company Gambia	Monarch Communicati ons Limited Nigeria	Elimination adjustment	Total	
Note		N'000	N'000	N'000	N'000	N'000	N'000	N'000	N'000	N'000	
<b>Assets</b>											
	Cash and cash equivalents	5.	157,747	429,952	66,799	508,002	171,406	147,723	6,837	-74,486	1,413,980
<b>Financial Assets:</b>											
	At fair value through profit or loss	6.1	7,538	-	-	-	279,667	-	-	50,255	337,460
	At fair value through other comprehensive income	6.2	460,163	-	-	-	334,344	-	-	4,676,679	5,471,186
	Held to maturity	6.3.	-	-	-	-	293,981	-	-	1,747,742	2,041,723
	Loans and receivables	6.4.	319,376	-	-	2,757	15,785	945	-	-25,043	313,820
	Trade receivables	7.	-	-	3,071	1,414	508,768	-	-	667,159	1,180,412
	Reinsurance assets	8.	3,595,600	-	-	-	394,661	85,358	-	681,313	4,756,932
	Deferred acquisition costs	9.	23,582	-	-	-	33,155	-	-	178,108	234,845
	Loans and advances to customers	10.	-	324,893	-	-	-	-	-	-324,893	-
	Other receivables and prepayments	12.	486,457	8,880	-	1,964	166,302	4,439	-	-668,042	-
	Investment in subsidiaries	14.	3,389,784	-	-	-	-	-	-	-3,389,784	-
	Intangible assets	15.	-	-	-	-	-	-	-	24,068	24,068
	Deferred tax assets	48.4.	-	-	-	-	-	-	-	0	-
	Investment properties	16.	16,694,895	-	115,000	-	3,563,146	-	-	10,577,080	30,950,121
	Property plant and equipment	17.	5,474,907	7,703	292	357,748	417,708	223,034	16,500	1,099,271	7,597,163
	Statutory deposits	18.	500,000	-	-	-	54,608	-	-	42,580	597,188
			<b>31,110,049</b>	<b>771,428</b>	<b>185,162</b>	<b>871,885</b>	<b>6,233,531</b>	<b>461,499</b>	<b>23,337</b>	<b>15,262,006</b>	<b>54,918,897</b>
	Non-current assets held for sale	11.	9,424,516	3,142,359	-	-	950,965	-	-	-135,178,398	0
	Assets classified as discontinued operations	57.	-	-	-	-	-	-	-	-	-
	<b>Total assets</b>		<b>40,534,565</b>	<b>3,913,787</b>	<b>185,162</b>	<b>871,885</b>	<b>7,184,496</b>	<b>461,499</b>	<b>23,337</b>	<b>1,744,166</b>	<b>54,918,897</b>
<b>Equity</b>											
	Ordinary share capital	19.2	7,115,619	1,100,000	168,556	449,194	503,687	107,433	1,000,000	-3,328,870	7,115,619
	Share premium	19.3	8,530,781	1,000,000	-	7,768	256,641	-	-	-1,264,409	8,530,781
	Assets revaluation reserve	20.	6,173,892	-	-	95,377	-	198,096	-	-561,612	5,905,753
	Fairvalue reserve	21.	(36,544)	-	-	-	131,553	-	-	-402,350	(307,341)
	Contingency reserve	22.	2,921,311	-	-	-	344,717	22,752	-	1,366,351	4,655,131
	Loss sustained	23.	(13,008,083)	312,783	(15,317)	171,540	1,266,358	97,928	(4,838,771)	4,667,173	(11,346,389)
	Capital reserve	24.	-	-	-	-	150,151	-	-	226,739	376,890
	Foreign exchange reserve	25.	-	-	-	-	(41,003)	(165,018)	-	549,452	343,431
	Statutory(regulatory) reserve	26.	-	184,956	-	-	-	-	-	52,784	237,740
	<b>Shareholder's fund</b>		<b>11,696,976</b>	<b>2,597,739</b>	<b>153,239</b>	<b>723,879</b>	<b>2,612,104</b>	<b>261,191</b>	<b>(3,838,771)</b>	<b>1,305,258</b>	<b>15,511,615</b>
	Non-controlling interests	27.	-	604	350	(17,807)	(27,191)	(124,315)	302	-2,131,799	(2,299,856)
	<b>Total equity</b>		<b>11,696,976</b>	<b>2,598,343</b>	<b>153,589</b>	<b>706,072</b>	<b>2,584,913</b>	<b>136,876</b>	<b>(3,838,469)</b>	<b>(826,541)</b>	<b>13,211,759</b>

## INDUSTRIAL AND GENERAL INSURANCE PLC

### NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2022

#### 4c SEGMENT INFORMATION-Group

		STATEMENT OF FINANCIAL POSITION								
		IGI Plc Nigeria N'000	Global Trust Savings & Loans Ltd Nigeria N'000	All Crown Registrars Nigeria N'000	Int'l Health Mgt. Serv Ltd Nigeria N'000	NIC Holdings Ltd Uganda N'000	IGI Gamstar Ins. Company Gambia N'000	Monarch Communicati ons Limited Nigeria N'000	Elimination adjustment N'000	Total N'000
<b>31 DECEMBER 2021</b>										
	<b>Note</b>									
<b>Liabilities</b>										
Insurance contract liabilities	28.	8,657,220	-	-	70,872	908,550	104,591	-	1,637,695	<b>11,378,928</b>
Investment contract liabilities	29.	10,649,548	-	-	-	1,244,517	-	-	-473,302	<b>11,420,763</b>
Trade payables	30.	1,200,305	-	-	-	377,324	3,737	-	1,890,413	<b>3,471,779</b>
Loans and borrowings	31.	886,105	218,715	-	-	-	-	932,336	-1,735,735	<b>301,421</b>
Other payables and accruals	32.	3,877,758	839,935	30,055	89,718	1,465,666	70,284	1,791,194	865,874	<b>9,030,484</b>
Income tax payable	48.2	1,676,282	256,794	1,517	5,223	83,848	62,481	-	455,233	<b>2,541,378</b>
Deferred tax liabilities	48.4.	1,890,366	-	-	-	519,679	-	-	14,068	<b>2,424,113</b>
Deposit for shares	33.	-	-	-	-	-	83,529	1,138,276	-83,530	<b>1,138,275</b>
		<b>28,837,584</b>	<b>1,315,444</b>	<b>31,572</b>	<b>165,813</b>	<b>4,599,584</b>	<b>324,622</b>	<b>3,861,806</b>	<b>2,570,716</b>	<b>41,707,141</b>
Assets classified as discontinued operations	57.	-	-	-	-	-	-	-	-	-
<b>Total liabilities</b>		<b>28,837,584</b>	<b>1,315,444</b>	<b>31,572</b>	<b>165,813</b>	<b>4,599,584</b>	<b>324,622</b>	<b>3,861,806</b>	<b>2,570,716</b>	<b>41,707,141</b>
<b>Total equity and liabilities</b>		<b>40,534,565</b>	<b>3,913,787</b>	<b>185,162</b>	<b>871,885</b>	<b>7,184,496</b>	<b>461,499</b>	<b>23,337</b>	<b>1,744,167</b>	<b>54,918,898</b>

# INDUSTRIAL AND GENERAL INSURANCE PLC

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2022

### 4.d. SEGMENT INFORMATION-Group

### STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

31 DECEMBER 2021		IGI Plc Nigeria N'000	Global Trust Savings & Loans Ltd Nigeria N'000	All Crown Registrars Nigeria N'000	Int'l Health Mgt. Serv Ltd Nigeria N'000	NIC Holdings Ltd Uganda N'000	IGI Gamstar Ins. Company Gambia N'000	Monarch Communicati ons Limited Nigeria N'000	Elimination adjustment N'000	Total N'000
	Note									
<b>Gross premium written</b>	34.	523,058	-	-	1,873,571	2,999,933	492,539	-	-	5,889,101
Changes in unearned premium	34.	185,119	-	-	-	(31,747)	(8,767)	-	-	144,605
<b>Gross premium income</b>		<b>708,177</b>	-	-	<b>1,873,571</b>	<b>2,968,186</b>	<b>483,772</b>	-	-	<b>6,033,706</b>
Reinsurance costs	35.	(25,965)	-	-	-	(1,363,643)	(167,020)	-	-	(1,556,628)
<b>Net premium income</b>		<b>682,212</b>	-	-	<b>1,873,571</b>	<b>1,604,543</b>	<b>316,752</b>	-	-	<b>4,477,078</b>
	36.	16,275	-	1,387	-	240,611	63,846	-	-	322,119
<b>Net underwriting income</b>		<b>698,487</b>	-	<b>1,387</b>	<b>1,873,571</b>	<b>1,845,154</b>	<b>380,598</b>	-	-	<b>4,799,197</b>
Claims expenses (Gross)	37.	(417,987)	-	-	(1,648,423)	(442,718)	(42,756)	-	-	(2,551,884)
Changes in claims recoveries	37.	45,318	-	-	-	(32,532)	5,259	-	-	18,045
<b>Net claims incurred</b>		<b>(372,669)</b>	-	-	<b>(1,648,423)</b>	<b>(475,250)</b>	<b>(37,497)</b>	-	-	<b>(2,533,839)</b>
Underwriting expenses	38.	(470,137)	-	-	-	(384,103)	(156,982)	-	-	(1,011,222)
Changes in contract liabilities	39.	128,705	-	-	-	(81,028)	-	-	-	47,677
<b>Underwriting (loss)/profit</b>		<b>(15,614)</b>	-	1,387	225,148	904,773	186,119	-	-	<b>1,301,813</b>
Investments incomes	40.	190,600	89,667	2,108	-	321,957	20,247	-	(68,364)	556,215
Profit/(loss) on disposal of Investment properties		(422,614)	-	-	-	-	-	-	-	(422,614)
Net interest income	41.	-	-	-	-	115,119	-	-	-	115,119
Other operating incomes	42.	11,022	-	-	13,847	330,006	44,489	-	-	399,364
Loss on investment contract	43.	(512,685)	-	-	-	(22,820)	-	-	-	(535,505)
Fair value gain/(loss) through profit or loss	44.	1,601,517	-	-	-	291,157	-	-	-	1,892,674
Impairment charge	45.	(996,616)	-	-	-	38,696	-	-	203,745	(754,175)
Management and administrative expenses	46.	(961,623)	(110,196)	(10,726)	(273,869)	(1,424,330)	(124,266)	-	-	(2,905,010)
<b>Net operating (loss)/income</b>		<b>(1,106,013)</b>	<b>(20,529)</b>	<b>(7,231)</b>	<b>(34,874)</b>	<b>554,558</b>	<b>126,589</b>	-	<b>135,381</b>	<b>(352,119)</b>
Finance costs	47.	(97,352)	-	-	-	(20,280)	-	-	-	(117,632)
<b>Profit/(loss) before income tax</b>		<b>(1,203,365)</b>	<b>(20,529)</b>	<b>(7,231)</b>	<b>(34,874)</b>	<b>534,278</b>	<b>126,589</b>	-	<b>135,381</b>	<b>(469,751)</b>
Income tax expense	48.1	(25,211)	(2,025)	-	(4,718)	(170,224)	(35,239)	-	-	(237,417)
<b>Profit/(loss) from continuing operations</b>		<b>(1,228,576)</b>	<b>(22,554)</b>	<b>(7,231)</b>	<b>(39,592)</b>	<b>364,054</b>	<b>91,350</b>	-	<b>135,381</b>	<b>(707,168)</b>

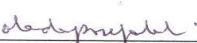
# INDUSTRIAL AND GENERAL INSURANCE PLC

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2022

### COMPANY STATEMENT OF FINANCIAL POSITION AT 31 DECEMBER 2022

	Notes	Life Business	General Business	Total	
		2022 N'000	2022 N'000	2022 N'000	2021 N'000
<b>Assets</b>					
Cash and cash equivalents	5.	137,660	286,188	423,848	393,447
<b>Financial Assets:</b>					
At fair value through profit or loss	6.1	13,365	12,711	26,076	14,112
At fair value through other comprehensive income	6.2	386,085	850,318	1,236,403	1,648,349
Loans and receivables	6.4.	245,226	-	245,226	312,967
	7.	-	-	-	-
Reinsurance Assets	8.	2,115,836	1,349,973	3,465,809	3,695,137
Deferred acquisition costs	9.	-	8,765	8,765	16,223
Other receivables and Prepayments	12.	3,232,377	3,052,109	180,267	-
Investment in Subsidiaries	14.	3,127,398	262,385	3,389,783	3,389,783
Investment Properties	16.	9,531,267	15,270,945	24,802,212	24,775,684
Property plant and equipment	17.	2,941,516	2,620,843	5,562,359	5,472,130
Statutory deposits	18.	200,000	300,000	500,000	500,000
		<u>21,930,729</u>	<u>17,910,019</u>	<u>39,840,748</u>	<u>40,217,831</u>
Non-current assets held for sale	11.	-	-	-	-
<b>Total assets</b>		<u>21,930,729</u>	<u>17,910,019</u>	<u>39,840,748</u>	<u>40,217,831</u>
				39,840,748	
<b>Liabilities</b>					
Insurance Contract Liabilities	28.	6,065,844	3,212,597	9,278,441	8,666,751
Investment Contract Liabilities	29.	10,929,241	-	10,929,241	10,785,617
Trade payables	30.	600,810	1,194,798	1,795,608	1,109,685
Loans and Borrowings	31.	-	635,025	635,025	854,483
Other payables and Accruals	32.	661,352	4,140,830	4,802,182	4,726,598
Income tax payable	48.2	341,302	1,229,715	1,571,017	1,585,494
Deferred tax liabilities	48.4.	966,979	962,077	1,929,056	1,929,056
<b>Total Liabilities</b>		<u>19,565,528</u>	<u>11,375,042</u>	<u>30,940,570</u>	<u>29,657,684</u>
<b>Net assets</b>		<u>2,365,201</u>	<u>6,534,977</u>	<u>8,900,178</u>	<u>10,560,147</u>
<b>Equity</b>					
Share capital	19.2	2,650,806	4,464,813	7,115,619	7,115,619
Share premium	19.3	3,871,731	4,659,051	8,530,782	8,530,781
Assets revaluation reserve	20.	3,727,829	2,015,763	5,743,592	5,613,592
Fair value reserve	21.	318,299	704,521	1,022,820	73,857
Contingency reserve	22.	527,029	3,624,765	4,151,794	4,141,481
Loss sustained	23.	-8,730,494	-8,933,934	(17,664,428)	(14,767,465)
		<u>2,365,201</u>	<u>6,534,977</u>	<u>8,900,178</u>	<u>10,560,148</u>

  
**AKINLOLU AKINYELE**  
 Managing Director  
 FRC/2021/PRO/00000025271

  
**Professor Oládapo Afolabi**  
 Director  
 FRC/2017/IPAN/00000015950

# INDUSTRIAL AND GENERAL INSURANCE PLC

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2022

### SEPARATE STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME FOR THE YEAR ENDED 31 DECEMBER 2022

	Notes	Life	Non - Life	Total	
		2022	2022	2022	2021
		N'000	N'000	N'000	N'000
<b>Continuing operations</b>					
<b>Gross premium written</b>	34.	305,808	241,955	547,763	523,058
Changes in unearned premium	34.	(38,870)	25,156	(13,714)	163,880
<b>Gross Premium Income</b>		266,938	267,111	534,049	686,938
Reinsurance costs	35.	(6,396)	(30,218)	(36,614)	(16,793)
<b>Net Premium Income</b>		260,542	236,893	497,435	670,145
Fees and commission income	36.	-	6,693	6,693	16,275
<b>Net underwriting income</b>		260,542	243,586	504,128	686,420
Claims expenses (Gross)	37.	(722,372)	(464,275)	(1,186,647)	(590,899)
Changes in claims recoveries	37.	224,770	145,996	370,766	45,318
		(497,602)	(318,279)	(815,881)	(545,581)
Underwriting expenses	38.	17,775	(184,768)	(166,993)	(420,500)
Changes in contract liabilities	39.	228,426	-	228,426	69,893
<b>Underwriting profit/(loss)</b>		9,141	(259,461)	(250,320)	(209,768)
Investments incomes	40.	86,680	63,525	150,205	153,561
Profit/(loss) on disposal of Investment properties		-	-	-	(422,614)
Net interest income	41.	-	-	-	37,039
Other operating incomes	42.	-	44,031	44,031	1,022
(Loss)/gain on investment contract	43.	(706,171)	-	(706,171)	(512,685)
Fair value gain/(loss) through Profit or loss	44.	198,940	1,094,974	1,293,914	1,600,970
Impairment charge	45.	(458,402)	71,902	(386,500)	(607,276)
Management and administrative expenses	46.	(39,993)	(2,966,330)	(3,006,323)	(1,101,639)
<b>Net operating profit/(loss)</b>		(909,806)	(1,951,358)	(2,861,164)	(1,061,390)
Finance costs	47.	-	(4,603)	(4,603)	(97,352)
<b>Profit/(loss) before income tax</b>		(909,806)	(1,955,961)	(2,865,767)	(1,158,742)
Income tax expense	48.1	(1,428)	(19,453)	(20,881)	(8,568)
<b>Profit/(loss) from continuing operations</b>		(911,234)	(1,975,414)	(2,886,648)	(1,167,310)
<b>Other Comprehensive income/(loss):</b>					
<b>Items that may be reclassified subsequently to profit</b>					
Fairvalue gain on available for sale assets	21 & 27	965,722	130,955	1,096,678	(144,400)
Fairvalue gain on investment in subsidiaries	21	-	-	-	-
Exchange differences on translating foreign operations	21 & 25	-	-	-	-
Income tax relating to item that may be reclassified subsequently to profit or loss		-	-	-	-
<b>Items that will not be reclassified subsequently to profit or loss:</b>					
Actuarial surplus/transfer from life fund	22 & 27	-	-	-	0
Fairvalue gain on property, plant and equipment	20 & 27	-	130,000	130,000	100,000
Income tax relating to item that will not be reclassified subsequently to profit or loss		-	(10,000)	-	(10,000)
Other comprehensive income/(loss) for the year, net of tax		965,722	250,955	1,226,678	(54,400)
<b>Total comprehensive income/(loss) for the year</b>		54,488	(1,724,459)	(1,659,971)	(1,221,709)
Basic and diluted profit/(loss) per share (Kobo)	50.	-11.66	11.84	-6.00	-8.51

The accompanying notes and statement of significant accounting policies form an integral part of these consolidated financial statements.

## INDUSTRIAL AND GENERAL INSURANCE PLC

### NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2022

#### 4.3 SEGMENT INFORMATION - Company REVENUE ACCOUNT FOR THE YEAR ENDED 31 DECEMBER 2022

	Fire	General Accident	Motor	Marine & Aviation	Agric	Engineering	Oil & Energy	General Business	Life Business	2022	2021
	N'000	N'000	N'000	N'000	N'000	N'000	;	N'000	N'000	N'000	N'000
<b>Income</b>											
Direct premium	22,921	18,676	83,722	4,207	111,779	645	0	241,950	305,808	547,758	523,058
Inward reinsurance premium	5	-	-	-	-	-	-	5	-	5	-
<b>Gross premium written</b>	<b>22,926</b>	<b>18,676</b>	<b>83,722</b>	<b>4,207</b>	<b>111,779</b>	<b>645</b>	<b>0</b>	<b>241,955</b>	<b>305,808</b>	<b>547,763</b>	<b>523,058</b>
Changes in unearned premium	3,850	7,570	47,097	(24,051)	(729)	(8,600)	19	25,156	(38,870)	(13,714)	163,880
	<b>26,776</b>	<b>26,246</b>	<b>130,819</b>	<b>(19,844)</b>	<b>111,050</b>	<b>(7,955)</b>	<b>19</b>	<b>267,111</b>	<b>266,938</b>	<b>534,049</b>	<b>686,938</b>
<b>Deduct:</b>											
Outward reinsurance premium	(11,573)	-	(749)	(9,815)	(726)	(4,255)	-	(27,118)	-	(27,118)	(6,692)
Changes in prepaid reinsurance	(1,824)	(170)	-	(1,021)	-	(85)	-	(3,100)	(6,396)	(9,496)	(10,101)
<b>Reinsurance cost</b>	<b>(13,397)</b>	<b>(170)</b>	<b>(749)</b>	<b>(10,836)</b>	<b>(726)</b>	<b>(4,340)</b>	<b>-</b>	<b>(30,217)</b>	<b>(6,396)</b>	<b>(36,614)</b>	<b>(16,793)</b>
<b>Net Premium Earned</b>	<b>13,379</b>	<b>26,076</b>	<b>130,070</b>	<b>(30,680)</b>	<b>110,324</b>	<b>(12,295)</b>	<b>19</b>	<b>236,893</b>	<b>260,542</b>	<b>497,435</b>	<b>670,145</b>
Commission received	3,541	-	-	2,945	-	207	-	6,693	-	6,693	876
Changes in unearned commission	-	-	-	-	-	-	-	-	-	-	15,399
<b>Total income</b>	<b>16,920</b>	<b>26,076</b>	<b>130,070</b>	<b>(27,735)</b>	<b>110,324</b>	<b>(12,088)</b>	<b>19</b>	<b>243,586</b>	<b>260,542</b>	<b>504,128</b>	<b>686,420</b>
<b>Expenses</b>											
<b>Gross claims paid</b>	<b>(15,700)</b>	<b>(115,660)</b>	<b>(8,460)</b>	<b>-</b>	<b>-</b>	<b>(5,990)</b>	<b>(16,572)</b>	<b>(162,382)</b>	<b>(197,861)</b>	<b>(360,243)</b>	<b>(520,509)</b>
Changes in outstanding claims provision	4,013	(277)	437	(5,195)	-	628	(301,499)	(301,893)	(524,511)	(826,404)	(70,391)
<b>Gross claims incurred</b>	<b>(11,687)</b>	<b>(115,937)</b>	<b>(8,023)</b>	<b>(5,195)</b>	<b>-</b>	<b>(5,362)</b>	<b>(318,071)</b>	<b>(464,275)</b>	<b>(722,372)</b>	<b>(1,186,647)</b>	<b>(590,900)</b>
Reinsurance claims recovery	5,103	27,255	-	-	-	-	-	32,358	-	32,358	60,337
Changes in reinsurance recoveries	391	(798,115)	3,338	(8,513)	6,620	1,703	908,215	113,639	224,770	338,409	(15,020)
<b>Net claims incurred/(recovered)</b>	<b>(6,193)</b>	<b>(886,797)</b>	<b>(4,685)</b>	<b>(13,708)</b>	<b>6,620</b>	<b>(3,659)</b>	<b>590,144</b>	<b>(318,278)</b>	<b>(497,602)</b>	<b>(815,880)</b>	<b>(545,583)</b>
Acquisition expenses	(4,201)	(3,660)	(9,349)	(841)	(5,217)	(128)	-	(23,396)	(42,587)	(65,983)	(91,635)
Changes in commission expenses	(98)	(428)	(776)	(836)	(180)	(128)	(4)	(2,450)	-	(2,450)	(18,452)
Changes in Life insurance fund									228,426	228,426	128,705
Maintenance expenses	(15,930.81)	(15,615.48)	(77,833)	11,806.51	(66,070.99)	4,733	(11)	(158,922)	60,362	(98,560)	(369,225)
<b>Total expenses</b>	<b>(26,423)</b>	<b>(906,500)</b>	<b>(92,643)</b>	<b>(3,578)</b>	<b>(64,848)</b>	<b>818</b>	<b>590,129</b>	<b>(503,046)</b>	<b>(251,401)</b>	<b>(754,447)</b>	<b>(896,190)</b>
<b>Underwriting results</b>	<b>(9,503)</b>	<b>(880,424)</b>	<b>37,427</b>	<b>(31,313)</b>	<b>45,476</b>	<b>(11,270)</b>	<b>590,148</b>	<b>(259,460)</b>	<b>9,141</b>	<b>(250,319)</b>	<b>(209,770)</b>

## INDUSTRIAL AND GENERAL INSURANCE PLC

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#### 5. Cash and cash equivalents

Cash and cash equivalents comprise of balances with less than three months maturity from the date of acquisition, including cash in hand, deposits held at call with other banks and other short-term highly liquid investments with original maturities less than three months.

	Group		Company	
	2022 N'000	2021 N'000	2022 N'000	2021 N'000
Cash in hand	-	4	-	4
Bank balances (Note 5.1)	4,146,965	1,415,301	422,935	397,481
Impairment of bank balances	0	-5,713	0	-5,713
Total bank balances	4,146,965	1,409,592	422,935	391,772
Short term deposits/placements with banks (Note 5.2)	162,742	171,487	162,742	171,486
Impairment of short term deposits/ placements with banks (Note 5.4)	-161,829	-167,099	-161,829	-169,812
	913	4,388	913	1,675
	<b>4,147,878</b>	<b>1,413,980</b>	<b>423,848</b>	<b>393,447</b>

The impairment of cash and cash equivalents, totaling ₦161.829 million, consists of an impairment of the balance with a bank (₦3.5 million) and a Discount House (₦158.329 million). These amounts remained in the books for several years but could not be confirmed by the banks during the audit.

5.1 Included In the above Group amount was N21.6 million (Dec 2021 : N21.6 million) representing cash reserve requirement with the Central Bank of Nigeria (CBN).

5.2 The placement with banks have a short term maturity of 30-90 days and thus, the effect of discounting is immaterial.

	Group		Company	
	2022 N'000	2021 N'000	2022 N'000	2021 N'000
<b>5.3 Cash and cash equivalents as per cashflow</b>				
Cash in hand	-	4	-	4
Bank balances	4,146,965	1,409,592	422,935	391,772
Short term deposits/placements with banks	913	4,388	913	1,675
	4,147,878	1,413,984	423,848	393,451
Bank overdrafts (Note 31)	(344,923)	(188,585)	(344,923)	(848,984)
	<b>3,802,955</b>	<b>1,225,399</b>	<b>78,925</b>	<b>(455,533)</b>

	Group		Company	
	2022 N'000	2021 N'000	2022 N'000	2021 N'000
<b>5.4 Movement of Impairment of cash &amp; cash equivalent</b>				
At 1 January	172,812	172,812	175,525	175,122
Addition during the year (Note 45)	(10,983)	(12,989)	(13,696)	403
<b>At 31 December</b>	<b>161,829</b>	<b>172,812</b>	<b>161,829</b>	<b>175,525</b>

#### 6. Financial assets

##### 6.1 Fair value through Profit or Loss-FVTPL

###### Quoted Equities:

###### Movement in FVTPL

	Group		Company	
	2022 N'000	2021 N'000	2022 N'000	2021 N'000
At 1 January	337,460	224,542	14,112	7,538
Additions in the year	65,756	31,947	13,021	8,477
Disposal during the year	-	-	-	-
	403,216	256,489	27,133	16,015
Fair value (loss)/gain (Note 44)	53,243	80,971	(1,057)	(1,903)
Translation Adjustment	-	-	-	-
<b>At 31 December</b>	<b>456,459</b>	<b>337,460</b>	<b>26,076</b>	<b>14,112</b>
Current	456,459	337,460	26,076	14,112
Non Current	-	-	-	-
	<b>456,459</b>	<b>337,460</b>	<b>26,076</b>	<b>14,112</b>

Financial Assets at Fair Value through Profit or Loss of the group represents investment where there is a ready and liquid quoted market, which are acquired for the purpose of short-term trade, and where mark-to-market valuations are possible on every trading day. Assets under this category have been acquired for short term trading intent.



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### NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2022

	Group		Company	
	2022 N'000	2021 N'000	2022 N'000	2021 N'000
<b>6.2 Fair value through Other Comprehensive Income-FVTOCI</b>				
Unquoted equities (Note 6.2.1)	2,022,337	5,471,186	1,236,403	1,648,349
Treasury bills (Note 6.2.2)	-	-	-	-
	<b>2,022,337</b>	<b>5,471,186</b>	<b>1,236,403</b>	<b>1,648,349</b>
<b>6.2.1 Movement in unquoted equities</b>				
At 1 January	5,471,186	1,007,842	1,648,349	460,163
Additions in the year	981,216	4,586,762	-	1,332,586
Reclassified to Held for Sale (Note 11)	-3,149,888			
Fair value gain (Note 21)	1,157,297	(123,418)	1,096,678	(144,400)
Impairment charge (Note 45)	(172,775)	-	(176,037)	-
Disposal during the year	-2,264,698	-	(1,332,592)	-
Translation Adjustment	-	(0)	6	(0)
<b>At 31 December (Note 6.5)</b>	<b>2,022,337</b>	<b>5,471,186</b>	<b>1,236,403</b>	<b>1,648,349</b>
Current	378,758	3,827,607	790,710	1,202,656
Non Current	1,643,579	1,643,579	445,693	445,693
	<b>2,022,337</b>	<b>5,471,186</b>	<b>1,236,403</b>	<b>1,648,349</b>

#### 6.2.2 Treasury bills

The Group's accounting policy is to hold its investments in treasury bills as fair value through other comprehensive income and measured at fair value. Treasury bills are debt instruments issued by the Government of Uganda for a term of six months and twelve months respectively.

#### 6.2.3 Analysis of unlisted fair value through other comprehensive income financial assets

The Group determines at each reporting date, whether there is any objective evidence that the investment in the associate and other unquoted securities are impaired. If this is the case, the Group calculates the amount of impairment as the difference between the recoverable amount and its carrying value and recognises the amount in the income statement.

Upon loss of significant influence over the associate, the Group measures and recognises any remaining investment at its fair value. Any difference between the carrying amount of the associate upon loss of significant influence and the fair value of the remaining investment and proceeds from disposal is recognised in profit or loss.

Impaired debts are derecognised when they are assessed as uncollectible. If in a subsequent period the amount of the impairment loss decreases and the decrease can be related objectively to an event occurring after the impairment was recognised, the previously recognised impairment loss is reversed to the extent that the carrying value of the asset does not exceed its amortised cost. Any subsequent reversal of an impairment loss is recognised in the profit and loss.

Unquoted equities are valued using models which incorporate both observable and non-observable market data. The non-observable inputs to the models include assumptions regarding the future financial performance of the investee, its risk profile and economic assumptions regarding the industry and geographical jurisdiction in which the investee operates.

	Group		Company	
	2022 N'000	2021 N'000	2022 N'000	2021 N'000
<b>6.3 Held to Maturity-HTM</b>				
Government Securities	1,602,413	-	-	-
Corporate Securities	-	2,041,723	-	-
	<b>1,602,413</b>	<b>2,041,723</b>	<b>-</b>	<b>-</b>
Current	-	-	-	-
Non Current	1,602,413	2,041,723	-	-
	<b>1,602,413</b>	<b>2,041,723</b>	<b>-</b>	<b>-</b>

## INDUSTRIAL AND GENERAL INSURANCE PLC

### NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2022

	Group		Company	
	2022 N'000	2021 N'000	2022 N'000	2021 N'000
<b>6.3.1. Amortized Cost</b>				
<u>Treasury Bills</u>				
At 1 January	2,041,723	859,594	-	-
Additions	489,365	1,226,295	-	-
Maturities	(929,219)	(22,491)	-	-
Interests Received	(106,680)	(111,995)	-	-
Accrued interests	108,373	108,022	-	-
Less: expected credit losses (Note 6.3.2)	(1,149)	(17,702)	-	-
<b>At 31 December</b>	<b>1,602,413</b>	<b>2,041,723</b>	<b>-</b>	<b>-</b>

	Group		Company	
	2021 N'000	2020 N'000	2021 N'000	2020 N'000
<b>6.3.2. Movement of expected credit losses of Treasury Bills</b>				
At 1 January	17,702	524	-	-
Additions	(18,851)	17,178	-	-
<b>At 31 December</b>	<b>(1,149)</b>	<b>17,702</b>	<b>-</b>	<b>-</b>

6.3.1 The fair value of the held to maturity financial assets have been estimated by comparing current market interest rates for similar debt securities to the rates offered when the debt securities were first recognized together with appropriate market credit adjustments. For held to maturity financial assets that are traded in active market, their fair values are determined using unadjusted market quotes.

	Group		Company	
	2022 N'000	2021 N'000	2022 N'000	2021 N'000
<b>6.4 Loans and Receivables</b>				
Staff Loans (Note 6.4.1)	12,241	234,768	3,663	234,768
Policy loans (Note 6.4.2)	262,205	310,431	241,563	309,578
	274,446	545,199	245,226	544,346
Impairment of loans and receivables (Note 6.4.3)	-	(231,379)	-	(231,379)
	274,446	313,820	245,226	312,967
Current	274,446	313,820	245,226	312,967
Non Current	-	-	-	-
	274,446	313,820	245,226	312,967

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	Group		Company	
	2022 N'000	2021 N'000	2022 N'000	2021 N'000
<b>6.4.1 Movement in staff loans</b>				
At 1 January	234,768	298,191	234,768	243,287
Additions	-	1,655	-	(8,519)
Write-off in the year	(221,624)	-	(230,457)	-
Repayments	(903)	(529)	(648)	-
	<u>12,241</u>	<u>299,317</u>	<u>3,663</u>	<u>234,768</u>
Translation Adjustment	(0)	(64,549)	-	-
At 31 December	<u>12,241</u>	<u>234,768</u>	<u>3,663</u>	<u>234,768</u>
<b>6.4.2 Movement in policy loans</b>				
At 1 January	310,431	(188,529)	309,578	348,496
Additions in the year	100,677	(108,203)	80,887	109,984
Interest charged	-	-	-	-
Repayments	(148,902)	(148,902)	(148,902)	(148,902)
	<u>262,205</u>	<u>(445,634)</u>	<u>241,563</u>	<u>309,578</u>
Translation Adjustment	-	756,065	-	-
At 31 December	<u>262,205</u>	<u>310,431</u>	<u>241,563</u>	<u>309,578</u>
<b>6.4.3 Movement in impairment of loans and receivables</b>				
At 1 January	231,379	234,855	231,379	231,379
Charge for the year (Note 45)	(922)	(11,908)	(922)	(11,908)
Written off	(230,457)	10,360	(230,457)	11,908
Translation Adjustment	-	(1,928)	-	-
At 31 December	<u>-</u>	<u>231,379</u>	<u>-</u>	<u>231,379</u>
<b>Total Financial assets</b>	<u>4,355,656</u>	<u>8,164,188</u>	<u>1,507,705</u>	<u>1,975,428</u>

#### 6.4.4 Policy Loans

The Group grants cash loans to policyholders in line with the policy provisions (terms and conditions). The maximum loan amount that could be granted to policyholders is 90% of the policy cash value. The cash value (worth of the policy as determined by the actuary) is the cash amount due to policyholder upon cancellation of the insurance contract as at the date of determination and it is used as collateral on policy cash loan granted.

The tenor of the loan is not beyond the policy duration and such policy must be in force and has acquired cash value before loan application can be considered. A pre-determined interest rate (compounded daily) is applied on the loan. The rate is currently 12% per annum and it is reviewed periodically. The rate is determined after due consideration on the interest rate used by the actuary for premium benefit calculation, allowance for documentation and other expenses on the policy, margin for contingencies and profit loadings.

Loans to policyholders are not impaired as they are securitized by the surrender value of policies in force as at the reporting date. It is payable on demand and its carrying value approximates its fair value.

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**6.5 Schedule of Unquoted Equities**

UNQUOTED EQUITIES	Cost	Fair value	Disposal	Fair value gain/(loss)	Impairment B/F	Additional impairment required	Additional fair value gain	Impairment C/F	Carrying amount
	(a)	(b)		(c) (a-b)	(d)	(e) (c-d)		(f) (d+e)	(g)
	01/01/2022				01/01/2022			31/12/2022	31/12/2022
WAICA RE	37,647,000.00	335,718,806.07	-	298,071,806.07	-	-	298,071,806.07	298,071,806.07	335,718,806.07
Swift 4G	132,314,000.00	-	-	132,314,000.00	118,885,000.00	13,429,000.00	-	132,314,000.00	-
IGI Pension Fund Manager Ltd	163,125,000.00	516,923.10	-	162,608,076.90	-	162,608,076.90	-	162,608,076.90	516,923.10
Central Securities Clearing Systems Limited	40,929,679.84	49,850,004.54	-	8,920,324.70	-	-	8,920,324.70	8,920,324.70	49,850,004.54
	<b>374,015,679.84</b>	<b>386,085,733.71</b>	-	<b>12,070,053.87</b>	<b>118,885,000.00</b>	<b>176,037,076.90</b>	<b>306,992,130.77</b>	<b>12,070,053.87</b>	<b>386,085,733.71</b>
British Int'l School	72,000,000.00	-	-	72,000,000.00	81,122,266.67	-	9,122,266.67	72,000,000.00	-
Kasi Cloud Limited	1,332,585,303.00	-	1,332,585,303.00	-	-	-	-	-	-
Moyofade Community Bank	32,698,104.00	93,717,171.41	-	61,019,067.41	47,606,306.28	-	108,625,373.69	61,019,067.41	93,717,171.41
SONARWA SA-RWANDA	1,069,914,231.00	756,601,050.88	-	313,313,180.12	985,251,000.00	-	671,937,819.88	313,313,180.12	756,601,050.88
	<b>2,507,197,638.00</b>	<b>850,318,222.29</b>	<b>1,332,585,303.00</b>	<b>324,294,112.71</b>	<b>1,113,979,572.95</b>	<b>-</b>	<b>789,685,460.24</b>	<b>324,294,112.71</b>	<b>850,318,222.29</b>
	<b>2,881,213,317.84</b>	<b>1,236,403,956.00</b>	<b>1,332,585,303.00</b>	<b>312,224,058.85</b>	<b>1,232,864,572.95</b>	<b>176,037,076.90</b>	<b>1,096,677,591.01</b>	<b>312,224,058.85</b>	<b>1,236,403,956.00</b>

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	Group		Company	
	2022	2021	2022	2021
	N'000	N'000	N'000	N'000
<b>7. Trade receivables</b>				
Premiums receivable from Co-insurance Companies	-	1,180,412	-	-
Premiums receivable from brokers and agents	115,969	-	-	-
	<b>115,969</b>	<b>1,180,412</b>	<b>-</b>	<b>-</b>
Impairment of trade receivables (Note 7.1)	-	-	-	-
	<b>115,969</b>	<b>1,180,412</b>	<b>-</b>	<b>-</b>
Current	115,969	1,180,412	-	-
Non Current	-	-	-	-
	<b>115,969</b>	<b>1,180,412</b>	<b>-</b>	<b>-</b>
<b>7.1 Movement in impairment of trade receivables</b>				
At 1 January	-	-	-	-
Additions during the year (Note 45)	-	-	-	-
Recoveries	-	-	-	-
Written off	-	-	-	-
Translation adjustment	-	-	-	-
<b>At 31 December</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>7.2 Movement in trade receivables</b>				
At 1 January	1,180,412	1,162,025	-	-
Gross premium written	9,048,991	5,889,101	547,763	523,058
Premium received/recovered	(10,113,434)	(5,870,714)	(547,763)	(523,058)
<b>At 31 December</b>	<b>115,969</b>	<b>1,180,412</b>	<b>-</b>	<b>-</b>
	Group		Company	
	2022	2021	2022	2021
	N'000	N'000	N'000	N'000
<b>8. Reinsurance assets</b>				
Prepaid Reinsurance (Note 8.1)	8,062	17,558	8,062	17,558
Estimated reinsurance recoveries on claims (Note 8.2)	4,674,020	4,165,780	3,434,382	3,103,984
Reinsurance IBNR	23,364	11,137	23,364	11,137
Receivables from re-insurers (Note 8.3)	588,639	711,521	588,639	711,521
	<b>5,294,085</b>	<b>4,905,996</b>	<b>4,054,447</b>	<b>3,844,201</b>
Impairment of reinsurance assets (Note 8.4)	(588,639)	(149,064)	(588,639)	(149,064)
	<b>4,705,446</b>	<b>4,756,932</b>	<b>3,465,808</b>	<b>3,695,137</b>
Current	4,705,446	4,756,932	3,465,808	3,695,137
Non Current	-	-	-	-
	<b>4,705,446</b>	<b>4,756,932</b>	<b>3,465,808</b>	<b>3,695,137</b>
	Group		Company	
	2022	2021	2022	2021
	N'000	N'000	N'000	N'000
<b>8.1 Prepaid reinsurance</b>				
Fire	-	1,824	-	1,824
General accident	312	482	312	482
Motor	-	-	-	-
Aviation	-	-	-	-
Marine	-	1,021	-	1,021
Agric	-	-	-	-
Engineering	-	85	-	85
Oil and Energy	-	-	-	-
	<b>312</b>	<b>3,412</b>	<b>312</b>	<b>3,412</b>
Group business -Reinsurance UPR	7,750	14,146	7,750	14,146
	<b>8,062</b>	<b>17,558</b>	<b>8,062</b>	<b>17,558</b>
<b>8.1.1 Movement in prepaid reinsurance</b>				
At 1 January	17,558	770,367	17,558	26,900
Increase/(Decrease) during the year (Note 35)	(9,496)	(752,809)	(9,496)	(9,342)
<b>At 31 DECEMBER</b>	<b>8,062</b>	<b>17,558</b>	<b>8,062</b>	<b>17,558</b>

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	Group		Company	
	2022	2021	2022	2021
	N'000	N'000	N'000	N'000
<b>8.2 Estimated reinsurance recoveries on claims</b>				
Fire	43,915	49,961	43,915	49,961
General accident	1,253,285	1,077,731	13,647	15,935
Motor	6,523	6,523	6,523	6,523
Aviation	-	-	-	-
Marine	5,915	5,915	5,915	5,915
Agric	-	-	-	-
Engineering	356,861	356,859	356,861	356,859
Oil and Energy	908,215	794,255	908,215	794,255
	<b>2,574,714</b>	<b>2,291,244</b>	<b>1,335,076</b>	<b>1,229,448</b>
<b>Life business</b>				
Group business	-	-	-	-
Individual business	2,099,306	1,874,536	2,099,306	1,874,536
	<b>4,674,020</b>	<b>4,165,780</b>	<b>3,434,382</b>	<b>3,103,984</b>
<b>8.2.1. Estimated reinsurance IBNR</b>				
Fire	3,754	1,756	3,754	1,756
General accident	5,283	236	5,283	236
Motor	3,664	2,510	3,664	2,510
Aviation	-	-	-	-
Marine	85	989	85	989
Agric	-	-	-	-
Engineering	1,798	1,083	1,798	1,083
Oil and Energy	-	-	-	-
	<b>14,585</b>	<b>6,574</b>	<b>14,585</b>	<b>6,574</b>
<b>Life business</b>				
Individual business	-	-	-	-
Group business	8,779	4,563	8,779	4,563
	<b>8,779</b>	<b>4,563</b>	<b>8,779</b>	<b>4,563</b>
	<b>23,364</b>	<b>11,137</b>	<b>23,364</b>	<b>11,137</b>
<b>Total Estimated Reinsurance Recoveries</b>	<b>4,697,384</b>	<b>4,176,917</b>	<b>3,457,746</b>	<b>3,115,121</b>
<b>8.2.2 Movement in reinsurance recoveries claims</b>				
At 1 January	4,176,917	3,305,136	3,115,121	3,083,769
Increase/(decrease) (Note 37.2.1)	520,467	871,781	342,625	31,352
<b>At 31 December</b>	<b>4,697,384</b>	<b>4,176,917</b>	<b>3,457,746</b>	<b>3,115,121</b>
<b>8.2.2.1 Movement in reinsurance recoveries on IBNR</b>				
At 1 January	871,781	3,305,136	3,083,769	3,083,769
Increase/(decrease) (Note 37.2.1)	(351,315)	(2,433,355)	(2,741,144)	-
<b>At 31 December</b>	<b>520,467</b>	<b>871,781</b>	<b>342,625</b>	<b>3,083,769</b>
<b>8.3 Receivables from reinsurers/co-insurers</b>				
Fire	588,639	711,521	588,639	711,521
General accident	-	-	-	-
Motor	-	-	-	-
Marine	-	-	-	-
Engineering	-	-	-	-
	<b>588,639</b>	<b>711,521</b>	<b>588,639</b>	<b>711,521</b>
<b>Life business</b>				
Group business	-	-	-	-
Individual business	-	-	-	-
	<b>588,639</b>	<b>711,521</b>	<b>588,639</b>	<b>711,521</b>

## INDUSTRIAL AND GENERAL INSURANCE PLC

### NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2022

#### 8.3.1 Movement in receivables from reinsurers/co-insurers

At 1 January	711,521	639,018	711,521	639,018
Additions during the year	-	-	-	-
Movement during the year (Note 37.2.1)	(122,882)	72,503	(122,882)	72,503
<b>At 31 December</b>	<b>588,639</b>	<b>711,521</b>	<b>588,639</b>	<b>711,521</b>

#### 8.4 Movement in Impairment of reinsurance assets

At 1 January	149,064	149,064	149,064	149,064
Addition in the year (Note 45)	439,575	-	439,575	-
Recoveries	-	-	-	-
Written off	-	-	-	-
Translation adjustment	-	-	-	-
<b>At 31 December</b>	<b>588,639</b>	<b>149,064</b>	<b>588,639</b>	<b>149,064</b>

**8.5i** The Company assesses its reinsurance assets for impairment. If there is objective evidence that the reinsurance asset is impaired, the Company reduces the carrying amount of the reinsurance asset to its recoverable amount and recognizes that impairment loss in the income statement.

**8.5ii** The estimated reinsurance recoveries on claims and prepaid reinsurance represent reinsurance share of outstanding claims and unearned premium as stated in the actuarial report which has been captured as part of the gross liabilities in the accounts, hence not subject to impairment.

**INDUSTRIAL AND GENERAL INSURANCE PLC**

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2022**

**8.2.1 AGE ANALYSIS OF OUTSTANDING CLAIMS RECOVERABLE AS AT 31ST DECEMBER 2022**

a. age analysis as follows:

Days	Number of	
	Claimants	Amount
0-90 days	78,556,867	433,062
91-180 days	10	49,174
181-270 days	23	10,667
271-365 days	17	13,099
365+ days	2,263	2,928,381
<b>Grand Total</b>	<b>2,391</b>	<b>3,434,383</b>

a. by reason as follows:

Reason	0-90 DAYS		91-180 DAYS		181-270 DAYS		271-365 DAYS		365 DAYS +		TOTAL	
	Qty	N'000	Qty	N'000	Qty	N'000	Qty	N'000	Qty	N'000	Qty	N'000
Discharge voucher signed and returned to policyholders	29	148,374	7	26,492	13	4,899	4	5,105	1474	1,822,552	1,527	2,007,422
Discharge Vouchers not yet signed											-	-
Claims reported but incomplete documentation	50	284,688	3	22,682	10	5,768	12	7,994	789	1,105,829	864	1,426,961
Claims reported but being adjusted	-	-	-	-	-	-	-	-	-	-	-	-
Claims repudiated	-	-	-	-	-	-	-	-	-	-	-	-
Awaiting adjusters final report	-	-	-	-	-	-	-	-	-	-	-	-
Litigation awarded	-	-	-	-	-	-	-	-	-	-	-	-
Awaiting Lead Insurer's instruction	-	-	-	-	-	-	-	-	-	-	-	-
Third party liability outstanding	-	-	-	-	-	-	-	-	-	-	-	-
Adjusters fee payable	-	-	-	-	-	-	-	-	-	-	-	-
Liquidity	-	-	-	-	-	-	-	-	-	-	-	-
<b>Total</b>	<b>79</b>	<b>433,062</b>	<b>10</b>	<b>49,174</b>	<b>23</b>	<b>10,667</b>	<b>17</b>	<b>13,099</b>	<b>2,263</b>	<b>2,928,381</b>	<b>2,391</b>	<b>3,434,383</b>

**8.2.1 AGE ANALYSIS OF OUTSTANDING CLAIMS RECOVERABLE AS AT 31ST DECEMBER 2021**

a. age analysis as follows:

Days	Number of	
	Claimants	Amount
0-90 days	71	391,400
91-180 days	9	44,443
181-270 days	21	9,641
271-365 days	15	11,839
365+ days	2,045	2,646,662
<b>Grand Total</b>	<b>2,161</b>	<b>3,103,984</b>



## INDUSTRIAL AND GENERAL INSURANCE PLC

### NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2022

#### a. by reason as follows:

Reason	0-90 DAYS		91-180 DAYS		181-270 DAYS		271-365 DAYS		365 DAYS +		TOTAL	
	Qty	N'000	Qty	N'000	Qty	N'000	Qty	N'000	Qty	N'000	Qty	N'000
Discharge voucher signed and returned to policyholders	26	134,100	6	23,943	12	4,428	4	4,614	1332	1,647,217	1,380	1,814,301
Discharge Vouchers not yet signed												
Claims reported but incomplete documentation	45	257,300	3	20,500	9	5,213	11	7,225	713	999,445	781	1,289,683
Claims reported but being adjusted												
Claims repudiated	-	-	-	-	-	-	-	-	-	-	-	-
Awaiting adjusters final report	-	-	-	-	-	-	-	-	-	-	-	-
Litigation awarded	-	-	-	-	-	-	-	-	-	-	-	-
Awaiting Lead Insurer's instruction	-	-	-	-	-	-	-	-	-	-	-	-
Third party liability outstanding	-	-	-	-	-	-	-	-	-	-	-	-
Adjusters fee payable	-	-	-	-	-	-	-	-	-	-	-	-
Liquidity	-	-	-	-	-	-	-	-	-	-	-	-
<b>Total</b>	<b>71</b>	<b>391,400</b>	<b>9</b>	<b>44,443</b>	<b>21</b>	<b>9,641</b>	<b>15</b>	<b>11,839</b>	<b>2,045</b>	<b>2,646,662</b>	<b>2,161</b>	<b>3,103,984</b>

## INDUSTRIAL AND GENERAL INSURANCE PLC

### NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2022

#### 9. Deferred acquisition costs

Deferred acquisition costs represent commission on unearned premium relating to the unexpired period of risks.

Deferred acquisition cost is only recognised for the non-life business segment of the company. The movement of deferred acquisition cost is as follows:

	Group		Company	
	2022 N'000	2021 N'000	2022 N'000	2021 N'000
<b>9.1 Movement in deferred acquisition costs</b>				
At 1 January	234,845	78,641	16,223	78,224
Acquisition cost for the year	211,392	807,379	60,975	48,086
Translation adjustment	-	-	-	-
<b>Total acquisition cost for the year</b>	<b>446,237</b>	<b>886,020</b>	<b>77,198</b>	<b>126,310</b>
Amortization during the year (Note 38.1)	(163,418)	(651,175)	(68,433)	(110,087)
<b>At 31 December</b>	<b>282,819</b>	<b>234,845</b>	<b>8,765</b>	<b>16,223</b>
Current	282,819	234,845	8,765	16,223
Non Current	-	-	-	-
	<b>282,819</b>	<b>234,845</b>	<b>8,765</b>	<b>16,223</b>
<b>9.2 Deferred acquisition costs analysis</b>				
Fire	1,744	1,842	1,744	1,842
General accident	276,908	221,905	2,854	3,283
Motor	3,689	4,465	3,689	4,465
Aviation	-	-	-	-
Marine	459	1,294	459	1,294
Agric	-	180	-	180
Engineering	19	147	19	147
Oil and Energy	-	4	-	4
	<b>282,819</b>	<b>229,837</b>	<b>8,765</b>	<b>11,215</b>
<b>Life business</b>				
Individual Life	-	-	-	-
Group Life	-	5,008	-	5,008
	<b>282,819</b>	<b>234,845</b>	<b>8,765</b>	<b>16,223</b>
	Group		Company	
	2022 N'000	2021 N'000	2022 N'000	2021 N'000
<b>10. Loans and advances to customers</b>				
Overdrafts	-	(32,137)	-	-
Term loans	368,642	31,393	-	-
Mortgage loans	19,213	744	-	-
Staff loans	-	-	-	-
	<b>387,855</b>	<b>-</b>	<b>-</b>	<b>-</b>
Impairment on loans and advances to customers (Note 10.1)	-	-	-	-
	<b>387,855</b>	<b>-</b>	<b>-</b>	<b>-</b>
Current	310,284	-	-	-
Non Current	77,571	(4,465)	-	-
	<b>387,855</b>	<b>(4,465)</b>	<b>-</b>	<b>-</b>
<b>10.1 Movements in impairment on loans and advances to customers:</b>				
At 1 January	-	-	-	-
Additions in the year (Note 45)	-	-	-	-
Reclassified	83,511	83,511	-	-
Recovery in the year	(83,511)	(83,511)	-	-
<b>At 31 December</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>

## INDUSTRIAL AND GENERAL INSURANCE PLC

### NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2022

**10.2** Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market,

- i) Those classified as held for trading and those that the Group on initial recognition designates as at fair value through profit and loss;
- ii) Those that the Group upon initial recognition designates as available-for-sale; or
- iii) Those for which the holder may not recover substantially all of its initial investment, other than because of credit deterioration.

**10.3** They arise when the Group provides money, goods or services directly to a debtor with no intention of trading the receivable. Loans and receivables are reported in the statement of financial position as loans and advances to customers and placements with other banks and interest on these is reported in the profit or loss account as interest income.

**10.4** In case of an impairment loss, the impairment loss is reported as a deduction from the carrying value of loans and recognized in the profit or loss account as impairment losses on loans and advances'.

	Group		Company	
	2022 N'000	2021 N'000	2022 N'000	2021 N'000
<b>11. Non current assets held for sale</b>				
At 1 January	3,149,888	-	-	6,739,135
Additions during the year (Note 11.1)	80,688	-	-	-
Disposal during the year	(1,103,218)	-	-	-
Transfer from property, plant and equipment (Note 17a)	-	-	-	-
Transfer to investment properties (Note 16)	-	-	-	(6,739,135)
Fair value gain on revaluation	-	-	-	-
Exchange gains/(losses)	1	-	-	-
<b>At 31 DECEMBER</b>	<b>2,127,359</b>	<b>-</b>	<b>0</b>	<b>-</b>
Current	-	-	-	-
Non Current	2,127,359	-	-	-
	<b>2,127,359</b>	<b>-</b>	<b>0</b>	<b>-</b>

#### 11.1 Group

Non current Assets Held for sale represent landed properties in different locations in Nigeria. Addition during the year was cost incurred for the perfection of the title documents.

## INDUSTRIAL AND GENERAL INSURANCE PLC

### NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2022

	Group		COMPANY	
	2022 N'000	2021 N'000	2022 N'000	2021 N'000
<b>12. Other receivables and prepayments</b>				
Receivable from related parties (Note 13d)	230,508	1,436,812	230,508	3,984,155
Commission receivable on reinsurance ceded	-	17,374	-	17,374
Deposit for shares (Note 4.3)	432	500,000	432	500,000
Accrued income	3,230	84,446	3,230	84,446
Prepaid Rent & Rates	613	-	613	-
Other receivables	2,772,106	1,332,278	1,134,250	1,400,667
	<b>3,006,889</b>	<b>3,370,910</b>	<b>1,369,033</b>	<b>5,986,642</b>
Impairment on other receivables and prepayments	(1,188,765)	(3,370,910)	(1,188,765)	(5,986,642)
	<b>1,818,124</b>	<b>-</b>	<b>180,268</b>	<b>-</b>

#### 12.1 Movement in Impairment on other receivables and prepayments

At 1 January	3,370,910	2,886,593	5,986,641	5,367,861
		484,317		618,781
Write back during the year (Note 45)	(216,413)		(214,494)	
Written off during the year	(1,965,732)	-	(4,583,382)	
Translation adjustments	-	-	-	(1)
<b>At 31 December</b>	<b>1,188,765</b>	<b>3,370,910</b>	<b>1,188,765</b>	<b>5,986,641</b>

#### 12.2 Analysis of impairment loss by assets

Group	2022						Net N'000
	At 31 DECEMBER N'000	At 1 Jan N'000	Addition N'000	(Write back) N'000	'Written off N'000	At 31 DECEMBER N'000	
<b>Description of assets</b>							
Receivable from related parties	230,508	1,436,812		(216,413)	(1,220,399)	(0)	230,508
Commission receivable on reinsurance ceded	-	17,374			(17,374)	-	-
Deposit for shares	432	500,000			(500,000)	-	432
Accrued income	3,230	84,446			(84,446)	-	3,230
Prepaid Rent & Rates	613	-			-	-	613
Other receivables (Note 12.4)	2,772,106	1,332,278			(143,513)	1,188,765	1,583,341
	<b>3,006,889</b>	<b>3,370,910</b>	<b>-</b>	<b>(216,413)</b>	<b>(1,965,732)</b>	<b>1,188,765</b>	<b>1,818,124</b>

Group	2021						Net N'000
	At 31 DECEMBER N'000	At 1 Jan N'000	Addition N'000	(Write back) N'000	'Written off N'000	At 31 DECEMBER N'000	
<b>Description of assets</b>							
Receivable from related parties	1,436,812	952,495	484,317			1,436,812	0
Commission receivable on reinsurance ceded	17,374	17,374				17,374	-
Deposit for shares	500,000	500,000	-			500,000	-
Accrued income	84,446	84,446				84,446	-
Other receivables	1,332,278	1,332,278				1,332,278	-
	<b>3,370,910</b>	<b>2,886,593</b>	<b>484,317</b>	<b>-</b>	<b>-</b>	<b>3,370,910</b>	<b>0</b>

## INDUSTRIAL AND GENERAL INSURANCE PLC

### NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2022

Company	2022						Net N'000	
	Assets			Impairment				
	At 31 DECEMBER N'000	At 1 Jan N'000	Addition (Write back)	'Written off N'000	At 31 DECEMBER N'000			
Description of assets								
Receivable from related parties	230,508	3,984,155	(214,494)	(3,539,153)	230,508		-	
Commission receivable on reinsurance ceded	-	17,374		(17,374)	-		-	
Deposit for shares	432	500,000		(500,000)	-		432	
Accrued income	3,230	84,446		(84,446)	-		3,230	
Prepaid Rent & Rates	613				-		613	
Other receivables (Note 12.4)	1,134,250	1,400,667		(442,410)	958,257		175,993	
	<u>1,369,033</u>	<u>5,986,642</u>	<u>-</u>	<u>(214,494)</u>	<u>(4,583,383)</u>	<u>1,188,765</u>		<u>180,268</u>

As shown in Note 13.2, the board approved the write-off of moribund and long-outstanding unconfirmed debtor balances during the year. The total amount written off was N4,797,876, which was charged against previously held provisions of N4,583,383, with a write-back of N214,494 recorded during the year.

Company	2021						Net N'000
	Assets			Impairment			
	At 31 DECEMBER N'000	At 1 Jan N'000	Addition (Write back)	'Written off N'000	At 31 DECEMBER N'000		
Description of assets							
Receivable from related parties	3,984,155	3,365,374	618,781	-	3,984,155		-
Commission receivable on reinsurance ceded	17,374	17,374			17,374		-
Deposit for shares	500,000	500,000		-	500,000		-
Accrued income	84,446	84,446		-	84,446		-
Other receivables	1,400,667	1,400,667			1,400,667		-
	<u>5,986,642</u>	<u>5,367,861</u>	<u>618,781</u>	<u>-</u>	<u>5,986,642</u>		<u>(1)</u>

#### 12.3 Deposit for shares

	Group		COMPANY	
	2022 N'000	2021 N'000	2022 N'000	2021 N'000
Mountain investment & securities limited	357		357	
Vetiva capital management limited	75		75	
Others		500,000		500,000
Total	<u>432</u>	<u>500,000</u>	<u>432</u>	<u>500,000</u>

During the year, the board approved the write-off of deposits for shares held with organizations that had become moribund (IGI PFM - N75,000, Perfect Structures Limited - N225,000 and Chancellor's Properties Limited - N200,000). As a result of this write-off, the deposit for shares was reduced from ₦500,000 in 2021 to ₦432 in 2022.

#### 12.4 Other receivables

GROUP	2022			2021		
	Amount N'000	Provision for impairment N'000	Net carrying amount N'000	Amount N'000	Provision for impairment N'000	Net carrying amount N'000
This relates to receivables as analysed below:						
Other debtors	1,203,500	(790,190)	413,310	857,902	(857,902)	0
Trade debtors	1,170,032	-	1,170,032	-	-	-
Sundry debtors	329,829	(329,829)	(0)	415,204	(415,204)	0
Commission float	68,746	(68,746)	(0)	59,172	(59,172)	0
	<u>2,772,106</u>	<u>(1,188,765)</u>	<u>1,583,341</u>	<u>1,332,278</u>	<u>(1,332,278)</u>	<u>0</u>

COMPANY	2022			2021		
	Amount N'000	Provision for impairment N'000	Net carrying amount N'000	Amount N'000	Provision for impairment N'000	Net carrying amount N'000
This relates to receivables as analysed below:						
Other debtors	735,675	(735,675)	(0)	1,148,419	(1,148,419)	0
Sundry debtors	329,829	(222,582)	107,247	193,075	(193,075)	0
Commission float	68,746	-	68,746	59,172	(59,172)	0
	<u>1,134,250</u>	<u>(958,257)</u>	<u>175,993</u>	<u>1,400,667</u>	<u>(1,400,666)</u>	<u>(0)</u>

## INDUSTRIAL AND GENERAL INSURANCE PLC

### NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2022

#### 13. Related party disclosures

##### a) Transactions with related parties

The Company enters into transactions with its subsidiaries and associated companies and key management personnel in the normal course of business at arms length. Details of significant transactions carried out during the year with related parties are

	Group		Company	
	2,022 N'000	2,021 N'000	2,022 N'000	2,021 N'000
<b>b) Sale of:</b>				
Property transferred to Intl Health Mgt Services Ltd in lieu of cash	-	-	-	-
Debt set-off with Intl Health Mgt Services Ltd	-	-	-	-
Pension contract with IGI Pension fund managers Ltd	-	250	-	250
Consultancy & Professional services to IGI Ghana Ltd	-	-	-	-
Insurance and investment contracts to Perfect Structures Ltd	-	-	-	-
	<u>-</u>	<u>250</u>	<u>-</u>	<u>250</u>
<b>c) Purchase of</b>				
Estate Management Services from Chancellor's Property	-	-	-	-
Professional services from All Crown Registrars Ltd	-	-	-	-
Professional services from Perfect Structures Ltd	-	-	-	-
	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>d) Balances with related parties</b>				

Receivables from and payable to related parties are as follows:

##### i) Receivables from related parties

Monarch Communications Ltd	-	-	-	2,547,343
Global trust Savings & Loans Ltd	174,101	174,101	174,101	174,101
IGI Pension Fund Managers Ltd	-	92,983	-	92,983
All crown Registrars Ltd	56,407	56,407	56,407	56,407
Intl Health Mgt Services Ltd	-	90,110	-	90,110
NIC Holdings Limited, Uganda	-	1	-	1
Global Trust Bank Ltd, Uganda	-	-	-	-
IGI Gamstar Ins Co. Ltd, Gambia	-	27,235	-	27,235
Sonarwa (Rwanda)	-	-	-	-
IGI Life Assurance Ghana Ltd	-	41,852	-	41,852
Industrial and General Insurance (Ghana) Company Ltd	-	-	-	-
Offshore Prod. Engineering	-	29,233	-	29,233
Industrial Energy Company	-	251,206	-	-
Apex Airline	-	129,560	-	129,560
Andrew Robins Ltd.	-	74,062	-	74,062
Shaw Environment & Infrastructure Nig.	-	243,436	-	243,436
Sierra Leone Project	-	32,058	-	32,058
First Securities Discount House Ltd.	-	-	-	-
Others	-	194,568	-	445,774
	<u>230,508</u>	<u>1,436,812</u>	<u>230,508</u>	<u>3,984,155</u>

##### ii) Payables to related parties

IGI Pension fund managers Ltd	145,112	145,112	145,112	145,112
Due to Directors	49,138	49,138	49,138	49,138
Industrial and General Insurance Plc	1,164,492	-	-	-
Current A/c With Life Business	-	-	-	-
Global trust Savings & Loans Ltd	570,675	-	-	-
Others	-	-	-	-
	<u>1,929,417</u>	<u>-</u>	<u>194,250</u>	<u>194,250</u>

e) Outstanding balances at the reporting date are unsecured. Settlement will take place in cash. There was allowance for impairment on receivables with related parties at the transition date, comparative year and reporting date.

**INDUSTRIAL AND GENERAL INSURANCE PLC**

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2022**

**Note 13.2 - Write off during the year of amounts owed by moribund organizations and other unconfirmed long outstanding balances.**

	Receivables from related parties	Commission receivable on reinsurance	deposit for shares	Accrued income	Other Debtors	Total
	N'000	N'000	N'000	N'000	N'000	N'000
<b>i) Receivables from related parties</b>						
<b>GENERAL BUSINESS</b>						
Current Account With Nic Uganda	1	-	-	-	-	1
Current Account With Gold Jay Ent. Ltd	24	-	-	-	-	24
Current Account With Premier Sports Ltd	24	-	-	-	-	24
Current Account With Investment Mgrs	83	-	-	-	-	83
Current Account With Cabletv Ltd	87	-	-	-	-	87
Current Account With Procos Internationala	107	-	-	-	-	107
Current Account With Lets Talk Ltd	140	-	-	-	-	140
Current Account With Hasting Security Lt	144	-	-	-	-	144
Current Account With Qualitek/Universe	148	-	-	-	-	148
Current Account With Cell Tal Ltd	171	-	-	-	-	171
Current Account With Lucent Tech. Nig L	183	-	-	-	-	183
Current Account With Gmi Resources Ltd	191	-	-	-	-	191
Current Account With Discovery Pharmace	199	-	-	-	-	199
Current Account With First Ind. Invt Ltd	207	-	-	-	-	207
Current Account With Premium Trust Ltd	229	-	-	-	-	229
Current Account With Solicitors	279	-	-	-	-	279
Current Account With Industrial Trustee	389	-	-	-	-	389
Current Account With Reez Bimrax Ltd	399	-	-	-	-	399
Current Account With Gold Airways Ltd	478	-	-	-	-	478
Current Account With United Pipelines	520	-	-	-	-	520
Current Account With Arc Okunola Odusote	700	-	-	-	-	700
Current Account With Omson Insurance Bro	720	-	-	-	-	720
Current Account With Corporate Trust Ins	1,000	-	-	-	-	1,000
Current Account With Geniro System Nig	1,487	-	-	-	-	1,487
Current Account With Global Trust Savings & Loans Ltd	1,868	-	-	-	-	1,868
Current Account With Nysc Foundation	2,848	-	-	-	-	2,848
Current Account With A & L Underground N	3,108	-	-	-	-	3,108
Current Account With Afrocellular Comm	3,481	-	-	-	-	3,481
Current Account With Orbital Computer	5,535	-	-	-	-	5,535
Current Account With Financ & Ins Expert	5,818	-	-	-	-	5,818
Current Account With Postal Life Insuran	6,402	-	-	-	-	6,402
Current Account With Nat. Sport Foundati	11,772	-	-	-	-	11,772
Current Account With Agib	23,327	-	-	-	-	23,327
Current Account With Gamstar	27,235	-	-	-	-	27,235
Current Account With Bendel Woods Indust	27,455	-	-	-	-	27,455
Current Account With Off Shore Prod. En	29,233	-	-	-	-	29,233
Current Account With Asa	31,099	-	-	-	-	31,099
Current Account With Seirra Leone Projec	32,058	-	-	-	-	32,058
Current Account With Igi Ghana	41,852	-	-	-	-	41,852
Current Account With Investment Profile	50,304	-	-	-	-	50,304
Current Account With Andrew Robins	73,912	-	-	-	-	73,912
Current Account With Igi Pfa	92,983	-	-	-	-	92,983
Current Account With Apex Airline	125,554	-	-	-	-	125,554
Current Account With Shaw Environmental	228,287	-	-	-	-	228,287
Current Account With Industrial Energy C	251,206	-	-	-	-	251,206
Current A/C With Monarch Communications Ltd	2,115,999	-	-	-	-	2,115,999
Deposit For Shares	-	-	500,000	-	-	500,000
Accrued Income - Others	-	-	-	914	-	914
Accrued Rental Income	-	-	-	8,243	-	8,243
Accrued Income On Unquoted Investments Current Account With Nic Uganda	-	-	-	47,900	-	47,900
<b>TOTAL</b>	<b>3,199,242</b>	<b>-</b>	<b>500,000</b>	<b>57,056</b>	<b>-</b>	<b>3,756,298</b>
<b>LIFE BUSINESS</b>						
Current Account With Andrew Robins	150	-	-	-	-	150
Current Account With Apex Airline	4,006	-	-	-	-	4,006
Current Account With Asa	3,923	-	-	-	-	3,923
Current Account With Bendel Woods Industry Ltd	1,909	-	-	-	-	1,909
Current Account With Intl Health Mgt. Services	90,110	-	-	-	-	90,110
Current Account With Monarch Communications Ltd	431,343	-	-	-	-	431,343
Current Account With New Vista	4,875	-	-	-	-	4,875
Current Account With Perfect Structure	2,940	-	-	-	-	2,940
Current Account With Shaw Environment	15,149	-	-	-	-	15,149
Deferred Commission Income - Group Life	-	798	-	-	-	798
Commission Payable Account	-	16,576	-	-	-	16,576
Accrued Rental Income	-	-	-	27,389	-	27,389
Other debtors	-	-	-	-	442,410	442,410
<b>TOTAL</b>	<b>554,405</b>	<b>17,374</b>	<b>-</b>	<b>27,389</b>	<b>442,410</b>	<b>1,041,578</b>
	<b>3,753,647</b>	<b>17,374</b>	<b>500,000</b>	<b>84,446</b>	<b>442,410</b>	<b>4,797,876</b>

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	Group		Company	
	2022	2021	2022	2021
	N'000	N'000	N'000	N'000
<b>14. Investment in subsidiaries</b>				
<b>Cost of investments:</b>				
At 1 January	-	-	4,005,195	4,005,195
Fair value gain	-	-	-	-
Addition in the year	-	-	-	-
	-	-	<b>4,005,195</b>	<b>4,005,195</b>
Impairment on investment in subsidiaries (Note 14.1)	-	-	(615,412)	(615,412)
	-	-	<b>3,389,783</b>	<b>3,389,783</b>

#### 14.1 Movements in impairment on investment in subsidiaries:

At 1 January	-	-	615,412	615,412
Impairment/(Write back) during the year (Note 45)	-	-	-	-
Translation adjustment	-	-	-	-
<b>At 31 December</b>	-	-	<b>615,412</b>	<b>615,412</b>

14.2 Each subsidiary is assessed at each reporting date for impairment when the carrying amount exceeds its recoverable amount using its statement of financial position. The recoverable amount is the higher of the subsidiary's fair value less cost at each reporting date. Losses for impairment in subsidiaries are recognised promptly when there is objective evidence that impairment of a subsidiary has occurred. Impairment allowances are calculated on individual subsidiary. Impairment losses are recorded as charges to the profit or loss account. The carrying amount of impaired subsidiary at the reporting date is reduced through the use of impairment allowance accounts.

#### 14.3 (a) Subsidiaries disclosures

All shares in subsidiary undertakings are ordinary shares.

Name of subsidiaries	Country of incorporation	Held by (Units) in thousand	Holdings (%)	Status	Accumulated		Carrying Amount
					Cost	Impairment	
					N 000	N 000	N 000
Monarch communications Ltd	Nigeria	568,600	56.86	Discontinued	590,447	(590,447)	-
Global trust Savings & Loans Ltd	Nigeria	1,086,030	98.73	Operational	2,086,000	-	2,086,000
All crown Registrars Ltd	Nigeria	134,845	93.94	Operational	158,500	(24,964)	133,536
Intl Health Mgt Services Ltd	Nigeria	408,048	85	Operational	320,000	-	320,000
NIC Holdings Limited, Uganda	Uganda	(118,835)	64.95	Operational	721,398	-	721,398
IGI Gamstar Ins Co. Ltd, Gambia	Gambia	918,000	60	Operational	128,850	-	128,850
					<b>4,005,195</b>	<b>(615,411)</b>	<b>3,389,784</b>

#### 14.3 (b) Subsidiaries' share of net asset

Subsidiary	Net Asset	Percentage of holdings	Share value/Net Asset proportion of holdings		Fair Loss Provision brought forward	Fair Loss Provision charged for the year	Fair Loss Provision carried forward
			Cost	Cost			
		N	N	N	N	N	N
		(a)	(b)	(c)	(d)	(e)	(e) - (d)
Global trust Savings & Loans Ltd	2,321,694,000	98.73%	2,292,208,486	2,086,000,414	-	-	-
Intl Health Mgt Services Ltd	515,386,000	85.00%	438,078,100	320,000,000	-	-	-
NIC Holdings Limited Uganda	5,954,686,676	64.95%	3,867,568,996	721,397,781	-	-	-
Monarch Communication Ltd	-3,838,468,690	56.86%	0	590,447,024	590,447,024	-	590,447,024
IGI Gamstar Insurance Limited, Gambia	538,989,701	60%	323,393,821	128,850,000	-	-	-
All crown Registrars Ltd	148,762,426	92.00%	136,798,290	158,500,000	24,964,200	-	24,964,200
Total					<b>4,005,195,219</b>	<b>615,411,224</b>	<b>615,411,224</b>

14.3.1 **Monarch Communications Limited** was incorporated as a limited liability company on January 2nd, 1997. It commenced business on 1st June, 2005. The company was granted a telecommunication licence by the Nigerian Communication Commission (NCC) under section 12 of Act No 75 of 1992 to provide private Network Links (fixed telephony) in Nigeria.

14.3.2 **Global Trust Savings and Loans Limited** was incorporated as a private limited liability company on 12 January, 1995 and commenced business on 1st June of the same year. The company changed its name from Prime Investments Company Limited to Global Trust Savings & Loans Limited on 1st January 1998. Its shares are held by private individuals. The company engaged mainly in Mortgage trade, financing and other related financial services.

14.3.3 **All Crown Registrars Limited** was incorporated as a private limited liability company on 3rd October 1994 and commenced business the same year. The principal activities of the company is to carry out the business of share registration and act as Company

14.3.4 **International Health Management Services Limited** was incorporated in Nigeria under the Company and Allied Matters Act. 2004 (CAMA) on April 9, 2001, and commenced business on 1st October, 2005. The registered office and principal place of business is at 2, Joseph Street, Marina, Lagos, Nigeria. The principal activities of the Company is the provision of healthcare maintenance, management, advisory, administrative and logistic support services. This is for an enhanced health-care delivery system in Nigeria as required under the National Health Insurance Scheme (NHIS) or any other health schemes set up by the Federal Government of Nigeria.

14.3.5 **National Insurance Corporation Limited (NIC) Holdings Limited** was incorporated in Uganda under the Ugandan Companies Act, National Insurance Corporation Act 1964 and is regulated by the Insurance Regulatory Authority (formerly Ugandan Insurance Commission) and domiciled in Uganda. The company is licensed to transact all classes of life and general insurance business as defined by the Insurance Act (Cap 213). As at 31 December 2014, IGI Plc owns 64.95% of NIC, Uganda through Corporate Holdings Limited, A special purpose vehicle created solely for the acquisition. The Corporation is a public limited company with 40% of shares in the Corporation listed on the Main Investment Market Segment (MIMS) of the Uganda Securities Exchange with effect from 25 March 2010.

14.3.6 **IGI Gamstar Insurance Company Limited** is principally engaged in the business of underwriting general insurance business in the Gambia in accordance with provisions of the Insurance Act 2003 and Insurance Regulations 2005. 60% of the 1,530,000 units of shares issued and fully paid are held by Industrial & General Insurance Plc a company incorporated in the Federal Republic of Nigeria.



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14.4 A summary of the results and financial position of Group together with relevant disclosures relating to non-controlling interests is provided below in accordance with the requirements of IFRS 12:

	<b>Group</b>	<b>Subsidiaries</b>	<b>Group</b>	<b>Subsidiaries</b>
	<b>2022</b>	<b>2022</b>	<b>2021</b>	<b>2021</b>
	<b>N'000</b>	<b>N'000</b>	<b>N'000</b>	<b>N'000</b>
<b>Summary of results:</b>				
<b>Summary of financial position:</b>				
Total assets	64,138,490	24,297,741	60,653,907	20,436,076
Total liabilities	<u>(53,148,568)</u>	<u>(22,207,996)</u>	<u>(47,442,151)</u>	<u>(17,784,467)</u>
<b>Equity attributable to owners of the company</b>	<b>10,989,922</b>	<b>2,089,745</b>	<b>13,211,756</b>	<b>2,651,609</b>
Non-controlling interests	<u>3,916,211</u>	<u>-</u>	<u>(2,299,856)</u>	
<b>Summary of statement of profit or loss and other comprehensive income:</b>				
Revenue	6,734,746	6,200,697	6,012,466	5,325,528
Other operating incomes	3,136,314	1,042,573	3,350,221	1,426,143
Expenses	<u>(13,136,573)</u>	<u>(8,008,339)</u>	<u>(7,709,141)</u>	<u>(4,538,091)</u>
<b>Loss for the year</b>	<b><u>(3,265,513)</u></b>	<b><u>(765,069)</u></b>	<b><u>1,653,546</u></b>	<b><u>2,213,580</u></b>
Loss attributable to owners of the company	<u>(3,644,308)</u>	<u>(757,659)</u>	<u>1,504,765</u>	<u>2,662,075</u>
Loss attributable to the non-controlling interests	<u>379,090</u>	<u>379,090</u>	<u>158,781</u>	<u>158,781</u>
<b>Loss for the year</b>	<b><u>(3,265,218)</u></b>	<b><u>(378,569)</u></b>	<b><u>1,663,546</u></b>	<b><u>2,820,856</u></b>
<b>Other comprehensive income/(loss) attributable to owners of the company</b>				
Other comprehensive loss to the non-controlling interests	1,761,156	534,478	179,897	234,297
	<u>(379,090)</u>	<u>(379,090)</u>	<u>(151,427)</u>	<u>(151,427)</u>
<b>Other comprehensive income for the year</b>	<b><u>1,382,066</u></b>	<b><u>155,389</u></b>	<b><u>28,471</u></b>	<b><u>82,870</u></b>
<b>Total comprehensive income attributable to owners of the company</b>				
	<u>(1,883,152)</u>	<u>(223,181)</u>	<u>1,684,663</u>	<u>2,896,372</u>
Total comprehensive income to the non-controlling interests	<u>379,090</u>	<u>379,090</u>	<u>158,781</u>	<u>158,781</u>
<b>Total comprehensive income for the year</b>	<b><u>(1,504,063)</u></b>	<b><u>155,909</u></b>	<b><u>1,843,443</u></b>	<b><u>3,055,152</u></b>
Dividends paid to non controlling interests	-	-	-	-
<b>Summary of cash flows:</b>				
Net cash out flow from operating activities	1,037,163	1,676,670	3,744,998	4,712,501
Net cash out flow from investing activities	115,668	(1,308,487)	(3,109,120)	(4,472,919)
Net cash (out)/in flow from financing activities	<u>1,424,729</u>	<u>1,674,913</u>	<u>(180,061)</u>	<u>(51,087)</u>
<b>Net cash out flow</b>	<b><u>1,540,397</u></b>	<b><u>366,427</u></b>	<b><u>(3,289,181)</u></b>	<b><u>(4,524,006)</u></b>

#### 14.5 Change in the Group's ownership interest in a subsidiary

There was no changes in the Group's ownership interest in the subsidiaries during the year.

#### 14.6 Significant restrictions

There are no significant restrictions on the company's or subsidiary's ability to access or use the assets and settle the liabilities of the Group.

#### 14.7 Financial support

The Group has not given any financial support to a consolidated structured entity.

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	Group		Company	
	2022 N'000	2021 N'000	2022 N'000	2021 N'000
<b>15. Intangible assets</b>				
Computer Software (Note 15.1)	22,741	24,068	-	-
	<u>22,741</u>	<u>24,068</u>	<u>-</u>	<u>-</u>
Current	-	-	-	-
Non Current	22,741	24,068	-	-
	<u>22,741</u>	<u>24,068</u>	<u>-</u>	<u>-</u>
<b>15.1 Movement in Computer software</b>				
<b>Cost</b>				
At 1 January	76,668	117,047	52,600	52,600
Additions during the year	-	(40,379)	-	-
Translation adjustment	(1,327)	-	-	-
<b>At 31 December</b>	<u>75,341</u>	<u>76,668</u>	<u>52,600</u>	<u>52,600</u>
<b>Amortisation and impairment</b>				
At 1 January	52,600	53,615	52,600	52,600
Charged during the year	-	-	-	-
Translation adjustment	-	1,015	-	-
<b>At 31 December</b>	<u>52,600</u>	<u>52,600</u>	<u>52,600</u>	<u>52,600</u>
<b>Carrying amount</b>	<u>22,741</u>	<u>24,068</u>	<u>-</u>	<u>-</u>

15.2 The Group intangible assets comprises of purchased computer software. The computer software are accounted for using cost model of IAS 38, that is, cost less accumulated amortization and accumulated impairment. The amortization is charged to the Income Statement in line with the Group's accounting policy. These assets were tested for impairment and no impairment is required in respect of the assets.

	Group		Company	
	2022 N'000	2021 N'000	2022 N'000	2021 N'000
<b>16. Investment properties</b>				
<b>At valuation:</b>				
At 1 January	30,950,121	26,774,270	24,775,684	26,119,411
Additions	2,700,512	1,476,362	-	-
Transfer from Subsidiary	-	-	-	-
Write -off (Note 46.2 - f, g & h)	(1,232,844)	-	(1,232,844)	-
Disposals	(2,160,444)	(2,946,600)	(35,600)	(2,946,600)
Transfer from assets held for sale (Note 11)	-	4,371,741	-	-
Transfer to property, plant and equipment (Note 17a)	-	-536,809	-	-
Fair value gain (Note 44)	1,585,594	1,811,157	1,294,971	1,602,873
Translation adjustments	1	(0)	1	(0)
<b>At 31 December</b>	<u>31,842,940</u>	<u>30,950,121</u>	<u>24,802,212</u>	<u>24,775,684</u>
<b>16.1 Of the investment properties, the following relates:</b>				
Policyholder Fund	3,756,868	14,539,589	2,926,195	11,638,994
Shareholders fund	11,557,144	9,899,103	9,001,767	7,924,268
Deposit Administration	4,911,123	3,088,863	3,825,234	2,472,646
Others	11,267,830	3,422,566	9,049,016	2,739,776
<b>Total</b>	<u>31,492,965</u>	<u>30,950,121</u>	<u>24,802,212</u>	<u>24,775,684</u>

i) Investment properties represents the Group's investment in land and buildings held for the purpose of capital appreciation. It is the Group's policy not to depreciate these investment properties that did not generate any income or direct operating expenses during the year.

ii) During the year, the Company disposed of an Investment Property located along Oyemekun Road, Akure valued at N24.8 million, property at Fumta Jetty, 1st Avenue, Festac Town, Lagos valued at N300 Million and property at No. 1 Bendel Steel Structures Road, Enerehen, Effurun, Warri valued at N37,260,000.

iii) Rental income for the year on the Group was N14.332 million (31 Dec 2021: N16.119 million) while the Company was N14.332 million (31 Dec 2021: N16.119 million)

iv) Certain Land and Buildings were revalued in December 2021 by Messrs Ora Egbunike & Associates chartered surveyors and valuers (FRC/2012/NIESV/0000000244). The valuation was based on open market value between a willing buyer and seller produced a surplus balance of N130 million (Dec 2021: N100 million) which has been credited to other comprehensive income. The basis of appraisal for valuation of the properties is the "Open market Concept". The Open market value is the best price at which an interest in property assets might reasonably be expected to be sold as at the date of valuation either by a private treaty, public auction or tender as may be appropriate.

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16. 1v) Further analysis and details of the investment properties, including their locations, are stated below. This includes the cost, carrying amount and the corresponding fair value adjustments recognised in the statement of profit or loss and other comprehensive income.

**Investment Properties' Fair Value - 31 December, 2022**

	Location	Market Value - at January 1			Addition		Disposal		Fair value Gain		Market Value - 31st December			Reclassification	Title
		Land N	Building N	Total N	Land N	Building N	Land N	Building N	Land N	Building N	Land N	Building N	Total N	Total N	
Building at No 6 Okunfolami Str. Anthony village Lagos	Lagos State	55,000,000	68,420,000	123,420,000.00							55,000,000	68,420,000	123,420,000		IGIS TitleUnder dispute
No 119 Broad, Street, Lagos Island, Lagos	Lagos State	270,000,000	940,000,000	1,210,000,000							270,000,000	940,000,000	1,210,000,000		Peftected in IGI'S name
Property at Tourism Zone, near Alpha Beach, Lekki, Lagos	Lagos State	10,946,900,000	-	10,946,900,000					1,000,000,000		11,946,900,000	-	11,946,900,000		Peftected in IGI'S name
4.2 Hectares of Land at Mayegun Tourism Scheme, Lekki Onikoyi Road, Parkview Estate, Ikoyi, Lagos	Lagos State	-	-	0							-	-	-		
NO. 44E, Gerrard Road, Ikoyi, Lagos	Lagos State	510,000,000	-	510,000,000							510,000,000	-	510,000,000		Peftected in IGI'S name
2B Oroke Drive, Ikoyi, Lagos	Lagos State	-	-	0							-	-	-		IGIS TitleUnder dispute
	Lagos State	325,506,490	6,000,000	331,506,490							325,506,490	6,000,000	331,506,490		IGIS TitleUnder dispute
	Lagos State	539,243,646	-	539,243,646			(539,243,646)				-	-	-		
Alasia, Sangotedo, Eti-Osa LGA, Lagos	Lagos State	13,250,000	-	13,250,000							13,250,000	-	13,250,000		IGIS TitleUnder dispute
Alagbon Metta Village, Ibeju Lekki, Ajah, Lagos	Lagos State	18,000,000	-	18,000,000							18,000,000	-	18,000,000		IGIS TitleUnder dispute
Property along Moshood Abiola Road (formerly Apapa Road) Ijora Basidia, Ijora, Lagos	Lagos State	1,959,785,205	-	1,959,785,205							1,959,785,205	-	1,959,785,205		Deed of assignment in IGI's name
Property Along Oshodi -Apapa Expressway, Awodiora, Lagos	Lagos State	1,060,000,000	-	1,060,000,000							1,060,000,000	-	1,060,000,000		Deed of assignment in IGI's name
Property Along Oshodi -Apapa Expressway, Awodiora, Lagos	Lagos State	1,230,000,000	-	1,230,000,000							1,230,000,000	-	1,230,000,000		Peftected in IGI'S name
Property at off Trinity Avenue, Okota, Isolo Lagos	Lagos State	32,940,000	-	32,940,000							32,940,000	-	32,940,000		Deed of assignment in IGI's name
Plot 28, Block 34, Isheri Olofin, Lagos	Lagos State	3,960,000	-	3,960,000							3,960,000	-	3,960,000		Deed of assignment in IGI's name
Ikorodu Industrial Estate, Ikorodu, Lagos	Lagos State	215,000,000	-	215,000,000							215,000,000	-	215,000,000		Peftected in IGI'S name
Block V, Plot 11, within Nitel/Mtel Carrier Station, Ikorodu, Lagos	Lagos State	7,370,000	-	7,370,000.00							7,370,000	-	7,370,000		IGIS TitleUnder dispute
BLOCK VI, PLOT 2, WITHIN NITEL/MTEL CARRIER STATION, IKORODU	Lagos State	7,370,000	-	7,370,000.00							7,370,000	-	7,370,000		IGIS TitleUnder dispute
BLOCK VII, PLOT 17, WITHIN NITEL/MTEL CARRIER STATION, IKORODU	Lagos State	7,370,000	-	7,370,000.00							7,370,000	-	7,370,000		IGIS TitleUnder dispute

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16. 1v) Further analysis and details of the investment properties, including their locations, are stated below. This includes the cost, carrying amount and the corresponding fair value adjustments recognised in the statement of profit or loss and other comprehensive income.

**Investment Properties' Fair Value - 31 December, 2022**

	Location	Market Value - at January 1			Addition		Disposal		Fair value Gain		Market Value - 31st December			Reclassification	Title
		Land	Building	Total	Land	Building	Land	Building	Land	Building	Land	Building	Total	Total	
		N	N	N	N	N	N	N	N	N	N	N	N	N	
BLOCK X, PLOT 5, WITHIN NITEL/MTEL CARRIER STATION, IKORODU	Lagos State	7,370,000	-	7,370,000.00							7,370,000	-	7,370,000		IGIS Title Under dispute
BLOCK X, PLOT 6 WITHIN NITEL/MTEL CARRIER STATION IKORODU	Lagos State	7,370,000	-	7,370,000.00							7,370,000	-	7,370,000		IGIS Title Under dispute
BLOCK VII, PLOT 12 WITHIN NITEL/MTEL CARRIER STATION IKORODU	Lagos State	7,370,000	-	7,370,000.00							7,370,000	-	7,370,000		IGIS Title Under dispute
BLOCK XVI, PLOT 9-14, WITHIN NITEL/MTEL CARRIER STATION IKORODU	Lagos State	37,800,000	-	37,800,000.00							37,800,000	-	37,800,000		Deed of assignment in IGI's name
Oi Okuta Area, Igbogbo, Ikorodu, Lagos	Lagos State	450,000,000	-	450,000,000.00							450,000,000	-	450,000,000		IGIS Title Under dispute
43/45, Akinye Street, Idimu, Lagos	Lagos State	-	-	0.00							-	-	-		
No.595, Agege Motor Road, Lagos	Lagos State	39,000,000	960,000	39,960,000.00							39,000,000	960,000	39,960,000		Deed of assignment in IGI's name
Eputu/Werekun Village Ibeju Lekki Ajah, Lagos	Lagos State	25,000,000	-	25,000,000.00							25,000,000	-	25,000,000		IGIS Title Under dispute
		<b>17,775,605,341</b>	<b>1,015,380,000</b>	<b>18,790,985,341</b>	-	-	<b>(539,243,646)</b>	-	<b>1,000,000,000</b>	-	<b>18,236,361,695</b>	<b>1,015,380,000</b>	<b>19,251,741,695</b>		

**INDUSTRIAL AND GENERAL INSURANCE PLC**

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2022**

16. 1v) Further analysis and details of the investment properties, including their locations, are stated below. This includes the cost, carrying amount and the corresponding fair value adjustments recognised in the statement of profit or loss and other comprehensive income.

**Investment Properties' Fair Value - 31 December, 2022**

	Location	Market Value - at January 1			Addition		Disposal		Fair value Gain		Market Value - 31st December			Reclassification	Title
		Land	Building	Total	Land	Building	Land	Building	Land	Building	Land	Building	Total	Total	
		N	N	N	N	N	N	N	N	N	N	N	N	N	
Building at Property along Oyemekun Road, Akure	Ondo State	-	-	-											
Plot 10, Block 15 Area 5 OPIC Estate, Agbara, Abeokuta Block XXV/111, PLOT 1 & 2, Mainland Park, Abeokuta	Ogun State	4,510,000	-	4,510,000							4,510,000	-	4,510,000		Deed of assignment in IGI's name
Idi- Iroko-Ipokia Road, Owode, Idi roko, Ogun State	Ogun State	5,500,000	-	5,500,000							5,500,000	-	5,500,000		Deed of assignment in IGI's name
Idi- Iroko-Ipokia Road, Owode, Idi roko, Ogun State	Ogun State	5,775,000	-	5,775,000							5,775,000	-	5,775,000		Deed of assignment in IGI's name
PLOT 3C, BLOCK 1V, IBARA, GRA, ABEOKUTA	Ogun State	60,000,000	-	60,000,000							60,000,000	-	60,000,000		Deed of assignment in IGI's name
Ibarak Oke-Ilewo Junction, Ibara, Abeokuta, Ogun, State	Ogun State	65,000,000	-	65,000,000							65,000,000	-	65,000,000		IGFS Title Under dispute
		<b>140,785,000</b>	-	<b>140,785,000</b>	-	-	-	-	-	-	<b>140,785,000</b>	-	<b>140,785,000</b>		
PLOT 5 & 6 BLK 1, Ring Road, Ibadan	Oyo State	21,800,000	-	21,800,000							21,800,000	-	21,800,000		Deed of assignment in IGI's name
No. 24, Awolowo Way, by J. Allen, Dugbe, Ibadan	Oyo State	257,500,000	-	257,500,000							257,500,000	-	257,500,000		Deed of assignment in IGI's name
		<b>279,300,000</b>	-	<b>279,300,000</b>	-	-	-	-	-	-	<b>279,300,000</b>	-	<b>279,300,000</b>		
Rumudamaya village -P/h along airport road (Gas Area, Off Airport road)	Rivers State	34,560,000	-	34,560,000							34,560,000	-	34,560,000		Deed of assignment in IGI's name
		<b>34,560,000</b>	-	<b>34,560,000</b>	-	-	-	-	-	-	<b>34,560,000</b>	-	<b>34,560,000</b>		
Property at No. 202, Ibekwe Road ,Ikot-Abasi	Akwa Ibom	5,280,000	-	5,280,000							5,280,000	-	5,280,000		Deed of assignment in IGI's name
		<b>5,280,000</b>	-	<b>5,280,000</b>							<b>5,280,000</b>	-	<b>5,280,000</b>		
PLOT 498 Shiroro Road Tunga, Minna	Niger State	32,640,000	30,000,000	62,640,000							32,640,000	30,000,000	62,640,000		Deed of assignment in IGI's name
		<b>32,640,000</b>	<b>30,000,000</b>	<b>62,640,000</b>							<b>32,640,000</b>	<b>30,000,000</b>	<b>62,640,000</b>		
PLOT N AC 10, ABUBAKAR KIGO ROAD, KADUNA	Kaduna State	10,450,000	-	10,450,000							10,450,000	-	10,450,000		Deed of assignment in IGI's name
Property at Plot 41/42, Independence Way, Marata Estate	Kaduna State	15,000,000	82,200,000	97,200,000							15,000,000	82,200,000	97,200,000		Perfected in IGI'S name
		<b>25,450,000</b>	<b>82,200,000</b>	<b>107,650,000</b>	-	-	-	-	-	-	<b>25,450,000</b>	<b>82,200,000</b>	<b>107,650,000</b>		
House 14, Road C, Karu Housing Estate, Karu, Abuja	FCT, Abuja	12,000,000	7,980,000	19,980,000							12,000,000	7,980,000	19,980,000		Deed of assignment in IGI's name
PLOT 2186 IBB way, Wuse Zone 4, Abuja	FCT, Abuja	2,448,817,410	1,180,182,590	12,610,000						200,000,000	2,648,817,410	1,180,182,590	3,829,000,000		Deed of assignment in IGI's name
PLOT 3274, CADASTRAL ZONE A6, MAITAMA ABUJA	FCT, Abuja	693,600,000	-	693,600,000			(693,600,000)				-	-	-		Deed of assignment in IGI's name
Block SB3, Flat 14, NNPC Quarters, Garki Abuja	FCT, Abuja	51,840,000	-	51,840,000							51,840,000	-	51,840,000		Deed of assignment in IGI's name
Block SB5, Flat 14, NNPC Quarters, Garki Abuja	FCT, Abuja	51,840,000	-	51,840,000							51,840,000	-	51,840,000		Deed of assignment in IGI's name
Block SB2, Flat 16, NNPC Quarters, Garki Abuja	FCT, Abuja	51,840,000	-	51,840,000							51,840,000	-	51,840,000		Deed of assignment in IGI's name
Block SB4, Flat 16, NNPC Quarters, Garki Abuja	FCT, Abuja	51,840,000	-	51,840,000							51,840,000	-	51,840,000		Deed of assignment in IGI's name
Block SB10, Flat 16, NNPC Quarters, Garki Abuja	FCT, Abuja	51,840,000	-	51,840,000							51,840,000	-	51,840,000		Deed of assignment in IGI's name

**INDUSTRIAL AND GENERAL INSURANCE PLC**

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2022**

16. 1v) Further analysis and details of the investment properties, including their locations, are stated below. This includes the cost, carrying amount and the corresponding fair value adjustments recognised in the statement of profit or loss and other comprehensive income.

**Investment Properties' Fair Value - 31 December, 2022**

	Location	Market Value - at January 1			Addition		Disposal		Fair value Gain		Market Value - 31st December			Reclassif	Title
		Land	Building	Total	Land	Building	Land	Building	Land	Building	Land	Building	Total	Total	
		N	N	N	N	N	N	N	N	N	N	N	N	N	
Block 1, Flat 22, Lukulu Street, Wuse Abuja	FCT, Abuja	16,200,000	-	16,200,000			(16,200,000)					-	-	-	
Block 9, Flat 4, Lukulu Street, Wuse, Abuja	FCT, Abuja	16,200,000	-	16,200,000								16,200,000	-	16,200,000	Deed of assignment in IGI's name
Block 9, Flat 9, Sassandra Street, Wuse Abuja	FCT, Abuja	19,400,000	-	19,400,000			(19,400,000)					-	-	-	
Block 9, Flat 10, Sassandra Street, Wuse Abuja	FCT, Abuja	19,400,000	-	19,400,000								19,400,000	-	19,400,000	Deed of assignment in IGI's name
Block 6(3) Flat 22, Jos Street, Area 3, Garki Abuja	FCT, Abuja	23,760,000	-	23,760,000								23,760,000	-	23,760,000	Deed of assignment in IGI's name
Block 39 (3), Flat 7, Eleme Close, Area 2, Section 1, Garki Abuja	FCT, Abuja	23,760,000	-	23,760,000								23,760,000	-	23,760,000	Deed of assignment in IGI's name
Block E11, CBN I & J Estate 1, Garki Abuja	FCT, Abuja	37,800,000	-	37,800,000								37,800,000	-	37,800,000	IGIS Title Under dispute
Block 1, Flat 5, Gombe Close, Garki Abuja	FCT, Abuja	48,600,000	-	48,600,000								48,600,000	-	48,600,000	Deed of assignment in IGI's name
BLOCK A14, FLAT 3, GAMES VILLAGE, ABUJA	FCT, Abuja	97,200,000	-	97,200,000								97,200,000	-	97,200,000	Deed of assignment in IGI's name
<b>TOTAL LOCAL INVESTMENT PROPERTY</b>		<b>3,767,777,410</b>	<b>1,188,162,590</b>	<b>1,339,550,000</b>	-	-	<b>(729,200,000)</b>	-	<b>200,000,000</b>	-	<b>3,238,577,410</b>	<b>1,188,162,590</b>	<b>4,426,740,000</b>		
<b>TOTAL LOCAL INVESTMENT PROPERTY</b>		<b>22,061,397,751</b>	<b>2,315,742,590</b>	<b>20,760,750,341</b>	-	-	<b>(1,268,443,646)</b>	-	<b>1,200,000,000</b>	-	<b>21,992,954,105</b>	<b>2,315,742,590</b>	<b>24,308,696,695</b>		
Land at Plot 310 Ubumwe Village, Remera, Kigali City	Foreign	398,544,092		398,544,092								94,971,217		493,515,310	Pefected in IGI's name
<b>TOTAL LOCAL &amp; FOREIGN INVESTMENT PROPERTY</b>		<b>22,459,941,843</b>	<b>2,315,742,590</b>	<b>21,159,294,433</b>	-	-	<b>(1,268,443,646)</b>	-	<b>1,294,971,217</b>	-	<b>22,486,469,415</b>	<b>2,315,742,590</b>	<b>24,802,212,005</b>		

**INDUSTRIAL AND GENERAL INSURANCE PLC**

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2022**

16. 2vi) Further analysis and details of the investment properties including their location are stated below. This includes the cost, carrying amount and the corresponding fair value adjustments recognised in the statement of profit or loss and

**Investment Properties' Fair Value - 31 December, 2021**

		Market Value - at January 1			Addition		Disposal		Fair value Gain		Market Value - 31st December		
		Land	Building	Total	Land	Building	Land	Building	Land	Building	Land	Building	Total
		N	N	N	N	N	N	N	N	N	N	N	N
6 OKEFOLAMI STREET, ANTHONY VILLAGE , LAGOS	Lagos State	55,000,000	68,420,000	123,420,000.00							55,000,000	68,420,000	123,420,000
No 119 Broad, Street, Lagos Island, Lagos	Lagos State	220,000,000	840,000,000	1,060,000,000					50,000,000	100,000,000	270,000,000	940,000,000	1,210,000,000
Property at Tourism Zone, near Alpha Beach, Lekki, Lagos	Lagos State	9,746,900,000	-	9,746,900,000					1,200,000,000		10,946,900,000	-	10,946,900,000
4.2 Hectares of Land at Mayegun Tourism Scheme, Lekki	Lagos State	2,855,959,500	84,040,500	2,940,000,000			(2,855,959,500)	(84,040,500)			-	-	-
Onikoyi Road, Parkview Estate, Ikoyi, Lagos	Lagos State	510,000,000	-	510,000,000							510,000,000	-	510,000,000
NO. 44E, Gerrard Road, Ikoyi, Lagos	Lagos State	-	-	0							-	-	-
2B Oroke Drive, Ikoyi, Lagos	Lagos State	325,506,490	6,000,000	331,506,490							325,506,490	6,000,000	331,506,490
	Lagos State	539,243,646	-	539,243,646							539,243,646	-	539,243,646
Alasia, Sangotedo, Eti-Osa LGA, Lagos	Lagos State	13,250,000	-	13,250,000							13,250,000	-	13,250,000
Alagbon Metta Village, Ibeju Lekki, Ajah, Lagos	Lagos State	18,000,000	-	18,000,000							18,000,000	-	18,000,000
Property along Moshood Abiola Road (formerly Apapa Road) Ijora Basdia, Ijora, Lagos	Lagos State	1,959,785,205	-	1,959,785,205							1,959,785,205	-	1,959,785,205
Property Along Oshodi -Apapa Expressway, Awodiora, Lagos	Lagos State	1,060,000,000	-	1,060,000,000							1,060,000,000	-	1,060,000,000
Property Along Oshodi -Apapa Expressway, Awodiora, Lagos	Lagos State	1,230,000,000	-	1,230,000,000							1,230,000,000	-	1,230,000,000
Property at off Trinity Avenue, Okota, Isolo Lagos	Lagos State	32,940,000	-	32,940,000							32,940,000	-	32,940,000
Plot 28, Block 34, Isheri Olofin, Lagos	Lagos State	3,960,000	-	3,960,000							3,960,000	-	3,960,000
Ikorodu Industrial Estate, Ikorodu, Lagos	Lagos State	215,000,000	-	215,000,000							215,000,000	-	215,000,000
Block V, Plot 11, within Nitel/Mtel Carrier Station, Ikorodu, Lagos	Lagos State	7,370,000	-	7,370,000.00							7,370,000	-	7,370,000
BLOCK VI, PLOT 2, WITHIN NITEL/MTEL CARRIER STATION, IKORODU	Lagos State	7,370,000	-	7,370,000.00							7,370,000	-	7,370,000
BLOCK VII, PLOT 17, WITHIN NITEL/MTEL CARRIER STATION, IKORODU	Lagos State	7,370,000	-	7,370,000.00							7,370,000	-	7,370,000
BLOCK X , PLOT 5, WITHIN NITEL/MTEL CARRIER STATION, IKORODU	Lagos State	7,370,000	-	7,370,000.00							7,370,000	-	7,370,000

## INDUSTRIAL AND GENERAL INSURANCE PLC

### NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2022

16. 2vi) Further analysis and details of the investment properties including their location are stated below. This includes the cost, carrying amount and the corresponding fair value adjustments recognised in the statement of profit or loss and

#### Investment Properties' Fair Value - 31 December, 2021

		Market Value - at January 1			Addition		Disposal		Fair value Gain		Market Value - 31st December		
		Land	Building	Total	Land	Building	Land	Building	Land	Building	Land	Building	Total
		N	N	N	N	N	N	N	N	N	N	N	N
BLOCK X, PLOT 6 WITHIN NITEL/MTEL CARRIER STATION IKORODU	Lagos State	7,370,000	-	7,370,000.00							7,370,000	-	7,370,000
BLOCK VII, PLOT 12 WITHIN NITEL/MTEL CARRIER STATION IKORODU	Lagos State	7,370,000	-	7,370,000.00							7,370,000	-	7,370,000
BLOCK XVI, PLOT 9-14, WITHIN NITEL/MTEL CARRIER STATION IKORODU	Lagos State	37,800,000	-	37,800,000.00							37,800,000	-	37,800,000
Oi Okuta Area, Igbogbo, Ikorodu, Lagos	Lagos State	450,000,000	-	450,000,000.00							450,000,000	-	450,000,000
43/45, Akinoye Street, Idimu, Lagos	Lagos State	6,600,000	-	6,600,000.00			(6,600,000)				-	-	-
No.595, Agege Motor Road, Lagos	Lagos State	39,000,000	960,000	39,960,000.00							39,000,000	960,000	39,960,000
Eputu/Werekun Village Ibeju Lekki Ajah, Lagos	Lagos State	25,000,000	-	25,000,000.00							25,000,000	-	25,000,000
		<b>19,388,164,841</b>	<b>999,420,500</b>	<b>20,387,585,341</b>	-	-	<b>(2,862,559,500)</b>	<b>(84,040,500)</b>	<b>1,250,000,000</b>	<b>100,000,000</b>	<b>17,775,605,341</b>	<b>1,015,380,000</b>	<b>18,790,985,341</b>
Building at Property along Oyemekun Road, Akure	Ondo State												
		-	-	-							-	-	-
Plot 10, Block 15 Area 5 OPIC Estate, Agbara, Abeokuta	Ogun State	4,510,000	-	4,510,000							4,510,000	-	4,510,000
Block XXV/111, PLOT 1 & 2, Mainland Park, Abeokuta	Ogun State	5,500,000	-	5,500,000							5,500,000	-	5,500,000
Idi- Iroko-Ipokia Road, Owode, Idi roko, Ogun State	Ogun State	5,775,000	-	5,775,000							5,775,000	-	5,775,000
PLOT 3C, BLOCK 1V, IBARA, GRA, ABEOKUTA	Ogun State	48,780,000	-	48,780,000					11,220,000		60,000,000	-	60,000,000
Ibara/Oke-ilewo Junction, Ibara, Abeokuta, Ogun, State	Ogun State	65,000,000	-	65,000,000							65,000,000	-	65,000,000
		<b>129,565,000</b>	<b>-</b>	<b>129,565,000</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>11,220,000</b>	<b>-</b>	<b>140,785,000</b>	<b>-</b>	<b>140,785,000</b>
Plot 5 & 6 BLK 1, Ring Road, Ibadan	Oyo State	21,800,000	-	21,800,000							21,800,000	-	21,800,000
No. 24, Awolowo Way, by J. Allen, Dugbe, Ibadan	Oyo State	207,500,000	-	207,500,000					50,000,000		257,500,000	-	257,500,000
		<b>229,300,000</b>	<b>-</b>	<b>229,300,000</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>50,000,000</b>	<b>-</b>	<b>279,300,000</b>	<b>-</b>	<b>279,300,000</b>
Rumuodamaya village -P/h along airport road (Gas Area, Off Airport road)	Rivers State	34,560,000	-	34,560,000							34,560,000	-	34,560,000
		<b>34,560,000</b>	<b>-</b>	<b>34,560,000</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>34,560,000</b>	<b>-</b>	<b>34,560,000</b>
Property at No. 202, Ibekwe Road ,Ikot-Abasi	Akwa Ibom	5,280,000	-	5,280,000							5,280,000	-	5,280,000
		<b>5,280,000</b>	<b>-</b>	<b>5,280,000</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>5,280,000</b>	<b>-</b>	<b>5,280,000</b>
Plot 498 Shiroro Road Tunga, Minna	Niger State	32,640,000	30,000,000	62,640,000							32,640,000	30,000,000	62,640,000
		<b>32,640,000</b>	<b>30,000,000</b>	<b>62,640,000</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>32,640,000</b>	<b>30,000,000</b>	<b>62,640,000</b>
PLOT N AC 10, ABUBAKAR KIGO ROAD, KADUNA	Kaduna State	10,450,000	-	10,450,000							10,450,000	-	10,450,000
Property at Plot 41/42, Independence Way, Marata Estate	Kaduna State	15,000,000	82,200,000	97,200,000							15,000,000	82,200,000	97,200,000
		<b>25,450,000</b>	<b>82,200,000</b>	<b>107,650,000</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>25,450,000</b>	<b>82,200,000</b>	<b>107,650,000</b>
House 14, Road C, Karu Housing Estate, Karu, Abuja	FCT, Abuja	12,000,000	7,980,000	19,980,000							12,000,000	7,980,000	19,980,000
Plot 2186 IBB way, Wuse Zone 4, Abuja	FCT, Abuja	2,348,817,410	1,080,182,590	12,610,000					100,000,000	100,000,000	2,448,817,410	1,180,182,590	3,629,000,000
PLOT 3274, CADASTRAL ZONE A6, MAITAMA ABUJA	FCT, Abuja	693,600,000	-	693,600,000							693,600,000	-	693,600,000
Block SB3, Flat 14, NNPC Quarters, Garki Abuja	FCT, Abuja	51,840,000	-	51,840,000							51,840,000	-	51,840,000
Block SB5, Flat 14, NNPC Quarters, Garki Abuja	FCT, Abuja	51,840,000	-	51,840,000							51,840,000	-	51,840,000



## INDUSTRIAL AND GENERAL INSURANCE PLC

### NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2022

16. 2vi) Further analysis and details of the investment properties including their location are stated below. This includes the cost, carrying amount and the corresponding fair value adjustments recognised in the statement of profit or loss and

#### Investment Properties' Fair Value - 31 December, 2021

		Market Value - at January 1			Addition		Disposal		Fair value Gain		Market Value - 31st December		
		Land	Building	Total	Land	Building	Land	Building	Land	Building	Land	Building	Total
		N	N	N	N	N	N	N	N	N	N	N	N
Block SB2, Flat 16, NNPC Quarters, Garki Abuja	FCT, Abuja	51,840,000	-	51,840,000							51,840,000	-	51,840,000
Block SB4, Flat 16, NNPC Quarters, Garki Abuja	FCT, Abuja	51,840,000	-	51,840,000							51,840,000	-	51,840,000
Block SB10, Flat 16, NNPC Quarters, Garki Abuja	FCT, Abuja	51,840,000	-	51,840,000							51,840,000	-	51,840,000
Block 1, Flat 22, Lukulu Street, Wuse Abuja	FCT, Abuja	16,200,000	-	16,200,000							16,200,000	-	16,200,000
Block 3, Flat 4, Lukulu Street, Wuse, Abuja	FCT, Abuja	16,200,000	-	16,200,000							16,200,000	-	16,200,000
Block 9, Flat 9, Sassandra Street, Wuse Abuja	FCT, Abuja	19,400,000	-	19,400,000							19,400,000	-	19,400,000
Block 9, Flat 10, Sassandra Street, Wuse Abuja	FCT, Abuja	19,400,000	-	19,400,000							19,400,000	-	19,400,000
Block 6(3) Flat 22, Jos Street, Area 3, Garki Abuja	FCT, Abuja	23,760,000	-	23,760,000							23,760,000	-	23,760,000
Block 39 (3), Flat 7, Eleme Close, Area 2, Section 1, Garki Abuja	FCT, Abuja	23,760,000	-	23,760,000							23,760,000	-	23,760,000
Block E11, CBN I & J Estate 1, Garki Abuja	FCT, Abuja	37,800,000	-	37,800,000							37,800,000	-	37,800,000
Block 1, Flat 5, Gombe Close, Garki Abuja	FCT, Abuja	48,600,000	-	48,600,000							48,600,000	-	48,600,000
BLOCK A14, FLAT 3, GAMES VILLAGE, ABUJA	FCT, Abuja	97,200,000	-	97,200,000							97,200,000	-	97,200,000
		<b>3,667,777,410</b>	<b>1,088,162,590</b>	<b>1,339,550,000</b>	-	-	-	-	<b>100,000,000</b>	<b>100,000,000</b>	<b>3,767,777,410</b>	<b>1,188,162,590</b>	<b>4,955,940,000</b>
TOTAL LOCAL INVESTMENT PROPERTY		<b>23,512,737,251</b>	<b>2,199,783,090</b>	<b>22,296,130,341</b>	-	-	<b>(2,862,559,500)</b>	<b>(84,040,500)</b>	<b>1,411,220,000</b>	<b>200,000,000</b>	<b>22,061,397,751</b>	<b>2,315,742,590</b>	<b>24,377,140,341</b>
Land at Plot 310 Ubumwe Village, Remera, Kigali City	Foreign	398,544,092		398,544,092	-		-						398,544,092
TOTAL LOCAL & FOREIGN INVESTMENT PROPERTY		<b>23,911,281,343</b>	<b>2,199,783,090</b>	<b>22,694,674,433</b>	-	-	<b>(2,862,559,500)</b>	<b>(84,040,500)</b>	<b>1,411,220,000</b>	<b>200,000,000</b>	<b>22,061,397,751</b>	<b>2,315,742,590</b>	<b>24,775,684,433</b>

## INDUSTRIAL AND GENERAL INSURANCE PLC

### NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2022

The breakdown of Investment properties for which perfection is on going are as follows:

#### 16.3 Status of perfection of investment properties are as follows:

##### Description of properties

Building at 4 H NIG.Maiyegun Property, Lekki	Lagos	Perfect title with acquired SPV
Building at Property at Plot 41/42 Independence Way, Marata Estate, Kaduna	FCT	Perfect
Land at Plot 310 Ubumwe Village, Remera, Kigali City	Foreign	Perfect
Land at Ikorodu Industrial Estate, Ikorodu	Lagos	Perfect
Land at Property Along Oshodi -Apapa (Mile 2 Apapa) Exp., Awodiora, Lagos	Lagos	Perfect
Land at Onikoyi Road Parkview Estate, ikoyi Lagos	Lagos	Perfect
UTC Building at 119 Broad Street, Lagos	Lagos	Perfect
Land at Plot 28, Bk. 34, Isheri Olofin, Lagos	Lagos	Duly executed deed of assignment with right to realize or transfer the propert
Land at Plot 10, Block 15 Area 5 Opic Estate Agbara Abeokuta	Lagos	Duly executed deed of assignment with right to realize or transfer the propert
Land at Property at No. 202, Ibekwe Road, Ikot-Abassi, Akwa Ibom	Rivers	Duly executed deed of assignment with right to realize or transfer the propert
Land at Block XXV111, Plot 1 & 2 , Mainland Park Estate, Ogun State	Ogun	Duly executed deed of assignment with right to realize or transfer the propert
Building at Idi-Iroko-pokia Road, Owode, Idi roko, Ogun State	Ogun	Duly executed deed of assignment with right to realize or transfer the propert
Land at 43/45 Akinoye street,Idimu, Lagos	Lagos	Duly executed deed of assignment with right to realize or transfer the propert
Land at Plot N. A. C. 10 Abubakar, kigo Road, Kaduna	Kaduna	Duly executed deed of assignment with right to realize or transfer the propert
Building at Block 1, Flat 22, Lukulu Street, Wuse Abuja	Abuja	Duly executed deed of assignment with right to realize or transfer the propert
Building at Block 3, Flat 4, Lukulu Street, Wuse, Abuja	Abuja	Duly executed deed of assignment with right to realize or transfer the propert
Building at Block 9, Flat 9, Sassandra Street, Wuse Abuja	Abuja	Duly executed deed of assignment with right to realize or transfer the propert
Building at Block 9, Flat 10, Sassandra Street, Wuse Abuja	Abuja	Duly executed deed of assignment with right to realize or transfer the propert
Building at House 14 Road C Karu Housing Estate. Karu, Abuja	Rivers	Duly executed deed of assignment with right to realize or transfer the propert
Land at Plot 5 & 6 BLK 1, Ring Road, Ibadan	Kaduna	Duly executed deed of assignment with right to realize or transfer the propert
Building at Block 6(3) Flat 22, Jos Street, Area 3, Garki Abuja	Abuja	Duly executed deed of assignment with right to realize or transfer the propert
Building at Block 39 (3), Flat 7, Eleme Close, Area 2, Section 1, Garki Abuja	Abuja	Duly executed deed of assignment with right to realize or transfer the propert
Land at Property at Off Trinity Avenue, Okota, Isolo Lagos	Lagos	Duly executed deed of assignment with right to realize or transfer the propert
Land at Property at Gas Area, Off Airport Rd, Rumuodomaya Port Harcourt	Rivers	Duly executed deed of assignment with right to realize or transfer the propert
Land at Block XVI, Plot 9-14, within NITEL/MTEL Carrier station, Ikorodu	Lagos	Duly executed deed of assignment with right to realize or transfer the propert
Building at 595 Agege Motor Road, Lagos	Lagos	Duly executed deed of assignment with right to realize or transfer the propert
Building at Block 1, Flat 5, Gombe Close, Garki Abuja	Abuja	Duly executed deed of assignment with right to realize or transfer the propert
Land at Plot 3C Blk IV Ibara, GRA, Abeokuta	Ogun	Duly executed deed of assignment with right to realize or transfer the propert
Building at Block SB3, Flat 14, NNPC Quarters, Garki Abuja	Abuja	Duly executed deed of assignment with right to realize or transfer the propert
Building at Block SB5, Flat 14, NNPC Quarters, Garki Abuja	Abuja	Duly executed deed of assignment with right to realize or transfer the propert
Building at Block SB2, Flat 16, NNPC Quarters, Garki Abuja	Abuja	Duly executed deed of assignment with right to realize or transfer the propert
Building at Block SB4, Flat 16, NNPC Quarters, Garki Abuja	Abuja	Duly executed deed of assignment with right to realize or transfer the propert
Building at Block SB9, Flat 16, NNPC Quarters, Garki Abuja	Abuja	Duly executed deed of assignment with right to realize or transfer the propert
Building at Block SB10, Flat 16, NNPC Quarters, Garki Abuja	Abuja	Duly executed deed of assignment with right to realize or transfer the propert
Building at Plot 498 Shiroro Road Tunga, Minna	Abuja	Duly executed deed of assignment with right to realize or transfer the propert
Building at No. 24, Awolowo Way, by J. Allen, Dugbe, Ibadan)	Ibadan	Duly executed deed of assignment with right to realize or transfer the propert
Land at Block VII Plot 17, within NITEL/MTEL Carrier station, Ikorodu	Lagos	Duly executed deed of assignment with right to realize or transfer the propert
Building at Block A14, Flat 3 Games Village, Abuja	Abuja	Duly executed deed of assignment with right to realize or transfer the propert
Land at Monarch Comm. Awodiora Landed Property	Lagos	Duly executed deed of assignment with right to realize or transfer the propert
Land at Property of 4.2 Hectares At Tourism Zone Goshen Estate, Lekki, Lagos	Lagos	Duly executed deed of assignment with right to realize or transfer the propert
Land at Property along Moshood Abiola Road (Formerly Apapa Road) Ijora Badia, Lagos	Lagos	Duly executed deed of assignment with right to realize or transfer the propert
Building at Plot 2186 IBB Way, Wuse Zone 4, Abuja	Abuja	Duly executed deed of assignment with right to realize or transfer the propert

		Company	
		2022	2021
		N	N
Lagos	Perfect title with acquired SPV	11,946,900,000	10,946,900,000
FCT	Perfect	97,200,000	97,200,000
Foreign	Perfect	493,515,310	398,544,092
Lagos	Perfect	215,000,000	215,000,000
Lagos	Perfect	1,230,000,000	1,230,000,000
Lagos	Perfect	510,000,000	510,000,000
Lagos	Perfect	1,210,000,000	1,210,000,000
		<b>15,702,615,310</b>	<b>14,607,644,092</b>
Lagos	Duly executed deed of assignment with right to realize or transfer the propert	3,960,000	3,960,000
Lagos	Duly executed deed of assignment with right to realize or transfer the propert	4,510,000	4,510,000
Rivers	Duly executed deed of assignment with right to realize or transfer the propert	5,280,000	5,280,000
Ogun	Duly executed deed of assignment with right to realize or transfer the propert	5,500,000	5,500,000
Ogun	Duly executed deed of assignment with right to realize or transfer the propert	5,775,000	5,775,000
Lagos	Duly executed deed of assignment with right to realize or transfer the propert	-	-
Kaduna	Duly executed deed of assignment with right to realize or transfer the propert	10,450,000	10,450,000
Abuja	Duly executed deed of assignment with right to realize or transfer the propert	-	16,200,000
Abuja	Duly executed deed of assignment with right to realize or transfer the propert	16,200,000	16,200,000
Abuja	Duly executed deed of assignment with right to realize or transfer the propert	19,400,000	19,400,000
Abuja	Duly executed deed of assignment with right to realize or transfer the propert	-	19,400,000
Rivers	Duly executed deed of assignment with right to realize or transfer the propert	19,980,000	19,980,000
Kaduna	Duly executed deed of assignment with right to realize or transfer the propert	21,800,000	21,800,000
Abuja	Duly executed deed of assignment with right to realize or transfer the propert	23,760,000	23,760,000
Abuja	Duly executed deed of assignment with right to realize or transfer the propert	23,760,000	23,760,000
Lagos	Duly executed deed of assignment with right to realize or transfer the propert	32,940,000	32,940,000
Rivers	Duly executed deed of assignment with right to realize or transfer the propert	34,560,000	34,560,000
Lagos	Duly executed deed of assignment with right to realize or transfer the propert	37,800,000	37,800,000
Lagos	Duly executed deed of assignment with right to realize or transfer the propert	39,960,000	39,960,000
Abuja	Duly executed deed of assignment with right to realize or transfer the propert	48,600,000	48,600,000
Ogun	Duly executed deed of assignment with right to realize or transfer the propert	60,000,000	60,000,000
Abuja	Duly executed deed of assignment with right to realize or transfer the propert	51,840,000	51,840,000
Abuja	Duly executed deed of assignment with right to realize or transfer the propert	51,840,000	51,840,000
Abuja	Duly executed deed of assignment with right to realize or transfer the propert	51,840,000	51,840,000
Abuja	Duly executed deed of assignment with right to realize or transfer the propert	51,840,000	51,840,000
Abuja	Duly executed deed of assignment with right to realize or transfer the propert	51,840,000	51,840,000
Abuja	Duly executed deed of assignment with right to realize or transfer the propert	51,840,000	51,840,000
Abuja	Duly executed deed of assignment with right to realize or transfer the propert	62,640,000	62,640,000
Ibadan	Duly executed deed of assignment with right to realize or transfer the propert	257,500,000	257,500,000
Lagos	Duly executed deed of assignment with right to realize or transfer the propert	7,370,000	7,370,000
Abuja	Duly executed deed of assignment with right to realize or transfer the propert	97,200,000	97,200,000
Lagos	Duly executed deed of assignment with right to realize or transfer the propert	1,060,000,000	1,060,000,000
Lagos	Duly executed deed of assignment with right to realize or transfer the propert	-	-
Lagos	Duly executed deed of assignment with right to realize or transfer the propert	1,959,785,205	1,959,785,205
Abuja	Duly executed deed of assignment with right to realize or transfer the propert	3,829,000,000	3,629,000,000
		<b>7,998,770,205</b>	<b>7,834,370,205</b>

## INDUSTRIAL AND GENERAL INSURANCE PLC

### NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2022

The breakdown of Investment properties for which perfection is on going are as follows:

#### 16.3 Status of perfection of investment properties are as follows:

			Company	
			2022	2021
Land at Block V, Plot 11, within Nitel/Mtel Carrier Station, Ikorodu, Lagos	Lagos	Under dispute	7,370,000	7,370,000
Land at Block X, Plot 5, within NITEL/MTEL Carrier station, Ikorodu	Lagos	Under dispute	7,370,000	7,370,000
Land at Block X, Plot 6, within NITEL/MTEL Carrier station, Ikorodu	Lagos	Under dispute	7,370,000	7,370,000
Land at Block VI Plot 2, within NITEL/MTEL Carrier station, Ikorodu	Lagos	Under dispute	7,370,000	7,370,000
Land at Block VIII Plot 12, within NITEL/MTEL Carrier station, Ikorodu	Lagos	Under dispute	7,370,000	7,370,000
Land at Alasia Sangotedo in Lekki	Lagos	Under dispute	13,250,000	13,250,000
Land at Ajah Village Land	Lagos	Under dispute	18,000,000	18,000,000
Land at LASG ALASIA LEKKI-EPE PROPERTY	Lagos	Under dispute	25,000,000	25,000,000
Building at Block E11, CBN I & J Estate 1, Garki Abuja	Abuja	Under dispute	37,800,000	37,800,000
Building at Ibara/Oke-Ilewo Junction, Ibara, Abeokuta, Ogun State	Ogun	Under dispute	65,000,000	65,000,000
Building at No 6 Okunfolami Str. Anthony village Lagos	Lagos	Under dispute	123,420,000	123,420,000
Building at No. 2B, Oroke Drive, Ikoyi, Lagos	Lagos	Under dispute	331,506,490	331,506,490
Land at Alejo Family (Purchase of Igbogbo Ikorodu land)	Lagos	Under dispute	450,000,000	450,000,000
Building at Plot 3274, Cadastral Zone A6, Maitama, Abuja	Abuja	Under dispute	-	693,600,000
Land at No. 3, GLOVER ROAD, Ikoyi, Lagos	Lagos	Under dispute	-	539,243,109
<b>Total Inadmissible</b>			<b>1,100,826,490</b>	<b>2,333,669,599</b>
			<b>9,099,596,695</b>	<b>10,168,039,804</b>
			<b>24,802,212,005</b>	<b>24,775,683,896</b>

Included in investment properties are land and buildings amounting to N10.332 billion (2021: N10.168 billion) for which title documents perfection are ongoing. The documents were filed at the land registry, some payments were made on the assessment received. The processes are continuing and will be completed within reasonable time.

## INDUSTRIAL AND GENERAL INSURANCE PLC

### NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2022

#### 17.3 Property plant and equipment-Company

	Land	Buildings	Leasehold improvement	Motor Vehicles	Furniture and fittings	Office equipment	Computer equipment	Total
	N'000	N'000	N'000	N'000	N'000	N'000	N'000	N'000
<b>Cost and/or Valuation</b>								
<b>At 1 January 2021</b>	<b>4,597,100</b>	<b>1,338,000</b>	<b>148,452</b>	<b>1,032,977</b>	<b>403,349</b>	<b>535,054</b>	<b>399,571</b>	<b>8,454,503</b>
Additions	-	-	-	-	-	-	-	-
Reclassification	(350,000)	350,000	-	-	-	-	-	-
Revaluation surplus	100,000	-	-	-	-	-	-	100,000
Disposal	(58,400)	(28,000)	-	-	-	-	-	(86,400)
<b>As 31 December 2021</b>	<b>4,288,700</b>	<b>1,660,000</b>	<b>148,452</b>	<b>1,032,977</b>	<b>403,349</b>	<b>535,054</b>	<b>399,571</b>	<b>8,468,103</b>
<b>At 1 January 2022</b>	<b>4,288,700</b>	<b>1,660,000</b>	<b>148,452</b>	<b>1,032,977</b>	<b>403,349</b>	<b>535,054</b>	<b>399,571</b>	<b>8,468,103</b>
Additions	-	-	-	-	-	-	-	-
Reclassification	-	-	-	-	(173)	-	166	(7)
Revaluation surplus	130,000	-	-	-	-	-	-	130,000
Write - off (Note 46.2 h)	(6,000)	-	-	-	-	-	-	(6,000)
<b>As 31 December 2022</b>	<b>4,412,700</b>	<b>1,660,000</b>	<b>148,452</b>	<b>1,032,977</b>	<b>403,176</b>	<b>535,054</b>	<b>399,737</b>	<b>8,592,096</b>
<b>Depreciation and impairment</b>								
<b>At 1 January 2021</b>	<b>-</b>	<b>444,138</b>	<b>148,452</b>	<b>1,032,974</b>	<b>403,200</b>	<b>534,633</b>	<b>399,376</b>	<b>2,962,773</b>
Charged for the year	-	33,200	-	-	-	-	-	33,200
Disposal	-	-	-	-	-	-	-	-
Revaluation	-	-	-	-	-	-	-	-
Adjustments	-	-	-	-	-	-	-	-
Elimination of depreciation upon revalu	-	-	-	-	-	-	-	-
<b>As 31 December 2021</b>	<b>-</b>	<b>477,338</b>	<b>148,452</b>	<b>1,032,974</b>	<b>403,200</b>	<b>534,633</b>	<b>399,376</b>	<b>2,995,973</b>
<b>At 1 January 2022</b>	<b>-</b>	<b>477,338</b>	<b>148,452</b>	<b>1,032,974</b>	<b>403,200</b>	<b>534,633</b>	<b>399,376</b>	<b>2,995,973</b>
Charged for the year	-	34,664	-	-	(93)	(331)	-	34,240
Disposal	-	-	-	-	-	-	-	-
Reclassifications	-	(1,464)	-	-	9	737	242	(476)
Elimination of depreciation upon revaluation	-	-	-	-	-	-	-	-
<b>As 31 December 2022</b>	<b>-</b>	<b>510,538</b>	<b>148,452</b>	<b>1,032,974</b>	<b>403,116</b>	<b>535,039</b>	<b>399,618</b>	<b>3,029,737</b>
<b>Carrying amount:</b>								
31 December 2021	4,288,700	1,182,662	-	3	149	421	195	5,472,130
<b>As 31 December 2022</b>	<b>4,412,700</b>	<b>1,149,462</b>	<b>-</b>	<b>3</b>	<b>60</b>	<b>15</b>	<b>119</b>	<b>5,562,359</b>

## INDUSTRIAL AND GENERAL INSURANCE PLC

### NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2022

#### 17. 4 Property plant and equipment-Group

	Land N'000	Buildings N'000	Leasehold improvement N'000	Motor Vehicles N'000	Furniture and fittings N'000	Office equipment N'000	Computer equipment N'000	Right of use assets N'000	Total N'000
<b>Cost and/or Valuation</b>									
<b>At 1 January 2021</b>	<b>4,939,612</b>	<b>2,422,963</b>	<b>148,452</b>	<b>1,337,502</b>	<b>610,945</b>	<b>649,780</b>	<b>552,649</b>	<b>121,165</b>	<b>10,783,068</b>
Additions	314,754	156,782	-	30,088	3,374	6,657	4,348	123,364	639,366
Revaluation surplus	100,000	-	-	-	-	-	-	-	100,000
Disposal	(373,154)	(183,932)	-	(1,345)	(8,469)	-	-	(65,464)	(632,363)
Reclassification	(350,000)	350,000	-	-	-	-	-	-	-
Transferred to Held for sale (Note 11)	-	-	-	-	-	-	-	-	-
reclassified from investment property	276,645	344,394	-	-	-	-	-	-	621,039
Translation adjustment	-	-	-	-	-	-	-	-	-
<b>As 31 December 2021</b>	<b>4,907,857</b>	<b>3,090,207</b>	<b>148,452</b>	<b>1,366,245</b>	<b>605,850</b>	<b>656,437</b>	<b>556,997</b>	<b>179,065</b>	<b>11,511,109</b>
<b>At 1 January 2022</b>	<b>4,907,857</b>	<b>3,090,207</b>	<b>148,452</b>	<b>1,366,245</b>	<b>605,850</b>	<b>656,437</b>	<b>556,997</b>	<b>179,065</b>	<b>11,511,109</b>
Additions	-	5,428	-	9,807	4,025	12,284	5,803	299,799	337,145
Reclassification	-	-	-	-	(173)	-	166	-	-
Revaluation surplus	174,225	50,543	-	-	-	-	-	-	224,769
Disposal	(6,000)	-	-	(50,712)	-	(2,940)	-	(157,340)	(216,991)
Reclassification (Note17. v.)	-	-	-	-	-	-	-	-	-
Translation adjustment	-	-	0	-	-	-	-	-	0
<b>As 31 December 2022</b>	<b>5,076,082</b>	<b>3,146,178</b>	<b>148,452</b>	<b>1,325,340</b>	<b>609,702</b>	<b>665,781</b>	<b>562,966</b>	<b>321,524</b>	<b>11,856,032</b>
<b>Depreciation and impairment</b>									
<b>At 1 January 2021</b>	-	<b>486,050</b>	<b>148,452</b>	<b>1,272,679</b>	<b>579,525</b>	<b>634,480</b>	<b>537,443</b>	<b>148,030</b>	<b>3,806,660</b>
Charged for the year	-	59,168	-	27,397	6,739	4,072	9,399	62,900	169,675
Disposal	-	-	-	(1,092)	(6,263)	-	-	(42,241)	(49,597)
Revaluation	-	-	-	-	-	-	-	-	-
Adjustments	-	-	-	-	-	-	-	-	-
Elimination of depreciation upon revaluation	-	(12,792)	-	-	-	-	-	-	(12,792)
<b>As 31 December 2021</b>	-	<b>532,427</b>	<b>148,452</b>	<b>1,298,983</b>	<b>580,001</b>	<b>638,552</b>	<b>546,843</b>	<b>168,689</b>	<b>3,913,946</b>

## INDUSTRIAL AND GENERAL INSURANCE PLC

### NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2022

#### 17. 4 Property plant and equipment-Group

	Land N'000	Buildings N'000	Leasehold improvement N'000	Motor Vehicles N'000	Furniture and fittings N'000	Office equipment N'000	Computer equipment N'000	Right of use assets N'000	Total N'000
<b>At 1 January 2022</b>	-	532,427	148,452	1,298,983	580,001	638,552	546,843	168,689	3,913,946
Charged for the year	-	71,026	-	29,875	5,125	5,381	7,225	60,920	179,553
Disposal	-	-	-	(50,712)	-	(2,940)	-	(81,966)	(135,618)
Reclassification (Note17. v.)	-	(1,464)	-	-	9	737	242	-	(476)
Elimination of depreciation upon revalu:	-	(23,124)	-	-	-	-	-	-	(23,124)
<b>As 31 December 2022</b>	-	<b>578,865</b>	<b>148,452</b>	<b>1,278,146</b>	<b>585,135</b>	<b>641,731</b>	<b>554,310</b>	<b>147,643</b>	<b>3,934,282</b>
<b>Carrying amount:</b>									
31 December 2021	4,907,857	2,557,780	-	67,261	25,849	17,885	10,154	10,376	7,597,163
<b>As 31 December 2022</b>	<b>5,076,082</b>	<b>2,567,313</b>	<b>0</b>	<b>47,194</b>	<b>24,567</b>	<b>24,051</b>	<b>8,656</b>	<b>173,881</b>	<b>7,921,750</b>

i) Included in the depreciation charged for the year was N34,240,000 (December 2021 :N133,200,000) in the management /administrative expenses and a charge of Nil (December 2021 : Nil) to underwriting expenses in the statement of profit or loss and other comprehensive income for the Group.

ii) There is an Asset Debenture Security (Landed property at Plott 7A and 7B, block 6, Lekki Peninsula scheme, Eti Osa, Lagos state covering 26,510sq meters with professional value at N800 million by Ora Egbunike & Associate (Estate Surveyors & Valuers) for the overdraft secured from Global Trust Savings & Loans limited by the Holding Company while legal mortgage charge over landed and property on plot 13B Kmapala road (Included as part of investment properties) while overdraft from Guranty Trust Bank was secured by Lien on 2,068,172 units of New Vision shares (presented as FVTPL) by NIC

iii) No impairment of property, plant and equipment during the year

#### iv) Fair Values of Land and Building

On a determined basis, the Group engages the services of external, independent and qualified valuers to determine the fair value of the Group's Land and Buildings. At December 2021, the fair values of the Land and Buildings have been determined by Messrs. Ora Egbunike & Associates Chartered Surveyors and Valuers (FRC/2012/NIESV/0000000244). The valuation was based on open market value between a willing buyer and seller produced a surplus balance of N224.77 million (Dec 2021: N100 million) which has been credited to other comprehensive income. The basis of appraisal for valuation of the properties is the "Open market Concept". The Open market value is the best price at which an interest in property assets might reasonably be expected to be sold as at the date of valuation either by a private treaty, public auction or tender as may be appropriate. The revaluation surplus net of applicable deferred income taxes was credited to Other Comprehensive Income and is shown in "Asset

v) Impact of adoption of IFRS 16 by NIC Holdings Limited.

## INDUSTRIAL AND GENERAL INSURANCE PLC

### NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2022

17.1) Further analysis and details of the properties, plant & equipment including their location are stated below. This includes the cost, carrying amount and the corresponding fair value adjustments recognised in the

#### Properties, Plant & Equipment Fair Value - 31 December, 2022

Property	Location	Market Value - at January 1			Addition		Disposal		Fair value Gain		Market Value - 31st December			Reclassification	Title
		Land	Building	Total	Land	Building	Land	Building	Land	Building	Land	Building	Total		
		N	N	N	N	N	N	N	N	N	N	N	N	N	
Agura Village, near Ijede Town, Ikorodu, Lagos	Lagos State	10,933,000	-	10,933,000.00							10,933,000	-	10,933,000		IGI'S Title Under dispute
Block 128, Plot 8, Lekki Scheme 1, Lekki, Lagos	Lagos State	43,000,000.00	-	43,000,000.00							43,000,000	-	43,000,000		Deed of assignment in IGI's name
2, Agoro Odiyan Street, Victoria Island	Lagos State	1,504,640,000	1,010,000,000	2,514,640,000					130,000,000		1,634,640,000	1,010,000,000	2,644,640,000		Deed of assignment in IGI's name
		<b>1,558,573,000</b>	<b>1,010,000,000</b>	<b>2,568,573,000</b>	-	-	-	-	<b>130,000,000</b>	-	<b>1,688,573,000</b>	<b>1,010,000,000</b>	<b>2,698,573,000</b>		
LANLATE, IBARA NORTH EAST LGA, OYO STATE	Oyo State	6,000,000	-	6,000,000			(6,000,000)				-	-	-		
9, LEBANON STREET, DUGBE, IBADAN	Oyo State	126,401,001	40,000,000	166,401,001							126,401,001	40,000,000	166,401,001		Pefected in IGI'S name
		<b>132,401,001</b>	<b>40,000,000</b>	<b>172,401,001</b>	-	-	<b>(6,000,000)</b>	-	-	-	<b>126,401,001</b>	<b>40,000,000</b>	<b>166,401,001</b>		
OKE FIA AREA OF OSHOGBO, OSUN STATE	Ogun	11,000,000	-	11,000,000							11,000,000	-	11,000,000		Deed of assignment in IGI's name
		<b>11,000,000</b>	-	<b>11,000,000</b>	-	-	-	-	-	-	<b>11,000,000</b>	-	<b>11,000,000</b>		
	Rivers State	275,662,534		275,662,534							275,662,534	-	275,662,534		Deed of assignment in IGI's name
		<b>275,662,534</b>	-	<b>275,662,534</b>	-	-	-	-	-	-	<b>275,662,534</b>	-	<b>275,662,534</b>		
No. 75/3C, YAKUBU GOWON WAY JOS	Plateau State	8,595,694	40,000,000	48,595,694							8,595,694	40,000,000	48,595,694		Pefected in IGI'S name
		<b>8,595,694</b>	<b>40,000,000</b>	<b>48,595,694</b>	-	-	-	-	-	-	<b>8,595,694</b>	<b>40,000,000</b>	<b>48,595,694</b>		
No. 21/22 UNIVERSITY ROAD, PHASE 1, GBAGWALADA, ABUJA	FCT, Abuja	20,000,000	10,000,000	30,000,000							20,000,000	10,000,000	30,000,000		Deed of assignment in IGI's name
PLOT 758 CADESTAL ZONE AO, CENTRAL BUSINESS DISTRICT	FCT, Abuja	2,282,467,362	560,000,000	2,842,467,362							2,282,467,362	560,000,000	2,842,467,362		Pefected in IGI'S name
Total FCT, Abuja		<b>2,302,467,362</b>	<b>570,000,000</b>	<b>2,872,467,362</b>	-	-	-	-	-	-	<b>2,302,467,362</b>	<b>570,000,000</b>	<b>2,872,467,362</b>		
TOTAL LOCAL PPROPERTY, PLANT & EQUIPMENT		<b>4,288,699,591</b>	<b>1,660,000,000</b>	<b>5,948,699,591</b>	-	-	<b>(6,000,000)</b>	-	<b>130,000,000</b>	-	<b>4,412,699,591</b>	<b>1,660,000,000</b>	<b>6,072,699,591</b>		

## INDUSTRIAL AND GENERAL INSURANCE PLC

### NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2022

17.2) Further analysis and details of the properties, plant & equipment including their location are stated below. This includes the cost, carrying amount and the corresponding fair value adjustments recognised in the statement of

#### Properties, Plant & Equipment Fair Value - 31 December, 2022

Property	Location	Market Value - at January 1			Addition		Disposal		Fair value Gain		Market Value - 31st December		
		Land	Building	Total	Land	Building	Land	Building	Land	Building	Land	Building	Total
		N	N	N	N	N	N	N	N	N	N	N	N
Agura Village, near Ijede Town, Ikorodu, Lagos	Lagos State	10,933,000	-	10,933,000.00							10,933,000	-	10,933,000
Block 128, Plot 8, Lekki Scheme 1, Lekki, Lagos	Lagos State	43,000,000.00	-	43,000,000.00							43,000,000	-	43,000,000
No. 574, Lagos - Abeokuta ExpressWay, Abule Egba	Lagos State	58,400,000	28,000,000	86,400,000.00			(58,400,000)	(28,000,000)					
2, Agoro Odiyan Street, Victoria Island	Lagos State	1,404,640,000	1,010,000,000	2,414,640,000					100,000,000		1,504,640,000	1,010,000,000	2,514,640,000
		<b>1,516,973,000</b>	<b>1,038,000,000</b>	<b>2,554,973,000</b>	-	-	<b>(58,400,000)</b>	<b>(28,000,000)</b>	<b>100,000,000</b>	-	<b>1,558,573,000</b>	<b>1,010,000,000</b>	<b>2,568,573,000</b>
LANLATE, IBARA NORTH EAST LGA, OYO STATE	Oyo State	6,000,000	-	6,000,000							6,000,000	-	6,000,000
9, LEBANON STREET, DUGBE, IBADAN	Oyo State	126,401,001	40,000,000	166,401,001							126,401,001	40,000,000	166,401,001
		<b>132,401,001</b>	<b>40,000,000</b>	<b>172,401,001</b>	-	-	-	-	-	-	<b>132,401,001</b>	<b>40,000,000</b>	<b>172,401,001</b>
OKE FIA AREA OF OSHOGBO, OSUN STATE	Ogun	11,000,000	-	11,000,000							11,000,000	-	11,000,000
		<b>11,000,000</b>	-	<b>11,000,000</b>	-	-	-	-	-	-	<b>11,000,000</b>	-	<b>11,000,000</b>
Property at Akwu-Oda Aba Road, Rumukrussi, Obio/AkporRUMUKRUSSI P/H	Rivers State	275,662,534	-	275,662,534							275,662,534	-	275,662,534
		<b>275,662,534</b>	-	<b>275,662,534</b>	-	-	-	-	-	-	<b>275,662,534</b>	-	<b>275,662,534</b>
No. 75/3C, YAKUBU GOWON WAY JOS	Plateau State	8,595,694	40,000,000	48,595,694							8,595,694	40,000,000	48,595,694
		<b>8,595,694</b>	<b>40,000,000</b>	<b>48,595,694</b>	-	-	-	-	-	-	<b>8,595,694</b>	<b>40,000,000</b>	<b>48,595,694</b>
No. 21/22 UNIVERSITY ROAD, PHASE 1, GBAGWALADA, ABUJA	FCT, Abuja	20,000,000	10,000,000	30,000,000							20,000,000	10,000,000	30,000,000
PLOT 758 CADESTAL ZONE AO, CENTRAL BUSINESS DISTRICT	FCT, Abuja	2,282,467,362	560,000,000	2,842,467,362							2,282,467,362	560,000,000	2,842,467,362
Total FCT, Abuja		<b>2,302,467,362</b>	<b>570,000,000</b>	<b>2,872,467,362</b>	-	-	-	-	-	-	<b>2,302,467,362</b>	<b>570,000,000</b>	<b>2,872,467,362</b>
TOTAL LOCAL PPROPERTY, PLANT & EQUIPMENT		<b>4,247,099,591</b>	<b>1,688,000,000</b>	<b>5,935,099,591</b>	-	-	<b>(58,400,000)</b>	<b>(28,000,000)</b>	<b>100,000,000</b>	-	<b>4,288,699,591</b>	<b>1,660,000,000</b>	<b>5,948,699,591</b>



## INDUSTRIAL AND GENERAL INSURANCE PLC

### NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2022

#### 17.b Analysis of revaluation surplus

Description of properties	31 December 2022					
	At 1 January	Addition	Disposal	Adjustment	Fair value gain	At 31 December
	N'000	N'000	N'000	N'000	N'000	N'000
9, Lebanon Street, Ibadan	166,401	-	-	-	-	166,401
Plot 75/3c Yakubu Gowon Way Jos	48,596	-	-	-	-	48,596
Plot 722 Akibo Savage VI Lagos	-	-	-	-	-	-
'Plot 758 Cadestral Zone AO, CBD Abuja(Annex)	2,842,479	-	-	-	-	2,842,479
Commercial Land @ Rumukrussi P/H	275,662	-	-	-	-	275,662
Land Along Lekki Expressway (Plot 8 Lekki Pennisula Scheme I Blk 128)	43,000	-	-	-	-	43,000
'Lekki Pennisula, Lagos (plot 2 Block 1 Oniru Chieftancy Land)	-	-	-	-	-	-
Payment On Lanlate Land And N1m Premium	6,000	-	(6,000)	-	-	-
Payment On Land At Ikorodu	10,933	-	-	-	-	10,933
Purchase Of Land At Oshogbo	11,000	-	-	-	-	11,000
Property at Abeokuta ExpressWay, Abule Egba	-	-	-	-	-	-
Kamax Global Services, 21/22 University Road, Gbagwalada, Abuja	30,000	-	-	-	-	30,000
2 Agoro Odiyan Street, Off Adeola Odeku Street, V.I	2,514,640	-	-	-	130,000	2,644,640
	5,948,711	-	(6,000)	-	130,000	6,072,711
Depreciation and impairment	(477,349)	(33,200)	-	-	-	(510,549)
	5,471,362	(33,200)	(6,000)	-	130,000	5,562,162

#### 17.b Analysis of revaluation surplus

Description of properties	31 December 2021					
	At 1 January	Addition	Disposal	Adjustment	Fair value gain	At 31 December
	N'000	N'000	N'000	N'000	N'000	N'000
9, Lebanon Street, Ibadan	166,401	-	-	-	-	166,401
Plot 75/3c Yakubu Gowon Way Jos	48,596	-	-	-	-	48,596
Plot 722 Akibo Savage VI Lagos	-	-	-	-	-	-
'Plot 758 Cadestral Zone AO, CBD Abuja(Annex)	2,842,479	-	-	-	-	2,842,479
Commercial Land @ Rumukrussi P/H	275,662	-	-	-	-	275,662
Land Along Lekki Expressway (Plot 8 Lekki Pennisula Scheme I Blk 128)	43,000	-	-	-	-	43,000
'Lekki Pennisula, Lagos (plot 2 Block 1 Oniru Chieftancy Land)	-	-	-	-	-	-
Payment On Lanlate Land And N1m Premium	6,000	-	-	-	-	6,000
Payment On Land At Ikorodu	10,933	-	-	-	-	10,933
Purchase Of Land At Oshogbo	11,000	-	-	-	-	11,000
Property at Abeokuta ExpressWay, Abule Egba	86,400	-	-	(86,400)	-	-
Kamax Global Services, 21/22 University Road, Gbagwalada, Abuja	30,000	-	-	-	-	30,000
2 Agoro Odiyan Street, Off Adeola Odeku Street, V.I	2,414,640	-	-	-	100,000	2,514,640
	5,935,111	-	-	(86,400)	100,000	5,948,711
Depreciation and impairment	(444,149)	-	-	(11)	-	(477,349)
	5,490,962	-	-	(86,411)	100,000	5,471,362
	5,046,813	-	-	(86,422)	100,000	4,994,013

## INDUSTRIAL AND GENERAL INSURANCE PLC

### NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2022

#### 18. Statutory deposits

The Company maintains a statutory deposit with Central Bank of Nigeria in line with the requirement of Section 9(1) and Section 10(3) of Insurance Act 2003.

The deposit made is considered part of the assets in respect of the capital of the insurer and is invested by the Central Bank of Nigeria in short term securities. Interest and all income accruing from this deposit is payable to the insurer.

Movement in statutory deposit

	Group		Company	
	2022 N'000	2021 N'000	2022 N'000	2021 N'000
Gross balance at 1 January	597,188	575,014	500,000	500,000
Additions during the year	102,162	-	-	-
Matured statutory deposits- cost	91,762	52,854	-	-
Interest received on matured statutory deposits	(14,932)	(54,080)	-	-
Accrued interest	16,818	1,809	-	-
Less expected credit loss	(172)	(55)	-	-
Translation adjustment	(117,883)	21,646	-	-
<b>At 31 December</b>	<b>674,943</b>	<b>597,188</b>	<b>500,000</b>	<b>500,000</b>
Current	16,818	1,809	-	-
Non Current	658,125	595,379	500,000	500,000
	674,943	597,188	500,000	500,000

18.1 This represents the amount deposited with the Central Bank at 31 December 2022 N674.9 million (2021: N640.5 million) while the Company was N500 million (2021: N500 million), in accordance with Section 9(1) and Section 10(3) of Insurance Act 2003. Interest income earned on this deposit is included in Investment income.

	Group		Company	
	2022 N'000	2021 N'000	2022 N'000	2021 N'000
	12,000,000	12,000,000	12,000,000	12,000,000

#### 19. Share capital

##### 19.1 Authorised:

24,000,000,000 ordinary shares of 50 kobo per share

	12,000,000	12,000,000	12,000,000	12,000,000
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##### 19.2 Issued and fully paid:

14,231,237,284 ordinary shares of 50 kobo per share were fully paid for as at 31st December 2022. Furthermore, in 2022 the Company commenced procedures to issue the remainder of its Issued share capital in line with Corporate Affairs Commission regulations 13(1) however this was not completed at the reporting date. Consequently, in 2023 the shares have been issued to Coopvest Limited fully paid.

##### Movement in issued and fully paid

At 1 January	7,115,619	7,115,619	7,115,619	7,115,619
<b>At 31 December</b>	<b>7,115,619</b>	<b>7,115,619</b>	<b>7,115,619</b>	<b>7,115,619</b>

##### 19.3 Share premium

At 1 January	8,530,781	8,530,781	8,530,781	8,530,781
Addition during the year	-	-	-	-
Issue expenses	-	-	-	-
Recapitalized (Bonus Issue)	-	-	-	-
<b>At 31 December</b>	<b>8,530,781</b>	<b>8,530,781</b>	<b>8,530,781</b>	<b>8,530,781</b>

19.3a Premiums from the issue of shares are reported in share premium.

#### 20. Assets revaluation reserve

At 1 January	5,905,753	5,966,047	5,613,592	5,523,592
Surplus on re valuation of property, plant and equipment	224,769	100,000	130,000	100,000
Deferred tax effect	-	-10,000	-	(10,000)
Reversal of revaluation	-	-150,294	-	-
Transfer to retained earnings (Note 23)	-	-	-	-
Revaluation adjustment	-	-	-	-
Impact of investment reclassified to available for sale	-	-	-	-
Translation adjustment	0	-	-	-
<b>At 31 December</b>	<b>6,130,522</b>	<b>5,905,753</b>	<b>5,743,592</b>	<b>5,613,592</b>

20.1 Additions and decreases in assets revaluation arises as a result of revaluation and disposal of assets.

## INDUSTRIAL AND GENERAL INSURANCE PLC

### NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2022

	Group		Company	
	2022 N'000	2021 N'000	2022 N'000	2021 N'000
<b>21. Fair value reserve</b>				
At 1 January	(307,341)	(183,923)	(73,857)	70,543
(Loss)/gain on FV through other comprehensive income (Note 6.2.1)	1,157,297	(123,418)	1,096,678	(144,400)
(Loss)/gain on investment in subsidiaries (Note 14)	-	-	-	-
Deferred tax effect	-	-	-	-
Translation adjustment	(0)	-	0	-
<b>At 31 December</b>	<b>849,956</b>	<b>(307,341)</b>	<b>1,022,821</b>	<b>(73,857)</b>
<b>22. Contingency reserve</b>				
At 1 January	4,655,131	3,804,156	4,141,481	4,111,501
Transfer from retained earnings (Note 23)	26,927	29,980	10,317	29,980
Reclassification from retained earnings	(530,260)	820,995	-	0
Translation adjustment	-	-	-	-
<b>At 31 December</b>	<b>4,151,798</b>	<b>4,655,131</b>	<b>4,151,798</b>	<b>4,141,481</b>

i) As required by insurance regulations, a contingency reserve is maintained for both the non-life insurance and life assurance contracts underwritten by the group. The appropriation to contingency reserve for non-life underwriting contracts is calculated in accordance with section 21 (2) and 22 (1) of the insurance Act 2003. The reserve is calculated at the higher of 3% of gross premium and 20% of net profits of the business for the year. The appropriation to contingency reserve for life underwriting contracts is calculated at the higher of 1% of the gross premium and 10% of net profits of the business for the year. The appropriation are charged to the life fund.

ii) Except for Uganda, the contingency reserve is set up under Section 47 (2) (c.) of the Insurance Statute of 1996. The reserve is provided for at the greater of 2% of the gross premium income and 15% of the net profit each year effective from 1996 and is required to accumulate until it reached the greater of either minimum paid up capital or 50% of the net premiums written. The contingency reserve for life insurance business is set up under Section 47(3) (b) of the Insurance Statute of 1996 and provides contingency reserve at 1% of the premiums written.

	Group		Company	
	2022 N'000	2021 N'000	2022 N'000	2021 N'000
<b>23. Loss sustained</b>				
At 1 January	(11,346,389)	-11,769,248	(14,767,465)	(13,580,176)
Loss for the year	(3,644,308)	1,504,765	(2,886,649)	(1,157,310)
Dividend paid / declared	-	-	-	-
Transfer to capital reserve(Note 24)	-	-230,931	-	-
Transfer to statutory reserve (Note 26)	-	-	-	-
Transfer to contingency reserve(Note 22)	(26,927)	-29,980	(10,317)	(29,980)
Transfer from assets revaluation reserve (Note 20)	-	-	-	-
Reclassification to Contingency Reserve	530,260	-820,995	-	-
Translation adjustment	(0)	0	(1)	0
<b>At 31 December</b>	<b>(14,487,364)</b>	<b>(11,346,389)</b>	<b>(17,664,432)</b>	<b>(14,767,465)</b>
<b>24. Capital reserve</b>				
At 1 January	376,890	145,959.12	-	-
Transfer from retained earnings (Note 23)	-	230,931	-	-
Transfer from statutory(regulatory) reserve (Note 26)	-	-	-	-
Translation adjustment	-	(0)	-	-
<b>At 31 December</b>	<b>376,890</b>	<b>376,890</b>	<b>-</b>	<b>-</b>

24.1 The capital base reserve is set up as a requirement under the Insurance Statute 1996, under which every insurer should transfer from its profits each year, before any dividend is declared and after tax provision, at 5% of profits to be paid up capital of the insurer to facilitate capital growth.

## INDUSTRIAL AND GENERAL INSURANCE PLC

### NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2022

	Group		Company	
	2022 N'000	2021 N'000	2022 N'000	2021 N'000
<b>25. Foreign exchange reserve</b>				
At 1 January	343,431	-1,245,043	-	-
Movement during the year (Note 25.1)	-6,175,671	1,588,473	-	-
Translation adjustment	(0)	1	-	-
<b>At 31 December</b>	<b>(5,832,240)</b>	<b>343,431</b>	<b>-</b>	<b>-</b>

#### 25.1 Analysis of movement of foreign exchange reserve

Movement in unquoted equities	63,479	0
Investment properties	446,284	
Statutory deposits	0	43,322
Assets revaluation reserve	-203,632	0
Fair value reserve	-173,375	-320,293
Loans and borrowings	-427,449	
Loss sustained	6,337,085	-1,296,946
Statutory(regulatory) reserve	34,947	0
Deposit administration	50,262	0
Dividend payable	-13,077	-2,204
DEFERRED TAX LIABILITY	42,029	
Deposit for shares	0	-5,366
Lease Liability	0	-6,986
Capital reserve-	19,118	
	<b>6,175,671</b>	<b>-1,588,473</b>

## INDUSTRIAL AND GENERAL INSURANCE PLC

### NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2022

	Group		Company	
	2022 N'000	2021 N'000	2022 N'000	2021 N'000
<b>26. Statutory(regulatory) reserve</b>				
At 1 January	237,740	197,070	-	-
Transfer from retained earnings (Note 23)	-	-	-	-
Transfer to capital reserve (Note 24)	-	-	-	-
Translation adjustment	-	40,670	-	-
<b>At 31 December</b>	<b>237,740</b>	<b>237,740</b>	<b>-</b>	<b>-</b>
<b>27. Non controlling interest</b>				
The Non-Controlling interest in the subsidiaries is hereby presented below:				
At 1 January	(2,299,856)	-66,634	-	-
Loss for the year	2,299,164	(3,735,427)	-	-
Share of revaluation gain in retained earnings	-	-	-	-
Share of dividend paid / declared	-	-	-	-
Share of ordinary share capital	1,124,336	872,382	-	-
Share of share premium	16,588	160,303	-	-
Share of assets revaluation reserve	-	3,813	-	-
Share of reversal of revaluation	-	-	-	-
Share of fair value reserve	-	10,104	-	-
Share of contingency reserve	359,010	278,911	-	-
Share of capital reserve	-	(12,791)	-	-
Share of foreign exchange reserve	-	-	-	-
Share of statutory(regulatory) reserve	2,575	3,058	-	-
Share of surplus/transfer from life fund	-	-	-	-
Deferred tax effect	-	-	-	-
Translation adjustment	2,414,395	186,424	-	-
<b>At 31 December</b>	<b>3,916,211</b>	<b>(2,299,856)</b>	<b>-</b>	<b>-</b>
<b>28. Insurance contract liabilities</b>	-	(0)		
Reserve for Reported claims by policy holders - Outstanding Claims	7,449,671	9,076,026	7,265,306	6,363,849
Provision for Claims incurred but not reported (IBNR)	304,758	252,161	177,106	252,161
Outstanding Claims Provision (Note 28.1)	7,754,429	9,328,187	7,442,412	6,616,010
Unearned Premium (Note 28.2i)	2,360,002	81,996	59,468	81,996
Additional Reserve for Unexpired Risk (AURR)	20,669	23,297	20,669	23,297
Reserve for life fund (Note 39) - Unexpired risk/Insurance fund	2,166,599	1,889,802	1,661,376	1,889,802
Unexpired Life Insurance Contract fund (Note 28.2ii)	94,516	55,646	94,516	55,646
Outstanding Claims - Part Payment	-	-	-	-
<b>Total Insurance Contract Liabilities</b>	<b>12,396,215</b>	<b>11,378,928</b>	<b>9,278,441</b>	<b>8,666,751</b>
Current	5,578,297	5,120,518	4,175,298	3,900,038
Non Current	6,817,918	6,258,410	5,103,143	4,766,713
	<b>12,396,215</b>	<b>11,378,928</b>	<b>9,278,441</b>	<b>8,666,751</b>
<b>28.1 Outstanding Claims</b>				
<b>i.a) Incurred but not reported (IBNR)</b>				
<b>General business:</b>				
Fire	5,311	11,725	5,311	11,725
General accident	50,258	51,047	50,258	51,047
Motor	26,932	36,719	26,932	36,719
Aviation and marine	4,256	8,019	4,256	8,019
Agric	-	-	-	-
Engineering	2,558	3,187	2,558	3,187
Oil and Energy	-	-	-	-
Health Management Services (HMO)	-	-	-	-
	<b>89,315</b>	<b>110,697</b>	<b>89,315</b>	<b>110,697</b>

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	Group		Company	
	2022 N'000	2021 N'000	2022 N'000	2021 N'000
<b>i.b) Reported claims</b>				
<b>i) General business:</b>				
Fire	67,950	65,550	67,950	65,550
General accident	353,676	2,750,894	169,311	168,245
Motor	69,840	60,491	69,840	60,491
Aviation and marine	292,428	283,470	292,428	283,470
Agric	-	-	-	-
Engineering	489,857	489,857	489,857	489,857
Oil and Energy	1,953,758	1,652,259	1,953,758	1,652,259
Health Management Services (HMO)	-	129,529	-	-
	<b>3,227,509</b>	<b>5,432,050</b>	<b>3,043,144</b>	<b>2,719,872</b>
Total Claims reserve - Non life	<b>3,316,824</b>	<b>5,542,747</b>	<b>3,132,459</b>	<b>2,830,569</b>
<b>ii) Life business</b>				
Group business outstanding claims	4,094,825	3,471,065	4,007,035	3,471,065
Group business outstanding claims IBNR		141,465	87,790	141,465
Individual business	342,778	172,911	215,127	172,911
	<b>4,437,603</b>	<b>3,785,441</b>	<b>4,309,952</b>	<b>3,785,441</b>
<b>Total</b>	<b>7,754,427</b>	<b>9,328,188</b>	<b>7,442,411</b>	<b>6,616,010</b>
<b>28.1a The movement in the provision for outstanding claims;</b>				
<b>At 1 January</b>	<b>9,328,188</b>	7,308,128	<b>6,616,010</b>	6,789,712
Movement during the year	<b>(1,573,761)</b>	2,020,060	<b>826,401</b>	(173,702)
<b>At 31 December</b>	<b>7,754,427</b>	<b>9,328,188</b>	<b>7,442,411</b>	<b>6,616,010</b>
<b>28.2 Unearned premium and unexpired risk/AURR</b>				
<b>i) General business:</b>				
Fire	14,509	11,625	14,509	11,625
General accident	2,292,212	37,622	29,529	37,622
Motor	30,613	47,097	30,613	47,097
Aviation and marine	3,781	8,053	3,781	8,053
Agric	729	-	729	18
Engineering	976	877	976	143
Oil and Energy	-	19	-	735
Health Management Services (HMO)	37,851	-	-	-
	<b>2,380,671</b>	<b>105,293</b>	<b>80,137</b>	<b>105,293</b>
	(0)			-
<b>ii) Life business</b>				
Individual business	-	-	-	-
Group business	94,516	55,646	94,516	55,646
	<b>94,516</b>	<b>55,646</b>	<b>94,516</b>	<b>55,646</b>
<b>Total</b>	<b>2,475,187</b>	<b>160,939</b>	<b>174,653</b>	<b>160,939</b>
<b>28.2a Movement in Unearned Premium and unexpired risks during the year</b>				
	Group		Company	
	2022 N'000	2021 N'000	2022 N'000	2021 N'000
General business - UPR/AURR	2,360,002	81,996	59,468	81,996
General business -AURR	20,669	23,297	20,669	23,297
Life business - UPR/AURR	94,516	55,646	94,516	55,646
<b>At 31 December</b>	<b>2,475,187</b>	<b>160,939</b>	<b>174,653</b>	<b>160,939</b>

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	Group		Company	
	2022 N'000	2021 N'000	2022 N'000	2021 N'000
<b>28.2a Movement in Unearned Premium and unexpired risks during the year</b>				
	Group		Company	
	2022 N'000	2021 N'000	2022 N'000	2021 N'000
At 1 January	160,939	1,621,687	160,939	630,749
Movement	2,314,248	-1,460,748	13,714	-469,810
At 31 December	<u>2,475,187</u>	<u>160,939</u>	<u>174,653</u>	<u>160,939</u>

### 28.2c Movement in Life Insurance fund during the year

At 1 January	<b>1,889,802</b>	2,235,887	<b>1,889,802</b>	1,959,695
Movement during the year (Note 39)	<b>276,797</b>	(346,085)	<b>(228,426)</b>	(69,893)
<b>At 31 December</b>	<b><u>2,166,599</u></b>	<u>1,889,802</u>	<b><u>1,661,376</u></b>	<u>1,889,802</u>

### 28.3 Actuarial valuation of life fund

The latest available actuarial valuation of the life business funds was as at 31 December 2022. The actuarial value of the net liability of the fund was 14.72 billion (31 Dec 2021 : N14.902 billion which has been provided for. The valuation of the Company's life business fund as at 31 December 2022 was carried out by Ernst & Young Nigeria Limited, FRC/2012/NAS/00000000738 a recognized actuarial valuation firm. The valuation was done based on the following principles:

On Individual life business, for all Endowment, Term Assurance and Mortgage Protection policies, the gross premium method of valuation was adopted. Reserves were calculated via a monthly cashflow projection approach, taking into account future office premiums, expenses and benefit payments. Future cashflows were discounted back to the valuation date at the valuation rate of interest. The reserve for the deposit based policies has been taken as the amount standing to the credit of the policy holders at the valuation date. Where policies still have active life cover, this has been valued using a monthly cashflow projection approach as

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### NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2022

#### 28.4 Age analysis of Outstanding claims: 31 December 2022

##### a. age analysis as follows:

Days	Number of Claimants	Amount
		N'000
0-90 days	201	438,360
91-180 days	25	19,665
181-270 days	43	11,392
271-365 days	24	142,161
365+ days	2,416	6,653,727
	<u>2,710</u>	<u>7,265,306</u>

b. by reason as follows:	0-90 days		91-180 days		181-270 days		271-365 days		365+ days		Total	
	QTY	N'000	QTY	N'000	QTY	N'000	QTY	N'000	QTY	N'000	QTY	N'000
Discharge voucher signed and returned to policyholders	186	423,873	25	19,665	26	8,438	9	64,619	1541	4,206,499	1,788	4,723,094
Discharge Vouchers not yet signed											-	-
Claims reported but incomplete documentation	15	14,488		-	17	2,953	15	77,543	875	2,447,229	922	2,542,212
Claims reported but being adjusted												-
Adjusters fee payable												-
<b>Total</b>	<b>201</b>	<b>438,360</b>	<b>25</b>	<b>19,665</b>	<b>43</b>	<b>11,392</b>	<b>24</b>	<b>142,161</b>	<b>2,416</b>	<b>6,653,727</b>	<b>2,710</b>	<b>7,265,306</b>

#### 28.4 Age analysis of Outstanding claims: 31 December 2021

##### a. age analysis as follows:

Days	Number of Claimants	Amount
		N'000
0-90 days	176	383,970
91-180 days	22	17,225
181-270 days	38	9,978
271-365 days	21	124,522
365+ days	2,113	5,828,152
	<u>2,370</u>	<u>6,363,848</u>

b. by reason as follows:	0-90 days		91-180 days		181-270 days		271-365 days		365+ days		Total	
	QTY	N'000	QTY	N'000	QTY	N'000	QTY	N'000	QTY	N'000	QTY	N'000
Discharge voucher signed and returned to policyholders	163	371,280	22	17,225	23	7,391	8	56,601	1348	3,684,569	1,564	4,137,066
Discharge Vouchers not yet signed											-	-
Claims reported but incomplete documentation	13	12,690		-	15	2,587	13	67,921	765	2,143,584	806	2,226,782
Claims reported but being adjusted												-
Adjusters fee payable												-
<b>Total</b>	<b>176</b>	<b>383,970</b>	<b>22</b>	<b>17,225</b>	<b>38</b>	<b>9,978.2835</b>	<b>21</b>	<b>124,522.4134</b>	<b>2,113</b>	<b>5,828,152.299</b>	<b>2,370</b>	<b>6,363,848.00</b>



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An unexpired premium was included for Group business policies. An allowance was made for IBNR (Incurred But Not Reported) claims in Group Life to take care of the delay in reporting claims. For Individual policies, the valuation age has been taken as Age Last Birthday at the valuation date. The period to maturity has been taken as the full term of the policy less the expired term. Full credit has been taken for premiums due between the valuation date and the end of the premium term. The valuation of the liabilities was made on the assumption that premiums have been credited to the accounts as they

There were no policies subject to substandard terms in force at the valuation date. The Mortality Table used in the valuation is the UK's Mortality of Assured Lives Table (A6770). The rate of interest used in the valuation is 14.21%.

	Group		Company	
	2022 N'000	2021 N'000	2022 N'000	2021 N'000
<b>29. Investment contract liabilities</b>				
<b>29.1a Deposit administration</b>				
At 1 January	11,420,763	10,925,858	10,785,617	10,649,548
<b>Additions during the year:</b>				
Receipts on deposit administration on Group life	-	-	-	-
Receipts on Investment premium on Individual life	212,094	504,951	212,094	243,519
<b>Withdrawals during the year:</b>				
Withdrawals - deposit administration on Group life	(28,877)	-50,519	(28,878)	-50,167
Withdrawals - on Individual life	(738,455)	-569,947	(756,164)	-569,947
	<b>(555,238)</b>	<b>(115,515)</b>	<b>(572,948)</b>	<b>(376,595)</b>
<b>Guaranteed interest:</b>				
Guaranteed Interest (Note 43)	362,700	535,505	362,700	512,685
<b>Fee income:</b>				
Deposit administration on Group and individual life (Note 43)	-	-	-	-
Investment premium on Individual life (Note 43)	-	-	-	-
Actuarial surplus/(deficit) during the year (Note 43)	353,872	-	353,872	(21)
Translation adjustment	-	74,915	-	(0)
<b>At 31 December</b>	<b>11,582,097</b>	<b>11,420,763</b>	<b>10,929,241</b>	<b>10,785,617</b>
<b>29.2 Managed funds</b>				
<b>Total Investment Contract Liabilities</b>	<b>11,668,362</b>	<b>11,420,763</b>	<b>10,929,241</b>	<b>10,785,617</b>
Current	-	3,565,598	-	3,510,776
Non Current	11,668,362	7,855,165	10,929,241	7,274,841
	<b>11,668,362</b>	<b>11,420,763</b>	<b>10,929,241</b>	<b>10,785,617</b>

i) Managed Funds above relate to funds managed by a subsidiary in Uganda on behalf its clients. They attract a minimum guaranteed Interest of 5% per annum and has been included in the financial statements.

	Group		Company	
	2022 N'000	2021 N'000	2022 N'000	2021 N'000
<b>29.1b Analysis of Deposit Administration</b>				
Individual life	8,610,324	8,439,872	8,610,324	8,439,872
Group life	3,007,776	2,980,891	2,318,917	2,345,745
	<b>11,618,100</b>	<b>11,420,763</b>	<b>10,929,241</b>	<b>10,785,617</b>
<b>30. Trade payables</b>		0.00		
Due to Reinsurance	1,146,975	459,566	1,146,975	459,564
Due to Co-insurance	2,324,836	2,876,319	512,739	514,227
Commissions and other payables to brokers	135,894	135,894	135,894	135,894
	<b>3,607,705</b>	<b>3,471,779</b>	<b>1,795,608</b>	<b>1,109,685</b>
<b>31. Loans and borrowings</b>				
Bank overdraft (Note 31.2)	344,923	188,585	344,923	848,984
Short term loan	1,366,150	5,500	290,102	5,499
Debenture loan (Note 31.4)	107,336	107,336	-	-
<b>Total</b>	<b>1,818,409</b>	<b>301,421</b>	<b>635,025</b>	<b>854,483</b>

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	Group		Company	
	2022 N'000	2021 N'000	2022 N'000	2021 N'000
<b>31.1 Movement in Loans &amp; borrowings</b>				
At 1 January	301,421	1,779,587	880,606	886,105
Addition during the year	2,216,009	134,018	522,069	522,069
Repayments during the year	(791,280)	(1,729,816)	(772,253)	(651,043)
Interest on loan during the year(Note 47)	92,258	117,632	4,603	97,352
Translation adjustment	1			
<b>At 31 December</b>	<b>1,818,409</b>	<b>301,421</b>	<b>635,025</b>	<b>854,483</b>
			635,025	854,483
Current	344,923	188,585	344,923	848,984
Non Current	1,473,486	112,836	290,102	5,499
	<b>1,818,409</b>	<b>301,421</b>	<b>635,025</b>	<b>854,483</b>

#### 31.2 Bank Overdraft:

The Group has overdraft facilities with Global Trust Savings & Loans limited to supplement working capital & finance operational expenses for a tenor of 12 months with 26% interest rate per annum. The facility is renewable.

Also, overdraft facilities with Guaranty Trust bank for N30.1 million.

#### 31.3 Term Loans

Term Loans were obtained from Access Bank Plc by the Parent Company , Guaranty Trust Bank Uganda & Bank of Africa Uganda by National Insurance Company Limited,Uganda, Skye bank (Now Polaris Bank) by Global Trust Savings and Loans and International Health Management Services Ltd respectively.

#### 31.4 Debenture loan

The Group has Debenture liability through Monarch Communications Limited.

	Group		Company	
	2022 N'000	2021 N'000	2022 N'000	2021 N'000
<b>32. Other payables and accruals</b>				
Payable to related parties (Note 13ii)	1,929,418	194,250	194,250	194,250
Commissions and other payables to brokers				
Accrued Expenses	6,604,196	1,885,108	1,626,628	1,885,108
Rent received in advance	79,367	82,697	79,367	82,697
Information Technology Levy	20,686	20,686	20,686	20,686
Deposits and other customers' accounts	209,893	686,276	-	-
Withholding Tax	173,188	168,884	173,188	168,884
Pension Contributions	818,261	831,534	818,261	831,534
National Housing Fund	84,443	81,994	84,443	81,994
Pay As You Earn	375,063	193,461	366,497	184,895
Health Management Services	35,772	30,485	35,772	30,485
NAICOM supervisory levy	74,365	66,766	74,365	66,766
Other statutory deductions	127,617	122,330	126,523	121,236
Sundry Sum Insured	-	-	-	-
Audit fees	28,155	20,944	28,155	20,944
Deferred acquisition revenue	178,718	-	-	-
Lease liability	16,528	5,978	-	-
Dividend payable (Note 32.1)	66,770	67,089	-	-
Provision for litigations (Note 32.2)	255,716	255,716	255,716	255,716
Sundry creditors	964,699	4,316,286	918,332	781,403
	<b>12,042,855</b>	<b>9,030,484</b>	<b>4,802,183</b>	<b>4,726,598</b>
Current	12,042,855	9,030,484	4,802,183	4,726,598
Non Current	-	-	-	-
	<b>12,042,855</b>	<b>9,030,484</b>	<b>4,802,183</b>	<b>4,726,598</b>

#### 32.1 Dividend payable

At 1 January	67,089	67,400	-	-
Amount declared during the year		-	-	-
Payments during the year	(319)	-311	-	-
Translation adjustment	(0)	(0)	-	-
<b>At 31 December</b>	<b>66,770</b>	<b>67,089</b>	<b>-</b>	<b>-</b>

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	31 DECEMBER 2022			
	Direct premium	Inward reinsurance premium	Increase/ (decrease) in unearned premium	Gross premium income
	N'000	N'000	N'000	N'000
<b>34. Gross premium income analysed as follows:</b>				
<b>i) Company</b>				
Fire	22,921	5	3,850	26,776
General accident	18,676	-	7,570	26,246
Motor	83,722	-	47,097	130,819
Aviation and marine	4,207	-	(24,051)	(19,844)
Agric	111,779	-	(729)	111,050
Engineering	645	-	(8,600)	(7,955)
Oil and Energy	-	-	19	19
	<u>241,950</u>	<u>5</u>	<u>25,156</u>	<u>267,111</u>
Individual life	8,553	-	-	8,553
Group life	297,255	-	(38,870)	258,385
	<u>547,758</u>	<u>5</u>	<u>(13,714)</u>	<u>534,049</u>

	31 DECEMBER 2021			
	Direct premium	Inward reinsurance premium	Increase/ (decrease) in unearned premium	Gross premium income
	N'000	N'000	N'000	N'000
<b>Gross premium income analysed as follows:</b>				
<b>ii) Company</b>				
Fire	23,739	-	5,337	29,076
General accident	124,548	-	(13,448)	111,100
Motor	148,407	-	73,592	221,999
Aviation and marine	18,474	-	930	19,404
Agric	1,261	-	-	1,261
Engineering	1,536	-	1,591	3,127
Oil and Energy	-	-	254	254
	<u>317,965</u>	<u>-</u>	<u>68,256</u>	<u>386,221</u>
Individual life	15,924	-	-	15,924
Group life	189,169	-	95,624	284,793
	<u>523,058</u>	<u>-</u>	<u>163,880</u>	<u>686,938</u>

	Group		Company	
	2022 N'000	2021 N'000	2022 N'000	2021 N'000

### 35. Reinsurance costs

Reinsurance cost is analysed as follows:

Reinsurance paid	1,684,592	1,540,536	27,119	7,451
Changes in prepaid reinsurance (Note 8.1.1)	9,496	752,809	9,496	9,342
	<u>1,694,088</u>	<u>2,293,345</u>	<u>36,615</u>	<u>16,793</u>

#### 35.1 Reinsurance cost by product

General accident	13,397	756,495	13,397	13,028
Motor	170	1,523,718	170	(9,367)
Aviation and marine	749	-	749	-
Agric	10,836	11,566	10,836	11,566
Engineering	726	-	726	-
Oil and Energy	4,340	3,078	4,340	3,078
Health Management Services (HMO)	-	3,078	-	-
	<u>30,218</u>	<u>2,297,935</u>	<u>30,218</u>	<u>18,305</u>
Individual life	-	-	-	-
Group life	6,396	(1,512)	6,396	(1,512)
	<u>36,614</u>	<u>2,296,423</u>	<u>36,614</u>	<u>16,793</u>

35.1 The Company has a reinsurance agreement with African Reinsurance Corporation, WAICA Reinsurance Corporation Plc and Continental Reinsurance Plc to reinsure the risks associated with fire and consequential loss, General accident, Marine cargo, motor, aviation and special risks etc. according to agreed quota share, surplus treaty or excess of loss treaty. This agreement is being modified on yearly basis.

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	Group		Company	
	2022 N'000	2021 N'000	2022 N'000	2021 N'000
<b>33. Deposit for shares</b>				
Movement in the deposit for shares during the year was as follows:				
At 1 January	1,138,275	1,144,256	-	-
Additions during the year	-	-	-	-
Consolidation adjustments	-	-	-	-
Translation adjustments	100,807	(5,981)	-	-
<b>At 31 December</b>	<b>1,239,082</b>	<b>1,138,275</b>	<b>-</b>	<b>-</b>

	31 DECEMBER 2022			
	Direct premium N'000	Inward reinsurance premium N'000	Increase/ (decrease) in unearned premium N'000	Gross premium income N'000
<b>34. Gross premium income analysed as follows:</b>				
<b>i) Group</b>				
Fire	22,921	-	4,817	27,738
General accident	6,522,839	-	(2,327,611)	4,195,228
Motor	83,722	-	110,678	194,400
Aviation and marine	4,207	-	(44,115)	(39,908)
Agric	858	-	(2,187)	(1,329)
Engineering	620	-	(17,013)	(16,393)
Oil and Energy	-	-	56	56
Bond	25	-	-	25
Health Management Services (HMO)	110,921	-	-	110,921
	1,997,070	-	-	1,997,070
	8,743,183	-	(2,275,375)	6,467,808
<b>Life business</b>				
Individual life	8,553	-	-	8,553
Group life	297,255	-	(38,870)	258,385
	9,048,991	-	(2,314,245)	6,734,746

	31 DECEMBER 2021			
	Direct premium N'000	Inward reinsurance premium N'000	Increase/ (decrease) in unearned premium N'000	Gross premium income N'000
<b>Gross premium income analysed as follows:</b>				
<b>ii) Group</b>				
Fire	23,739	-	5,337	29,076
General accident	5,390,707	-	(53,963)	5,336,744
Motor	148,407	-	73,592	221,999
Aviation and marine	18,474	-	930	19,404
Agric	1,261	-	-	1,261
Engineering	1,536	-	1,591	3,127
Health	99,432	-	-	-
Bond	452	-	-	-
Oil and Energy	-	-	254	254
Health Management Services (HMO)	-	-	-	-
	5,684,008	-	27,741	5,611,865
<b>Life business</b>				
Individual life	15,924	-	-	15,924
Group life	189,169	-	95,624	284,793
	5,889,101	-	123,365	5,912,582

# INDUSTRIAL AND GENERAL INSURANCE PLC

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2022

	Group		Company	
	2022 N'000	2021 N'000	2022 N'000	2021 N'000
<b>36. Fees and commission income</b>				
Fire	3,541	3,641	3,541	3,641
General accident	317,067	305,857	-	12
Motor	-	1,032	-	1,032
Aviation and marine	2,945	1,063	2,945	1,063
Agric	-	-	-	-
Engineering	207	2,280	207	2,280
Oil and Energy	-	8,322	-	8,322
	<b>323,760</b>	<b>322,195</b>	<b>6,693</b>	<b>16,350</b>
Individual life	-	-	-	-
Group life	-	(75)	-	(75)
	<b>323,760</b>	<b>322,120</b>	<b>6,693</b>	<b>16,275</b>
<b>37. Claims expenses</b>				
<b>37.1a Claims expenses (Gross)</b>				
Fire	15,700	10,453	15,700	10,453
General accident	847,716	2,256,931	115,660	123,033
Motor	8,460	25,800	8,460	25,800
Aviation and marine	-	21,558	-	21,558
Agric	-	-	-	-
Engineering	5,990	15,926	5,990	15,926
Oil and Energy	16,572	1,916	16,572	1,916
Health Management Services (HMO)	1,689,264	-	-	-
	<b>2,583,703</b>	<b>2,332,584</b>	<b>162,382</b>	<b>198,686</b>
Individual life	94,695	71,733	94,695	71,733
Group life	103,166	250,089	103,166	250,089
	<b>2,781,563</b>	<b>2,654,406</b>	<b>360,243</b>	<b>520,508</b>
<b>37.1b Changes in claims reserve</b>				
Fire	(4,013)	(19,851)	(4,013)	(19,851)
General accident	(2,398,007)	1,522	277	1,522
Motor	(437)	5,237	(437)	5,237
Aviation and marine	5,195	(30,171)	5,195	(30,171)
Agric	-	-	-	-
Engineering	(628)	(36,105)	(628)	(36,105)
Oil and Energy	301,499	(16,553)	301,499	(16,553)
Health Management Services (HMO)	(129,529)	-	-	-
	<b>(2,225,920)</b>	<b>(95,921)</b>	<b>301,893</b>	<b>(95,921)</b>
Group business outstanding claims	535,971	166,312	535,971	166,312
Group business outstanding claims IBNR	(53,675)	-	(53,675)	-
Individual business	42,215	-	42,215	-
	<b>(1,701,409)</b>	<b>70,391</b>	<b>826,404</b>	<b>70,391</b>
	<b>1,080,155</b>	<b>2,724,797</b>	<b>1,186,647</b>	<b>590,899</b>
<b>37.2 Reinsurance Claims recoveries</b>				
Fire	27,645	8,757	5,493	36,029
General accident	(707,091)	(15,389)	(770,860)	(15,389)
Motor	3,338	1,407	3,338	1,407
Aviation and marine	(8,513)	6,904	(8,513)	6,904
Agric	11,723	(13,240)	6,620	(13,240)
Engineering	1,703	(65,340)	1,703	(65,340)
Oil and Energy	908,215	(58)	908,215	(58)
	<b>237,020</b>	<b>(76,959)</b>	<b>145,996</b>	<b>(49,687)</b>
Individual life	-	-	-	-
Group life	224,770	95,005	224,770	95,005
	<b>461,790</b>	<b>18,046</b>	<b>370,766</b>	<b>45,318</b>
<b>37.2.1 Reinsurance Claims recoveries</b>				
Receipt from reinsurance on claims paid	64,205	-926,238	151,023	-58,537
Changes in estimated reinsurance recoveries on claims (Note 8.2.2)	520,467	871,781	342,625	31,352
Changes in reinsurers/co-insurers receivables (Note 8.3.1)	(122,882)	72,503	(122,882)	72,503
	<b>461,790</b>	<b>18,046</b>	<b>370,766</b>	<b>45,318</b>

# INDUSTRIAL AND GENERAL INSURANCE PLC

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2022

	Group		Company	
	2022 N'000	2021 N'000	2022 N'000	2021 N'000
<b>37.3 Net claims incurred analysis</b>				
Claims Paid during the year	2,781,563	2,654,406	360,243	520,508
Changes in Outstanding Claims reserve	(1,658,733)	70,391	826,404	70,391
<b>Gross Claims incurred</b>	<b>1,122,830</b>	<b>2,724,797</b>	<b>1,186,647</b>	<b>590,899</b>
Reinsurance Recoveries (Note 37.2.1)	(461,790)	(18,046)	(370,766)	(45,318)
<b>Net claims incurred</b>	<b>661,040</b>	<b>2,706,751</b>	<b>815,881</b>	<b>545,581</b>
<b>38.1 Acquisition expenses</b>				
<b>38.1.1 Commissions paid</b>				
Fire	4,201	4,312	4,201	4,312
General accident	3,660	545,941	3,660	4,853
Motor	9,349	16,317	9,349	16,317
Aviation and marine	841	3,642	841	3,642
Agric	5,217	3,189	5,217	3,189
Engineering	124	306	128	394
Oil and Energy	4	92	-	4
Health Management Services (HMO)	94,985	-	-	-
	118,381	573,799	23,396	32,711
Individual life	11,508	37,932	11,508	37,932
Group life	31,079	20,992	31,079	20,992
	160,968	632,723	65,983	91,635
<b>38.1.2 Movement in deferred acquisition costs</b>				
Fire	98	1,405	98	1,405
General accident	428	56	428	56
Motor	776	10,146	776	10,146
Aviation and marine	836	503	836	503
Agric	180	39	180	39
Engineering	128	217	128	217
Oil and Energy	4	1	4	1
	2,450	12,367	2,450	12,367
Individual life	-	-	-	-
Group life	-	6,085	-	6,085
	2,450	18,452	2,450	18,452
<b>Total acquisition expenses</b>	<b>163,418</b>	<b>651,175</b>	<b>68,433</b>	<b>110,087</b>
<b>38.2 Maintenance expenses</b>				
Fire	15,931	105,167	15,931	53,944
General accident	15,615	13,565	15,615	40,068
Motor	77,833	54,549	77,833	411,869
Aviation and marine	(11,807)	(2,123,308)	(11,807)	36,000
Agric	66,071	-	66,071	167,552
Engineering	(4,733)	77,705	(4,733)	6,640
Oil and Energy	11	130,150	11	471
Health Management Services (HMO)	-	-	-	-
	3,126,721	-	-	-
	3,285,643	(1,742,172)	158,922	716,544
Individual life	(60,362)	(408,844)	(60,362)	(406,131)
Group life	-	-	-	-
<b>Total maintenance expenses</b>	<b>3,225,281</b>	<b>(2,151,016)</b>	<b>98,560</b>	<b>310,413</b>
<b>Total underwriting expenses</b>	<b>3,388,699</b>	<b>(1,499,841)</b>	<b>166,993</b>	<b>420,500</b>
<b>39. Changes in contract liabilities</b>				
Changes in life fund (Note 28)	(276,797)	(11,135)	228,426	69,893

## INDUSTRIAL AND GENERAL INSURANCE PLC

### NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2022

	Group		Company	
	2022 N'000	2021 N'000	2022 N'000	2021 N'000
<b>40. Investments incomes</b>				
Rent income from investment properties	49,106	67,889	49,106	67,889
Interest on short term deposits/placement	375,745	481,459	28,867	47,480
Interest on treasury bills and bonds	-	-	-	-
Income on other investments	51,889	10,173	51,889	10,173
Dividend Incomes	20,343	28,019	20,343	28,019
	<b>497,083</b>	<b>587,540</b>	<b>150,205</b>	<b>153,561</b>
<b>40.1 Analysis of investments incomes:</b>				
Investment attributable:				
Policyholders' fund	354,420	418,916	107,096	109,489
Shareholders' fund	142,663	168,624	43,109	44,072
	<b>497,083</b>	<b>587,540</b>	<b>150,205</b>	<b>153,726</b>
<b>41. Net interest income</b>				
<b>41.1 Interest income</b>				
Interest on loans and advances to customers - banking operations	59,678	-	-	-
Interest on policy loans	-	37,039	-	37,039
Other interest income (Note 41.3)	273,145	115,119	-	-
	<b>332,823</b>	<b>152,158</b>	<b>-</b>	<b>37,039</b>
<b>41.2 Interest expenses</b>				
Interest expenses on deposits - banking operations	-	-	-	-
	<b>332,823</b>	<b>152,158</b>	<b>-</b>	<b>37,039</b>

41.3 Other interest income represents interest earned on other financial assets carried at amortised cost.

	Group		Company	
	2022 N'000	2021 N'000	2022 N'000	2021 N'000
<b>42. Other operating incomes</b>				
Exchange gain/(losses) (Note 42.1)	19,035	11,468	23,957	(912)
Income on salvage	2,293	1,605	2,293	1,605
Income on staff bus	17,431	328	17,431	328
Fees and commission incomes	-	-	-	-
Administrative charges on customers account	-	-	-	-
Administrative charges on registrar services	-	-	-	-
Bad debt recovered	-	-	-	-
Others	120,059	375,963	56	1
	<b>158,818</b>	<b>389,364</b>	<b>43,737</b>	<b>1,022</b>
<b>42.2 Exchange gain/(losses)</b>				

Description	Transaction Date.	Amount
Inter bank transfer from Zenith domicilairy to Zenith local	01/31/22	(81,683)
Inter bank transfer from Zenith domicilairy to Noval bank	05/30/22	(3,729,645)
Inter bank transfer from Zenith domicilairy to UBA	08/30/22	(10,643,400)
Inter bank transfer from Zenith domicilairy to UBA	10/27/22	45,373
Inter bank transfer from Zenith domicilairy to UBA	10/27/22	(7,126,010)
Inter bank transfer from Zenith domicilairy to UBA	10/27/22	(1,900,462)

## INDUSTRIAL AND GENERAL INSURANCE PLC

### NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2022

	Group		Company	
	2022 N'000	2021 N'000	2022 N'000	2021 N'000
Inter bank transfer from Zenith domiciliary USD to Euro	10/27/22	(365,507)		
Inter bank transfer from Zenith domiciliary USD to GBP	10/27/22	45,972		
Inter bank transfer from Zenith domiciliary USD to Euro	12/30/22	361,907		
Inter bank transfer from Zenith domiciliary to Zenith local	12/31/22	414,485		
Inter bank transfer from Zenith domiciliary Euro to UBA	12/31/22	(940,406)		
Inter bank transfer from Zenith domiciliary GBP to UBA	12/31/22	(37,355)		
		<u>(23,956,731)</u>		
<b>43. Loss on investment contract</b>				
Income on investment contract (Note 29.1)	10,400	-	10,400	-
Changes in investment contracts (Note 29.1)	(353,872)	-	(353,872)	-
Guaranteed interest paid (Note 29.1)	(362,700)	(535,505)	(362,700)	(512,685)
	<u>(706,172)</u>	<u>(535,505)</u>	<u>(706,172)</u>	<u>(512,685)</u>
<b>44. Fair value gain/(loss) through profit or loss</b>				
Quoted stocks (Note 6.1)	53,243	80,971	(1,057)	(1,903)
Quoted investment in subsidiaries			-	
Investment properties (Note 16)	1,585,594	1,811,157	1,294,971	1,602,873
	<u>1,638,837</u>	<u>1,892,128</u>	<u>1,293,914</u>	<u>1,600,970</u>

44.1 This represents any difference arising between the carrying amount and the fair value of the asset as at the date of reporting.



# INDUSTRIAL AND GENERAL INSURANCE PLC

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2022

	Group		Company	
	2022 N'000	2021 N'000	2022 N'000	2021 N'000
<b>45. Impairment charge</b>				
Impairment of trade receivables (Note 7.1)	-	-	-	-
Impairment of other receivables & prepayments (Note 12.1)	(216,413)	484,317	(214,494)	618,781
Impairment of re-insurance asset receivables (Note 8.4)	439,575	-	439,575	-
impairment of loans and advances to customer (Note 10.1)	-	-	-	-
impairment of loans and receivables (Note 6.4.3)	(922)	(11,908)	(922)	(11,908)
impairment of short term investments	-	-	-	-
impairment of long term investments (unquoted investments) (Note 6.2))	172,775	-	176,037	-
impairment of long term investments (investment in subsidiaries (Note 14.1))	-	-	0	-
Impairment of cash and cash equivalent balances not substantiated	(10,983)	(12,989)	(13,696)	403
	<b>384,032</b>	<b>459,420</b>	<b>386,500</b>	<b>607,276</b>
<b>46. Management and administrative expenses</b>				
Employees costs (Note 46.1)	630,106	606,906	630,106	606,906
Directors fees and emoluments	1,494	53,266	1,494	53,266
Depreciation of property, plant & equipment (Note 17)	179,553	238,768.00	34,240	33,200
Audit fee	13,739	10,000	13,739	10,000
Amortisation of intangible assets (Note xx)	-	-	-	-
Rent and rates	18,279	13,691	18,279	13,691
Repairs and maintenances	12,626	174,637.0	12,626	17,011
Subscriptions	45,955	9,991	45,955	9,991
Training and development	70	-	70	-
Insurances	-	-	-	-
Legal and professional fees	77,459	874,921	77,459	181,366
Loss on disposal of property, plant and equipment	-	-	-	-
Transport and travelling	18,880	10,677	18,880	10,677
Postages, telephone and telex	2,165	1,496	2,165	1,496
Taxes and non deductible duties/ fines	26,874	12,529	26,874	12,529
Bank charges and commissions	7,409	11,641	7,409	11,641
Power and electricity	38,773	24,179	38,773	24,179
Advert, publicity and business promotions	5,440	6,057	5,440	6,057
Safety security and quality control	16,868	108,967	16,868	14,391
Other operating expenses (Note 46.2)	2,055,945	277,169	2,055,945	95,238
Subsidiary companies' operating expenses	2,389,543	-	-	-
	<b>5,541,177</b>	<b>2,434,895</b>	<b>3,006,322</b>	<b>1,101,639</b>
<b>46.1 Employees costs</b>				
Salaries, wages and allowances	575,818	573,496	575,818	573,496
Contributions to pension fund scheme	25,674	26,856	25,674	26,856
Training, recruitment and canteen expenses	10,608	-	10,608	-
Medical expenses	7,432	6,554	7,432	6,554
Contract Manpower	-	-	-	-
Other personnel expenses	10,574	-	10,574	-
	<b>630,106</b>	<b>606,906</b>	<b>630,106</b>	<b>606,906</b>

## INDUSTRIAL AND GENERAL INSURANCE PLC

### NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2022

#### 46.2 Other expenses

a) Printing	1,706	-	1,706	1,347
b) Stationeries	19,643	163,611	19,643	5,985
c) Vehicle Tracker Expenses	282		282	382
d) Office Expenses	291	382	291	376
e) AGN Eexpensrs	16,704	376	16,704	-
f) Disputed property at No. 3, Glover Road, Ikoyi, Lagos			539,244	
g) Disputed property at Plot 3274, Cadastral Zone A6, Maitama, Abuja			693,600	
h) Disputed property at Lanlate, Ibarapa North East LGA, Oyo State			6,000	
i) Reinsurance companies account reconciliation descroancy charged	2,014,890	-	776,046	-
j) Entertainment Expenses	2,430	111,454	2,430	87,148
	<u>2,055,945</u>	<u>277,169</u>	<u>2,055,945</u>	<u>95,238</u>

#### 47. Finance costs

Interest expenses	92,258	117,632	4,603	97,352
Inter-bank borrowings	-	-	-	-
	<u>92,258</u>	<u>117,632</u>	<u>4,603</u>	<u>97,352</u>
Individual life	-	-	-	-
Group life	-	-	-	-
	<u>92,258</u>	<u>117,632</u>	<u>4,603</u>	<u>97,352</u>

# INDUSTRIAL AND GENERAL INSURANCE PLC

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2022

	Group		Company	
	2022 N'000	2021 N'000	2022 N'000	2021 N'000
<b>48. Taxation</b>				
<b>48.1 Income tax expense</b>				
Income tax	(14,898)	215,198	9,494	2,992
Education tax	11,387	-	11,387	-
Information technology levy	-	5,576	-	5,576
Under/(over) provision of prior years	-	-	-	-
Capital gain tax	-	-	-	-
	<u>(3,511)</u>	<u>220,774</u>	<u>20,881</u>	<u>8,568</u>
Deferred taxation expense/(credit) (Note 48.4)	-	-	-	-
	<u>(3,511)</u>	<u>220,774</u>	<u>20,881</u>	<u>8,568</u>
<b>48.2 Income tax payable</b>				
Analysis of movements in the current tax balance during the year:				
At 1 January	2,541,378	2,485,875	1,585,494	1,676,282
Income tax charged for the year	(14,898)	215,198	9,494	25,211
Education tax	11,387	-	11,387	-
Information technology levy	-	5,576	-	5,576
Under/(over) provision of prior years	-	-	-	-
Capital gains tax	-	5,721	-	-
Payments during the year	(52,001)	(93,962)	(52,001)	(99,355)
Withholding tax credit notes	-	(11,543)	-	-
Translation Adjustment	(269,049)	(65,487)	16,644	(22,220)
	<u>2,216,817</u>	<u>2,541,378</u>	<u>1,571,018</u>	<u>1,585,494</u>
<b>48.3 Reconciliation of effective tax rate</b>				
<b>Loss for the year after tax</b>	<u>(3,265,218)</u>	<u>1,663,546</u>	<u>(2,886,649)</u>	<u>(1,157,310)</u>
<b>Total tax expenses made up of:</b>				
Income	(14,898)	215,198	9,494	2992
Education	11,387	-	11,387	0
Information technology levy	-	5,576	-	5576
Deferred	-	-	-	-
Others	-	-	-	-
	<u>(3,511)</u>	<u>220,774</u>	<u>20,881</u>	<u>8,568</u>
<b>Loss for the year before tax</b>	<u>(3,268,729)</u>	<u>1,884,320</u>	<u>(2,865,768)</u>	<u>(1,148,742)</u>
<b>Effective tax rate</b>	<u>0</u>	<u>12</u>	<u>(1)</u>	<u>(1)</u>

i) As a result of the loss position as above, the income tax payable has been computed for the "parent" company based on the minimum tax rates as specified in Section 14 (8) (b) and Section 14 (9) (c) of Companies Income Tax Act (CITA) of 2007.

### ii) Factors affecting the tax charge in future years

Factors that may affect the Group's future tax charge include the impact of corporate restructurings, the resolution of open issues, future planning opportunities, corporate acquisitions and disposals, the use of brought forward tax losses and changes in tax legislation and tax rates.

	Group		Company	
	2022 N'000	2021 N'000	2022 N'000	2021 N'000
<b>48.4.1 Deferred tax liabilities</b>				
At 1 January	2,424,113	2,134,594	1,929,056	1,884,056
Deferred taxation expense (Note 48.1)	-	-	-	-
Under/(over) provision for deferred tax (Note 48.1)	-	-	-	-
Other comprehensive income	-	10,000	-	10,000
Credit to deposit administration plan	-	-	-	-
Credit to equity	-	-	-	-
Reclassification from deferred tax asset (Note 48.4.2)	-	-	-	35,000
Translation Adjustment	-	279,519	-	-
	<u>2,424,113</u>	<u>2,424,113</u>	<u>1,929,056</u>	<u>1,929,056</u>

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## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2022

	Group		Company	
	2022 N'000	2021 N'000	2022 N'000	2021 N'000
<b>48.4.2 Deferred tax assets</b>				
At 1 January	-	28,245	-	-
Deferred taxation expense/(credit) (Note 48.1)	-	-	-	-
Over provision for deferred tax (Note 48.1)	-	-	-	-
Reclassification from deferred tax liab (Note 48.4.1)	-	-	-	-
Credit to equity	-	-	-	-
Translation Adjustment	-	(28,245)	-	-
<b>At 31 December</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>

**48.4.3** Deferred income tax is calculated on all temporary differences under the liability method using a principal tax rate of 30% (2017: 30%). At 31 December 2018, included in the Group deferred tax was an asset of N44,066,341,181 (31 Dec 2017: N 44,126,799 ) not recognised.

	Group		Company	
	2022 N'000	2021 N'000	2022 N'000	2021 N'000
<b>49. Operating loss</b>				
<b>Operating loss has been arrived after charging:</b>				
Depreciation of property, plant and equipment	179,553	238,768	34,240	33,200
Impairment losses	384,032	459,420	386,500	607,276
Staff costs	630,106	606,906	630,106	606,906
Loss on disposal of property, plant and equipment	-	-	-	-
Audit fees	13,739	10,000	13,739	10,000

### 49.1. Profit/(loss) on disposal of Investment properties

Carrying amount of disposals	(1,092,818)	(2,946,600)	-35,600	(2,946,600)
Proceeds from sales	849,715	2,523,986	35,600	2,523,986
<b>Profit/(loss) on disposal</b>	<b>(243,103)</b>	<b>(422,614)</b>	<b>0</b>	<b>(422,614)</b>

### 49.2. Profit/(loss) on disposal of properties, plant & equipment

Carrying amount at disposals	(26)	(774,001)	(26)	(86,400)
Asset revaluation reserve realized		-		-
Proceeds from sales	320	784,001	320	784,000
<b>Profit/(loss) on disposal</b>	<b>294</b>	<b>10,000</b>	<b>294</b>	<b>10,000</b>

### 50. Profit/(loss) per share

Basic profit/(loss) per share is calculated by dividing the profit/(loss) attributable to equity holders of the company by the weighted average number of ordinary shares in issue

	Group		Company	
	2022 N'000	2021 N'000	2022 N'000	2021 N'000
Loss attributable to the equity holders	(1,883,152)	1,684,663	(1,659,972)	(1,211,709)
Weighted average number of ordinary shares in issue	14,231,238	14,231,238	14,231,238	14,231,238
Basic loss per share (kobo)	(13.23)	11.84	(11.66)	(8.51)

## INDUSTRIAL AND GENERAL INSURANCE PLC

### NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2022

	<b>Group</b>		<b>Company</b>	
	<b>2022</b>	<b>2021</b>	<b>2022</b>	<b>2021</b>
	<b>N'000</b>	<b>N'000</b>	<b>N'000</b>	<b>N'000</b>
<b>51. Note to the cashflow statement Profit/(loss) for the year before tax</b>	<b>(3,268,729)</b>	1,884,320	(2,865,768)	(1,148,742)
<b>Adjustment for:</b>				
Depreciation of property, plant & equipment	179,553	238,768	34,240	33,200
Fair value changes on quoted stocks investment	53,243	80,971	(1,057)	(1,903)
Fair value changes on investment properties	(1,585,594)	(1,811,157)	(1,294,971)	(1,602,873)
Other incomes	(158,818)	(389,364)	(43,737)	(1,022)
Impairment charged of financial assets	92,367	(2,754,854)	(2,646,975)	2,014,313
Tax paid	(52,001)	(63,330)	(52,001)	-
	<b>(4,739,980)</b>	<b>(2,814,646)</b>	<b>(6,870,269)</b>	<b>(707,027)</b>
<b>Changes in:</b>				
Loans and receivables	270,752	70,838	299,120	47,437
Trade receivables	1,064,443	116,286	-	-
Reinsurance assets	(388,089)	(138,720)	(210,247)	(94,971)
Deferred acquisition costs	(47,974)	(163,805)	7,458	12,367
Other receivables and prepayments	364,021	(2,746,331)	4,617,609	269,334
Insurance contract liabilities	1,017,287	135,964	611,690	(13,765)
Investment contract liabilities	247,599	371	143,624	136,069
Trade payables	135,926	1,391,634	685,923	(90,620)
Other payables and accruals	3,012,371	3,544,543	75,585	850,898
Deposit for shares	100,807	1,143,641	-	-
	<b>5,777,144</b>	<b>3,354,421</b>	<b>6,230,762</b>	<b>1,116,749</b>
<b>Net cash used in operating activities</b>	<b>1,037,164</b>	<b>539,776</b>	<b>(639,507)</b>	<b>409,722</b>

# INDUSTRIAL AND GENERAL INSURANCE PLC

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2022

### 52. Contingencies and Commitments

#### a) Legal proceedings and regulation

The Company operates in the insurance industry and is subject to legal proceedings in the normal course of business. While it is not practicable to forecast or determine the final results of all pending or threatened legal proceedings, management does not believe that such proceedings (including litigation) will have a material effect on its result and financial position. The Company is also subject to insurance solvency regulations of NAICOM. There are no contingencies associated with the Company's compliance or lack of compliance with such regulations.

Currently, there are pending litigations against the company. Provision to the tune of N256 million has been made in these financial statements for the pending litigations. The directors are of the opinion that based on independent legal advice, the liability will not likely materialise beyond the provision.

#### b) Capital commitments and operating leases

The Company has no capital commitments at the reporting date.

### 53. Contravention of Laws and Regulations

During the year, contravention of the provision of insurance Act and National Insurance Commission of Nigeria (NAICON) guidelines was brought to our attention. The company contravened the late filing of its annual returns for which a fine of N1.32 million was paid.

### 54. Events after reporting date

On May 2023, the Securities Exchange Commission approved the issued of 9,768,562,924 to Coopvest Limited representing 40.7% of the issued share capital of the Company. The company has no events after the financial position date that will materially affect the financial position shown in the financial statements at 31st December, 2022.

### 55. Going Concern

The business of IGI will continue into the foreseeable future as it continues to tap into the opportunities available in the insurance industry, overcome threats, utilize its strengths and improve on its weaknesses.

The insurance penetration is still low in Nigeria and there are abundant opportunities in the various classes of insurance business which IGI will exploit to enhance its premium generation and collection, increase market share and profitability while still pursuing cost control measures. Enforcement of the local content insurance act, compulsory insurances like motor insurance, public building insurance, carbotage law as well as the micro insurance would provide great opportunities to enhance revenue generation.

In the past, impairments have had significant effect on our profitability. These impairments are mostly that of receivables and investment assets. With the implementation of the "no premium no cover" policy, there is no need again for impairment of receivables as all premiums are now collectable within a short period of time. Some investments have also been impaired in the past and we see opportunities of recoveries in some of the impaired assets like the investment in Global Trust Bank, Uganda where we have been assured by the Bank of Uganda that the liquidation process will soon be completed since almost all liabilities have been settled with a significant balance still left for IGI as the principal shareholder.

The Board of IGI has approved the restructuring of our assets towards improving liquidity through sale of properties and shares in some subsidiaries. We have received offers from investors who are interested in purchasing shares in some of these subsidiaries including IGI Pension Fund Managers Limited, Global Trust Savings and Loans Limited and International Health Management Services Limited.

The Company is also embarking on raising capital through sale of its unissued share capital of 40.07% and has appointed both Greenwich Trust Limited and Zenith Capital Limited as financial advisers while some investors have expressed interests prior to conducting due diligence exercise.

The liquidity generated through the asset restructuring and capital raise will be applied to grow and manage the business profitably through aggressive marketing, service delivery, efficient internal control and investment activities to the satisfaction of all stakeholders. We believe that the above action plan will help reverse the current loss position to profitability in the near future. The going concern status of the business of IGI is therefore assured.

In its bid to reposition itself the company, the company commenced an Enterprise Transformation Program which encompasses a new corporate culture, restructuring of work flow, commencement of new products, and review of operational process, the ETP also includes a new corporate strategy and engagement of new personnel. Furthermore, the company had also commenced an aggressive rationalization program that prepares it for a competitive stance in the market place. The new strategy of the organization, which is hinged on risk management and investment offers the company to provide products that it can in the very competitive market place in Nigeria.

### 57. Discontinued operations

Based on the individual reasons stated below on the affected individual subsidiaries, the company has decided to divest in power, Global Trust Bank Limited (the Bank) - Uganda, IGI Life Assurance Ghana Ltd and Industrial and General Insurance (Ghana) Company Limited. The subsidiaries were classified as discontinued operations. The subsidiaries represents part of the Group's Life, non-life banking operation segments, with their classification as discontinued operations, these segment going forward will no longer be presented in the segment notes.(57.1).

These affected subsidiaries were not previously classified as discontinued operations in the consolidated statement of financial position. The Comparative consolidated statement of financial position has been restated to show the discontinued operations.

Analysis of the results of the entities classified as discontinued operations are as stated below in line with the requirements of IFRS 5:

At 31 December 2022, the discontinued operation group was stated at carrying amount, which was deemed to be lower of the fair value.

## INDUSTRIAL AND GENERAL INSURANCE PLC

### NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2022

	Company	
	2022 N'000	2021 N'000
<b>57.1 Classified as discontinued operations</b>		
Investment in Global Trust Bank Limited (the Bank) - Uganda (Note 57.1.1)	-	-
Investment in IGI Life Assurance Ghana Limited (Note 57.1.2)	-	-
Investment in Industrial and General Insurance (Ghana) Company Ltd (Note 57.1.2)	-	-
	<hr/>	<hr/>
Impairment of doubtful -long term inv.	-	-
	<hr/>	<hr/>
	<hr/>	<hr/>

**57.1.1 Global Trust Bank Limited (the Bank)** is a limited liability company and is incorporated and domiciled in Uganda. The address of its registered office is as follows: Plot 2A Kampala Road P. O. Box 72747 Kampala, Uganda. The Bank provides retail and corporate banking

#### **Closure of Global Trust Bank Uganda Limited**

Global Trust Bank, Uganda (GTB, Uganda), was closed down and its licence revoked by the Bank of Uganda (BOU) on Friday, 25th July, 2014 due to losses recorded over the years as a result of impairment made on non-performing loans which affected the capital of the bank.

Since its commencement of operation in 2008, IGI had invested N5.004billion and a total impairment provision of N3.55billion had been made in our books up till 31 December 2013. An additional investment of N700.923million was also made in 2014 leaving a balance of N2.18billion that has been fully impaired in the 2014 audited financial statements.

Though liquidation processes are on-going, IGI has taken up the matter with the relevant authorities in Uganda and it is optimistic of making some recoveries from the investment. Proceeds from the liquidation is being expected from the Bank of Uganda (BOU) in the coming years.

The liquidation process is on-going but adequate impairment has been carried out in the Group Financial Statements. In December 2014, the Group discontinued its operations in Global Trust Bank Uganda which is the only operation presented as discontinued operation in the consolidated statement of profit or loss and other comprehensive income.

#### **57.1.2 Notice of withdrawal of investment in Ghana**

Industrial and General Insurance Plc., own 60% Shareholdings in Industrial and General Insurance Company (Ghana) Limited & IGI Life Assurance Company Limited The Parent served the Regulator, National Insurance Commission, Ghana with the notice of its intended divestment from the two subsidiaries and its desire to source for probable core investor for both businesses.

The Regulator, National Insurance Commission, Ghana served the two companies enforcement action notice dated 17 May 2012 and a protection order on the assets of both companies was granted on November 29, 2012.

IGI Plc, (the parent company), has made full provision for impairment of its investment in both Companies as at 31 December 2014.

## INDUSTRIAL AND GENERAL INSURANCE PLC

### NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2022

#### 57.2a Assets and liabilities of discontinued operations

Assets and liabilities of discontinued operations comprise the assets and liabilities of Global Trust Bank Limited (the Bank) - Uganda, IGI Life Assurance Ghana Limited and Industrial and General Insurance (Ghana) Company Limited as at 31 December 2022.

	31 DECEMBER 2022			Total N'000
	Global Trust Bank Limited, Uganda N'000	IGI Life Assurance Ghana Ltd N'000	Industrial and General Insurance (Ghana) N'000	
<b>Carrying value of:</b>				
<b>Assets</b>				
Cash and cash equivalents	719,783	-	-	719,783
<b>Financial Assets:</b>				
- At fair value through profit or loss	1,376,036	-	-	1,376,036
- Available for sale	-	-	-	-
- Held to maturity	-	-	-	-
- Loans and receivables	-	-	-	-
Trade receivables	-	-	-	-
Reinsurance assets	-	-	-	-
Deferred acquisition costs	-	-	-	-
Loans and advances to customers	2,822,192	-	-	2,822,192
Other receivables and prepayments	221,531	-	-	221,531
Investment in subsidiaries	-	-	-	-
Intangible assets	56,319	-	-	56,319
Deferred tax assets	148,377	-	-	148,377
Investment properties	-	-	-	-
Property plant and equipment	390,772	-	-	390,772
Statutory deposits	-	-	-	-
	<u>5,735,010</u>	<u>-</u>	<u>-</u>	<u>5,735,010</u>
Non-current assets held for sale	-	-	-	-
<b>Total assets classified as discontinued operations</b>	<u>5,735,010</u>	<u>-</u>	<u>-</u>	<u>5,735,010</u>
<b>Liabilities</b>				
Insurance contract liabilities	-	-	-	-
Investment contract liabilities	-	-	-	-
Placement from other banks	554,254	-	-	554,254
Loans and borrowings	8,097	-	-	8,097
Other payables and accruals	4,055,490	-	-	4,055,490
Income tax payable	29,780	-	-	29,780
Deferred tax liabilities	-	-	-	-
Reserves	549,754	-	-	549,754
<b>Total liabilities classified as discontinued operations</b>	<u>5,197,375</u>	<u>-</u>	<u>-</u>	<u>5,197,375</u>
<b>Net assets directly associated with discontinued operations group</b>	<u>537,635</u>	<u>-</u>	<u>-</u>	<u>537,635</u>



## INDUSTRIAL AND GENERAL INSURANCE PLC

### NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2022

#### 57.2b Assets and liabilities of discontinued operations

Assets and liabilities of discontinued operations comprise the assets and liabilities of Global Trust Bank Limited (the Bank) - Uganda, IGI Life Assurance Ghana Limited and Industrial and General Insurance (Ghana) Company Limited at 31 DECEMBER 2022.

	31 DECEMBER 2022			
	Global Trust Bank Limited, Uganda	IGI Life Assurance Ghana Ltd	Industrial and General Insurance (Ghana)	Total
	N'000	N'000	N'000	N'000
<b>Carrying value of:</b>				
<b>Assets</b>				
Cash and cash equivalents	719,783	-	-	719,783
<b>Financial Assets:</b>				
- Available for sale	1,376,036	-	-	1,376,036
- Held to maturity	-	-	-	-
- Loans and receivables	-	-	-	-
Trade receivables	-	-	-	-
Reinsurance assets	-	-	-	-
Deferred acquisition costs	-	-	-	-
Loans and advances to customers	2,822,192	-	-	2,822,192
Other receivables and prepayments	221,531	-	-	221,531
Investment in subsidiaries	-	-	-	-
Intangible assets	56,319	-	-	56,319
Deferred tax assets	146,377	-	-	146,377
Investment properties	-	-	-	-
Property plant and equipment	390,772	-	-	390,772
Statutory deposits	-	-	-	-
	5,733,010	-	-	5,733,010
Non-current assets held for sale	-	-	-	-
<b>Total assets classified as discontinued operations</b>	<b>5,733,010</b>	<b>-</b>	<b>-</b>	<b>5,733,010</b>
<b>Liabilities</b>				
Insurance contract liabilities	-	-	-	-
Investment contract liabilities	-	-	-	-
Placement from other banks	554,254	-	-	554,254
Loans and borrowings	8,097	-	-	8,097
Other payables and accruals	4,055,490	-	-	4,055,490
Income tax payable	29,780	-	-	29,780
Deferred tax liabilities	-	-	-	-
Reserves	549,754	-	-	549,754
<b>Total liabilities classified as discontinued operations</b>	<b>5,197,375</b>	<b>-</b>	<b>-</b>	<b>5,197,375</b>
<b>Net assets directly associated with discontinued operations group</b>	<b>535,635</b>	<b>-</b>	<b>-</b>	<b>535,635</b>

# INDUSTRIAL AND GENERAL INSURANCE PLC

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2022

### 58. Remuneration of key management personnel

The remuneration of the directors, who are the key management personnel of the company, is set out below in aggregate for each of the categories specified in IAS 24 Related Party Disclosures.

#### 58.1 Chairman's and Directors' emoluments, pensions and compensations for loss off office

	Group		Company	
	2022 N'000	2021 N'000	2022 N'000	2021 N'000
<b>58.1a Directors Costs:</b>				
Directors fees	-	82,568	1,494	-
Salaries and allowances	-	-	-	-
	<u>-</u>	<u>82,568</u>	<u>1,494</u>	<u>-</u>
<b>58.1b Emoluments:</b>				
Chairman	-	8,312	-	8,312
Other Directors	-	30,352	-	40,248
Other emolument of executive directors	-	-	-	-
Emolument of highest paid Director	-	8,312	-	8,312
	<u>-</u>	<u>8,312</u>	<u>-</u>	<u>8,312</u>

#### 58.1c The number of Directors excluding the Chairman whose emoluments were within the following ranges were:

	N	N				
Nil	-	100,000	4	4	4	4
100,001	-	200,000	-	-	-	-
200,001	-	300,000	-	-	-	-
Above	-	300,000	-	-	-	-
			<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>

#### 58.1d Number of Directors who have waived their rights to receive emoluments

	-	-	-	-
	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>

### 58.2 Employee costs:

The aggregate employee remuneration is as follows:

Salaries and wages	593,824	580,050	593,824	580,050
Staff training	10,608	-	10,608	-
Contributions to pension fund scheme	25,674	26,856	25,674	26,856
	<u>630,106</u>	<u>606,906</u>	<u>630,106</u>	<u>606,906</u>

### 58.2a Employees remunerated at a higher rates

The number of employees excluding Directors in respect of emoluments excluding provident fund contributions and allowances:

	N	N				
-	-	250,000	130,456	130,456	130,456	130,456
250,001	-	300,000	37,680	37,680	37,680	37,680
300,001	-	350,000	3,608	3,608	3,608	3,608
350,001	-	400,000	22,126	22,126	22,126	22,126
400,001	-	450,000	14,894	14,894	14,894	14,894
450,001	-	500,000	39,984	39,984	39,984	39,984
500,001	-	550,000	18,242	18,242	18,242	18,242
550,001	-	600,000	13,825	13,825	13,825	13,825
600,001	-	650,000	52,039	52,039	52,039	52,039
650,001	-	700,000	16,179	16,179	16,179	16,179
700,001 and above			191,182	191,182	191,182	191,182
			<u>540,215</u>	<u>540,215</u>	<u>540,215</u>	<u>540,215</u>

#### 58.2b The average number of persons employed in the financial year are as follows:

Managerial	47	47	12	12
Senior staff	110	110	41	35
Junior staff	212	212	54	77
	<u>369</u>	<u>369</u>	<u>107</u>	<u>124</u>

**INDUSTRIAL AND GENERAL INSURANCE PLC**

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2022**

**58.2c EMPLOYEE SIZE**

	IGI		IHMS		NIC, UGANDA		GTSL		GAMSTAR		ALL CROWN		GROUP	
	2022	2021	2022	2021	2022	2021	2022	2021	2022	2021	2022	2021	2022	2021
Managerial	12	12	5	5	12	14	3	3	10	10	1	1	32	34
Senior staff	41	35	10	10	11	9	3	4	3	2	2	2	65	58
Junior staff	54	77	67	68	66	75	9	8	26	25	0	0	196	228
<b>TOTAL NO. OF STAFF</b>	<b>107</b>	<b>124</b>	<b>82</b>	<b>83</b>	<b>89</b>	<b>98</b>	<b>15</b>	<b>15</b>	<b>39</b>	<b>37</b>	<b>3</b>	<b>3</b>	<b>293</b>	<b>320</b>

## INDUSTRIAL AND GENERAL INSURANCE PLC

### CONSOLIDATED STATEMENT OF VALUE ADDED FOR THE YEAR ENDED 31 DECEMBER, 2022

	Group				Company			
	2022 N'000	%	2021 N'000	%	2022 N'000	%	2021 N'000	%
Net premium income	5,040,658		3,719,121		497,434		670,145	
Fees and commission income	323,760		322,120		6,693		16,275	
Total underwriting expenses	<u>(4,283,860)</u>		<u>(1,218,045)</u>		<u>(754,448)</u>		<u>(896,188)</u>	
<b>Underwriting profit</b>	<b>1,080,558</b>		<b>2,823,196</b>		<b>(250,321)</b>		<b>(209,768)</b>	
Investment and other income	1,667,886		2,063,071		781,684		857,293	
Bought in material and services	<u>(5,113,762)</u>		<u>(2,054,468)</u>		<u>(2,726,688)</u>		<u>(1,005,543)</u>	
	<b><u>(2,365,319)</u></b>	<b>100</b>	<b><u>2,831,799</u></b>	<b>100</b>	<b><u>(2,195,325)</u></b>	<b>100</b>	<b><u>(358,018)</u></b>	<b>100</b>
<b>Distribution:</b>								
<b>Employees</b>								
Staff costs	631,600	(27)	660,172	23	631,600	(29)	660,172	(184)
<b>Government</b>								
Taxes	(3,511)	0	220,774	8	20,881	-	8,568	(2)
<b>Provider of Capital</b>								
Finance costs	92,258	(4)	117,632	4	4,603	-	97,352	(27)
<b>Retained in the Company</b>								
Depreciation and amortisation	179,553	(8)	169,675	6	34,240	(2)	33,200	(9)
<b>Loss for the year</b>	<b>(3,265,218)</b>	<b>138</b>	<b>1,663,546</b>	<b>59</b>	<b>(2,886,649)</b>	<b>131</b>	<b>(1,157,310)</b>	<b>323</b>
	<b><u>(2,365,319)</u></b>	<b>100</b>	<b><u>2,831,799</u></b>	<b>100</b>	<b><u>(2,195,325)</u></b>	<b>101</b>	<b><u>(358,018)</u></b>	<b>100</b>

Value added represents the additional wealth which the company has been able to create by its own and its employees effort. The statements shows the allocation of that wealth among the employees, capital providers, Government and that retained for creation of more wealth.

# INDUSTRIAL AND GENERAL INSURANCE PLC

## FINANCIAL SUMMARY - GROUP 31 DECEMBER

	<b>2022</b>	<b>2021</b>	<b>2020</b>	<b>2019</b>	<b>2018</b>
	N'000	N'000	N'000	N'000	N'000
<b>Statement of financial position</b>					
<b>Assets</b>					
Cash and cash equivalents	4,147,878	1,413,980	1,477,089	1,033,072	2,038,861
<b>Financial Assets:</b>					
At fair value through profit or loss	456,459	337,460	288,949	584,918	359,703
At fair value through other comprehensive income	2,022,337	5,471,186	790,640	859,018	2,882,333
Held to maturity	1,602,413	2,041,723	293,981	457,772	515,488
Loans and receivables	274,446	313,820	495,030	386,491	393,081
Trade receivables	115,969	1,180,412	513,254	759,669	1,528,200
Reinsurance assets	4,705,446	4,756,932	3,555,882	3,841,016	3,674,641
Deferred acquisition costs	282,819	234,845	70,830	151,176	204,740
Loans and advances to customers	387,855	-	324,661	251,304	175,265
Non-current asset held for sale	2,127,359	-	4,093,324	4,660,826	3,218,947
Other receivables and prepayments	1,818,124	-	269,726	762,605	861,347
Investment in subsidiaries	-	-	-	-	-
Intangible assets	22,741	24,068	-	-	64,447
Deferred tax assets	-	-	-	-	28,245
Investment properties	31,842,940	30,950,121	21,431,639	23,239,941	26,401,864
Property plant and equipment	7,921,750	7,597,163	6,418,829	6,422,414	6,933,904
Statutory deposits	674,943	597,188	554,608	575,014	588,175
<b>Total assets</b>	<b>58,403,480</b>	<b>54,918,897</b>	<b>40,578,443</b>	<b>43,985,236</b>	<b>49,869,242</b>
<b>Equity</b>					
Ordinary share capital	7,115,619	7,115,619	7,115,619	7,115,619	7,115,619
Share premium	8,530,781	8,530,781	8,530,781	8,530,781	8,530,781
Assets revaluation reserve	6,130,522	5,905,753	5,947,790	5,489,812	5,258,209
Fair value reserve	849,956	(307,341)	185,628	174,262	629,681
Contingency reserve	4,151,798	4,655,131	3,829,183	3,697,482	3,059,067
Loss sustained	(14,487,364)	(11,346,389)	(18,967,299)	(17,341,333)	(20,118,510)
Capital reserve	376,890	376,890	134,236	131,557	73,619
Foreign exchange reserve	(5,832,240)	343,431	(556,027)	(340,811)	(55,791)
Statutory (regulatory) reserve	237,740	237,740	182,607	162,473	238,681
<b>Shareholder's fund</b>	<b>7,073,702</b>	<b>15,511,615</b>	<b>6,402,517</b>	<b>7,619,840</b>	<b>4,731,358</b>
Non-controlling interests	3,916,211	(2,299,856)	(122,255)	39,008	(612,563)
<b>Total equity</b>	<b>10,989,913</b>	<b>13,211,759</b>	<b>6,280,262</b>	<b>7,658,848</b>	<b>4,118,795</b>
<b>Liabilities</b>					
Insurance contract liabilities	12,396,215	11,378,928	10,181,665	10,982,519	16,660,337
Investment contract liabilities	11,668,362	11,420,763	9,870,602	10,466,633	14,068,469
Trade payables	3,607,705	3,471,779	1,157,316	1,216,075	1,178,641
Loans and borrowings	1,818,409	301,421	1,183,760	1,779,587	1,578,901
Other payables and accruals	12,042,855	9,030,484	7,110,537	6,812,590	7,149,758
Placements from other banks	-	-	-	-	-
Income tax payable	2,216,817	2,541,378	2,004,286	1,937,098	1,848,709
Deferred tax liabilities	2,424,113	2,424,113	1,568,211	1,876,396	2,121,376
Dividend payable	-	-	-	-	-
Deposit for shares	1,239,082	1,138,275	1,221,804	1,255,489	1,144,256
<b>Total liabilities</b>	<b>47,413,558</b>	<b>41,707,141</b>	<b>34,298,181</b>	<b>36,326,387</b>	<b>45,750,447</b>
<b>Total equity and liabilities</b>	<b>58,403,473</b>	<b>54,918,894</b>	<b>40,578,443</b>	<b>43,985,236</b>	<b>49,869,242</b>

## INDUSTRIAL AND GENERAL INSURANCE PLC

### FINANCIAL SUMMARY - GROUP 31 DECEMBER

	2022 N'000	2021 N'000	2020 N'000	2019 N'000	2018 N'000
<b>Consolidated statement of profit or loss and other comprehensive income</b>					
<b>Gross premium written</b>	<b>9,048,991</b>	5,889,101	4,356,979	5,396,208	7,693,288
Gross premium income	<b>6,734,746</b>	6,012,466	4,925,282	6,069,239	7,533,234
Net premium income	<b>5,040,658</b>	3,719,121	3,971,273	4,065,855	5,803,943
Investments and other income	<b>845,363</b>	3,062,107	2,816,208	3,123,439	2,304,637
<b>Total incomes</b>	<b>5,886,021</b>	6,781,228	6,787,481	7,189,294	8,108,580
Net benefits and claims	<b>(1,080,155)</b>	(2,724,797)	(796,875)	(1,792,151)	(4,721,493)
Other expenses	<b>847,021</b>	2,606,213	1,420,310	3,399,635	1,031,482
<b>Total expenses</b>	<b>(233,134)</b>	(118,584)	623,435	1,607,484	(3,690,011)
<b>Loss before income tax</b>	<b>(3,268,729)</b>	1,884,320	(367,567)	(54,267)	(3,740,109)
Income tax expense	<b>3,511</b>	(220,774)	(247,809)	(282,060)	(106,243)
<b>Loss from continuing operations</b>	<b>(3,265,218)</b>	1,663,546	(615,376)	(336,327)	(3,846,352)

# INDUSTRIAL AND GENERAL INSURANCE PLC

## FINANCIAL SUMMARY - COMPANY 31 DECEMBER

	2022 N'000	2021 N'000	2020 N'000	2019 N'000	2018 N'000
<b>Statement of financial position</b>					
<b>Assets</b>					
Cash and cash equivalents	423,848	393,447	146,369	77,970	75,254
<b>Financial Assets:</b>					
At fair value through profit or loss	26,076	14,112	9,282	13,557	10,555
At fair value through other comprehensive income	1,236,403	1,648,349	456,296	456,295	371,627
Loans and receivables	245,226	312,967	475,312	347,615	359,745
Trade receivables	-	-	-	0	6,684
Reinsurance assets	3,465,808	3,695,137	3,075,863	3,308,544	2,881,837
Deferred acquisition costs	8,765	16,223	37,674	78,224	114,077
Other receivables and prepayments	180,268	-	88,143	166,691	375,190
Investment in subsidiaries	3,389,783	3,389,783	3,333,919	3,333,919	3,418,581
Intangible assets	-	-	-	-	-
Deferred tax assets	-	-	-	-	-
Investment properties	24,802,212	24,775,684	17,753,492	17,379,876	16,856,272
Property plant and equipment	5,562,359	5,472,130	5,395,845	5,263,673	4,942,912
Statutory deposits	500,000	500,000	500,000	500,000	500,000
	<u>39,840,748</u>	<u>40,217,831</u>	<u>31,272,195</u>	<u>30,926,364</u>	<u>29,912,734</u>
Non Current Assets Held for Sale	-	-	-	-	-
<b>Total assets</b>	<u><b>39,840,748</b></u>	<u><b>40,217,831</b></u>	<u><b>31,272,195</b></u>	<u><b>30,926,364</b></u>	<u><b>29,912,734</b></u>
<b>Equity</b>					
Ordinary share capital	7,115,619	7,115,619	7,115,619	7,115,619	7,115,619
Share premium	8,530,781	8,530,781	8,530,781	8,530,781	8,530,781
Assets revaluation reserve	5,743,592	5,613,592	5,683,941	5,159,421	4,826,118
Fair value reserve	1,022,821	(73,857)	66,676	66,676	66,676
Contingency reserve	4,151,798	4,141,481	3,205,043	3,028,776	2,771,941
Loss sustained	(17,664,432)	(14,767,465)	(18,947,896)	(18,302,974)	(17,555,730)
<b>Total equity</b>	<u><b>8,900,179</b></u>	<u><b>10,560,151</b></u>	<u><b>5,654,164</b></u>	<u><b>5,598,299</b></u>	<u><b>5,755,406</b></u>
<b>Liabilities</b>					
Insurance contract liabilities	9,278,441	8,666,751	9,097,652	9,478,377	9,508,891
Investment contract liabilities	10,929,241	10,785,617	8,626,085	8,760,785	8,913,995
Trade payables	1,795,608	1,109,685	776,256	675,600	806,343
Loans and borrowings	635,025	854,483	486,906	350,274	5,499
Other payables and accruals	4,802,183	4,726,598	3,988,178	3,536,382	2,633,408
Income tax payable	1,571,018	1,585,494	1,594,422	1,538,202	1,506,626
Deferred tax liabilities	1,929,056	1,929,056	1,048,533	988,445	782,566
<b>Total liabilities</b>	<u><b>30,940,572</b></u>	<u><b>29,657,684</b></u>	<u><b>25,618,032</b></u>	<u><b>25,328,065</b></u>	<u><b>24,157,328</b></u>
<b>Total equity and liabilities</b>	<u><b>39,840,743</b></u>	<u><b>40,217,828</b></u>	<u><b>31,272,195</b></u>	<u><b>30,926,364</b></u>	<u><b>29,912,734</b></u>

## INDUSTRIAL AND GENERAL INSURANCE PLC

### FINANCIAL SUMMARY - COMPANY 31 DECEMBER

	<b>2022</b> N'000	<b>2021</b> N'000	<b>2020</b> N'000	<b>2019</b> N'000	<b>2018</b> N'000
<b>Consolidated statement of profit or loss and other comprehensive income</b>					
<b>Gross premium written</b>	<b>547,763</b>	523,058	1,397,464	2,580,000	3,020,008
Gross premium income	<b>534,049</b>	686,938	1,696,919	2,937,274	3,481,655
Net premium income	<b>497,434</b>	670,145	1,525,835	1,612,850	2,212,906
Investments and other income	<b>(148,485)</b>	(518,204)	1,458,103	1,000,266	1,137,735
		(9,048,985)			
<b>Total incomes</b>	<b>348,949</b>	<b>(8,897,043)</b>	2,983,938	2,613,116	3,350,641
Net benefits and claims	<b>(815,881)</b>	(545,581)	(317,411)	(763,772)	(1,962,558)
Other expenses	<b>(2,748,250)</b>	(1,068,589)	(2,793,886)	(856,125)	(2,677,186)
<b>Total expenses</b>	<b>(3,564,132)</b>	<b>(1,614,170)</b>	<b>(3,111,297)</b>	<b>(1,619,897)</b>	<b>(4,639,744)</b>
<b>Profit/(loss) before income tax</b>	<b>-2,865,768</b>	-1,148,742	(299,838)	(268,637)	(1,382,016)
Income tax expense	(20,881)	(8,568)	(185,609)	(194,220)	(64,918)
<b>Profit/(loss) from continuing operations</b>	<b>(2,886,649)</b>	<b>(1,157,310)</b>	<b>(485,447)</b>	<b>(462,857)</b>	<b>(1,446,934)</b>