GENERAL ACCIDENT | MOTOR INSURANCE
FIRE INSURANCE | HOME INSURANCE | RETAIL

Guinea Insurance House:
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GUINEA INSURANCE PLC 2020 ANNUAL REPORT AND AUDITED ACCOUNTS

Guinea Insurance Plc
...exceeding your expectations

2020
ANNUAL REPORT
& Audited Accounts

POSITIVELY LOOKING TO THE FUTURE

Guinea Insurance Plc

Contact us to insure your

ELECTRONIC EQUIPMENTS

against possible damages

THAT CAN BE INSURED AGAINST

www.guineainsurance.com

OUR PHILOSOPHY: STRIVE HARDER AND FURTHER TO DELIVER PERSONALISED SERVICE

We recognise the changing nature of our customers' expectations and we are also very much aware of the imperative of embracing creativity and innovation because our consumers and their rights to choose, is at the heart of everything we do. We believe everyone should have the opportunity to seek, find and benefit from the services they need and want. Therefore, our purpose is to provide more and better choices.

Our world revolves around you

- Everyone deserves a dependable ally - a strong backup that will not back out that is what you get from us.

Guaranteed round-the-clock cover

- Anywhere and everywhere you are, we provide 24-7 insurance solutions, just for you.

Driven to serve

Truly effective and inspiring leaders are not actually driven to lead people; they are driven to serve. Come and experience a healthy dose of our exceptional service

Your protection, our premium

We continue to strive harder and further; expanding our expertise exponentially, adding value beyond measure to give you confidence to venture freely and in style

Business continuity, our policy

- We realise that the business terrain is saddled with lots of uncertainties especially when moving goods and valuables from one point to another

Vision

To be a leading insurance company in Nigeria

Mission

To provide professional services to our esteemed customers through the introduction of quality products, driven by state-of-the-art technology backed by a group of high-profiled personnel, to maximize returns to shareholders

Brand Values

- Integrity
- Professionalism
- Service
- Teamwork
- Commitment

Brand Personality

- Caring
- Contemporary
- Competent
- Dependable
- Confident
- Ethical

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STRATEGIC REPORT AND SUSTAINABILITY

OUR COMPANY

The history of GUINEA INSURANCE PLC dates back to the year 1948 when British West African Corporation Limited (BEWAC) opened an Insurance Department and became Chief Agents in Nigeria for the Legal and General Assurance Society Limited of London. In 1950, the Agency was extended to Norwich Union Fire Insurance Society Limited, United Kingdom. In response to Business Growth and to maximize available opportunities, Legal &General Assurance Society Limited, Norwich Union Fire Insurance Society Limited, Northern Region Development Corporation Limited, and British West African Corporation Limited jointly incorporated an insurance Company.

Thus, Guinea Insurance Company Limited became operative on December 3, 1958.The overseas shareholders held 51% majority shares before the indigenization decree of 1976, reversed the holding to 60% Nigerian interest, 40% overseas. The Overseas Shareholders divested their 40% holding to existing Nigerian Shareholders in 1998 thereby making the Company 100% Nigerian.

After the recent Recapitalization exercise in the industry, Guinea Insurance Plc is licensed by the National Insurance Commission (NAICOM) to operate as an Insurer for all classes of the General Insurance business.

With the recent acquisition of majority shares by Chrome, a new Executive Management Team and a Chairman emerged. Now, the Company has been fully restructured and repositioned to meet the ever-changing needs of our numerous customers as well as the challenges of the new millennium. The share capital has been increased from N500m to a paid-up of N4, 000,000,000.00, thus making GUINEA INSURANCE PLC one of the most highly capitalized companies in the Nigerian Insurance industry today.

GUINEA INSURANCE PLC is now managed by a crop of highly skilled and committed professionals, driven by modern technology and supported by a vibrant and resourceful Board of Directors led by Mr. Godson Ugochukwu. The company is positioned to provide excellent insurance services of a global standard that yield high value-addition to our numerous customers.

The Head Office is presently located in its new Corporate Head Quarters at GUINEA INSURANCE HOUSE 33 Ikorodu Road Jibowu Lagos together with a network of branches spread all over the country, we are poised to serve you better.

NOTICE IS HEREBY GIVEN THAT the 63rd Annual General Meeting of **GUINEA INSURANCE PLC** will be held at the Company's Head Office, Guinea Insurance House, 33, Ikorodu Road, Jibowu, Lagos via proxy on **Thursday** the **23rd Day of September 2021** at **11.00 a.m.** prompt to transact the following business:

ORDINARY BUSINESS:

1. To lay before the Members, the Report of the Directors and the Audited Financial Statements together with the Auditors Report for the year ended 31st December 2020;

2. To re-elect the following Directors retiring by rotation;
   - Chief Osita Chidoka
   - Mr. Samuel Onukwue
   - Mr. Chukwuemeka Uzoukwu

3. To disclose the remuneration of Managers of the Company;

4. To authorize Directors to fix the remuneration of the External Auditors of the Company; and

5. To elect members of the Statutory Audit Committee.

NOTES:

COMPLIANCE WITH COVID-19 RELATED DIRECTIVES AND GUIDELINES: The Federal Government of Nigeria, State Government, Health Authorities, and Regulatory Agencies have issued a number of guidelines and directives aimed at curbing the spread of COVID-19 in Nigeria. Particularly, the Lagos State Government prohibited the gathering of more than 20 people while the Corporate Affairs Commission (CAC) issued Guidelines on Holding AGM of Public Companies by Proxy. The convening and conduct of the AGM shall be done in compliance with these directives and guidelines.

PROXY: Any member of the Company entitled to attend and vote at this meeting is also entitled to appoint a proxy to attend and vote in his/her stead. A proxy need not be a member of the Company. For the appointment of the proxy to be valid, a Proxy Form must be completed and deposited either at the office of the Company's Registrar, Cardinalstone Registrars Limited, 358, Herbert Macaulay Way, Yaba, Lagos not later than 48 hours before the time fixed for the meeting. A blank Proxy Form is attached to the Annual Report and may also be downloaded from the Company's website at www.guineainsurance.com

ATTENDANCE BY PROXY: In line with CAC Guidelines, attendance of the AGM shall be by proxy only. Shareholders are required to appoint a proxy of their choice from the list of nominated persons below:

- Mr. Godson Ugochukwu
- Mr. Samuel Onukwue
- Mr. Ademola Abidogun
- Mrs. AderonkeOlaleye
- Mr. Boniface Okezie
- Mr. Peter Mgbeahuru

STAMPING OF PROXY: The Company has made arrangement at its cost, for the stamping of the duly completed and signed Proxy Forms submitted to the Company's Registrars within the stipulated time.

ONLINE STREAMING OF AGM: The AGM will be streamed live online. This will enable Shareholders and other stakeholders who will not be attending physically to follow the proceedings. The link for the AGM online live streaming will be made available on the Company's website at www.guineainsurance.com/agm

CLOSURE OF REGISTER: The Register of Members shall be closed from 1st September - 22nd September, 2021, (both days inclusive) for the purpose of updating the Register of Members.

BIOGRAPHICAL DETAILS OF DIRECTORS: The biographical details of Directors standing re-election are provided in the 2020 Annual report and posted on the Company's website at https://www.guineainsurance.com

NOMINATION OF STATUTORY AUDIT COMMITTEE MEMBERS: In accordance with Section 404(6) of the Companies and Allied Matters Act 2020, any member may nominate a shareholder as a member of the Statutory Audit Committee by giving notice in writing of such nomination to the Company Secretary at least twenty-one (21) days before the Annual General Meeting. Such notice of nominations should be sent via email to the Company Secretary, at the Company's Head Office, Guinea Insurance House, 33, Ikorodu Road, Jibowu, Lagos or via email at cnwankwo@guineainusrance.com

RIGHTS OF SHAREHOLDERS TO ASK QUESTIONS: In compliance with Rule 19.12© of the Nigeria Exchange Limited Rulebook, a member and other Security Holders of the Company have a right to ask questions not only at the Annual General Meeting, but also in writing prior to the Meeting, and such questions must be submitted at least one week before the meeting.

Dated this 29th day of July, 2021

BY ORDER OF THE BOARD

CHINENYE NWANKWO
Company Secretary
FRC/2021/002/0000002354

DIRECTORS	CAPACITY	
Mr. Ugochukwu Godson	Chairman	
Mr. Ademola Abidogun	Managing Director	
Mrs Isioma Omoshie Okokuku	Executive Director	
Mr. Edobor Pius	Executive Director	
Mr. Oluwole Fayemi	Executive Director	*Resigned August, 2020*
Mr. Simon Oladayo Bolaji	Non-Executive Director	
Mr. Anthony Achebe	Non-Executive Director	
Alhaji Hassan Dantata	Non-Executive Director	
Mr. Emeka Uzoukwu	Non-Executive Director	
Mr. Osita Chidoka	Non-Executive Director	
Dr. Mohammed Attahir	Non-Executive Director	
Mr. Samuel Onukwue	Non-Executive Director	

Registered office
Guinea Insurance House 33, Ikorodu Road Jibowu Lagos, Nigeria

Contact details
01-2934575/01-2934577, info@guineainsurance.com, www.guineainsurance.com

Company Secretary
DCSL Corporate Services Appointed, January , 2020

Company registration number
Rc1808

Reinsurers
African Reinsurance Corporation, WAICA Reinsurance Corporation, Continental Reinsurance Plc

Bankers
Access Bank Plc, First Bank of Nigeria Limited, Guaranty Trust Bank Plc, Jaiz Bank Plc, Keystone Bank Limited, Polaris Bank Limited, United Bank for Africa Plc, Wema Bank Plc, Zenith Bank Plc

Reporting actuary
Ernst & Young 10th Floor,
UBA House 57, Marina - Lagos

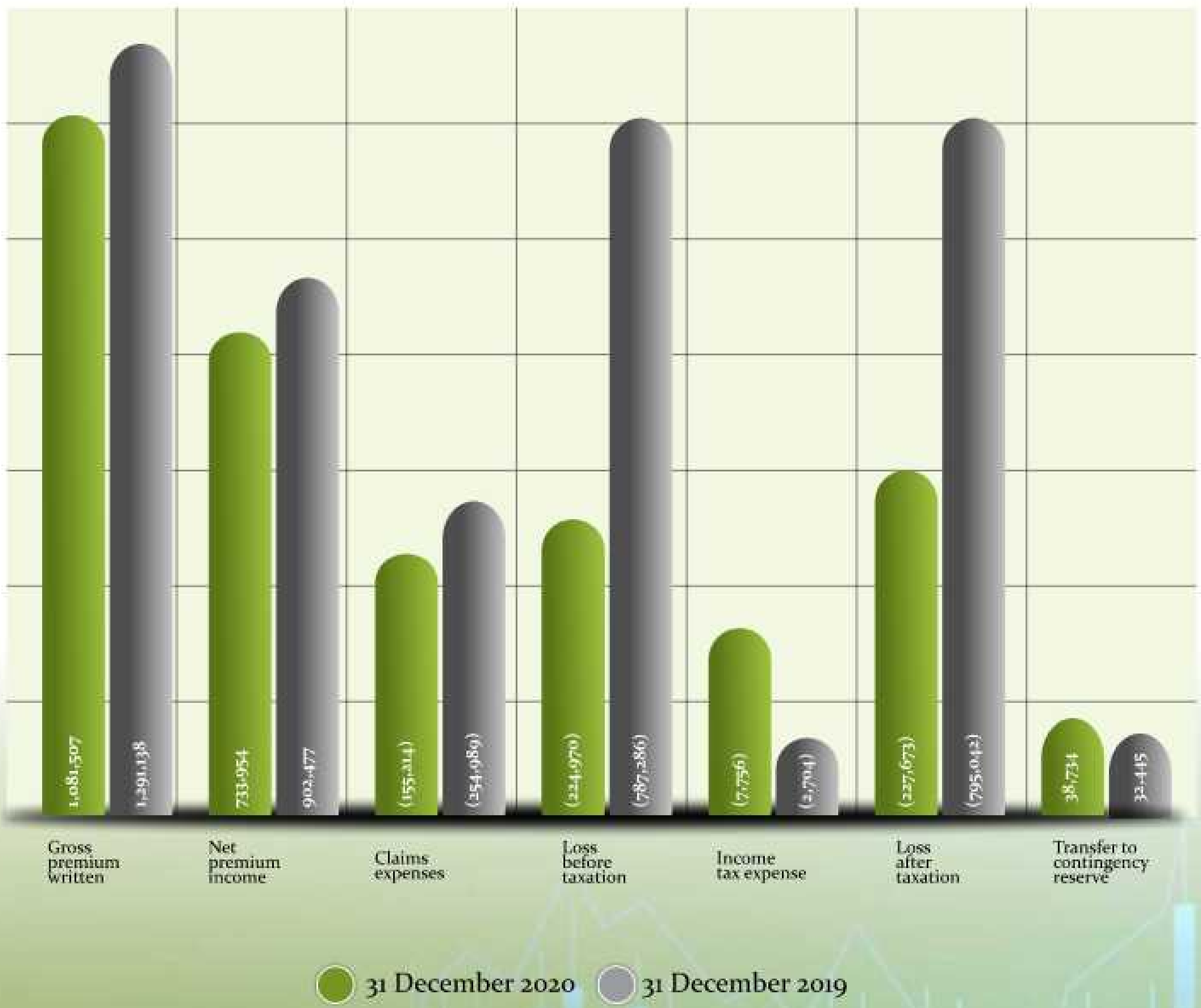
Estate surveyor and valuer
Ubosi Eleh & Co 27, Obafemi Awolowo Way Ikeja, Lagos

Registrar
Cardinal Stone (Registrars) Limited
(Formerly City Securities Limited) 358, Herbert Macaulay Way Yaba, Lagos

Auditors
BDO Professional Services ADOL House,
15 CIPM Avenue, Central Business District, Alausa, Ikeja, Lagos, Nigeria. www.bdo-ng.com

Results of the Year Ending December 31, 2020

The Directors' are pleased to announce the trading results for the year ended 31 December, 2020 together with the comparative figures for the previous year



INTRODUCTION:

At Guinea Insurance, we believe progress happens when people feel secure. This conviction forms the bedrock of our values hinged on doing the right thing and at the right time. 2020 taught some hard lessons, "business as usual" was no longer the norm – it become a thing of the past. The Nigerian people had to painstakingly endure the harsh effects of the COVID-19 pandemic, EndSARS protest, widespread security challenges, kidnapping, the adverse effects of climate change, and economic tailwinds especially, as they put a scare on the pocket size, and ultimately, cast a light on our vulnerabilities as a country. Consequently, businesses were predominantly compelled to maintain a culture of wide-range corporate renewal practices that would engender a smooth transition to a more sustainable future. To achieve that, we had to get our feet wet by actively promoting a substantial shift in mindset and behaviours from our customers, employees, business partners, and industry regulator.

Our commitment to environmental, social and governance initiatives are core to our business and corporate philosophy. We therefore focus on Community Giving / COVID-19 Sensitisation, Environmental Sustainability, Operating Responsibly, Securing and Investing in Our People

At Guinea Insurance, sustainability is not an initiative. It is at the heart of what we do and who we are. This report, therefore, gives an account of our sustainability journey during 2020.

Sustainability – Our Approach

We do realise that we play a very important role in developing a sustainable business organisation through our products and services. By providing market-leading risk management expertise translated into integrated solutions against the uncertainties of risks, we help to improve the standard of living of the society and build confidence to take challenges and catch the opportunities available in the Nigerian financial system.

Our strategic approach was the adoption of the concept of sustainable development as a goal, and the development of customer-centric products and services to sustain the market. We Collaborated with government agencies towards the accomplishment of environmentally friendly and sustainable solutions for businesses and the larger society.

Risk Management and Governance Framework

Sustainability risk management requires a holistic and systematic integration of ecological,
socioeconomic, and corporate risk factors in the spheres of business management. Many companies focused on corporate sustainability in very different ways. However, at Guinea Insurance, our sustainability programs, methodically addressed strategic, operational, collaborative, and governance requirements.

The Enterprise Sustainability Risk Management process provided a contextual framework for corporate sustainability factors to be built into the corporate systems, functions, and operations hereby, integrating sustainability into all company functions, including strategic and business planning, business development, corporate governance, project management, risk management, human resource process, stakeholder management, performance management, and corporate social responsibility.

To be effective, our approach to sustainability had been well laid out in the charter of the Enterprise Risk Management & Governance Committee of the Board of Directors. It included formal responsibility for and oversight of sustainability, corporate responsibility policies, programs and reporting. We employed a risk governance structure, overseen by the Enterprise Risk Management & Governance Committee and managed by Enterprise Risk Management ("ERM") department. This provided a common framework for evaluating the risks embedded in and across our businesses and corporate centers, developing risk appetites, managing these risks, and identifying current and future risk challenges and opportunities. The Committee meets quarterly, or more frequently as the case may be, to review ESG goals and progress as well as discuss environmental,

CONTRIBUTING TO THE UN SUSTAINABLE DEVELOPMENT GOALS (SDGs)

social and governance (ESG) issues.

The world is facing an unprecedented multidimensional crisis that demands coherent policy responses. Since the first outbreak of COVID-19 in December 2019, it became abundantly clear that the pandemic was a crisis of monumental proportions, with catastrophic effects on people's lives and livelihoods and on efforts to realize the 2030 Agenda for Sustainable Development.
The COVID-19 pandemic served as a mirror for the world. It reflected deeply rooted problems in our country: insufficient social protection, weak public health systems and inadequate health coverage, structural inequalities, environmental degradation, and climate change.

For the time being, the only play to optimism were resilience, adaptability, and innovation, if we ever hoped and desired to secure the well-being of people, economies, societies, and our planet. Our approach to this new normal, was to continuously intensify efforts to improve our management approaches and communications in relation to environmental, social, and governance (ESG) issues. We do realise that in many instances, the ongoing crisis has, in effect, accelerated pre-existing trends towards greater ESG integration. Our progress report in these areas, are highlighted in the following pages.

COMMUNITY GIVING / COVID-19 SENSITISATION

In our corporate head-office area we serve, we provide philanthropic support to locally relevant programs helping to improve lives, and livelihood of vulnerable Nigerians in the face ofinadequacies in Nigeria's social protection systems and risks of the spread of COVID-19 amongst the poorest and most vulnerable people.

The spread of COVID-19, commonly referred to as the coronavirus, is an exceptional event that has become an increasing public and workplace priority. As the global community continues to grapple with the pandemic and its far-reaching implications; our Crisis Response Unit (CRU) and Executive Management took the following urgent steps to activate some pertinent humanitarian and precautionary measures aimed at protecting our employees, business partners, tenants, visitors, and families:

- Donation of the sum of One Million naira (N1,000,000.00) in support of the COVID-Relief Fund coordinated by NAICOM, NIA & NCRIB as a consolidated industry contribution towards the fight against COVID-19.
- Production and distribution of branded facemasks to staff, visitors, customers, health workers and men and women living or transacting businesses around our office locations pan-Nigeria.
- Support government and the international community in promoting safety tips enlightenment contents on: social media, company website, and print media.
- Activation of employees' safety measures at all Guinea Insurance office locations pan-Nigeria: holding virtual meetings,

maintaining social distancing, using of hand gloves, regulating of the number of persons in the elevator per time, provision of hand wash basin with running tap water, provision alcohol based sanitisers at designated locations etc.

- Opening up digital channels to allow for easy reach out to/by customers.
- Commenced work rotation as a potential measure for mitigating the spread of COVID-19.
- In defiance to what was the order of the day in the labour market in Nigeria, our staff salary, benefits, and entitlements were paid in full and as at when due.

Conclusively, as a responsible corporate citizen of Nigeria, the health and wellbeing of all stakeholders remain the core of our very existence. Our approach to this global tragedy is to continually show a human face to the needy, stay informed, keep calm, communicate with all stakeholders, and create contingency plans as events continue to unfold.

ENVIRONMENTAL SUSTAINABILITY

Environmental sustainability is a global agenda that aligns with Millennium Development Goal seven. In line with this global agenda, Guinea Insurance its priorities to ensure meeting this goal by partnering with Lagos State Government in its "Green Initiative" that has seen the creation of parks and gardens that have positively impacted healthier lifestyle for the people of Lagos.

The pressure to incorporate sustainability principles and objectives into policies and activities are growing, particularly in project management. Many jobs and businesses depend on a stable environment and ecosystems. Our partnership and support of the 'Green Initiative' of the Lagos State Government aims to scale up our knowledge, policy response and capacity to manage a just transition toward greener economies and a sustainable future.

Guinea Insurance continued to put its social license to work within its business community. The community was characterized by extreme limited water resources – leading to increased competition and conflict for water. Climate change in the community had been noted to severely disrupt weather patterns, leading to extreme weather events, unpredictable water availability, exacerbating water scarcity and contaminating water supplies. Such impacts had drastically affected the quantity and quality of water that community residents need to survive.

Water is essential for life. In order to create a sustainable supply of clean water, Guinea Insurance initial intervention strategy was to construct a borehole. This measure increased water access through drilling boreholes at proper geophysical survey areas with a considerable distance from septic tanks, unlined pit latrines and waste dump sites. We belief strongly that an adequate, safe, and accessible water supply must be available to all persons and improving access to safe drinking water would most definitely result in tangible benefits to health.

In 2020, Guinea Insurance made significant headways in mitigation of the adverse effects associated with climate change through the upgrade of the maintenance and beautification/landscaping of the Jibowu Flyover Under-Bridge, the Jibowu Recreational Park, and the Jibowu Parks and Gardens with the expectations that the beautification project would help to repel miscreants from using dark and empty space as hideout; promote good health; reduce stress and crime rates with children: increase property value; keep employees alert and around, promote cultural diversity, improve water
quality, protect groundwater, prevent flooding, improve the quality of the air we breathe, provide vegetative buffers for development, produce habitat for wildlife, and provide a place for children and families to connect with nature and recreate outdoors.

OPERATING RESPONSIBLY

As a trusted brand in financial risks advisory, we understand that our responsible business practices are fundamental to her success. They underpin our efforts to propel an expanding *world of connected opportunities.*

Many of the areas encompassed by corporate governance have generally been affected by the advent of Covid-19 and as such, Boards across the country must reconsider how they approach these areas. To ensure sustainability of our organisation, and so as not to lose the confidence and trust of investors, the Board has revisited a few its corporate governance policies. Policies touching on board operations and control and on shareholder rights.

With the advent of covid-19, the conduct of board performance appraisals and corporate governance audits, and the work-from-home practices, the Board, initiated policies that allow for effective board performance appraisal and corporate governance audits including having meetings conducted virtually so as to ensure full participation of all its members.

The Board recognises, respects, protects the rights of the shareholders, and also provide an enabling environment for the exercise of these rights.

In general, Guinea Insurance has initiated a performance evaluation history and culture, established and satisfactory board processes that encourage open debates, consideration of board matters and participation of members in decision making. By industry benchmarks, the Board has satisfactory board practices, corporate governance framework, and risk management framework.

The board is comprised of the right mix and spectrum of skills and experience, and the recruitment process of the board is clear and specified in the board charter.

SECURING AND INVESTING IN OUR PEOPLE

Guinea Insurance's Mission to provide professional services to our esteemed customers through the introduction of quality products, driven by state-of-the-art technology backed by a group of high-profiled personnel, to maximize returns to shareholders is fueled by the talent, diversity, and dedication of our employees.

COVID-19 spread is emotionally challenging for many people, changing day-to-day life in unprecedented ways. Employers have a role to play in protecting their employees against this crisis that has already transformed into an economic

and labour market shock, impacting not only supply (production of goods and services) but also demand (consumption and investment).

Swift and coordinated policy responses were immediately introduced to limit the direct health effects of COVID-19 on our employees and their families to increase resilience, protect jobs, enterprises and livelihoods. Our business continuity plan proved to help navigate the uncertain future and promote business sustainability by identifying and managing risks; understanding business priorities, key products and services; establishing response plans; and taking action to minimize disruption and ensure that the workplace and workers are protected and prepared.

The immediate initiatives rolled out were:

1. Connectivity: Initiatives to enhance broadband connectivity for enterprises and employees, including regulatory measures.

2. Remote working: Initiatives to encourage the adoption of video conferencing, remote working, and cloud computing services and solutions.

3. E-learning: Initiatives to develop training and education platforms and opportunities for employees and managers to learn about digital tools.

4. Access to digital services and tools: Initiatives and platforms improving access to key services relevant to business resilience.

5. Electronic payments: Initiatives to accelerate the uptake of electronic payment methods to utilize e-payment solutions to preserve the safety and

health of beneficiaries.

6. E-commerce/ on-line business models and market access: Initiatives to help firms engage in e-commerce and on-line business models or to access new markets through digital tools.

Conclusion

This report chronicles our sustainability journey in 2020. We hope it brings you a great deal of optimism about the future. Our approach to this global tragedy is to stay informed, keep calm, communicate with all stakeholders and create contingency plans while also, being more transparent about the similarities between the sustainability approach we take to our investment processes and the way we run our business.

Ademola Abidogun
Managing Director/CEO
FRC/2016/CIIN/000000014549

GOVERNANCE

The Company is committed to the principles of Corporate Governance and Code of best practices and therefore takes account of and complies with the principles of good corporate governance.

At Guinea Insurance PLC, the Board is committed to full disclosure and transparency in providing information to all stakeholders.

Corporate Governance policies are designed to ensure the protection of the long-term interest of all stakeholders in consideration of this therefore, the Board exercises the best of judgment in policy making, monitoring executive actions and directing the Company's strategies.

The Company remains committed to ensuring that the implementation of international best practices of Corporate Governance remains strong and unwavering. The Company complied with corporate governance requirements during the year under review as set out below:

GOVERNANCE STRUCTURE

The Board

The Board has the overall responsibility for ensuring that the highest standards of corporate governance are maintained and complied with. Thus, the policies of the Board are designed to maintain its distinct duty as the link between shareholders and the Company's management led by the Chief Executive Officer.

Non- Executive Directors are appointed to the Board of Guinea Insurance Plc through a rigorous selection process as defined in the Company's Board Charter with a clearly defined three (3) year tenure of three (3) terms each.

Composition of the Board

Non-Executive Directors are appointed to the Board of Guinea Insurance Plc through a rigorous selection process as defined in the Company's Policy on selection of Members to the Board. They are appointed for an initial period of Three (3) years for a term and may be re- appointed for another two (2) terms of Three (3) years totalling Nine (9) years.

The Board of Directors is made up of Eleven (11) Directors comprising Eight (8) Non –Executive Directors and Three (3) Executive Directors.

We confirm that our Non-Executive Directors are of strong calibre and contribute actively to Board deliberations and decision making. However, Non-Executive Directors are not appointed for a fixed period. There is a requirement in article 97 of the Company's memorandum and articles of association, whereby one-third (1/3) of Non-Executive Directors retire by rotation at every Annual General Meeting.

Responsibilities of the Board

The role of the Board is well documented in the Board Charter which is revised from time to time based on the evolving nature of the responsibilities of the Board. The Board has ultimate responsibility for determining the strategic objectives and policies of the Company to deliver long-term value by providing overall strategic direction within a framework of rewards, incentives and controls.

The Board has delegated the responsibility for the day to day operations of the Company to Management and ensures that Management strikes an appropriate balance between promoting long-term growth and delivering short-term objectives. In fulfilling its primary responsibility, the Board is aware of the importance of achieving a balance between conformance to governance principles and economic performance.

Notwithstanding the delegation of the operations of the Company to Management, the Board reserved certain powers which include among others, monitoring and implementation of the Company's Strategy and financial objectives, approval of the Company's investment policies and framework, strategic commitments that may have material effects on the assets, profits or operation of the Company and any material changes in the nature of the business of the Company. The Board also reserves the power to approve the Company's Financial Statements, any significant changes in the Company's accounting policies and/or practices; appointment or removal of Company Secretary; approval of major changes in the Company's corporate or capital structure; recommendation to shareholders of the appointment or removal of Auditors and the remuneration of Auditors; approval of resolutions and corresponding documentation for shareholders in General Meeting(s).

Other powers reserved for the Board are the determination of Board structure, size and composition (including appointment and removal of Directors, succession planning for the Board and Senior Management and Board Committee membership); oversight of the establishment, implementation and monitoring of the Company's Risk Management Framework, assessment of risks facing the Company, review and approval of new or revised risk policies recommended by Enterprise Risk Management (ERM) & Governance Committee for approval; approval of a Remuneration Policy and packages of the Directors, appointment of the Managing Director; approval of Board performance evaluation processes, approval of the Company's Corporate Governance Framework and review of the performance of the Executive Directors; approval of policy documents on significant issues including Enterprise Risk Management, Human Resources, Corporate governance, Anti-Money laundering policies and approval of all matters of importance to the Company as a whole because of their strategic, financial, risk or reputational implications or consequences for the Company, among others.

Roles of the Chairman and Managing Director

Responsibilities at the top of the Company are well defined and the Board is not dominated by one individual. The position of the Chairman is separate from that of the Managing Director/Chief Executive Officer and the Board Chairman is not involved in the day to day operations of the Company. The Board is responsible for controlling and managing the strategic business of the Company and constantly reviews and presents a balanced and comprehensive assessment of the Company's performance and future prospects.

The Board meets at least once a quarter during each financial year and additional on a needs basis based on business exigencies with sufficient notices with clear agendas given ahead of such meetings. All Directors have access to the Company Secretary who can only be appointed or removed by the Board and is also responsible to the Board.

The Executive Management Committee meets weekly to address policy implementation and other operational issues, while Management meetings are held bi-monthly with all Team Leads in attendance.

The Board functions as a full Board and discharges some of its oversight responsibilities through the underlisted Board and Statutory Committees which are constituted as follows:

BOARD COMMITTEES

1. Finance, Investment & General-Purpose Committee:

The Committee reviews and oversees financial control and performance, budgetary control and makes appropriate recommendations to the Board. The Committee reviews and recommends for approval matters relating to investment of the Company's funds and all other areas of asset management of the Company to ensure maximisation of returns to stakeholders. The membership of the Committee during the period under review is as indicated in the table below:

	Name	Status	Designation
1	Chief Osita Chidoka	Non-Executive Director	Chairman
2	Mr. Chukwuemeka Uzoukwu	Non-Executive Director	Member
3	Mr. Simon Bolaji	Non-Executive Director	Member
4	Dr. Mohammed Tahir Attahir	Non-Executive Director	Member
5	Mr. Samuel Onukwue	Non-Executive Director	Member

2. Enterprise Risk Management & Governance Committee:

The Committee reviews and recommends for approval to the Board matters bordering on Board appointments, Senior staff appointments, staff compensation, welfare, promotions and recruitment into Senior Management positions. The Committee reviews and recommend for approval by the Board, the Risk Management Policies and Framework, as well as assist the Board in its oversight of the Company's risk management strategy. The Committee also reviews and recommends for approval by the Board risk management procedures and controls for new products and services. The Committee was composed of the following members during the period under review:

	Name	Status	Designation
1	Mr. Samuel Onukwue	Non-Executive Director	Chairman
2	Mr. Anthony Achebe	Non-Executive Director	Member
3	Alhaji Hassan Dantata	Non-Executive Director	Member
4	Dr. Mohammed Tahir Attahir	Non-Executive Director	Member

3. Audit and Compliance Committee

The Committee provides oversight functions of both the Company's Financial Statements and its Internal Control and Risk Management functions. The Committee reviews the terms of engagement and recommends the appointment or re-appointment and compensation of External Auditors to the Board as well as responsible for reviewing the procedure put in place to encourage honest whistle blowing. The Committee is also responsible for the review of the Company's compliance level with applicable laws and regulatory requirements.

The Committee undertakes a periodic review of changes in the economic and business environment, including emerging trends and other factors relevant to the Company's business. The membership of the Committee during the year under review is as indicated below:

	Name	Status	Designation
1	Mr. Anthony Achebe	Non-Executive Director	Chairman
2	Dr. Mohammed Tahir Attahir	Non-Executive Director	Member
3	Mr. Simon Bolaji	Non-Executive Director	Member
4	Chief Osita Chidoka	Non-Executive Director	Member
5	Mr. Samuel Onukwue	Non-Executive Director	Member

4. Statutory Audit Committee

In compliance with the provisions of Section 404(6) of the Companies and Allied Matters Act 2020, the Company constituted an Audit Committee. As at December 31, 2020, the Audit Committee consisted of four (4) members, of which are Non-Executive Directors and the other two are Shareholders. The Committee which is chaired by a Shareholder has the responsibility of reviewing the scope, results of the audit, independence and objectivity of the auditors.

	Name	Status	Designation
1	Mr. Ayuba Quadri	Shareholder	Chairman (reappointed w.e.f Nov. 20, 2019)
2	Mr. Waheed Sonibare	Shareholder Representative	Member (appointed w.e.f Nov. 20, 2019)
3	Mr. Simon Bolaji	Non-Executive Director	Member
4	Mr. Samuel Onukwue	Non-Executive Director	Member

Board Meeting Attendance

	Name of Directors	January	May	August	November
1	Mr. Godson Ugochukwu	Present	Present	Present	Present
2	Mrs Isioma Omoshie Okokuku	Present	Present	Present	Present
3	Mr. Chukwuemeka Uzoukwu	Present	Present	Present	Present
4	Chief Osita Chidoka	Present	Present	Present	Present
5	Alhaji Hassan Dantata	Present	Present	Absent with apology	Present
6	Pius Edobor	Present	Present	Present	Present
7	Mr. Oluwole Fayemi	Present	Present	Not yet appointed/Ceased from being	Not yet appointed/Ceased from being
8	Mr. Samuel Onukwue	Present	Present	Present	Present
9	Mr. Simon Bolaji	Present	Present	Present	Present
10	Dr. Mohammed Tahir Attahir	Present	Present	Present	Present
11	Mr. Anthony Achebe	Present	Present	Present	Present
12	Mr. Ademola Abidogun	Present	Present	Present	Present

Present **Absent with apology** **Not yet appointed/Ceased from being**

Audit and Compliance Committee Attendance

	Name of Directors	January	May	August	November
1	Mrs Isioma Omoshie-Okokuku				
2	Chief Osita Chidoka				
3	Mr Pius Edobor				
4	Mr. Oluwole Fayemi				
5	Mr. Simon Bolaji				
6	Mr. Anthony Achebe				
7	Mr. Ademola Abidogun				
8	Dr. Mohammed Tahir Attahir				

Present · Absent with apology · Not yet appointed/Ceased from being

Finance, Investment & General Purpose Committee Attendance

	Name of Directors	January	May	August	November
1	Mrs Isioma Omoshie-Okokuku				
2	Chief Osita Chidoka				
3	Mr. Pius Edobor				
4	Mr. Oluwole Fayemi				
5	Mr. Simon Bolaji				
6	Mr. Samuel Onukwue				
7	Mr. Abidogun Ademola				
8	Alhaji Hassan Dantata				
9	Mr Chukwuemeka Uzoukwu				

Present · Absent with apology · Not yet appointed/Ceased from being

ENTERPRISE RISK MANAGEMENT AND GOVERNANCE COMMITTEE MEETINGS

	Name of Directors	January	May	August	November
1	Mrs Isioma Omoshie-Okokuku				
2	Dr. Mohammed Tahir				
3	Mr. Pius Edobor				
4	Mr. Oluwole Fayemi				
5	Mr. Simon Bolaji				
6	Mr. Samuel Onukwue				
7	Mr. Abidogun Ademola				
8	Alhaji Hassan Dantata				
9	Mr Chukwuemeka Uzoukwu				

Present Absent with apology Not yet appointed/Ceased from being

Statutory Audit Committee Meeting Attendance

	Name of Directors	January	May	August	November
1	Mr. Ayuba Quadri				
2	Mr. Simon Bolaji				
3	Mr. Samuel Onukwue				
4	Mr. Waheed Sonibare				

Present Absent with apology Not yet appointed/Ceased from being

DIRECTOR NOMINATION PROCESS

The Enterprise Risk Management and Governance Committee is charged with the responsibility of leading the process for Board appointments and for identifying and nominating suitable candidates for the approval of the Board. When considering an appointment, the Board seeks to achieve a balance and mix of appropriate skills and experience, with due consideration for integrity, professionalism, career success and ability to add value to the Company. The appointment of Directors is subject to the approval of the shareholders.

INDUCTION AND CONTINUOUS TRAINING

On appointment to the Board and the Board Committees, Directors receive an induction tailored to meet their individual requirement. The induction which is arranged by the Company Secretary may include meeting with senior management staff and key external advisors, to assist Directors in building a detailed understanding of the Company's operation, its strategic plan, its business environment, the key issues the company faces, and to introduce directors to their fiduciary duties and responsibilities. Training and education of Directors on issues pertaining to their oversight functions is a continuous process, in order to update their knowledge and skills and keep them informed of new developments in the Company business and operating environment.

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. The Company also encourages staff to invest in the Company's equity; held staff meetings that discussed the Company's day to day operations, business focuses and staff welfare issues.

Management, professionals and technical experts are the Company's major assets, and investment in their future development continues. The Company's expanding skill base has been extended by a range of trainings provided to its employees whose opportunities for career development within the Company have thus been enhanced. Training is carried out at various levels through both in-house and external courses. Incentive schemes designed to meet the circumstances of each individual are implemented wherever appropriate.

RENUMERATION POLICY FOR DIRECTORS AND SENIOR MANAGEMENT

There is a renumeration policy for Directors and Senior Management whose aim is to align the interests of senior executives with the interest of shareholders and with business strategy formulated by the board. The Policy shows how performance- based rewards are used to drive corporate performance, in particular.

CHINENYE NWANKWO
Company Secretary
FRC/2021/002/0000002354
Registered Office
Guinea Insurance House
4th& floor,
33, Ikorodu Road,
Jibowu, Lagos.

CREST & WATERFALLS

REPORT OF THE EXTERNAL CONSULTANT ON BOARD EVALUATION AND CORPORATE GOVERNANCE AUDIT OF GUINEA INSURANCE PLC FOR THE YEAR ENDED 31ST DECEMBER 2020

Crest and Waterfalls Consulting, a firm of Corporate Governance Consultants, was engaged by GUINEA INSURANCE PLC (GIPLC), to carry out the Corporate Governance Audit and Board Evaluation and Appraisal for the company for the year ended December 31st 2021, in line with the corporate governance requirements under the Code of Good Corporate Governance for the Insurance Industry 2009 and the Nigerian Code of Corporate Governance 2018.

The audit covered areas of the performance and effectiveness of the board as a whole, the board committees, individual members, the governance practices of the company, and the Chairman. The methodology of the audit was by benchmarking against the recommended principles and practices under the Nigerian Code of Corporate Governance 2018 and Code of Good Corporate Governance for the Insurance Industry 2009 and more generally the SEC Code of Corporate Governance for Public Companies in Nigeria. It is to be noted that the 2021 Corporate Governance Guidelines issued by NAICOM were not applied to this present evaluation as it wasn't in operation in the year under review.

In conducting the evaluation for GIPLC, we reviewed all the boards governance documents, committee charters, minute books and director profiles. The charters and governance documents were compared with the provisions of the aforementioned codes to ascertain if the provisions comply with established corporate governance principles. The Minute books, interviews and questionnaires provided relevant feedback on the corporate governance structures, frameworks, systems and practices of the company as a whole, as a basis of the report.

The performance of the board as a whole, the committees and individual directors, and the chairman ranged from satisfactory to excellent. A peer review component was included in the process, allowing directors to be evaluated by their peers. CEO and Executive Director Evaluation was also carried out. Benchmarking Executive Director and CEO evaluations with KPI's is desirable to ensure that contractual agreements are being adhered to and benefits are linked to such performance.

In general, the company now has a performance evaluation history and culture, established and satisfactory board processes that encourage open debates, consideration of board matters and participation of members in decision making. By industry benchmarks, the board has satisfactory board practices, corporate governance framework, and risk management frame work.

Save for a gender imbalance in composition, the board is comprised of the right mix and spectrum of skills and experience, and the recruitment process of the board is clear and specified in the board charter. We have recommended continuous Director Development programs especially in the areas of risk management, innovation, new product development and strategic planning to deepen and strengthen director participation. Our other recommendations are contained in the full report which is submitted to the Board of Directors and the company.

Ebere Okonkwo FCIS.
Lead Consultant
FRC/2019/ICSAN/00000019165

Flat A5 No. 8 Abdullahi Ibrahim Street off TOS Benson Crescent Utako
08067766877 www.crestandwaterfalls.com eberepere z@gmail.com

OSITA BENJAMIN CHIDOKA, OFR
Non-Executive Director

Osita Chidoka was appointed a Member of the Board of Directors, Guinea Insurance PLC on 23rd March 2016. He is a dynamic personality with astonishing managerial discernment and entrepreneurial spirit. He served his country meritoriously as captain of key government parastatals: (2014 – 2015) Minister of Aviation, Federal Ministry of Aviation; (2007 – 2014) Corps Marshall and Chief Executive, Federal Road Safety Commission; (2005 2007) Senior Public Affairs Advisor, ExxonMobil – Mobil Producing Nigeria; (2003 - 2004) Legal Adviser/Special Assistant, Office of the President; (2000 - 2003) Personal Assistant to the Minister, Federal Ministry of Transport. Osita obtained a Bachelor of Science Degree in Management from the University of Nigeria, Nsukka. He thereafter proceeded to the School of Public Policy at George Masson University in the United States of America where he obtained a Master's Degree in Transport Policy and Logistics. He also holds a certificate in Global Strategy and Political Economy from Oxford University, UK and a Graduate Diploma in Maritime & Ports Management from the National University of Singapore.

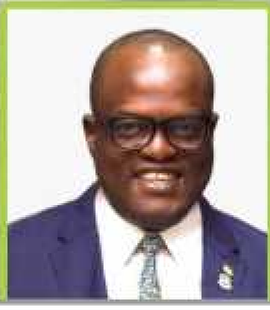
SAMUEL ONUKWUE
Non-Executive Director

Samuel Onukwe was appointed a Member of the Board of Directors, Representing the Interest of Minority Shareholders, Guinea Insurance PLC on 26th September 2017. He is an accomplished executive with domestic and international experience in Investment Banking. Currently, he is the Managing Director/Chief Executive of Mega Equities Limited, a member of the Nigerian Stock Exchange and had served at various leading management levels in: Central Bank of Nigeria, Ivory Merchant Company, Thomas Cook/Travelex Global & financial services, Citizens International Bank/Spring Bank PLC, Nigerian Wire and Cable PLC, he also served as Senior Partner of Ekwueme Onukwue & Co. He possesses over two decades of hands-on experience with well-developed relationship management expertise that complements account acquisition skills, origination and execution of transactions, including financial modeling and analysis, company valuation, corporate and industry research, strategic analysis and recommendation, due diligence etc. Samuel is a graduate of Accountancy from Yaba College of Technology, holds an MBA in Banking & Finance from University of Lagos; an M.Sc. in Corporate Governance from Leeds Metropolitan University, United Kingdom. He is an Associate of both the Chartered Institute of Stockbrokers and the Chartered Institute of Taxation, and has been a Fellow of the Institute of Chartered Accountants of Nigeria since 2000.

CHUKWUEMEKA UZOUKWU. M.
Non-Executive Director

Emeka Uzoukwu was appointed a Member of the Board of Directors, Guinea Insurance PLC on 23rd March 2016. He is a proven management talent with over 18 years of professional experience marked by a trend of progressive positions of management responsibilities home and abroad. As an entrepreneur by nature, Emeka has built a successful track record of continuous value creation in: Portfolio Management, Executive Management, Asset Allocation, Corporate Finance, Financial Advisory, Corporate Governance, Business Strategy, Private/Business Banking, Stock/Bond Brokerage and Business Development. Emeka obtained a BA in Economics, an MBA in Finance and Strategy from Hobart College, Geneva, New York and Loyola Marymount University, Angeles, CA respectively and others. His command of finance coupled with his international perspective of doing business makes him an exceptional resource on almost any project over the years. He is a member of the prestigious Institute of Directors (IoD) and an alumnus of the Massachusetts Institute of Technology, Cambridge, MA. Prior to his appointment as Director, Emeka was Head, Principal Investment in Chrome Group, Abuja, NG; Principal Financial Consultant in CG Hover LLC, Los Angeles, California; Financial Advisor/Wealth Manager, Citigroup/Smith Barney, Los Angeles, California and Financial Consultant, Merrill Lynch, San Diego, California.

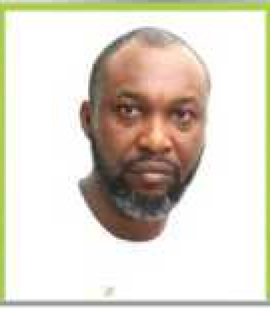
GODSON UGOCHUKWU
Chairman, Board of Directors



ADEMOLA ABIDOGUN
Managing Director/CEO

CHUKWUEMEKA UZOUKWU
Non-Executive Director

HASSAN AMINU DANTATA
Non-Executive Director



OSITA CHIDOKA, OFR
Non-Executive Director

MOHAMMED TAHIR ATTAHIR
Non-Executive Director

SIMON OLADAYO BOLAJI
Non-Executive Director

SAMUEL ONUKWUE
Non Executive Director

ANTHONY ACHEBE
Non-Executive Director

ISIOMA OMOSHIE-OKOKUKU (MRS.)
Executive Director, Marketing

EDOBOR PIUS
Executive Director, Finance & Administration

WOLE FAYEMI
Executive Director - Technical

GODSON CHUKWUDI UGOCHUKWU
Chairman, Board of Directors

Godson Chukwudi Ugochukwu was appointed Chairman, Board of Directors, Guinea Insurance PLC on 23rd March 2016. He is the Principal Partner at Fortress Solicitors with over 14 years of consummate legal expertise in all aspects of Nigerian and International Laws and has served meritoriously in many top Nigerian law firms. Godson is an established specialist in Corporate and Commercial Law and Practice; Civil and Commercial Litigation; Maritime and Environmental Law; Oil and Gas; Information Technology and Investments; Alternative Dispute Resolution; Tax; Foreign Direct Investments; Project Finance; Business Law; Regulations and Investigation; Power; Private Enquiry; Employment and Labour; Real Estate and Insurance Law. In year 2000, he obtained a Bachelor of Laws (LLB) degree from the University of Nigeria, Nsukka and was later called to the Nigerian Bar in 2002. He is a Member of the: Nigerian Bar Association (NBA); International Bar Association (IBA); Oil & Gas Committee of the IBA; Arbitration Committee of the IBA; Intellectual Property and Entertainment Law Committee of the IBA and Corporate, Mergers & Acquisition Law Committee of the IBA.

ADEMOLA ABIDOGUN
Managing Director/CEO

Ademola was appointed Managing Director/CEO of Guinea Insurance PLC on September 2, 2019. He brings over two decades of leadership experience and direction to the table. A seasoned professional with inestimable depth and wealth of technical experience acknowledged across the industry. His combined expertise in marketing, insurance broking, underwriting/claims administration, oil and gas, banking, telecoms, reinsurance, product development, business risk advisory, special risks and strategic planning, offer a formidable springboard for relaunching the Company's propensity to act and hence, develop and implement sustainable plans for long-term growth and shareholder value creation. Prior to his appointment, Ademola had championed the affairs of many companies in the insurance industry; the most recent being: Fin Insurance Company Limited, where he served as Executive Director, Technical/Operations and Ag. Managing Director. In Cornerstone Insurance PLC, he pioneered the Bancassurance/Retail team as Assistant General Manager. He holds a Master of Science degree in Business Administration from the Rivers State College of Science and Technology (2007); He is an alumnus of the prestigious London and Lagos Business Schools as well as the University of Texas.

ANTHONY ACHEBE
Non-Executive Director

Anthony Achebe was appointed a Member of the Board of Directors, Guinea Insurance PLC on 23rd March 2016. He is a seasoned Legal Practitioner with substantial years of experience in active legal practice. Anthony has built a successful track record of consistent value creation in various organisations in more than twenty eight (28) years of his post Call experience. He is a consummate deal maker and has leveraged his experience throughout the public and organized private sectors where he distinguished himself in the fields of Advocacy, Company Secretarial Administration, Corporate and Commercial Legal Practice, Financial Services Industry, Electricity Power Regulation and Labour Relations. He obtained an LL.B (Hons) degree from the University of Nigeria in June 1986 and thereafter proceeded to the Nigerian Law School where he was awarded a B.L.(Certificate of Call to the Nigerian Bar).

MOHAMMED TAHIR ATTAHIR
Non-Executive Director

Mohammed T. Attahir was appointed a Member of the Board of Directors, Guinea Insurance PLC on 23rd March 2016. He is the Managing Director/CEO of Greenwich Ventures International Incorporated. A proven entrepreneur with over 40 years of professional experience in developing and managing people and businesses across a variety of sectors: Banking, Engineering and Construction, Manufacturing, Finance and Stock Broking, Data and Voice Communication. Mohammed holds a Higher National Diploma (HND) certificate in Marketing from Kaduna Polytechnic. He is a Member of the: Chartered Institute of Marketing, London (CIML); Institute of Corporate Administration Secretaries (ICAS). An Associate Member of: British Institute of Management (BIM); Nigerian Institute of Management (NIM). A Fellow of the: Institute of Corporate Administrators (ICA); Institute of Corporate Executive of Nigeria (ICE) and Honoris Causa, Business Management (PHD). Prior to his appointment as Director, he was Director: Global Investment and Marketing Services Limited, Greenwich Communications Limited, Incorporated Computers Limited and currently the Executive Chairman, Greenwich Enterprises.

CHUKWUEMEKA UZOUKWU, M.
Non-Executive Director

Emeka Uzoukwu was appointed a Member of the Board of Directors, Guinea Insurance PLC on 23rd March 2016. He is a proven management talent with over 18 years of professional experience marked by a trend of progressive positions of management responsibilities home and abroad. As an entrepreneur by nature, Emeka has built a successful track record of continuous value creation in: Portfolio Management, Executive Management, Asset Allocation, Corporate Finance, Financial Advisory, Corporate Governance, Business Strategy, Private/Business Banking, Stock/Bond Brokerage and Business Development. Emeka obtained a BA in Economics, an MBA in Finance and Strategy from Hobart College, Geneva, New York and Loyola Marymount University, Angeles, CA respectively and others. His command of finance coupled with his international perspective of doing business makes him an exceptional resource on almost any project over the years. He is a member of the prestigious Institute of Directors (IoD) and an alumnus of the Massachusetts Institute of Technology, Cambridge, MA. Prior to his appointment as Director, Emeka was Head, Principal Investment in Chrome Group, Abuja, NG; Principal Financial Consultant in CG Hover LLC, Los Angeles, California; Financial Advisor/Wealth Manager, Citigroup/Smith Barney, Los Angeles, California and Financial Consultant, Merrill Lynch, San Diego, California.

OSITA BENJAMIN CHIDOKA. OFR
Non-Executive Director

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SIMON OLADAYO BOLAJI
Non-Executive Director

Simon Bolaji was appointed a Member of the Board of Directors, Guinea Insurance PLC on 23rd March 2016. He is the Head of Revenue Cycle Services of Enugu Electricity Distribution Company (EEDC) PLC. A well versed professional with over 17 years of astute banking experience in: Operations, Sales and Marketing, Public Sector, Treasury, Commercial banking etc. Prior to joining EEDC, he served in various top positions in: Standard Chartered Bank, Intercontinental Bank, Fountain Trust Bank and Spring Bank PLC and had received many awards for his strength of character and outstanding performances. In 1997, Simon obtained a Bachelor of Education (B.Ed) degree in Auto Technology from Ahmadu Bello University, Zaria and an MBA in Financial Management from Federal University of Technology, Owerri in 2004. He is an Associate Member of the: Institute of Chartered Accountants of Nigeria (ICAN); Nigerian Institute of Management (NIM) and a Member of the Institute of Treasury Management (ITM)

HASSAN AMINU DANTATA
Non-Executive Director

Dantata Hassan was appointed a Member of the Board of Directors, Guinea Insurance PLC on 23rd March 2016. He is the Executive Director of Dantata Organisation Limited; a business conglomerate with diverse interests in: Manufacturing, Construction, Property Development, Banking and Finance, Agriculture and Agro-Allied, Telecommunications, and Oil and Gas Exploration. His immense business acumen and presence of mind contributed in no small measure to the growth of the Dantata business empire in Kano, Nigeria. Hassan is a perceptive and upfront business analyst with over 13 years' experience in: Fertilizer Processing; Crude Oil Exploration and Marketing; Production of Sugar and Vegetable Oil etc. In 1997, Hassan graduated from Miami Dade College, USA with an Associate Art degree; in 2000 and 2003, he obtained Bachelor degrees in, International Business and Management, respectively from Florida International University.

SAMUEL ONUKWUE
Non-Executive Director

Samuel Onukwe was appointed a Member of the Board of Directors, Representing the Interest of Minority Shareholders, Guinea Insurance PLC on 26th September 2017. He is an accomplished executive with domestic and international experience in Investment Banking. Currently, he is the Managing Director/Chief Executive of Mega Equities Limited, a member of the Nigerian Stock Exchange and had served at various leading management levels in: Central Bank of Nigeria, Ivory Merchant Company, Thomas Cook/Travelex Global & financial services, Citizens International Bank/Spring Bank PLC, Nigerian Wire and Cable PLC, he also served as Senior Partner of Ekwueme Onukwue & Co. He possesses over two decades of hands-on experience with well-developed relationship management expertise that complements account acquisition skills, origination and execution of transactions, including financial modeling and analysis, company valuation, corporate and industry research, strategic analysis and recommendation, due diligence etc. Samuel is a graduate of Accountancy from Yaba College of Technology, holds an MBA in Banking & Finance from University of Lagos; an M.Sc. in Corporate Governance from Leeds Metropolitan University, United Kingdom. He is an Associate of both the Chartered Institute of Stockbrokers and the Chartered Institute of Taxation, and has been a Fellow of the Institute of Chartered Accountants of Nigeria since 2000.

ISIOMA OMOSHIE-OKOKUKU (MRS.)
Executive Director, Marketing

Isioma Omoshie-Okokuku was appointed Executive Director, Corporate & Legal Services on 1st June 2016 and subsequently, Executive Director, Marketing on 2nd September 2019. Prior to her latest appointment, she was the Ag. Managing Director/Chief Executive Officer of Guinea Insurance PLC. A distinguished quick-witted legal luminary with over 20 years of professional experience in both public and private legal practices before joining Guinea Insurance PLC in 2009 as Company Secretary/Legal Adviser/Chief Compliance Office amongst others. She is widely known for her diligence, high probity and amiable strength of character; all of which, were instrumental to the re-positioning of the Legal and Compliance units of the Company for better service delivery. On the balance, today the Company is widely celebrated as the premium brand in the insurance space and an emerging leader in the provision of first-rate risk management solutions in Nigeria. Isioma's leadership marks have charted the course of the company's fortunes on the path of monumental growth especially, at a period of heightened turbulence in the economic state of the nation and insurance industry in particular. She studied law at the University of Benin (UNIBEN) where she received her first professional degree in Law - LLB in 1988 and was soon after called to the Nigerian Bar in 1989. Isioma is an Associate Member of the Chartered Insurance Institute of Nigeria (ACIIN).

EDOBOR OSARO PIUS
Executive Director, Finance & Administration

Pius was appointed Executive Director, Finance and Administration on 19th January 2017. A highly developed and analytical professional with over two decades of diversified service experience in: Finance and Accounting, Auditing, Investigation, Stock broking and Portfolio Management. He holds a Master's and Bachelor's degrees in Accounting from Saint Monica University, SW, Cameroon and Olabisi Onabanjo University respectively. He is a Fellow of the Institute of Chartered Accountants of Nigeria (ICAN). An Associate Member of the: Chartered Institute of Stockbrokers (CIS); Chartered Institute of Taxation of Nigeria (CITN); Institute of Legal Executives of Nigeria (ILEX); Association of Certified Fraud Examiners (ACFE) and a Certified Member of Ethical Alliance. His career spans over 20 years and he has led many senior finance and administrations roles in various notable organizations such as: Lighthouse Financial Services; Aremu Akindele & Co; LASSA Limited and Global Scansystems in Nigeria.

WOLE FAYEMI
Executive Director - Technical

Wole was appointed Executive Director, Technical on 26th September 2017. A versatile financial risk manager with strong and decisive business acumen garnered over 16 years of diversified and extensive service delivery in: Insurance and Reinsurance Broking, Pricing, Underwriting/Claims administration, Product development, Business Risk Advisory and Energy and Special Risks. Holds a Master's and Bachelor's degrees in Economics from the University of Lagos and Ilorin respectively. He is an alumnus of the famed Pan Atlantic University (Lagos Business School); an Associate Member of the Chartered Insurance Institute of Nigeria (ACIIN) and a Professional Member of the Nigerian Institute of Management. His sagacity as a leader, team builder, mentor and committed professional; has positively transformed the company's risk management portfolio and repositioned the company on a reckonable customer-centric service path of sustainable and delivery. Before joining Guinea Insurance PLC, he had distinguished himself and served meritoriously in various capacities at Cornerstone Insurance PLC; ADIC Insurance Ltd (now NSIA); Solid Trust Insurance Brokers; Feybil Insurance and Reinsurance Brokers.

ADEMOLA ABIDOGUN
Managing Director/CEO

ISIOMA OMOSHIE-OKOKUKU (MRS.)
Executive Director, Marketing

EDOBOR PIUS
Executive Director, Finance & Administration

WOLE FAYEMI
Executive Director - Technical

CHINENYE NWANKWO
Company Secretary Cum Legal Adviser

OLUYINKA ADEBIYI
Group Lead - Marketing (South)

ADEBOWALE ADESOKAN
Team Lead - Underwriting

IJEOMA OKAFOR
Branch Lead - East

OGONNA OFFOR-ORABUEZE
Team Lead - Claims

OLUWASEYI ADEDIRAN
Group Lead - Marketing (North)

ADEMOLA ABIDOGUN
Managing Director/CEO

Ademola was appointed Managing Director/CEO of Guinea Insurance PLC on September 2, 2019. He brings over two decades of leadership experience and direction to the table. A seasoned professional with inestimable depth and wealth of technical experience acknowledged across the industry. His combined expertise in marketing, insurance broking, underwriting/claims administration, oil and gas, banking, telecoms, reinsurance, product development, business risk advisory, special risks and strategic planning, offer a formidable springboard for relaunching the Company's propensity to act and hence, develop and implement sustainable plans for long-term growth and shareholder value creation. Prior to his appointment, Ademola had championed the affairs of many companies in the insurance industry; the most recent being: Fin Insurance Company Limited, where he served as Executive Director, Technical/Operations and Ag. Managing Director. In Cornerstone Insurance PLC, he pioneered the Bancassurance/Retail team as Assistant General Manager. He holds a Master of Science degree in Business Administration from the Rivers State College of Science and Technology (2007); He is an alumnus of the prestigious London and Lagos Business Schools as well as the University of Texas. As an erudite insurance professional; he has attended numerous management courses and seminars both locally and internationally.

ISIOMA OMOSHIE-OKOKUKU (MRS.)
Executive Director, Marketing

Isioma Omoshie-Okokuku was appointed Executive Director, Corporate & Legal Services on 1st June 2016 and subsequently, Executive Director, Marketing on 2nd September 2019. Prior to her latest appointment, she was the Ag. Managing Director/Chief Executive Officer of Guinea Insurance PLC. A distinguished quick-witted legal luminary with over 20 years of professional experience in both public and private legal practices before joining Guinea Insurance PLC in 2009 as Company Secretary/Legal Adviser/Chief Compliance Office amongst others. She is widely known for her diligence, high probity and amiable strength of character; all of which, were instrumental to the re-positioning of the Legal and Compliance units of the Company for better service delivery. On the balance, today the Company is widely celebrated as the premium brand in the insurance space and an emerging leader in the provision of first-rate risk management solutions in Nigeria. Isioma's leadership marks have charted the course of the company's fortunes on the path of monumental growth especially, at a period of heightened turbulence in the economic state of the nation and insurance industry in particular. She studied law at the University of Benin (UNIBEN) where she received her first professional degree in Law - LLB in 1988 and was soon after called to the Nigerian Bar in 1989. Isioma is an Associate Member of the Chartered Insurance Institute of Nigeria (ACIIN).

EDOBOR OSARO PIUS
Executive Director, Finance & Administration

Pius was appointed Executive Director, Finance and Administration on 19th January 2017. A highly developed and analytical professional with over two decades of diversified service experience in: Finance and Accounting, Auditing, Investigation, Stock broking and Portfolio Management. He holds a Master's and Bachelor's degrees in Accounting from Saint Monica University, SW, Cameroon and Olabisi Onabanjo University respectively. He is a Fellow of the Institute of Chartered Accountants of Nigeria (ICAN). An Associate Member of the: Chartered Institute of Stockbrokers (CIS); Chartered Institute of Taxation of Nigeria (CITN); Institute of Legal Executives of Nigeria (ILEX); Association of Certified Fraud Examiners (ACFE) and a Certified Member of Ethical Alliance. His career spans over 20 years and he has led many senior finance and administrations roles in various notable organizations such as: Lighthouse Financial Services; Aremu Akindele & Co; LASSA Limited and Global Scansystems in Nigeria.

WOLE FAYEMI
Executive Director - Technical

Wole was appointed Executive Director, Technical on 26th September 2017. A versatile financial risk manager with strong and decisive business acumen garnered over 16 years of diversified and extensive service delivery in: Insurance and Reinsurance Broking, Pricing, Underwriting/Claims administration, Product development, Business Risk Advisory and Energy and Special Risks. Holds a Master's and Bachelor's degrees in Economics from the University of Lagos and Ilorin respectively. He is an alumnus of the famed Pan Atlantic University (Lagos Business School); an Associate Member of the Chartered Insurance Institute of Nigeria (ACIIN) and a Professional Member of the Nigerian Institute of Management. His sagacity as a leader, team builder, mentor and committed professional; has positively transformed the company's risk management portfolio and repositioned the company on a reckonable customer-centric service path of sustainable and delivery. Before joining Guinea Insurance PLC, he had distinguished himself and served meritoriously in various capacities at Cornerstone Insurance PLC; ADIC Insurance Ltd (now NSIA); Solid Trust Insurance Brokers; Feybil Insurance and Reinsurance Brokers.

OLUYINKA ADEBIYI
Group Lead - Marketing (South)

Yinka is GI's Group Lead of Marketing in the Southern Region of Nigeria. A vibrant and analytical professional with remarkable aptitude for strategic marketing and business development. He has garnered over 16 years' experience spanning across: Underwriting, Sales & Marketing, Customer Management, Energy & Special Risks, Public Sector Account. He is an entrepreneurial business development professional with a passion for building strong bond with prospects and customers from lead generation to close and beyond through consultative, solution-based approach. Holds a Higher National Diploma (HND) in Mass Communications from Moshood Abiola Polytechnic, Master's degree in International Relations & Strategic Studies form Lagos State University (LASU). He is an Associate of the Chartered Insurance Institute (ACII); a member of the Nigerian Institute of Public Relations (NIPR) and Chartered Insurance Institute of Nigeria (CIIN).

OLUWASEYI ADEDIRAN
Group Lead - Marketing (North)

Seyi is GI's Group Lead – Marketing in the Northern Region of Nigeria. He is a dynamic and results-driven Branch/Territory Manager with over 13 years of successful new business development, competitive market share expansion and customer relationship development. Holds a Post Graduate Diploma in Management from Bayero University, Kano and a Higher National Diploma in Accounting from Lagos State Polytechnic. Seyi is especially acknowledged for leveraging finely-honed interpersonal and time management skills to successfully manage a team and increase profitability while deploying well defined understanding of the business technology interface and capacity to identify and align clients' emerging risk management needs. Possesses a successful and diverse background spanning technical, operational management, service delivery, project management, and business-development disciplines that underscore expertise in engaging decision makers and devising winning sales strategies and solutions. He is a Fellow of the: Chartered Institute of Loan & Risk Management of Nigeria (FCILRM); Associate Member of the Institute of Chartered Economists of Nigeria (ICEN) and a Student Member of Chartered Insurance Institute of Nigeria (CIIN).

ADEBOWALE ADESOKAN
Team Lead – Underwriting

Adebowale is GI's Senior Manager/Team Lead, Underwriting. She is an expert with over 15 years' of extensive experience in provision of technical assistance and guidance on underwriting of policies. Adebowale possesses good customer relationship generalship and a strong desire to deliver blue-ribbon services that continually made significant impact on the company's operations. She is well-versed in the spheres of general and underwriting insurance markets; query resolution, energy reinsurance, marine and aviation, insurance fraud & claims management, advanced fire insurance, risk and uncertainty management, loss adjustment, branch/ territory management, underwriting strategy and planning etc. Holds a Master's degree in Business Administration from Ladoke Akintola University of Technology, Ogbomosho and a Higher National Diplomas in Insurance from the Lagos State Polytechnic. She is an Associate Member of the Chartered Insurance Institute of Nigeria (ACIIN).

OGONNA OFFOR–ORABUEZE
Team Lead – Claims

Ogonna is GI's Team Lead, Claims. She is a dedicated insurance professional with over 10 years astute experience in: risk assessment and mitigation; damage assessment, valuation of liability exposure, claims reports/ documentation and policy interpretation. Ogonna's phlegm and presence of mind, have over the years positioned her for effective delivery of multiple, high-priority projects and also take pride in providing exemplary customer service. Holds a Master's degree in Business Administration from University of Lagos; Higher National Diploma (HND) from Federal Polytechnic, Oko and attended the West African Insurance Institute, Banjul, The

Gambia (WAII) where she graduated and was awarded best student in "Insurance Supervision and Regulation; and Practice of Marketing." She is an Associate Member of the Chartered Insurance Institute of Nigeria (ACIIN) and has attended several courses both internationally and locally in oil and energy, reinsurance, underwriting and claims administration.

IJEOMA OKAFOR
Branch Lead – East

Ijeoma is GI's Branch Lead in the Eastern part of Nigeria. An excellent team player with in-depth understanding of the sales cycle process that delivers valued based benefits with commitment, shared purpose and achievement of enterprise goals. She has invested more than 18 years of her progressive career in building top performing teams with focus on impeccable service delivery and accountability for greater accomplishments. Proficient in strategic analytics of fundamental influencers of business and industry trends within the spheres of: Insurance Underwriting, Claims Administration, Marketing, Competitive Market Intelligence, Business Development, Sales and Market Analytics. Holds a Master's degree in Business Administration an Higher National Diploma (HND) in General Agriculture from Federal College of Agric, Umudike, Abia State. She is an Associate of the Chartered Insurance Institute of Nigeria (CIIN).

CHINENYE NWANKWO
Company Secretary Cum Legal Adviser

Chineye is GI's Company Secretary cum Legal Adviser. She is a seasoned legal practitioner with upwards of 10 years of experience and expertise in litigation, corporate governance, legal and regulatory compliance, company secretarial practice, capital market, legal audit and due diligence, corporate restructuring, and commercial dispute resolution.

A graduate of the University of Nigeria, Nsukka and was called to the Nigerian Bar in 2009. Further down the line, she provided first-rate legal services to a portfolio of publicly quoted companies and multinationals. A case in point was the assumption of superintendency at the Legal and Compliance Unit of Financial Derivatives Company Limited, Nigeria; where she became renowned for her management approach and proven ability to take responsibility for the provision of comprehensive company secretarial and governance service in resolving a wide range of company law and governance issues.

Chinenye is a member of the Nigerian Bar Association, an accredited practitioner with the Corporate Affairs Commission, a registered practitioner with the Financial Reporting Council, and a student member of the Institute of Chartered Secretaries and Administrators of Nigeria.

CHAIRMAN'S STATEMENT

> *...If 2020 was "the Year that Never Was", if only for the fact that it insisted on holding the entire world hostage in our various homes; let 2021 then be "the Year of Fresh Beginnings".*

GODSON UGOCHUKWU
Chairman, Board of Directors

Distinguished Shareholders, fellow Directors, Management, and Staff, here present, Ladies and Gentlemen:

It is with utmost joy and gratitude to God Almighty, the giver and protector of life, that I welcome you all to your beloved Company's 63rd Annual General Meeting (AGM). If 2020 was "the Year that Never Was", if only for the fact that it insisted on holding the entire world hostage in our various homes; let 2021 then be "the Year of Fresh Beginnings", as the world takes tentative steps out of the lockdown to assess the damage, count survivors and set about the task of gaining fresh acquaintance with this thing called living – now totally changed, the old and familiar forever gone. A new epoch we must all now learn to live with. 2020 was many things to many people across the globe. Its impact and the enormity of the disruption it brought with it may be debated for years to come. But this one fact is undebatable: it was a momentous year for mostly the wrong reasons. Jokesters have said that we did not use the year 2020. I agree. It was a year that used us.

Which is why 2021 must be a year for gratitude. Gratitude that is not ignorant of the facts of 2020; yet gratitude that finds its essence in those very facts; gratitude that springs not from a denial of trials that were – and, perhaps, whose impacts are yet continuing, no; but gratitude that knows that things could have been worse; that in spite of it all, we are still here – even if just to pick up the pieces and rebuild. And so, we thank God for life and for surviving. And remember with humility and solemnity those that fell to the pandemic and the ugly fallouts it brought for them – the near and dear, friends and family, business colleagues and clients – that we must now rise as one and observe a minute of solemn silence, even as we hope for their souls' peaceful repose.

2020 IN THE REARVIEW MIRROR

The year under review will, unfortunately, be remembered for the impact that COVID-19 had on all aspects of life. At Guinea Insurance, our priority continued to be the health and wellbeing of our employees, customers, and the communities that we operate in. The Board is grateful to our team members across the country for their commitment and dedication, especially, as we continue to grapple with the pandemic and its far-reaching implications.

In compliance with the COVID-19 prevention protocol released by the Federal Government, GIPLC closed its offices, nationwide on 26th March 2020, and directed staff to work remotely from home. Adequate arrangements were made to enable staff do this, so that the business of the company might, as much as possible, continue with limited disruptions. The customers of the Company were thus not left in the lurch as a result but continued to receive the excellent services which they have come to expect and for which the Company is known. I must pause here to express my deep appreciation for the Management and Staff of our dear Company for their untrammeled dedication and grit in the face of the challenges of those trying times. I am equally grateful to the Board for digging and staying the course of the Company. It is noteworthy that each of the highly accomplished non-executive Directors of your great Company, while dealing the challenges of the pandemic for the Company, also had to weather the same storms for their own respective businesses. That each of them was compelled to assign and devote time to the many issues that the pandemic presented to the Company, often, taking several meetings in a week, demonstrates the Board's commitment to the success of the Company. I thank them all.

There is no gainsaying the fact that COVID-19 has changed the world as we know it. The pandemic has introduced a new paradigm for the way we do business and, in the case of insurance companies, for risk assessment, amongst others. The upshot of this is a crying need to review and retool for the new reality for business undertaking. The Board and Executive Management have, in response, evolved a new business philosophy and strategy. There is a renewed focus on enterprise resiliency, risk assessment and internal and operational modalities. All to make sure that we continue to meet our obligations to all our stakeholders. Our methodical approach to crisis management, recovery, and reinvention, affords us the opportunity of early detection of, and preparation for potential challenges and the opportunities they present.

NIGERIAN ECONOMY AND INSURANCE SECTOR AMID COVID-19 PANDEMIC

The country recorded its first COVID-19 case in late February of 2020. It subsequently implemented a four-week lockdown in three major commercial cities (Lagos, Ogun, and Abuja) in March. Economic activities slowed significantly. The pandemic took its toll on the Nigerian economy and the insurance sector was not isolated from its effect. The collapse in oil prices coupled with the COVID-19 pandemic, plunged the Nigerian economy into a severe economic recession, after its Gross Domestic Product (GDP) contracted for the second consecutive quarter, according to official data released. Consequently, the average Nigerian experienced a sharp drop in disposable income. This led to poor renewal and uptake rates for insurance policies. Furthermore, interest rates in the fixed income market dipped to low single-digits, implying lower investment income for insurers who majorly invest in the fixed income market.

However, the pandemic may provide an avenue for players to roll out variants of health insurance and pandemic-related policies. Nigerian insurers do not have specific business interruption policies that cover pandemics. and, Consequently, the sector took a significant hit from the spread of the virus even as other insured risks escalated, some of which, were the high incidences of theft and burglary, wanton destruction of properties, and countless personal tragedies experienced during the lockdown. This raised the level of claims, especially in H1:2020.

The recapitalisation exercise was further reviewed as the pandemic had affected capital-raising activities. Insurers and reinsurers were required to comply with 50.0% and 50.0%, respectively, of the new minimum threshold applicable to their respective businesses by December 2020 and full compliance was slated for September 2021. Overall, profitability relied heavily on effective risk management and operational efficiency as a result of slower growth in premiums and rising claims.

OUR FINANCIAL PERFORMANCE

Gross Premium Written stood at N1.08 billion in 2020, as against N1.29 billion in 2019, representing a decrease of 16.3%. Gross Premium Income also decreased by 10.3%, from N1.17 billion in 2019 to N1.05 billion in 2020. Net Premium Income decreased by 18.67%, from N902.4 million in 2019 to N733.9 million in 2020. Owing to low single-digits interest rates in the fixed income market, Investment Income for the period under review decreased considerably by 50.1%, from N210.06 million in 2019 to N104.8 million in 2020. The year resulted in a loss of N227.6 million as against N795 million recorded in 2019. We must note, however, that the accelerated digitisation of the

Company's customers engagement platforms, supply-chain interactions, and internal operations paid off, as the Loss for the Year dropped significantly by 71.3%. The Company also recorded a 15.2% savings in its Operational Expenses, from N868.6 million in 2019 to N736.3 million reported in 2020, owing to Executive Management's yearnings to achieve operational excellence while also embracing essential principles and methods to create significant improvement within the work environment.

OUTLOOK FOR THE YEAR 2021

The economy is projected to grow by 1.5% in 2021 and 2.9% in 2022, based on expected recovery in crude oil prices and production. Stimulus measures outlined in the Economic Sustainability Programme (ESP), and the Finance Act of 2020 could boost non-oil revenues. Improved revenues can narrow the fiscal deficit to 4.6% and the current account deficit to 2.3% of GDP in 2021 as global economic conditions improve. Reopening borders will increase access to inputs, easing pressure on domestic prices and inflation, projected at 11.4% in 2021. Downside risks include reduced fiscal space, should oil prices remain depressed. In addition, flooding and rising insecurity could hamper agricultural production. Further depletion in foreign reserves from $35 billion (7.6 months of import cover) could lead to sharp exchange rate depreciation and inflationary pressures. A potential relapse in COVID-19 cases could exacerbate these risks. High unemployment (27%), poverty (40%), and growing inequality remain major challenges in Nigeria.

CONCLUSION

The Board believes that there are many opportunities ahead, and the strength of the Company as envisioned in our strategic focus, and as personified in our people, will allow us to look through the economic cycle to deliver relative outperformance in any downturn.

I welcome you all to a purposeful 63rd AGM and wish you all fruitful deliberations.

And may God bless Guinea Insurance Plc. And our dear country, Nigeria!

Godson Ugochukwu, *Esq, FCIArb.*
Chairman, Board of Directors.

BOARD DECLARATION ON SECURITY TRADING POLICY

Guinea Insurance PLC has in place Securities Trading Policy which is in compliance with Rule 17.15 Disclosure of Dealings in Issuers' Shares, Rulebook of the Nigerian Exchange Limited 2015 (Issuers Rule), which guides Directors, Audit Committee members, employees and all individuals categorized as insiders as to their dealing in the Company shares.

Pursuant to and in accordance with guidelines of NAICOM section 2.10 the Board hereby declares stating that, to the best of its knowledge and belief, having made appropriate enquiries.

1. The company has a securities trading policy which shall apply to all employees and Directors and shall be circulated to all employees that may at any time possess any inside or material information about the Company.

2. That the Company publicizes its securities trading policy in its internal communications, on a regular basis, and places it on its website.

3. That all directors, persons discharging managerial responsibility and persons closely connected to them as well as all insiders of the Company should notify the Company in writing through the Company Secretary of the occurrence of all transactions conducted on their own account in the shares of the Company on the day on which the transaction occurred and the Company should maintain a record of such transactions which shall be provided to The Exchange within two business days of The Exchange making a request in that regard.

4. That in relation to securities transactions by directors, the Company should disclose such in its interim reports (and summary interim reports, if any) and the Corporate Governance Report contained in its annual reports (and summary financial reports, if any) That the Board is satisfied with the efficiency of the processes and systems surrounding the production of financial information of the company.

5. That the company has in place a Risk Management Strategy, developed in accordance with the requirements of the rules, setting out its approach to risk management; and The systems that are in place for managing and monitoring risks, and the risk management framework, are appropriate to the company, having regard to such factors as the size, business mix and complexity of the company's operations.

Mr. Samuel Onukwue
Chairman Board Committee on
Enterprise Risk Management & Governance
FRC/2013/ICAN/00000004049

Ademola Abidogun
Managing Director/CEO
FRC/2016/CIIN/000000014549

BOARD DECLARATION ON ENTERPRISE RISK MANAGEMENT

Pursuant to and in accordance guidelines of NAICOM section 2.10 the Board hereby declares stating that, to the best of its knowledge and belief, having made appropriate enquiries

1. The company has a securities trading policy which shall apply to all employees and Directors and shall be circulated to all employees that may at any time possess any inside or material information about the Company.

2. That the Company publicizes its securities trading policy in its internal communications, on a regular basis, and places it on its website.

3. That all directors, persons discharging managerial responsibility and persons closely connected to them as well as all insiders of the Company should notify the Company in writing through the Company Secretary of the occurrence of all transactions conducted on their own account in the shares of the Company on the day on which the transaction occurred and the Company should maintain a record of such transactions which shall be provided to The Exchange within two business days of The Exchange making a request in that regard.

4. That in relation to securities transactions by directors, the Company should disclose such in its interim reports (and summary interim reports, if any) and the Corporate Governance Report contained in its annual reports (and summary financial reports, if any)Thatthe Board is satisfied with the efficiency of the processes and systems surrounding the production of financial information of the company.

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Mr. Samuel Onukwue
Chairman Board Committee on
Enterprise Risk Management and Governance
FRC/2013/ICAN/00000004049

Ademola Abidogun
Managing Director/CEO
FRC/2016/CIIN/000000014549

1.1 Introduction and Scope of the Policy

This Complaints Policy (the "Policy") is pursuant of Investments and Securities Act, 2007 (ISA), the Rules and Regulations made pursuant to the ISA, the rules and regulations of Securities Exchanges and guidelines of recognized trade associations to guide the company procedures to effectively manage and resolve complaints from clients and members of the general public.

Our management and staff are duly trained to respect the right of members of the public to complain about the standard of services provided by the company. Our core values of teamwork, service, commitment, integrity and professionalism speaks of our dealings with our insured and general public.

The company strives for fairness, equitable and timely resolution of complaints is described in this Policy.

1.2 Purpose

The purpose of the Complaints Handling Policy is to:

- Recognise customers' rights to complain.
- Provide an efficient, fair and accessible mechanism for resolving customer's complaints.
- Provide information to customers on the company's (Guinea) and the National Insurance Commission's (NAICOM) complaints handling process.
- Demonstrate Guinea's commitment to continual improvement on its services.

1.3 Definitions

Claimant: means a person or a legal representative of a claimant who has a claim with the company.

Complaint: means a genuine expression of concern or dissatisfaction regarding the rendered services, or the complaints handling process itself, Made to the company by the claimant or on behalf of:

- A claimant;
- An individual client - including government agencies;
- A group or member of the public.

Complaint: does not necessarily mean a dispute with a decision or policy of Guinea. In particular, a complaint does not mean a dispute with:

- Guinea's assessment of liability with respect to a claim;
- Guinea's settlement offer on a claim;
- Guinea's assessment of, and payments for;
- Special Damages, being reasonable expenses related to the treatment of injuries received in a crash, together with compensation for any loss of earning capacity sustained.
- General Damages (Non Pecuniary Loss), being damages awarded for pain, suffering and inconvenience experienced as a result of injuries, together with any disability.

1.4 Mode of Complaint

A complaint may be made in person, by phone, fax, via email or company's website, in writing or verbally. However verbal complaints is documented immediately by the employee who receives the complaint.

Complainant means the person, group, organization or general public making the complaint. Client/Customer means a person, group, organisation receiving advice, a service, using the facilities, or engaged in a business relationship, or any other person or organisation having an interest in the functions or activities of the company.

Dispute means customer's formal disagreement with the services of Guinea Insurance Plc which leads to some type of internal or external review or determination.

Organisation means a company, firm, enterprise or association, or part thereof, whether incorporated or not, public or private, that has its own function(s) and administration.

2.1 Commitment

We are committed to efficient and effective complaints management. Our commitment involves:

- An organisational culture that welcomes complaints as an opportunity to continually improve on our services
- The development and maintenance of a computerised Complaints System to manage complaints;
- The adoption and dissemination of this policy Complaints Handling Policy'; and
- Reporting information about complaints management in executive and Board meetings and reports.

3.1 Fairness

We recognise the need to be fair to both the com plainant and the company or employee against whom the complaint is made.

If a customer complains, we will:

- Treat the complainant with tact, courtesy and fair ness at all times;
- Maintain appropriate confidentiality of the complaint at all times;
- Not victimise or harass the complainant as a result of any complaint he/she makes against us;
- Not discriminate against the complainant because of any disability, his/her tribe, religion, age or sex.

4.1 Complaints about Employees

Complaints against employees should be referred directly to the relevant Team Lead and a determination will be made whether the complaint is an alleged breach of our Code of Conduct as defined by NAICOM Act 1997, the Team Lead should obtain further information and guidance on this from the Team Lead, Human Capital and Management on how to handle the complaint. Where and when appropriate, and in consideration our obligation or fairness to the complainant and employee, the employee will be given the opportunity to defend his stand.

The party concerned will be informed of the final resolution/decision and the reason for arriving at that decision, a copy of the final resolution will be sent to both parties.

5.1 Resources

The company's call centre is equip with the resources to handle complaints by way of a customised computerised Complaints System that is available to complainant, employees and management for the recording complaints. In addition, our customer call centre personnel are trained in the skills of listening, problem solving, and conflict resolution. Complaints beyond their control are reported to the appropriate quarters for resolution and feedback. Our customer Complaint Policy is covered during the induction program for all new employees. Employees who demonstrate our core Values in the resolution of customer complaints are recognised and rewarded through our Hall of Fame. Whilst those that goes otherwise are disciplined appropriately.

6.1 Visibility of the Complaints Process

We promote the existence of our Complaints Policy and Complaints System through:

(i) A direct link to 'Complaints' on the front page of our website.
(ii) Availability of How-to make complaint brochure in the Insurance Commission reception area'.
(iii) A brochure titled How-to make a complaint which is available on Insurance Commission website or upon request.
(iv) Publishing the numbers and categories of complaints we receive and the resulting improvements we have made in executive and Board reports.

7.1 Access to the Complaints Process

A person wishing to make complaint may do so in person, by telephone, by letter, by fax, by email or via our website.

All complaints made with us will be lodged via a 'Complaint Form', and recorded on to our Complaints System.

A person may lodge a complaint by filling out and completing a 'Complaint Form' at any of our branches or through drop a message on our website.

For complaints made in person or by telephone, letter, fax, or email, one of our staff members will complete a Complaint Form on behalf of the Complainant and attach any associated correspondence that has been received via letter, fax, email.

8.1 Assistance with Lodging Complaints

Our staff will assist people who may have difficulty making a complaint. For example, interpreters can be provided to assist people with limited English who would prefer an interpreter.

In addition, staff will complete a Complaints Form on behalf of anyone making a complaint over the phone or in person. They will also assist those with limited literacy skills by confirming the details of the complaint verbally.

9.1 Complaints Made on Behalf of Another Person

If it is difficult for a customer to personally make a complaint, a complaint may be made on his/her behalf by another person or legal practitioner.

10.1 Responding to Complaints

If a customer complains, we will:

- Attempt to resolve the complaint at the first point of contact, where possible;
- Acknowledge receipt of the complaint not later than two working days;
- Where complaint is not fully understood, telephone the person who lodged the complaint tonsure we understand the issues correctly; and
- For complaints not resolved "on the spot", aim to resolve the complaint and issue a response within 5 working days.

If these time frames cannot be met, we will tell the complainant why and give some idea of when we will reply in full.

We may, at any time after receiving a complaint, decide not to deal with the complaint, or to stop dealing with the complaint, because:

11.1 Charges

No fee is charged for any complaint lodged.

12.1 Complaints Bureau System

We have specialised Complaints System for recording, managing and reporting of complaints. This system enables complaints to be managed at various stages by various staff.

12.2 First Stage:

Recording and acknowledgment of the complaint and attempted resolution by front line staff.

12.3 Second Stage:

If the complainant is still not satisfied, a more senior staff member such as a Team Lead will review the person's complaint and the results of the review will be reported to the complainant and management. If the complainant remains dissatisfied, we will consider other options that may be available to achieve a resolution.

12.4 Third Stage:

If the complaint cannot be resolved by the Guinea Insurance Plc, the complainant will be referred to an outside agency, such as the Ombudsman.

13.1 Remedies

We will endeavour to resolve all complaints received as fairly as possible and in a timely manner. Some of the remedies that we may use to help resolve complaints include:

13.2 Rectify Mistakes

Where we have made a mistake, taken too long to follow up a matter, or simply overlooked a matter, we will take immediate action to rectify the mistake or situation.

13.3 Employee Training and Counselling

Where a complaint is made about an employee, whether it is about the employee's general manner or about the employee providing wrong information, and after investigation if we consider the complaint is justified, the employee will be provided with training and/or counselling.

13.4 Referral

As outlined in this Complaints Policy, if a complaint cannot be resolved by us, the complainant may be referred to the Ombudsman for insurance matters, The National Insurance Commission.

14. Collecting and Recording Information about Complaints

Complaint data will be recorded using the Complaint Form. Complaint data will be collected, analysed and reported using our Complaints System. Complaint data, enquiry outcomes and service improvements will be reported regularly to our management and Board Committee on Compliance.

15. Storage of Complaint Records

Records of all complaints will be retained in our Complaints System, for confidentiality, monitoring and evaluation purposes. Access to the complaints records will be restricted to unauthorised staff.

16. Categorising Complaints

Complaint data is collected, collated and reported in categories to enable us identify policies, practices, facilities, etc. that are in need of review and that also contribute to improved customer focus and business outcomes.

17. Review

The Complaints Policy will be reviewed at regular intervals to ensure it meets regulation and statue.

18. Enquiries

Direct enquiries about the Complaints Policy to:
The Managing Director
Guinea Insurance Plc
Guinea Insurance House
33, Ikorodu Road, Jibowu
Lagos State
Postal Address:
P.O. Box 1136, Lagos
Lagos State
Telephone: +234-1-2934575
Email: info@guineainsurance.com
Website : www.guineainsurance.com

NAME	SIGNATURE	DATE
Head, Technical		03/08/2020
Head, Underwriting		03/08/2020
Head, Claims Management		03/08/2020
Head, Reinsurance		03/08/2020

NAME	SIGNATURE	DATE
Compliance Unit		03/08/2020

NAME	SIGNATURE	DATE
Managing Director		03/08/2020
Chairman, Board of Directors		03/08/2020

CODE OF BUSINESS CONDUCT AND ETHICS

The Code of Ethics is Guinea Insurance Plc. ("the Company or Guinea insurance") policy on business ethics and individual behavior. It complements and reinforces the existing Company policies.

The Code articulates basic rules and guidelines that help us make decisions.

Guinea Insurance is committed fully to compliance with applicable laws and regulations in all areas where we conduct business. It is the personal responsibility of each employee to abide by the letter and spirit of the applicable laws and regulations.

Mr. Samuel Onukwue
Chairman Board Committee on Audit
Compliance & Risk Management
FRC/2013/ICAN/00000004049

Mr. Ademola Abidogun
Managing Director/CEO
FRC/2016/CIIN/00000014549

In compliance with the Companies and Allied Matters Act 2020, the Directors have the pleasure of presenting their report on the affairs of Guinea Insurance Plc ("the Company") together with the audited financial statements and Independent auditors' report for the year ended 31 December 2020

Legal form and principal activities

The Company is a public limited liability company which was initially incorporated as a private limited liability company on 3 December 1958 in accordance with the provisions of the Companies and Allied Matters Act, transacting primarily as a General Insurance business. The Company was formally listed on the Nigerian Stock Exchange On 17 January 1991.

Board of Directors

The Board of Directors of the Company during the year under review and to the date of this report is made up of the following:

DIRECTORS	CAPACITY	
Mr. Ugochukwu Godson	Chairman	
Mr. Ademola Abidogun	Managing Director	
Mrs Isioma Omoshie Okokuku	Executive Director	
Mr. Edobor Pius	Executive Director	
Mr. Oluwole Fayemi	Executive Director	*Resigned August, 2020*
Mr. Simon Oladayo Bolaji	Non-Executive Director	
Mr. Anthony Achebe	Non-Executive Director	
Alhaji Hassan Dantata	Non-Executive Director	
Mr. Emeka Uzoukwu	Non-Executive Director	
Mr. Osita Chidoka	Non-Executive Director	
Dr. Mohammed Attahir	Non-Executive Director	
Mr. Samuel Onukwue	Non-Executive Director	

Directors' interests in contracts

For the purpose of Section 303 of the Companies and Allied Matters Act 2020, none of the Directors had any direct or indirect interest in contracts or proposed contracts with the Company during the year.

Results of the Year Ended December 31, 2020

The Directors' are pleased to announce the trading results for the year ended 31 December, 2020 together with the comparative figures for the previous year

Shareholding analysis

According to the register of members, the Company's shareholdings including shareholders who held more than 5% of the issued share capital of the Company as at 31 December 2020 are shown below:

Director's Name	NUMBER OF ORDINARY SHARES HELD December 31, 2020		NUMBER OF ORDINARY SHARES HELD December 31, 2019	
	INDIRECT		INDIRECT	
Mr. Anthony Achebe	Chrome Oil Services Limited	2,798,514,210	Chrome Oil Services Limited	2,798,514,210
Mr. Chukwemeka Uzoukwu	Nimek Investment Limited	1,288,252,777	Nimek Investment Limited	1,288,252,777

No changes were made in the above holdings as at the date of this report and none of the Directors has notified the Company for the purpose of Section 277 of the Companies and Allied Matters Act CAP C 20 Laws of the Federation of Nigeria 2004 of any disclosable interest in contract in which the Company was involved as at 31 December 2020.

	31 December 2020 No. of Ordinary Shares	% Holding	31 December 2019 No. of Ordinary Shares	% Holding
Chrome Oil Services Limited	2,798,514,210	46	2,798,514,210	46
Nimek Investments Limited	1,288,252,777	21	1,288,252,777	21
Total	**4,086,766,987**	**67**	**4,086,766,987**	**67**

RANGE	NO. OF HOLDERS	% OF HOLDERS	NO. OF HOLDERS	% OF HOLDERS
1 - 10000	8,887	49	8,887	49
10001 - 100000	7,695	42	7,695	42
100001 - 1000000	1,429	8	1,429	8
1000001 - 10000000	148	1	148	1
10000001 - 100000000	17	0	17	0
100000001 - 1000000000	5	0	5	0
1000000001 - 6140000000	2	0	2	0
TOTAL:	**18,183**	**100**	**18,183**	**100**

Property and equipment

Information relating to the Company's property, plant and equipment is detailed in the Note 25 of the financial statements.

Donations

There was a donation of one million naira for COVID-19 pandemic through the Nigerian Insurers Association (NIA) to the National Insurance Commission, NAICOM

COVID-19 pandemic

The COVID-19 pandemic is no longer a news to the business world as many companies have adjusted to the initial shock as presented by the pandemic, and Guinea Insurance was not exempted.

However, the company was able to implement strategies that allowed it to continue in providing services to its customers through e-Channels with minimum disruption, and less contact in line with the COVID-19 protocols.

The impact of the pandemic is insignificant both financially and otherwise to the continuation of our business operations as there was no impairment to our assets (financial and otherwise), there is no sign of bankruptcy with any of our major customers and none of our operational facilities was shut down, though we operated below capacity in some of our offices in compliance with covid-19 protocols as directed by government. We leveraged on our investment in information technology to activate our e-Channels and other business portals that ensured our staff were able to work remotely to complement those working at the offices, resulting in the reduction of some overheads. Above all, there is no legal restriction because of the pandemic that will affect the company's operation.

We constantly review the effect of the pandemic and implement measures that will make its impacts on both our business operations and staff very minimal.

The directors assessed the impact of COVID-19 on the business continuity of the Company and believe that it will not affect the ability of the Company to continue in business.

The Company is committed to keeping its employees fully informed, as much as possible on its performance and progress, and seeking their views whenever practicable on matters which practically affect them as employees. Management's professional and technical expertise are the Company's major assets and investment in their further development continues.

The Company's expanding skill-base has been extended by a range of training programs for its employees and opportunities for career development within the Company have thus been enhanced.

Employment of disabled persons

The Company in recognition of its special obligation to employ disabled persons maintains a policy of giving fair consideration to applications for employment made by disabled persons with due regard to their abilities and aptitude. All employees are given equal opportunities to develop themselves. As at 31 December 2020, no disabled person was employed in the Company.

Health, safety at work and welfare of employees

Employees are made aware of the health and safety regulations that are in force within the premises of the Company. The Company provides subsidy to all employees for transportation, housing, lunch and medical expenses, medical insurance, etc.

Research and Development

The Company in its determination to maintain its status as one of the best in the industry continues to encourage research and development of existing and new products aimed at consistently improving the Company's position.

Events after the reporting period

There were no significant events after reporting date which could have had a material effect on the financial statements for the year ended 31 December 2020 which have not been adequately provided for or disclosed in the financial statements.

Auditors

In compliance with Principle 20 of the Nigerian Code of Corporate Governance 2018 and Section 6.0 of the National Insurance Commission's Approved Corporate Governance Guidelines, 2021 on the tenure of External Auditors, Messrs. BDO Professional Services (Chartered Accountants) have shown willingness to continue in office as the auditors in accordance with Section 401(2) of the Companies and Allied Matters Act, 2020.

Compliance with the code of best practices on corporate governance

The Directors confirm that they have reviewed the structure and activities of the Company in view of the Code of Best Practices on Corporate Governance for the Insurance Industry in Nigeria published in February 2009. The Directors confirm that the Company has substantially complied with the provisions of the Code of Best Practices on Corporate Governance with regards to matters stated therein concerning the Board of Directors, the Shareholders and the Audit Committee.

CHINENYE NWANKWO
Company Secretary
FRC/2021/002/0000002354
Registered Office
Guinea Insurance House
4th& floor,
33, Ikorodu Road,
Jibowu, Lagos.

The Companies and Allied Matters Act 2020 and Banks and Other Financial Institutions Act 1991, require the Directors to prepare financial statements which give a true and fair view of the financial position at the end of the financial year of the Company and of the operating result for the year then ended.

The responsibilities include ensuring that:

- Appropriate and adequate internal controls are established to safeguard the assets of the Company and to prevent and detect fraud and other irregularities;

- The Company keeps proper accounting records which disclose with reasonable accuracy the financial position of the Company 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 the yearly Operational Guidelines issued by NAICOM.

- The Company 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

- The financial statements are prepared on a going concern basis unless it is presumed that the Company will not continue in business.

The Directors accept responsibility for the preparation of the annual financial statements that give a true and fair view in accordance with International Financial Reporting Standards (IFRS) and in the manner required by the Companies and Allied Matters Act, 2020, the Financial Reporting Council of Nigeria Act, 2011, the Insurance Act 2003 and relevant National Insurance Commission of Nigeria ("NAICOM") circulars.
The Directors further accept responsibility for maintaining adequate accounting records as required by the Companies and Allied Matters Act, 2020 and for such internal control as the directors determine is necessary to enable the preparation of financial statements that are free from material misstatement whether due to fraud or error.

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

SIGNED ON BEHALF OF THE BOARD OF DIRECTORS:

Mr. Ademola Abidogun	Mr. Pius Edobor
Managing Director	Executive Director
FRC/2016/CIIN/00000014549	FRC/2013/ICAN/00000004638

We the undersigned hereby certify the following with regards to our Audited Financial Statements for the year ended 31 December 2020 that:

- We have reviewed the report;
- To the best of our knowledge, the report does not contain:
  - Any untrue statement of a material fact, or
  - Omit to state a material fact, which would make the statements, misleading in the light of circumstances under which such statements were made;
- 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 operations of the Company as of, and for the periods presented in the report.

- We:
  - Are responsible for establishing and maintaining internal controls.
  - Have designed such internal controls to ensure that material information relating to the Company is made known to such officers by others within the Company particularly during the period in which the periodic reports are being prepared;
  - Have evaluated the effectiveness of the Company's internal controls as of date within 90 days prior to the report;
  - Have presented in the report our conclusions about the effectiveness of our internal controls based on our evaluation as of that date;
- We have disclosed to the auditors of the Company and audit committee:
  - All significant deficiency in the design or operation of internal controls which would adversely affect the Company's ability to record, process, summarise and report financial data and have identified for the Company's auditors any material weakness in internal controls, and
  - Any fraud, whether or not material, that involved management or other employees who have significant role in the Company's internal controls;
- 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.

SIGNED ON BEHALF OF THE BOARD OF DIRECTORS:

Mr. Ademola Abidogun	Mr. Pius Edobor
Managing Director	Executive Director
FRC/2016/CIIN/00000014549	FRC/2013/ICAN/000000004638

To the members of Guinea Insurance Plc:
In accordance with the provision of Section 404 of the Companies and Allied Matters Act, 2020, the members of the Statutory Audit Committee of Guinea Insurance Plc hereby report as follows:

We have exercised our statutory functions under Section 404 of the Companies and Allied Matters Act, 2020 and we acknowledge the cooperation of management and staff in the conduct of these responsibilities.

We confirm that the accounting and reporting policies of the Company are in accordance with legal requirements and agreed ethical practices, and that the scope and planning of both the external and internal audits for the year ended 31 December 2020 were satisfactory and reinforce the Company's internal control systems.

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

Ayuba Quadri Yemi
Chairman, Statutory Audit Committee
FRCN/2015/ICAN/00000013470
20 March 2021

Members of the Audit Committee are:

Ayuba Quadri Yemi	Shareholder Representative - Chairman
Mr. Waheed Sonitare	Shareholder Representative
Mr. Simon Oladayo Bolaji	Non-Executive Director
Mr. Samuel Onukwue	Non-Executive Director

FINANCIALS

GUINEA INSURANCE PLC

FINANCIAL STATEMENTS
31 DECEMBER 2020

BDO

Tel: +234 1 7941667, 4710691
www.bdo-ng.com

ADOL House
15 CIPM Avenue
Central Business District,
Alausa, Ikeja
P. O. Box 4929, GPO, Marina
Lagos, Nigeria

Opinion

We have audited the accompanying financial statements of Guinea Insurance Plc which comprise, the statement of financial position as at 31 December 2020, the statement of profit or loss and other comprehensive income, statement of changes in equity, statement of cash flows for the year then ended; and notes to the financial statements, including a summary of significant accounting policies and other explanatory notes.

In our opinion the financial statements give a true and fair view of the financial position of the Company as at 31 December 2020 and of its financial performance and cash flows for the year then ended in accordance with International Financial Reporting Standards and in compliance with the relevant provisions of the Financial Reporting Council of Nigeria, Act No 6, 2011, 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 Auditors' Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Company in accordance with the International Ethics Standards Board for Accountants' Code of Ethics for Professional Accountants together with the ethical requirements that are relevant to our audit of the financial statements in Nigeria, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the International Ethics Standards Board Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Emphasis of matter

We draw attention to note 44 to the financial statements which indicates that the Company's solvency margin of N2.173 billion as at 31 December 2020 (2019: N2.336 billion), was below the minimum regulatory

requirement of N3 billion.

The note also explains management plans to address the shortfall. Our opinion in respect of this is not modified.

Key Audit Matters

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

(i) Revenue recognition

In view of large number of policies underwritten by the Company, the gap between the Underwriting and Finance departments, and manual interference in the premium documentation, there is a risk that revenue may not be completely accounted for in the financial statements.

Response

- We have tested the design and implementation of key controls over revenue recognition, focusing on the flow of information from the underwriting systems to the financial reporting ledger. In addition, we performed substantive analytical procedures on gross and unearned premium balances.

- We performed other substantive procedures to confirm completeness of revenue by:

selecting some debit notes from hard copy files and traced to soft copy listing of premium and obtained serially generated debit notes and investigated missing and duplicated debit notes.

- We ensured that an appropriate and consistent revenue recognition policy is in place and in line with the Company's accounting policies.

(ii) Valuation of insurance contract liabilities

Management has estimated the value of insurance contract liabilities in the Company's financial statements to be N887 million as at year ended 31 December 2020 based on the actuarial valuation and liability adequacy test carried out by an external firm of Actuaries.

The valuation has been made on the following key assumptions which were determined by the Actuary:

- Reserves were calculated via a cash flow projection approach, taking into account future premiums, expenses and benefit payments including allowances for benefits.

The unexpired premium reserve for general business is calculated on the assumption that risk will occur evenly during the duration of the policy.

• The Company's claim payment approach will be sustained into the future.

• Weighted past average inflation will remain unchanged over the claim projection period.

• Gross claims amount includes all related claim expenses.
• An allowance was made for IBNR (Incurred But Not Reported) claims to take care of the delay in reporting claims.

Our response

We ascertained the following

• Evaluated and validated controls over insurance contract liabilities,

• Checked the claims register for completeness and accuracy of claims accrued,

• Reviewed transactions after year end for claims paid but not accrued,

• Evaluated the independent external Actuary's competence, capability and objectivity,

• Assessed the methodologies used and the appropriateness of the key assumptions,
• Checked the accuracy and relevance of data provided to the Actuary by management,

• Reviewed the results based on the assumptions.

Other Information

The Directors are responsible for the other information. The other information comprises the information included in the Chairman's statement and Directors' report, but does not include the financial statements and our auditors' report thereon. Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

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

Responsibilities of the Directors for the Financial Statements

The Directors are responsible for the preparation and fair presentation of the financial statements in accordance with International Financial Reporting Standards issued by the International Accounting Standards Board, and in compliance with the relevant provisions of the Financial Reporting Council of Nigeria Act, No 6, 2011, the Companies and Allied Matters Act, 2020, Insurance Act, CAP I17 LFN 2004, and the Prudential Guidelines issued by National Insurance Commission, and for such internal control as the directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.
In preparing the financial statements, the directors are responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the Company or to cease operations, or have no realistic alternative but to do so.

Auditors' responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue a 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 International Standards on Auditing will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

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

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

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

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

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

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

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

Report on other legal and regulatory requirements

The Companies and Allied Matters Act, 2020 and Insurance Act CAP I17 LFN 2004 requires that in carrying out our audit we consider and report to you on the following matters. We confirm that:

i) we have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit

ii) in our opinion, proper books of account have been kept by the Company

iii) the Company's statement of financial position, and its statement of profit or loss and other comprehensive income are in agreement with the books of account.

iv) to the best of our knowledge, the Company complied with the requirements of the relevant circulars issued by National Insurance Commission (NAICOM) and the regulations of the Insurance Act CAP I17 LFN 2004 during the year

Olugbemiga A. Akibayo
FRC/2013/ICAN/00000001076
For: BDO Professional Services
Chartered Accountants

Lagos, Nigeria
30 March 2021

STATEMENT OF FINANCIAL POSITION AS AT 31 DECEMBER 2020

	Notes	2020 N'000	2019 N'000
Assets			
Cash and cash equivalents	14	671,661	680,541
Financial assets:			
- Available -for-sale financial assets	15	263,233	216,015
- Held to maturity	16	886,042	1,037,334
Trade receivables	17	-	5,226
Reinsurance assets	18	300,328	349,730
Deferred acquisition costs	19	62,932	53,319
Other receivables and prepayments	20	55,676	72,682
Investment properties	21	85,000	78,000
Intangible asset	24	3,998	10
Property and equipment	25	842,229	778,933
Statutory deposit	26	333,654	333,654
Total assets		**3,504,752**	**3,605,444**
Liabilities			
Insurance contract liabilities	27	902,593	844,540
Trade payables	28	-	-
Other payables and accruals	29	134,002	132,396
Employee benefit obligations	30	1,743	4,316
Current tax payable	23(a)	87,057	90,809
Deferred tax liabilities	23(b)	110,011	107,368
Deposit for shares	31	151,400	151,400
Total liabilities		**1,386,805**	**1,330,829**
Equity			
Issued share capital	32	3,070,000	3,070,000
Share premium	33	337,545	337,545
Contingency reserve	34	551,323	518,878
Accumulated losses	36	(2,019,340)	(1,759,222)
Available -for-sale reserve	36(a)	112,730	65,512
Other reserves	37	65,688	41,902
Total equity		**2,117,947**	**2,274,616**
Total liabilities and equity		**3,504,752**	**3,605,444**

These financial statements were approved by the Board of Directors and authorised for issue on 29 March 2021 and signed on its behalf by:

Ademola Abidogun (Managing Director/Chief Executive Officer)
FRC/2016/CIIN/00000014549

Pius Edobor (Executive Director, Finance)
FRC/2013/ICAN/00000004638

The statement of significant accounting policies and the accompanying notes and other national disclosures form an integral part of these financial statements.

Auditors' report, pages 49 to 52

	Notes	2020 N'000	2019 N'000
Gross premium written	1	1,081,507	1,291,138
Movement in unearned premium	1	(29,571)	(115,043)
Gross premium income	1	1,051,936	1,176,095
Reinsurance expenses	2	(317,982)	(273,618)
Net premium income		733,954	902,477
Fees and commission income on reinsurance	3	80,484	70,960
Net underwriting Income		814,438	973,437
Claims expenses	4	(155,214)	(254,989)
Underwriting expenses	5	(285,127)	(284,538)
		(440,341)	(539,527)
Underwritingprofit		**374,097**	**433,910**
Investment Income	6	104,826	210,059
Fair value gains on investment properties	7	7,000	3,000
Other operating income	8	25,394	11,914
Loss on disposal of investment property	21	-	(645,000)
Impairment reversal	10	-	67,444
Other operating expenses	9	(736,287)	(868,613)
Loss before taxation		**(224,970)**	**(787,286)**
Income tax expense	11	(2,704)	(7,756)
Loss for the year		**(227,673)**	**(795,042)**
Other comprehensive income			
Items within OCIthat may be reclassified to the profit or loss:			
Net changes in fair value -Quoted equity	15(a)	3,320	(13,259)
Net changes in fair value -Unquoted equity	15(b)	43,898	(64,821)
Items within OCIthat will not be reclassified to the profit or loss:			
Revaluation gain on land and building - net of tax	37	23,786	41,902
Total other comprehensive profit/(loss)		**71,005**	**(36,178)**
Total comprehensive loss for the year, net of tax		**(156,669)**	**(831,219)**
Contigency Reserve	34	**32,445**	**38,734**
Loss per share - Basic and Diluted (kobo)	13	**(4)**	**(13)**

The statement of significant accounting policies and the accompanying notes and other national disclosures form an integral part of these financial statements.

Auditors' report, pages 49 to 52

	Issued share capital	Accumulated Losses	Share premium	Contingency reserve	Reserves for FVOCI	Asset revaluation	Total equity
	N'000	N'000	N'000	N'000	N'000	N'000	N'000
Balance 1 January, 2020	3,070,000	(1,759,222)	337,545	518,878	65,512	41,902	2,274,616
Loss for the year	-	(227,673)	-	-	-	-	(227,673)
Other comprehensive income:							
Fair value changes on available -for-sale financial assets	-	-	-	-	47,218	-	47,218
Changes in valuation of land and building	-	-	-	-	-	23,786	23,786
Total comprehensive loss for the year	-	(227,673)	-	-	47,218	23,786	(156,669)
Transactions with owners, recorded directly in equity							
Transfer to contingency reserve	-	(32,445)	-	32,445	-	-	-
	-	(32,445)	-	32,445	-	-	-
Balance 31 December, 2020	3,070,000	(2,019,340)	337,545	551,323	112,730	65,688	2,117,947
	N'000	N'000	N'000	N'000	N'000	N'000	N'000
Balance 1 January, 2019	3,070,000	(925,446)	337,545	480,144	143,592	-	3,105,835
Loss for the year	-	(795,042)	-	-	-	-	(795,042)
Other comprehensive income:							
Fair value changes on available -for-sale financial assets	-	-	-	-	(78,080)	-	(78,080)
Changes in valuation of land and building	-	-	-	-	-	41,902	41,902
Total comprehensive income for the year	3,070,000	(1,720,488)	337,545	480,144	65,512	41,902	2,274,616
Transactions with owners, recorded directly in equity							
Transfer to contingency reserve	-	(38,734)	-	38,734	-	-	-
Termination of employee defined benefit	-	-	-	-	-	-	-
	-	(38,734)	-	38,734	-	-	-
			-	-		-	-
Balance 31 December, 2019	3,070,000	(1,759,222)	337,545	518,878	65,512	41,902	2,274,616

The statement of significant accounting policies and the accompanying notes and other national disclosures form an integral part of these financial statements.

Auditors' report, pages 1 to 3

	Notes	2020 N'000	2019 N'000
Cash flows from Operating Activities:			
Premium received	45	1,086,733	1,289,385
Commission received	45	83,779	82,250
Commission paid	19	(182,484)	(199,473)
Reinsurance premium paid	45	(334,402)	(465,077)
Gross claim paid	45	(271,589)	(204,762)
Reinsurance recoveries	45	212,822	54,744
Payments to employees	45	(322,619)	(346,664)
Other operating cash payments	45	(437,456)	(567,741)
Other income received	45	47	458
Tax paid	23(a)	(6,456)	(113,140)
Net cash outflows from operating activities		(171,624)	(470,020)
Cash flows from Investing Activities:			
Investment income received	45	84,245	210,059
Purchase of intangible assets	24	(4,732)	-
Purchase of property and equipment	25	(81,854)	(44,109)
Proceeds from sale of property and equipment		3,704	2,518
Liquidation/(purchase) of financial assets	16	161,381	(864,083)
Proceed from sale of investment properties		-	1,100,000
Net cash inflows from investing activities		162,744	404,385
Net decrease in cash and cash equivalents		(8,880)	(65,635)
Cash and cash equivalents at 1 January		680,541	746,176
Cash and cash equivalents at 31 December, 2020	14	671,661	680,541

The statement of significant accounting policies and the accompanying notes and other national disclosures form an integral part of these financial statements.

Auditors' report, pages 51 to 54

Statement of Significant Accounting Policy

I. Reporting entity

Guinea Insurance Plc ("the Company") was incorporated on 3 December 1958 as a Limited Liability Company and became a Public Liability Company on 17 January 1991. The overseas shareholders divested their 40% shareholding to existing Nigerian shareholders in 1988 thereby making the Company 100% Nigerian owned. The Company was established for the purpose of carrying on insurance business. The Company operated as an insurer for all classes of insurance business in Nigeria i.e. Life and pension, General business and Special risks till 2007, when it stopped the Life business and started underwriting all classes of General insurance business only. The Company's head office is located at Guinea Insurance House, 33 Ikorodu Road, Jibowu, Lagos.

The financial statements were authorised for issue by the Board of Directors on 29 March 2021.

II. Basis of accounting

(a) Statement of compliance with International Financial Reporting Standards.

The financial statements have been prepared in accordance and comply with the International Financial Reporting Standards (IFRSs), the Companies and Allied Matters Act, 2020 and the Financial Reporting Council of Nigeria Act 2011, the Insurance Act 2003 and relevant National Insurance Commission of Nigeria Circulars.

The financial statements include the statements of financial position, statements of profit or loss and other comprehensive income, the statements of cash flows, the statement of changes in equity, summary of significant accounting policies and other explanatory information.

(b) Functional and presentation currency

The financial statements are presented in Nigerian Naira, which is the Company's functional currency. Except where expressly indicated, financial information presented in Naira has been rounded to the nearest thousand.

(c) Basis of measurement

The financial statements have been prepared on a historical cost basis except for the following:

1. Available-for-sale financial assets are measured at fair value;
2. Investment properties are measured at fair value;
3. Land and buildings are measured at fair value;
4. Insurance contract liabilities are measured at fair value;
5. Defined benefit liabilities are measured at fair value.

(d) Use of estimates and judgments

The preparation of financial statements in conformity with IFRSs requires management to make judgements, estimates and assumptions that affect the application of policies and reported amounts of assets and liabilities, income and expenses. The estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances, the results of which form the basis of making the judgements about carr.ying values of assets and liabilities that are not readily apparent from other sources. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised, if the revision affects only that period, or in the period of the revision and future periods, if the revision affects both current and future periods. Information about significant areas of estimation uncertainty and critical judgements in applying accounting policies that have the most significant effect on the amounts recognised in the financial statements are described in note IV to the financial statements.

(e) Going Concern

These accounts have been prepared under the going concern assumption as Management does not have the intention to liquidate or to materially curtail the scale of its operations.

(f) Reporting period

The financial statements have been prepared for a 12 month period ended 31 December, 2020.

(i. Changes in accounting policies

(New standards, interpretations and amendments adopted from 1 January 2020)

New standards effective for adoption in the annual financial statements for the year ended 31 December 2020 but had no significant effect or impact on the Company are:

- IAS 1 Presentation of Financial Statements and
- IAS 8 Accounting Policies, Changes in Accounting Estimates and Errors (Amendment – Disclosure Initiative - Definition oF Material); and
- Revisions to the Conceptual Framework for Financial Reporting.
- Definition of a Business (Amendments to IFRS 3);
- Interest Rate Benchmark Reform – IBOR 'phase 2' (Amendments to IFRS 9, IAS 39 and IFRS 7); and
- COVID-19-Related Rent Concessions (Amendments to IFRS 16).

(ii. New standards, amendments and interpretation issued not yet effective.

There are a number of standards, amendments to standards, and interpretations which have been issued by the IASB that are effective in future accounting periods that the Company has decided not to adopt early.

The following amendments have not been adopted in preparing the financial statements for the year ended 31 December 2020:

- Onerous Contracts – Cost of Fulfilling a Contract (Amendments to IAS 37);
- Property, Plant and Equipment: Proceeds before Intended Use (Amendments to IAS 16) effective date 1 January 2022;
- Annual Improvements to IFRS Standards 2018-2020 (Amendments to IFRS 1, IFRS 9, IFRS 16 and IAS 41) effective date 1 January 2022;
- References to Conceptual Framework (Amendments to IFRS 3) effective date 1 January 2022.
- IFRS 17 Insurance Contracts (effective 1 January 2023) - In June 2020, the IASB issued amendments to IFRS 17, including a deferral of its effective date to 1 January 2023.

(III. Significant Accounting Policies

Significant accounting policies are defined as those that reflect significant judgments and uncertainties, and potentially give rise to different results under different assumptions and conditions.

Except for the changes explained in Note ii(g) above, the Company consistently applied the following accounting policies to the periods presented in the financial statements.

(a) Insurance contract liabilities

(i) Classification

IFRS 4 requires contracts written by insurers to be classified as either 'insurance contracts' or 'investment contracts' depending on the level of insurance risk transferred.

Insurance contracts are those contracts when the insurer has accepted significant insurance risk from another party (the policyholders) by agreeing to compensate the policyholders if a specified uncertain future event (the insured event) adversely affects the policyholders.

The Company only enters into insurance contracts. Therefore, the Company's insurance contract liabilities represent its liability to the policy holders. Liabilities for unpaid claims are estimated on a case by case basis. The liabilities recognised for claims fluctuate based on the nature and severity of the claim reported. Claims incurred but not reported are determined using statistical analysis and the Company deems liabilities reported as adequate. The liability comprises reserves for unearned premium, unexpired risk, outstanding claims and incurred but not reported claims.

Financial guarantee contracts are recognised as insurance contracts. Liability adequacy testing is performed to ensure that the carrying amount of the liability for financial guarantee contracts is sufficient.

At the end of each accounting period, this liability is reflected as determined by the actuarial valuation report. In accordance with IFRS 4, the Company has continued to apply its accounting policies on Insurance contracts under its previous Generally Accepted Accounting Principles.

Unearned premium

The unearned premiums represents the proportion of premiums written in the periods up to the accounting date that relate to the unexpired terms of policies in force at the end of the reporting date. This is estimated to be earned in subsequent financial periods, computed separately for each insurance contract using a time apportionment basis.

Reserve for unexpired risk

A provision for additional unexpired risk reserve is recognised for an underwriting year where it is envisaged that the estimated cost of claims and expenses exceed the unearned premium provision.

Reserve for outstanding claims

Outstanding claims represent the estimated ultimate cost of settling all claims arising from incidents occurring prior to the end of reporting date, but not settled at that date.

Reserve for incurred but not reported claims (IBNR)

A provision is made for claims incurred but not yet reported as at the end of the financial year. This provision is based on the liability adequacy test report from registered actuary engaged by the Company.

Liability Adequacy Test

At the end of each reporting period, liability adequacy tests are performed to ensure that material and reasonably foreseeable losses arising from existing contractual obligations are recognised. In performing these tests, current best estimates of future contractual cash flows, claims handling and administration expenses, investment income backing such liabilities are considered.

Long-term insurance contracts are measured based on assumptions set out at the inception of the contract. Any deficiency is recognised in profit or loss by increasing the carrying amount of the related insurance liabilities.

The Liability Adequacy Test (LAT) was carried out by Ernst and Young Nigeria (FRC/2012/NAS/00000000738), a recognised firm of actuaries.

Actuarial valuation

An actuarial valuation of the insurance contract liabilities is conducted annually to determine the liabilities on the existing policies as at the date of the valuation. All surpluses and deficits arising therefrom are charged to profit or loss.

(ii) Recognition and Measurement of Insurance contracts

Premium

Gross written premiums for general insurance contracts comprise premiums received in cash as well as premiums that have been received and confirmed as being held on behalf of the Company by insurance brokers and have been duly certified. Gross premiums are stated gross of commissions, taxes payable and stamp duties that are payable to intermediaries and relevant regulatory bodies respectively.

Unearned premiums represent the proportions of premiums written in the year that relate to the unexpired risk of policies in force at the reporting date.

Reinsurance

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

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The actual profit or loss on reinsurance business is therefore not recognized at the inception but as such profit or loss emerges. In particular, any initial reinsurance commissions are recognized on the same basis as the acquisition costs incurred.

Premiums ceded, claims recovered and commission received are presented in the statement of profit or loss and statement of financial position separately from the gross amounts.

Amounts recoverable under reinsurance contracts are assessed for impairment at each reporting date. Such assets are deemed impaired if there is objective evidence, as a result of an event that occurred after its initial recognition, that the Company may not recover all amounts due under the contract terms and that event has a reliably measurable impact on the amounts the Company will receive from the reinsurer.

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

Claims

Claims incurred comprise claims and claims handling expenses incurred during the financial year and changes in the provision for outstanding claims. Claims and claims handling expenses are charged to profit or loss as incurred.

(b) Revenue Recognition

(i) Gross Premium written

Gross premium written comprises the premiums on insurance contracts entered into during the year, irrespective of whether they relate in whole or in part to a later accounting period. It is recognized at the point of attachment of risk to a policy, gross of commission expense, and before deducting cost of reinsurance cover and unearned portion of the premium. Gross premium written and unearned premiums are measured in accordance with the policies set out in (a)(ii) of the statement of accounting policies.

(ii) Gross premium income

This represents the earned portion of premium received and is recognized as revenue including changes in unearned premium. Premiums are earned from the date of attachment of risk, over the insurance period, based on the pattern of risk underwritten.

Outward reinsurance premiums are recognized as an expense in accordance with the pattern of risk reinsured.

(iii) Fees and commission income

Fees and commission income consists primarily of insurance agency and brokerage commission, reinsurance and profit commissions, policyholder administration fees and other contract fees. Reinsurance commissions receivable are deferred in the same way as acquisition costs. All other fee and commission income is recognized as the services are provided.

(iv) Investment Income

Investment income consists of dividends, interest and rental income on investment properties, interest income on loans and receivables, realized gains and losses as well as unrealized gains and losses on fair value assets. Rental income is recognized on an accrual basis.

(v) Interest income

Interest income is recognized in profit or loss as it accrues and is calculated by using the effective interest rate method. Fees and commissions that are an integral part of the effective yield of the financial asset or liability are recognized as an adjustment to the effective interest rate of the instrument. The effective interest rate is the rate that exactly discounts estimated future cash payments or receipts through the expected life of the financial instrument or, when appropriate, a shorter period to the net carrying amount of the financial asset or financial liability.

(vi) Dividend income

Dividend income from investments is recognized when the shareholders' rights to receive payment have been established.

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(vii) Realized gains and losses and unrealized gains and losses

Realized gains and losses 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. Unrealized gains or losses represent the difference between the carrying value at the year end and the carrying value at the previous year end or purchase value during the year, less the reversal of previously recognized unrealized gains and losses in respect of disposals during the year.

(viii) Other operating income

Other operating income represents income generated from sources other than premium revenue and investment income. It includes rental income, profit on disposal of property and equipment, salvage recoveries and other sundry income.

© Expense Recognition

(i) Claims expenses

Claims expenses consist claims and claims handling expenses incurred within the reporting period, less the amount recoverable from the reinsurance companies.

(ii) Insurance claims and claims incurred

Gross benefits and claims consist benefits and claims paid / payable to policyholders, which include changes in the gross valuation of insurance contract liabilities, except for gross change in the unearned premium provision which are recorded in premium income.

It further includes internal and external claims handling costs that are directly related to the processing and settlement of claims. Amounts receivable in respect of salvage and subrogation are also considered.

Salvage

Some non-life insurance contracts permit the Company to sell (usually damaged) property recovered in the process of settling a claim. Salvage income is recognised when the Company sells the property it reclaimed from the insured.

Subrogation

Subrogation is the right of an insurer to pursue a third party that caused an insurance loss to the insured. This is done as a means of receiving the amount of the claim paid to the insured for the loss. Subrogation income is recognised when the Company reclaims the amount paid as claims from the third party who caused the insured to suffer the loss.

(iii) Underwriting expenses

Underwriting expense include acquisition costs and maintenance expense. Acquisition costs comprise direct and indirect costs associated with the writing of insurance contracts. These include commission expenses and other technical expenses. Maintenance expenses are expenses incurred in servicing existing policies and clients. All underwriting expenses are charged to profit or loss as they accrue or become payable.

(iv) Other Operating expenses

Other operating expenses are recognised in profit or loss when goods are received or services rendered. They are expenses other than claims, maintenance and underwriting expenses and include employee benefits, depreciation charges and other operating expenses.

(d) Cash and cash equivalents

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

(e) Financial Instruments

(i) Classification of financial assets

The classification of the Company's financial assets depends on the nature and purpose of the financial assets and are determined at the time of initial recognition. The financial assets have been recognised in the statement of financial position and measured in accordance with their assigned classifications.

The Company classifies its financial assets into the

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following categories:

- Held to maturity financial assets;
- Available for sale financial assets;
- Financial assets at fair value through profit or loss and;
- Loans and receivables;

The Company's financial liabilities are classified as other financial liabilities. They include trade and other payables.

(ii) Initial recognition and measurement

All financial instruments are initially recognized at fair value, which includes directly attributable transaction costs for financial instruments not classified as fair value through profit and loss. Financial instruments are derecognized when the rights to receive cash flows from the financial instruments have expired or where the Company has transferred substantially all risks and rewards of ownership.

(iii) Subsequent measurement

Subsequent to initial recognition, financial assets are measured either at fair value or amortised cost, depending on their categorization as follows:

Held-to-maturity

Held-to-maturity investments are non-derivative financial assets with fixed determinable payments and fixed maturities that management has both the positive intent and ability to hold to maturity, and which are not designated as fair value through profit or loss, or as available for sale and do not meet the definition of loans and receivables. Were the Company to sell more than an insignificant amount of held-to-maturity assets, the entire category would be tainted and reclassified as available-for-sale assets and the difference between amortised cost and fair value will be accounted for in other comprehensive income. Held-to-maturity investments are carried at amortised cost, using the effective interest method, less any provisions for impairment.

Available-for-sale

Financial assets classified by the Group as available-for-sale financial assets are generally those that are not designated as another category of financial assets, or strategic capital investments held for an indefinite period of time, which may be sold in response to needs for liquidity or changes in interest rates, exchange rates or equity prices.

Available-for-sale financial assets are subsequently carried at fair value. Unrealised gains and losses arising from changes in the fair value of available-for-sale financial assets are recognised directly in fair value reserve in equity until the financial asset is derecognised or impaired. When available-for-sale financial assets are disposed off, the fair value adjustments accumulated in other comprehensive income are recognised in profit or loss.

Available-for-sale financial assets are impaired when there has been a significant or prolonged decline in the fair value of Interest income, calculated using the effective interest method, is recognised in profit or loss. Dividends received on available-forsale financial instruments are recognised in income statement when the Group's right to receive payment has been established.

Financial Assets at fair value through profit or loss

A financial asset is classified as at fair value through profit or loss if it is classified as held-for-trading or is designated as such on initial recognition. Directly attributable transaction costs are recognised in profit or loss as incurred. Financial asset at fair value through profit or loss are measured at fair value and changes therein, including any interest expense or dividend income, are recognised in profit or loss.

Subsequent to initial recognition, these investments are re-measured at fair value, with gains and losses arising from changes in this value recognized in profit or loss in the period in which they arise. The fair values of quoted instruments in active markets are based on current prices as stated on the Nigerian Stock Exchange.

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Interest earned and dividends received while holding trading assets at fair value through profit or loss are reported as investment income.

Loans and receivable

Loans and receivable on the statement of financial position comprise gross insurance receivable and impairment allowance Loans and receivables, after initial measurement, are measured at amortized cost, using the effective interest rate method less any impairment. Amortized cost is calculated by taking into account any discount or premium on acquisition and fee or costs that are an integral part of the effective interest rate.

When the asset is impaired, they are carried on the statement of financial position as a deduction from the carrying amount of the loans and receivables and recognized in profit or loss as "impairment losses".

Financial liabilities

Subsequent to initial recognition, other financial liabilities are measured at amortised cost using the effective interest rate.

(iv) Fair value measurement

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

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

If there is no quoted price in an active market, then the Company uses valuation techniques that maximise the use of relevant observable inputs and minimise the use of unobservable inputs. The chosen valuation technique incorporates all of the factors that market participants would take into account in pricing a transaction. If an asset or liability measured at fair value has a bid price and an ask price, then the Company measures the assets and long positions at a bid price and liabilities and short positions at an ask price. Those portfolio-level adjustments are allocated to the individual assets and liabilities on the basis of the relative risk adjustment of each of the individual instruments in the portfolio. The Company recognises transfers between levels of the fair value hierarchy as of the end of the reporting period during which the change has occurred.

(v) Amortised cost measurement

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

(vi) Impairment of financial assets

The Company assesses its financial assets, other than those at FVTPL, for indicators of impairment at the end of each reporting period. Financial assets are considered to be impaired when there is objective evidence that, as a result of one or more events that occurred after the initial recognition of the financial asset, the estimated future cash flows of the investment have been affected.

objective evidence that a financial asset or group of financial assets is impaired could include:

Loans and receivables

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For loans and receivables, the amount of the impairment loss recognized is the difference between the asset's carrying amount and the present value of estimated future cash flows, discounted at the financial asset's original effective interest rate. 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 recognized, the previously recognized impairment loss is reversed through profit or loss to the extent that the carrying amount of the asset at the date the impairment is reversed does not exceed what the amortized cost would have been had the impairment not been recognized.

(vii) Offsetting financial instruments

Financial assets and financial liabilities are set off and the net amount presented in the statement of financial position when, and only when, the Company has a legally enforceable right to set off the recognized amounts and intends either to settle on a net basis or to realize the asset and settle the liability simultaneously. Income and expenses are presented on a net basis only when permitted under IFRS, or from gains and losses arising from a similar group of transactions such as in the Company's trading activities. However, the Company presents such gains and losses separately if they are material.

(viii) De-recognition of financial instruments

The Company derecognizes a financial asset only when the contractual rights to the cash flows from the asset expires, or when it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another entity. If the Company neither transfers nor retains substantially all the risks and rewards of ownership and continues to control the transferred asset, the Company recognizes its retained interest in the asset and an associated liability for amounts it may have to pay. If the Company retains substantially all the risks and rewards of ownership of a transferred financial asset, the Company continues to recognize the financial asset and financial liability separately.

The Company derecognizes a financial liability when its contractual obligations are discharged, cancelled or expire.

(f) Trade receivables

Trade receivables comprise premium receivables. Premium receivables are those for which credit notes issued by brokers are within 30 days, in conformity with the "NO PREMIUM NO COVER" policy.

Individual reinsurance receivables that are identified as impaired are assessed for specific impairment. All other reinsurance receivables are assessed for collective impairment. The model for collective impairment is based on incurred loss model. The probability of default and the age of the debts are also taken into account in arriving at the impairment amount. When an insurance receivable is considered uncollectible, it is written off against the impairment allowance account. Trade receivables are classified as loans and receivables and subsequently measured at amortised cost.

(g) Reinsurance assets

The Company cedes reinsurance in the normal course of business in order to limit its net loss potential for losses arising from certain exposures. The cost of reinsurance related to long-term contracts is accounted for over the life of the underlying reinsured policies, using assumptions consistent with those used to account for these policies. However, reinsurance arrangements do not relieve the Company from its direct obligations to its policyholders.

Reinsurance assets include balances due from various reinsurance companies for ceded insurance contracts. Amounts recoverable from reinsurers are estimated in a manner consistent with the underlying reinsurance contract.

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Reinsurance assets are assessed for impairment at each reporting date. If there is reliable objective evidence that a reinsurance asset is impaired, the Company reduces the carrying amount accordingly and recognizes the impairment loss in profit or loss.

(h) Deferred acquisition costs

The incremental costs directly attributable to the acquisition of new business which had not expired at the reporting date, are deferred by recognizing an asset. Acquisition costs include both incremental acquisition costs and other indirect costs of acquiring and processing new businesses.

Deferred acquisition costs are amortised systematically over the life of the contracts at each reporting date.

(i) Other receivables and prepayments

Other receivables balances include dividend receivable and accrued investment income. The Company has an internal system of assessing the credit quality of other receivables through established policies and approval systems. The Company constantly monitors its exposure to their receivables via periodic review. Prepayment are essentially prepaid rents and prepaid employee benefits. Other receivables and prepayments are carried at cost less accumulated amortisation and impairment losses.

(j) Investment properties

Investment properties are properties held to earn rentals or for capital appreciation (including property under construction for such purposes) or for both purposes, but not for sale in the ordinary course of business.

Recognition and measurement

Investment properties are measured initially at cos plus any directly attributable expenses.

Subsequent to initial recognition, investment properties are measured at fair value, which reflects market conditions at the reporting date. Gains or losses arising from changes in the fair value of investment properties are included in profit or loss in the period in which they arise. Fair values of the investment properties are evaluated and assessed annually by an accredited external valuer.

De-recognition

An investment property is derecognized upon disposal or when the investment property is permanently withdrawn from use and no future economic benefits are expected from the disposal. Any gain or loss arising on de-recognition of the property (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is recognized in profit or loss in the period of de-recognition. The carrying amount of the asset represents the fair value of the asset as at the date of the latest valuation before disposal.

Transfers

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

(k) Property and equipment

Recognition and measurement

All items of property and equipment are initially recognized once they are available for use, at cost and subsequently measured at cost less accumulated depreciation and impairment losses, except land &

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building which are measured at the fair value as at reporting date. Property and equipment comprise motor vehicles, office furniture, office equipment and computer equipment. Assessment for impairments of properties, plant and equipment are carried out annually.

Subsequent costs

The cost of replacing part of an item of property or equipment is recognized in the carrying amount of the item if it is probable that the future economic benefits embodied within the part will flow to the Company and its cost can be reliably measured. The costs of the day-to-day servicing of property and equipment are recognized in profit or loss when incurred. Subsequent costs on replacement parts on an item of property are recognized in the carrying amount of the replaced or the renewed component.

Depreciation

Depreciation is recognized so as to write off the cost or valuation of assets less their residual values over their useful lives, using the straight-line method. The estimated useful lives, residual values and depreciation method are reviewed at the end of each reporting period, with the effect of any changes in estimate accounted for on a prospective basis.

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

Land	Not depreciated
Building	20 years
Computer equipment	3 years
Office furniture and fittings	5 years
Motor vehicles	4 years

De-recognition and impairment of non financial asset

An item of property, plant and equipment is derecognized upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. Any gain or loss arising on the disposal or retirement of an item of property and equipment is determined as the difference between the sales proceeds and the carrying amount of the asset and is recognized in the statement of profit or loss of the year that the asset is de-recognized.

The carrying amounts of the Company's non-financial assets are considered to be impaired when there exists any indication that the asset's recoverable amount is less than the carrying amount. Assessment for impairment should be carried out annually. 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 carried at the lowest levels for which there are separately identifiable cash flows (cash generating units). Impairment losses are recognized in profit or loss.

Impairment losses recognized in prior periods are assessed at each reporting date for any indications that the loss has decreased or no longer exists. An impairment loss is reversed if there has been a change in the estimates used to determine the recoverable amount. An impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortization, if no impairment loss had been recognized. Reversals of impairment losses are recognized in profit or loss.

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(l) Foreign currency transactions

The Nigerian Naira is the Company's functional and reporting currency. Foreign currency transactions are translated at the foreign exchange rate ruling at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies are translated using the exchange rate ruling at the reporting date.

Non-monetary items that are measured based on historical cost in a foreign currency are translated at the exchange rate at the date of the transaction. Foreign currency differences are generally recognised in profit or loss.

(m) Trade and other payables

Trade payables

Trade payables are recognized when due. These include amounts due to agents, reinsurers, co-assurers and insurance contract holders. Trade payables are recognized initially at fair value and subsequently measured at amortized cost using the effective interest method. The fair value of a non-interest bearing liability is its discounted repayment amount. If the due date is less than one year, discounting is not applied and the impact will not be material.

Accruals and other payables

Other payables are recognized initially at fair value and subsequently measured at amortized cost using the effective interest rate method. The fair value of a non-interest bearing liability is its discounted repayment amount. If the due date is less than one year, discounting is not applied and the impact will not be material.

(n) Income and deferred tax

(i) Current tax

Income tax comprises current and deferred tax. Income tax expense is recognised in profit or loss except to the extent that it relates to items recognised directly in equity, in which case it is recognised in equity.

Current tax is the expected tax payable on taxable income for the year. Taxable profit differs from profit as reported in the Company's statement of profit or loss because of items of income or expense that are taxable or deductible in other years and items that are never taxable or deductible. The Company's liability for current tax is calculated using tax rates that have been enacted by the end of the reporting period.

(ii) Deferred tax

Deferred tax is recognized on temporary differences between the carrying amounts of assets and liabilities in the Company's financial statements and the corresponding tax bases used in the computation of taxable profit.Deferred tax liabilities are generally recognized for all taxable temporary differences. Deferred tax assets are recognized on all deductible temporary differences to the extent that it is probable that taxable profits will be available against which those deductible temporary differences can be utilized. Such deferred tax assets and liabilities are not recognized if the temporary difference arises from goodwill (arising in a business combination) or from the initial recognition (other than in a business combination) of other assets and liabilities in a transaction that affects neither the taxable profit nor the accounting profit.

The carrying amount of deferred tax assets is reviewed at the end of each reporting period and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered.

Deferred tax liabilities and assets are measured at the tax rates that are expected to apply in the period in which the liability is settled or the asset realized,

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based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period. The current taxes include: Company Income Tax at 30% of taxable profit; Education Tax at 2% of assessable profit; Capital Gain Tax at 10% of chargeable gains; and Information Technology Development levy at 1% of accounting profit. The measurement of deferred tax liabilities and assets reflects the tax consequences that would follow from the manner in which the Company expects, at the end of the reporting period, to recover or settle the carrying amount of its assets and liabilities. Significant management judgment is required to determine the amount of deferred tax assets that can be recognized, based upon the likely timing and the level of future taxable profits together with future tax planning strategies.

(o) Statutory deposits

Statutory deposits are cash balances held with the Central Bank of Nigeria (CBN) in compliance with the Insurance Act, CAP 117, LFN 2004 for the general insurance companies. The deposits are only available as a last resort to the Company if it goes into liquidation and are measured at amortised cost.

(p) Hypothecation of assets

The Company structured its assets to meet the requirements of the Insurance Act 2003 such that policyholders' assets and funds are not comingled with shareholders'.

In particular, investment properties, investment securities (equities and fixed income securities) and insurance funds hypothecated to policyholders are distinguished from those owned by the shareholders. The assets hypothecated are shown in the financial statements, note 45.

(q) Deferred income

Deferred income comprises deferred rental income and deferred acquisition income. Deferred rental income relates to rents received in advance. These are amortized and transferred to the statement of profit or loss over the periods that they relate.

Deferred acquisition income relates to commissions received on ceded reinsurance businesses but not yet earned as at reporting date. Deferred acquisition income are amortized systematically over the life of the contracts at each reporting date.

(r) Provisions

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

(s) Employee benefits liabilities

(i) Short-term benefits

Staff benefits such as wages, salaries, paid annual leave allowance, and non-monetary benefits are recognized as employee benefit expenses. The expenses are accrued when the associated services are rendered by the employees of the Company.

Short-term employee benefit obligations are measured on an undiscounted basis and are expensed as the related service is provided.

(ii) Defined contribution plans

The Company operates a defined contribution plan in accordance with the provisions of the Pension Reform Act 2014. The Company and employees contribute 10% and 8% respectively (2017: 10% and

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8%) each of the qualifying monthly emoluments in line with the Pension Reform Act.

(i) The Company's monthly contribution to the plan is recognized as an expense in profit or loss as part of staff cost. The Company remits contributions to privately administered pension fund administration on a monthly basis. The Company has no further payment obligation once the contributions have been remitted. Prepaid contributions are recognized as an asset to the extent that a cash refund or reduction in the future payments is available.

(ii) Payments to defined contribution retirement benefit plans are recognised as an expense when employees have rendered service entitling them to the contributions.

(iii) Defined benefit plan

A defined benefit plan is a plan that defines an amount of benefit that an employee will receive on retirement, usually dependent on one or more factors, such as age, years of service and compensation. The liability recognized in the statement of financial position in respect of defined benefit plans is the present value of the defined benefit obligation at the reporting date less the fair value of plan assets, together with adjustments for unrecognized actuarial gains or losses and past service costs. The defined benefit obligation is calculated annually by independent actuaries using the projected unit credit method.

The Company has a Gratuity Scheme for its employees. The scheme is non - contributory and employees qualify for benefits after five years' service. Provision for gratuity is made when it is determined that there is a shortfall in the assets funding liabilities. The scheme was closed to new entrants in April 2011 and future service after this date does not attract gratuity benefits. Re measurements, comprising actuarial gains and losses, the effect of the asset ceiling, excluding net interest (not applicable to the Company) and the return on plan assets (excluding net interest), are recognized immediately in the statement of financial position with a corresponding debit or credit to retained earnings through OCI in the period in which they occur. Re-measurements are not reclassified to profit or loss in subsequent periods.

Past service costs are recognised in profit or loss on the earlier of:
- The date of the plan amendment or curtailment, and
- The date that the Company recognises restructuring-related costs Net interest is calculated by applying the discount rate to the net defined benefit liability or asset. The Company recognises the following changes in the net defined benefit obligation under 'cost of sales', 'administration expenses' in statement of profit or loss and other comprehensive income (by function): Service costs comprising current service costs, past-service costs, gains and losses on curtailments and non-routine settlements, net interest expense or income. The defined benefit plan was discontinued and fully settled during the year.

(t) Capital and reserves

(i) Share capital

The equity instruments issued by the Company are classified as equity in accordance with the substance of the contractual arrangements and the definitions of an equity instrument. Equity instruments issued by the Company are recognized as the proceeds are received, net of direct issue costs.

(ii) 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.

(iii) Contingency reserve

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The Company maintains contingency reserves for the general business in accordance with the provisions of S.21 (1) of the Insurance Act 2003. In compliance with this regulatory requirement, the Company maintains contingency reserve at the rate equal to the higher of 3% of gross premium or 20% of the total profit after taxation until the reserve reaches the greater of minimum paid up capital or 50% of net premium.

(iv) Accumulated losses

The reserve comprises undistributed losses from previous years and the current year. Retained losses is classified as part of equity in the statement of financial position.

(u) Deposit for shares

Deposit for shares represents financial instruments that do not meet the definition of financial liabilities and are classified as financial liabilities. The instruments neither put the Company under any obligation to deliver cash or other financial assets to another party nor require the exchange of its financial assets or financial liabilities with another party under potentially unfavourable conditions but are to be settled by delivering a fixed number of Company's equity instruments to the other party.

(v) Leases

Leases are classified as finance leases whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessee. All other leases are classified as operating leases.

The Company as a lessor

Amounts due from lessees under finance leases are recognized as receivables at the amount of the Company's net investment in the leases. Finance lease income is allocated to accounting periods so as to reflect a constant periodic rate of return on the Company's net investment outstanding in respect of the leases. Rental income from operating leases is recognized on a straight-line basis over the term of the relevant lease. Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset and recognized on a straight-line basis over the lease term.

The Company as a lessee

Assets held under finance leases are initially recognized as assets of the Company at their fair value at the inception of the lease or, if lower, at the present value of the minimum lease payments. The corresponding liability to the lessor is included in the Company's statement of financial position as a finance lease obligation. Lease payments are apportioned between finance expenses and reduction of the lease obligation so as to achieve a constant rate of interest on the remaining balance of the liability. Finance expenses are recognized immediately in profit or loss, unless they are directly attributable to qualifying assets, in which case they are capitalized in accordance with the Company's general policy on borrowing costs. Contingent rentals are recognized as expenses in the periods in which they are incurred.

Operating lease payments are recognized as an expense on a straight-line basis over the lease term, except where another systematic basis is more representative of the time pattern in which economic benefits from the leased asset are consumed. Contingent rentals arising under operating leases are recognized as an expense in the period in which they are incurred. In the event that lease incentives are received to enter into operating leases, such incentives are recognized as a liability. The aggregate benefit of incentives is recognized as a reduction of rental expense on a straight-line basis, except where another systematic basis is more representative of the time pattern in which economic benefits from the leased asset are consumed.

(w) Segment reporting

Operating segments are identified and reported in consonance with the internal reporting policy of the Company that are regularly reviewed by the Chief Executive who allocates resources to the segment and assesses their performance thereof. The Company's reportable segments, for management purpose, are organized into business units based on the products and services offered as follows:

- Motor;
- Marine and Aviation;
- General accident;
- Fire.

This is the measure used by the Company's Chief

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Executive for the purposes of resource allocation and assessment of segment performance.

(x) Earnings/(loss) per share

The Company presents basic and diluted earnings per share (EPS) data for its ordinary shares. Basic EPS is calculated by dividing the profit or loss that is attributable to ordinary shareholders of the Company by the weighted average number of ordinary shares outstanding during the period. Diluted earnings per share is calculated by adjusting the net profit attributable to ordinary shareholders and the weighted average number of shares outstanding for the effects of all dilutive potential ordinary shares. The Company has no type of shares that would have dilutive effect.

(y) Intangible assets

Acquired computer software

Acquired computer software licenses are capitalized on the basis of the costs incurred to acquire and bring to use the specific software. Computer software is stated at cost less amortization and impairment losses. Subsequent expenditure is capitalized only when it increases the future economic benefits embodied in the specific asset to which it relates. Costs associated with maintaining computer software programmes are recognized as an expense as incurred.

Amortization

Computer software costs, whether developed or acquired, are amortized for a period of five years using the straight line method.

"Intangible assets are tested for impairment annually. Amortisation methods, useful lives and residual values are reviewed at each reporting date and adjusted if appropriate.

An intangible asset shall be derecognized by the Company on disposal; or when no future economic benefit are expected from its use or disposal. Any gain or loss arising on de-recognition of the assets (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in profit or loss in the period the asset is recognised.

Amendments to IFRS 4: Applying IFRS 9 financial instruments with IFRS 4 insurance contracts

In September 2016, the IASB published an amendment to IFRS 4 which addresses the concerns of insurance companies about the different effective dates of IFRS 9 Financial instruments and the forthcoming new insurance contracts standard; IFRS 17. The amendment provides two different options for insurance companies: a temporary exemption from IFRS 9 (i.e. the 'deferral approach') for entities that meet specific requirements (applied at the reporting entity level), and the 'overlay approach'. Both approaches are optional. Effective date is 1 January 2018 or when the entity first applies IFRS 9.

IFRS 4 (including the amendments) will be superseded by the forthcoming new insurance contracts standard.

Accordingly, both the temporary exemption and the 'overlay approach' are expected to cease to be applicable when the new insurance standard becomes effective.

The Company is eligible to apply IFRS 9 deferral approach since IFRS 9 has not been previously applied by the Company and the activities of the Company are predominantly connected with insurance. To determine if the Company's activities are predominantly connected with insurance, we have assessed the ratio of the Company's liabilities connected with insurance compared with it's total liability. Guinea Insurance Plc has carried out this predominance assessment on its liabilities from 31 December 2016 to 31 December 2020 as follows:

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Balance Sheet item (Liabilities)	31 -Dec-2016	31 -Dec-2017	31 -Dec-2018	31 -Dec-2019	31 -Dec - 2020	Does it relates to insurance activities
	N'000	N'000	N'000	N'000	N'000	
Insurance contract liabilities						
- Outstanding claims provision	328,663	**321,630**	235,870	470,559	499,042	Yes
- Provision for unearned premium	271,715	**218,417**	**258,938**	373,981	387,814	Yes
Finance lease obligation						Yes
Trade payable	59,121	**41,738**	12,606	-	-	Yes
Other payables and accruals						
- Accrued expenses	75,217	**47,648**	43,337	46,302	38,168	Yes
- Deferred revenue	4,292	**664**	3,172	3,348	3,151	No
-Statutory payable	36,290	13,004	42,850	**17,812**	1,743	Yes
- Other payable	25,868	42,710	249,584	36,607	59,319	Yes
- Deferred commission income	17,881	18,350	17,037	28,327	31,622	Yes
Employee benefit obligations	12,895	23,652	2,141	4,316	1,743	Yes
Current income tax payable	131,815	117,947	196,193	83,053	87,057	Yes
Deferred tax liabilities	130,237	75,651	102,712	104,012	110,011	Yes
Deposit for shares	-	75,400	151,400	151,400	151,400	No
Total Liabilities	1,093,994	996,811	1,315,940	1,315,092	1,398,001	
Total Liabilities connected to insurance activities	1,089,702	920,747	1,161,268	1,164,969	1,216,519	
Percentage of liabilities connected to insurance activities	99.61%	**92.37%**	88.25%	**88.58%**	87.02%	

Based on the above, the Company's liabilities is consistently above the eighty percent (80%) threshold of activities connected with insurance. As such it qualifies to adopt the temporary exemption approach.

IV. Critical accounting estimates and judgments

The Company makes estimates and assumptions that affect the reported amounts of assets and liabilities within the financial year. Estimates and judgments 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.

Assumptions and estimation uncertainties

The preparation of financial statements requires management to make judgments, estimates and assumptions that affect the application of policies and reported amounts of assets and liabilities, income and expenses. The estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under circumstances, the results of which form the basis of making judgments about carrying values of assets and liabilities that are not readily apparent from other sources. Actual results may differ from these estimates under different assumptions and conditions. The estimates and underlying assumptions are reviewed on an on-going basis. Revisions to accounting estimates are recognised thus:

- in the period in which the estimate is revised, if the revision affects only that period, or
- in the period of the revision and future periods, if the revision affects both current and future periods.

Information about assumptions and estimation

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uncertainties that have a significant risk of resulting in a material adjustment within the next financial year and about critical judgements in applying accounting policies that have the most significant effect on the amounts recognised in the financial statements are stated below:

Judgments

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

(a) Fair value measurement

The Directors are required to make judgment in selecting an appropriate valuation technique for some financial assets. The significant estimates and judgments applied in determination of fair value of financial assets are as follows:

- Valuation of unquoted securities

The fair value of financial instruments where no active market exists or where quoted prices are not otherwise available are determined by using prices of recent transactions. Where such information is not available, the investments are valued based on various valuation techniques and methods. The unquoted shares in the Company's portfolio for the year ended 31 December 2020 were valued at Over-the-counter (OTC) prices.

- Valuation of quoted securities

The fair value of financial instruments where active market price exists are determined by applying the market price on the last trading day of the financial period.

- Valuation of land and building

On a determined basis, the Company engages the services of external, independent and qualified valuers to determine the fair value of the Company's land and buildings.

- Valuation of investment properties

The Company's investment property is held for the purpose of capital appreciation and rental income generation. The Company's investment property was revalued by an external, independent valuer on 31 December 2020 using the comparative approach method of valuation to arrive at the open market value as at 31 December 2020. Fair value gains have been recognized in the income statement in line with the fair value model of IAS 40.

b (i) Impairment of financial assets

Management's judgment is required to assess and determine the amount of impairment for financial assets carried at amortized costs as well as the amount of impairment for trade receivables. The significant estimates and judgments applied in assessing the impairment on financial assets are as shown in the statement of accounting policies.

b (ii) Impairment of non-financial assets

At the end of each reporting period, the Company reviews the carrying amounts of its tangible and intangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of impairment loss (if any). When it is not possible to estimate the recoverable amount of an individual asset, the Company estimates the recoverable amount of the cash-generating unit to which the asset belongs. When a reasonable and consistent basis of allocation can be identified, corporate assets are also allocated to individual cash-generatingunits, or otherwise they are allocated to the smallest Company of cash-generating units for which a reasonable and consistent allocation basis can be identified.

Intangible assets with indefinite useful lives and intangible assets not yet available for use are tested

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for impairment at least annually, and whenever there is an indication that the asset may be impaired.

Recoverable amount is the higher of fair value less costs to sell and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted. If the recoverable amount of an asset (or cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (or cash-generating unit) is reduced to its recoverable amount. An impairment loss is recognized immediately in profit or loss, unless the relevant asset is carried at a revalued amount, in which case the impairment loss is treated as a revaluation decrease and recognised in other comprehensive income.

When an impairment loss subsequently reverses, the carrying amount of the asset (or a cash-generating unit) is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognized for the asset (or cash-generating unit) in prior years. A reversal of an impairment loss is recognized immediately in profit or loss, unless the relevant asset is carried at a revalued amount, in which case the reversal of the impairment loss is treated as a revaluation increase and recognise in other comprehensive income.

(c) Determination of fair value of investment properties

Fair value of investment properties is determined by a registered estate valuer using market prices of properties in similar locations and industry information on rent. Factors applied is determined by estimation of certainty.

(d) Trade receivable

Trade receivable is strictly in compliance with the National Insurance Commission (NAICOM) guideline which requires that the receipt of an insurance premium shall be a condition precedent to a valid contract of insurance and there shall be no cover in respect of an insurance risk unless the premium is paid in advance. However, a receivable period of 30 days is allowed in a brokered business, otherwise, the receivable is considered impaired and an impairment loss recognised in profit or loss.

(e) Liabilities arising from insurance contracts

Claims on insurance contracts are payable on a claims-occurrence basis. The Company is liable for all insured eventsthat occur during the term of the contract.

There are several variables that affect the amount and timing of cash flows from these contracts. These mainly relate to the inherent risks of the business activities carried out by individual contract holders and the risk management procedures adopted. The estimated cost of claims includes direct expenses to be incurred in settling claims, net of the expected subrogation value and other recoveries. The Company takes all reasonable steps to ensure that it has appropriate information regarding its claims exposures. However, given the uncertainty in establishing claims provisions, it is likely that the final outcome will prove to be different from the original liability established.

v. Financial & Insurance Risk Management

The primary objective of the company's risk and financial management framework is to protect the company's shareholders from events that hinder the sustainable achievement of financial performance objectives, including failing to exploit opportunities. Key management recognises the critical importance of having efficient and effective risk management systems in place.

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The company has established a risk management function with clear terms of reference from the board of directors, it's committees and the associated executive management committees. This is supplemented with a clear organisational structure with documented delegated authorities and responsibilities from the board of directors to executive management committees and senior managers. Lastly, a company policy framework which sets out the risk profiles for the company, risk management, control and business conduct standards for the company's operations has been put in place. Each policy has a number of senior management charged with overseeing compliance with the policy throughout the company.

(a) Financial asset valuation

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date in the principal or, in its absence, the most advantageous market to which the Company has access at that date. Fair values are subject to a control framework designed to ensure that input variables and output are assessed independent of the risk taker. The Company has several financial instruments. These assets were valued making use of other valuation methods other than quoted prices, such as net asset method and income method. Fair values are subject to a control framework designed to ensure that input variables and output are assessed independent of the risk taker. The Company has several financial instruments. These assets were valued making use of other valuation method other than quoted prices.

Fair value hierarchy

IFRS 13 specifies a hierarchy of valuation techniques based on whether the inputs to those valuation techniques are observable or unobservable. Observable input reflect market data obtained from independent sources; unobservable inputs reflect the Company's market assumptions. 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.

Level 2 - Valuation techniques based on observable inputs. This category includes instruments valued using: quoted market prices in active markets for similar instruments; quoted prices for similar instruments in markets that are considered less than active; or other valuation techniques where all significant inputs are directly or indirectly observable from market data.

Level 3 - This includes financial instruments, the valuation of which incorporate significant inputs for the asset or liability that is not based on observable market data (unobservable inputs). Unobservable inputs are those not readily available in an active market due to market illiquidity or complexity of the instrument. These inputs are generally determined based on inputs of a similar nature, historic observations on the level of the input or analytical techniques. This hierarchy requires the use of observable market data when available. The Company considers relevant and observable market prices in its valuations where possible.

The following table analyses financial instruments measured at fair value at the reporting date by the level of the fair value hierarchy into which the fair value measurement is cateogrised. The fair values include any deferred differences between the transaction price and the fair value on initial recognition when the fair value is based on valuation technique that uses unobservable inputs.

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31 December 2020					
Financial Assets:	**Notes**	**Level 1**	**Level 2**	**Level 3**	**Total**
Available for sale: -		**N'000**	**N'000**	**N'000**	**N'000**
Listed equity shares	15	56,820	-	-	56,820
Unlisted equity shares	15	-	-	206,413	206,413
Total financial assets measured at fair value		56,820	-	206,413	263,233
31 December 2019					
Financial Assets:					
Available for sale: -					
Listed equity shares	15	53,500	-	-	53,500
Unlisted equity shares	15	-	-	162,515	162,515
Total financial assets measured at fair value		53,500	-	162,515	216,015

Level 3 fair value measurements

Reconciliation

The following tables shows a reconciliation from the opening balances to the closing balances for fair value measurements in Level 3 of the fair value hierarchy and analyses the total gains and losses recognised recognised in OCI during the year.

31 December 2020		**Equity securities**
Balance at 1 January	15(b)	165,683
Total gain recognised in OCI	15(b)	43,898
Balance at 31 December		209,581
Total gain recognized in OCI		
Net change in fair value	15(b)	43,898
Net amount reclassified to profit or loss		-

Financial instruments not measured at fair value	**Level 1**	**Level 2**	**Level 3**	**Total**
31 December 2020	**N'000**	**N'000**	**N'000**	**N'000**
Held-to-maturity financial assets	886,042	-	-	886,042
	Level 1	**Level 2**	**Level 3**	**Total**
31 December 2019	**N'000**	**N'000**	**N'000**	**N'000**
Held-to-maturity financial assets	1,037,334	-	-	1,037,334

No fair value disclosures are provided for trade receivables, other receivables, trade payables, accruals and other payables that are measured at amortised cost because their carrying value are a reasonable approximation of fairvalue.

Cash and cash equivalents

Cash and cash equivalents consists of cash on hand and current balances with banks. The carrying amounts of current balances with banks and other financial institutions is a reasonable approximation of fair value which is the amount receivable on demand. Trade receivables and other receivables The carrying amounts of trade receivables and other receivables are reasonable approximation of their fair values which are receivable on demand.

Trade payables, accruals and other payables

The carrying amounts of trade payables, accruals and other payables are reasonable approximations of their fair values which are repayable on demand.

The Company is exposed to the following categories of risk as a consequence of offering different financial products and services by the Company;

(i) Market risk

Market risk is the risk that changes in market prices, such as interest rates, equity prices, foreign exchange rates and credit spreads (not relating to changes in the obligor's / issuer's credit standing) will affect the Company's income or the value of its holdings of financial instruments.

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The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimizing the return on risk. The Company has put in place a clearly defined market risk management framework that provides the Board of Directors and Management with guidance on market risk management processes. The company has also prescribed tolerable market related losses, vis-a -vis the quantum of available capital and level of other risk exposures. The company's market risk policy and strategy are anchored on the following:

- product diversification which involves trading, application and investment in a wide range and class of products such as debt, equity, foreign exchange instruments, corporate securities and government securities;
- risk taking within well-defined limits with the sole purpose of creating and enhancing shareholder value and competitive advantage;
- effective utilisation of risk capital;
- continuous re-evaluation of risk appetite and communication of same through market risk limits;
- independent market risk management function that reports directly to Management;
- robust market risk management infrastructure reinforced by a strong automated system for controlling, monitoring
- deployment of a variety of tools to monitor and restrict market risk exposures such as position limits, sensitivity analysis, ratio analysis and management action triggers.

Financial & Insurance Risk Management (Cont'd)

Foreign Currency risk

This is the risk of the fair value of financial instruments being affected by changes in foreign exchange rates. The Company receives certain premiums in foreign currency, in addition to Naira, from its clients; hence, exposures to exchange rate fluctuations arise. The Company is also exposed to foreign currency denominated in dollars through a Foreign exchange risk arises from other recognized assets and liabilities denominated in other currencies, and their The Company's exposure to foreign exchange risk as at year end amounted to approximately N202 million (2019: N239 million) arising from USD denominated and N3.6 million (2019: N3.6Million) arising from EURO denominated as cash andvForeign currency risks arising from insurance contract liabilities have been considered by the Actuary in estimating insurance contract liabilities. The carrying amounts of the Company's foreign currency denominated assets are as follows:

31 December 2020	NGN'000	Total
Assets (Cash & cash equivalents)	207,255	207,255
31 December 2019	**NGN'000**	**Total**
Assets (Cash & cash equivalents)	172,287	172,287

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Foreign currency

The following table details the Company's sensitivity to a 10% increase and decrease in foreign currency rates against the Naira. A 10% sensitivity rate is used when reporting foreign currency risk internally to key management personnel and represents management's assessment of the reasonably possible change in foreign exchange rates. For each sensitivity scenario, the impact of change in a single factor is shown, with other assumptions or variables held constant. The following tables show the effect on the loss before tax as at 31 December 2020 from N410.25/$ (2019: N360/$) closing rate. These closing rates were determined by obtaining NAFEX rate.

31 December 2020	Base	NGN'000	Total
In thousands of Naira			
10% increase	207,255	20,726	20,726
10% decrease	207,255	(20,726)	(20,726)

31 December 2019	Base	NGN'000	Total
In thousands of Naira			
10% increase	172,287	17,229	17,229
10% decrease	172,287	(17,229)	(17,229)

Interest rate risk

The Company's exposure to interest rate risk relates primarily to the market price and cash flow variability of assets and liabilities associated with changes in interest rates. Changes in interest rates result to reduction in income 'spread' or the difference between the amounts that the Company is required to pay under the contracts and the rate of return the Company is able to earn on investments intended to support obligations under the contracts. Investment spread is, arguably, one of the key components of the net income of insurers. The Company's mitigation efforts with respect to interest rate risk are primarily focused on maintaining an investment portfolio with diversified maturities that has a weighted average duration or tenor approximately equal to the duration of our liability cash flow profile. Also, the Company manages this risk by adopting close asset/liability matching criteria, to minimize the impact of mismatches between asset and liability values arising from interest rate movements. Furthermore, the Company uses sensitivity analysis to measure the impact of interest rate changes and movements on the value of our financial assets scenarios. The Company's exposure to interest rate risk is limited to changes in fixed income and money market instruments interest rates. These instruments have fixed interest rates.

Interest rate profile

At the end of the reporting period the interest rate profile of the Company's interest bearing financial instruments as reported to the Management of the Company are as follows:

Financial instruments	Notes	2020 N'000	2019 N'000
Cash and cash equivalents	14	661,137	551,565
Placements	14	10,524	128,976
Held-to maturity financial assets	16	886,042	1,037,334
Statutory deposits	26	333,654	333,654
		1,891,356	2,051,529

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Interest rate sensitivity analysis

The sensitivity analysis below have been determined based on the exposure to interest rates for non-derivative instruments at the balance sheet date. A 10% increase or decrease is used when reporting interest rate risk internally to key management personnel and represents management's assessment of the reasonably possible change in interest rates.

	Base N'000	2020 N'000	Base N'000	2019 N'000
10% increase	1,891,356	189,136	2,051,529	205,153
10% decrease	1,891,356	(189,136)	2,051,529	(205,153)

Other price risk management

The Company is exposed to equity price risks arising from equity investments both quoted and unquoted equity. The shares included in financial assets represent investments in listed securities that present the Company with opportunity for return through dividend income and capital appreciation. The carrying amounts of the Company's equity investments are as follows:

	Notes	2020 N'000	2019 N'000
Equity Securities; - Listed	15	56,820	53,500
Equity Securities; - Unlisted	15	206,413	162,515
		263,233	216,015

Equity price sensitivity analysis

The sensitivity analysis below have been determined based on the exposure to equity price changes for both listed and unlisted equities at the balance sheet date. A 10% increase or decrease is used when reporting price change risk internally to key management personnel and represents management's assessment of the reasonably possible change in interest rates.

Listed Equity	Base N'000	2020 N'000	Base N'000	2019 N'000
10% increase	56,820	5,682	53,500	5,350
10% decrease	56,820	(5,682)	53,500	(5,350)
Unlisted Equity	Base N'000	2019 N'000	Base N'000	2018 N'000
10% increase	206,413	20,641	162,515	16,252
10% decrease	206,413	(20,641)	162,515	(16,252)

Financial & Insurance Risk Management (Cont'd)

(ii) Credit risk

Credit risk refers to the risk that counterparties will default on their contractual obligations resulting in financial loss to the Company. The key areas of exposure to credit risk for the Company are in relation to its investment portfolio, reinsurance program and receivables from reinsurers and other intermediaries. The Company has adopted a policy of dealing with only creditworthy counterparties and obtaining sufficient collateral where appropriate, as a means of mitigating the risk of financial loss from defaults. This information is supplied by independent rating agencies, where available, and if not available, the Company uses other publicly available financial information and its own trading records to rate its major policyholders and The Company's exposure and the credit ratings of its counterparties are continuously monitored and the aggregate value of transactions concluded is spread amongst approved counterparties. Credit exposure is

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controlled by counterparty limits that are reviewed and approved by the risk management committee annually. Reinsurance assets are reinsurers' share of outstanding claims and prepaid reinsurance. They are allocated below on the basis of ratings for claims paying ability. Analysis of financial assets based on past due status.

2020	Held to maturity investments N'000	Recoverable from reinsurers N'000	Other receivables N'000	Trade receivables N'000	Total N'000
Past due and impaired (specific)	-	-	55,676	-	55,676
Past due more than 90 days	-	-	-	-	-
Past due 31 to 90 days	-	-	-	-	-
Past due less than 30 days	-	-	-	-	-
Neither past due nor impaired	886,042	175,316	-	-	1,061,359
Total Carrying Amount	886,042	175,316	55,676	-	1,117,034

2019	Held to maturity investments N'000	Recoverable from reinsurers N'000	Other receivables N'000	Trade receivables N'000	Total N'000
Past due and impaired (specific)	-	-	72,682	5,226	77,908
Past due more than 90 days	-	-	-	-	-
Past due 31 to 90 days	-	-	-	-	-
Past due less than 30 days	-	-	-	-	-
Neither past due nor impaired	1,166,310	241,138	-	-	1,407,448
Total Carrying Amount	1,166,310	241,138	72,682	5,226	1,485,356

An analysis of counterparty credit exposure for financial assets which are neither past due nor impaired is as shown in the table below:

31 December 2020	Unrated N'000	A/A- N'000	AA N'000	B/B+ N'000	BB- N'000	BBB N'000	Total N'000
Held-to-maturity investments	-	-	-	886,042	-	-	886,042
Recoverable from reinsurers	175,316	-	-	-	-	-	175,316
Other receivables	55,676	-	-	-	-	-	55,676
Trade receivables	-	-	-	-	-	-	-
	230,992	-	-	886,042	-	-	1,117,034

31 December 2019	Unrated N'000	A/A- N'000	AA N'000	B/B+ N'000	BB- N'000	BBB N'000	Total N'000
Held-to-maturity investments	-	-	-	1,166,310	-	-	1,166,310
Recoverable from reinsurers	241,138	-	-	-	-	-	241,138
Other receivables	72,682	-	-	-	-	-	72,682
Trade receivables	5,226	-	-	-	-	-	5,226
	319,046	-	-	1,166,310	-	-	1,485,356

Concentration of credit risk

The company monitors concentration of credit risk by sector

31 December 2020	Financial Institutions N'000	Government N'000	Individuals N'000	Total N'000
Held-to-maturity investments	10,524	886,042	-	896,566
Recoverable from reinsurers	175,316	-	-	175,316
Other receivables	-	-	55,676	55,676
Trade receivables	-	-	-	-
	185,840	886,042	55,676	1,127,558

31 December 2019	Financial Institutions N'000	Government N'000	Individuals N'000	Total N'000
Held-to-maturity investments	128,976	1,037,334	-	1,166,310
Recoverable from reinsurers	241,138	-	-	241,138
Other receivables	-	-	72,682	72,682
Trade receivables	5,226	-	-	5,226
	375,340	1,037,334	72,682	1,485,356

Statement of Significant Accounting Policy

(iii) Liquidity risk

Liquidity risk is the risk that the Company will encounter difficulty in meeting obligations associated with its financial liabilities that are settled by delivering cash or another financial asset.

Management of liquidity risk

Guinea Insurance's approach to managing liquidity is to ensure, as far as possible that it will always have sufficient liquidity to meet its liabilities when due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Company's reputation.

The finance unit receives information from operations unit regarding the liquidity profile of their financial assets and liabilities and details of other projected cash flows arising from projected future business. The finance unit then maintains a portfolio of short-term liquid assets, largely made up of short-term liquid trading securities to ensure that sufficient liquidity is maintained within the Company as a whole. All liquidity policies and procedures are subject to review and approval by the Board of Directors. Daily reports cover the liquidity position of theCompany. A summary report, including any exceptions and remedial action taken, is submitted regularly to the Company's finance unit. The Company relies on the fixed deposit balances with the Banks in meeting its liquidity need.

Maturity profile

The following table shows the Company's expected maturity for its non-derivative assets. The table has been drawn up based on the undiscounted contractual maturities of the assets including interest that will be earned on those assets except where the Company anticipates that the cash flow will occur in a different period. It also shows details of the expected maturity profile of the Company's undiscounted obligations with respect to its financial liabilities and estimated cash flows of recognized insurance contract liabilities. It includes both interest and principal cash flows. Reinsurers' share of unearned premiums are excluded from this analysis.

2020	Notes	Carrying amount	Gross Nominal inflow/(outflo	< 1 month	1 - 3 months	3 - 12 months	1 - 5 years	> 5 years
Non-derivative financial assets		N'000	N'000	N'000	N'000	N'000	N'000	N'000
Cash and cash equivalents	14	671,661	671,661	661,137	10,524	-	-	-
Available-for-sale financial	15	263,233	263,233	-	-	-	-	263,233
Held-to-maturity financial	16	886,042	886,042	-	-	886,042	-	-
Trade receivables	17	-	-	-	-	-	-	-
Reinsurance assets (excluding prepaid reinsurance)	18	144,858	144,858	-	144,858	-	-	-
Other receivables (excluding prepayments and WHT receivables)	20	11,080	11,080	-	-	11,080	-	-
Statutory deposits	26	333,654	333,654	-	-	-	-	333,654
		2,310,528	2,310,528	661,137	155,382	897,122	-	596,887
Non-derivative financial liabilities								
Trade payables	28	-	-	-	-	-	-	-
Accruals & other payables (excluding statue based deductions and unearned rent income)	29	(129,108)	(129,108)	-	-	(129,108)	-	-
		(129,108)	(129,108)	-	-	(129,108)	-	-
Gap (asset - liabilities)		2,181,421	2,181,421	661,137	155,382	768,015	-	596,887

Statement of Significant Accounting Policy

2019	Notes	Carrying Amount	Contractual cashflow	< 1 month	1 - 3 months	3 - 12 months	1 - 5 years	> 5 years
Non-derivative financial assets		N'000	N'000	N'000	N'000	N'000	N'000	N'000
Cash and cash equivalents	14	680,541	680,541	551,565	128,976	-	-	-
Available-for-sale financial	15	216,015	216,015	-	-	-	-	216,015
Held-to-maturity financial	16	1,037,334	1,037,334	-	-	1,037,334	-	-
Trade receivables	17	5,226	5,226	5,226	-	-	-	-
Reinsurance assets (excluding prepaid reinsurance)	18	212,822	212,822	-	212,822	-	-	-
Other receivables (excluding prepayments and WHT receivables)	20	29,460	29,460	-	-	29,460	-	-
Statutory deposits	26	333,654	333,654	-	-	-	-	333,654
		2,515,052	2,515,052	556,791	341,798	1,066,794	-	549,669
Non-derivative financial liabilities		-	-	-	-	-	-	-
Trade payables	28	-	-	-	-	(111,236)	-	-
Accruals & other payables (excluding statue based deductions and unearned rent income)	29	(111,236)	(111,236)	-	-	(111,236)	-	-
Gap (asset - liabilities)		2,403,816	2,403,816	556,791	341,798	955,558	-	549,669

The Company expects to meet its other obligations from operating cash flows and proceeds of maturing financial assets and other sources listed in "Sources of Liquidity" above

(iv) Insurance risk management

The Company accepts insurance risk through its insurance contracts where it assumes the risk of loss from persons or organisations that are directly subject to the underlying loss. The Company is exposed to the uncertainty surrounding the timing, frequency and severity of claims under these contracts.

The Company manages its risk via its underwriting and reinsurance strategy within an overall risk management framework. Pricing is based on regulations which have regard to trends and past experience. Exposures are managed by having documented underwriting limits and criteria. Reinsurance is purchased to mitigate the effect of potential loss to the Company from individual large or catastrophic events and also to provide access to specialist risks and to assist in managing capital. Reinsurance policies are written with approved reinsurers on either a proportional or excess of loss treaty basis. Regulatory capital is also managed (though not exclusively) by reference to the insurance risk to which the Company is exposed.

Financial & Insurance Risk Management (Cont'd)

The Company writes fire, general accident, marine & aviation and motor risks primarily over a duration usually twelve month.

The most significant risks arise from natural disasters, climate change and other catastrophes (i.e. high severity, low frequency events). A concentration of risk may also arise from a single insurance contract issued to a particular demographic type of policyholder, within a geographical location or to types of commercial business. The relative variability of the outcome is mitigated if there is a large portfolio of similar risks..

The concentration of insurance by the location of the underlying risk is summarised below by reference to liabilities.

	Gross		Reinsurance		Net	
	2020 N'000	2019 N'000	2020 N'000	2019 N'000	2020 N'000	2019 N'000
- Within Nigeria	1,081,507	1,291,138	317,982	273,618	733,954	902,477
- Outside Nigeria	-	-	-	-	-	-
Total	1,081,507	1,291,138	317,982	273,618	733,954	902,477

Statement of Significant Accounting Policy

The concentration of non-life insurance by type of contract is summarised below by reference to liabilities.

Outstandingclaims	Gross 2020 N'000	Reinsurance 2020 N'000	Net 2020 N'000	Gross 2019 N'000	Reinsurance 2019 N'000	Net 2019 N'000
General Accident	233,833	44,644	189,189	214,327	50,942	163,385
Fire	138,551	72,388	66,163	94,052	46,214	47,838
Marine & Aviation	18,575	9,478	9,097	6,796	2,551	4,245
Motor	16,415	11	16,405	36,785	220	36,565
TOTAL	**407,374**	**126,521**	**280,854**	**351,960**	**99,927**	**252,033**

IBNR	Gross 2020 N'000	Reinsurance 2020 N'000	Net 2020 N'000	Gross 2019 N'000	Reinsurance 2019 N'000	Net 2019 N'000
General Accident	38,400	7,593	30,807	30,086	18,659	11,427
Fire	38,393	19,977	18,416	53,295	6,601	46,694
Marine & Aviation	3,266	604	2,662	13,998	1,711	12,287
Motor	11,609	2,574	9,035	21,220	1,345	19,875
TOTAL	**91,668**	**30,748**	**60,920**	**118,599**	**28,316**	**90,283**

Unearned premium	Gross 2020 N'000	Reinsurance 2020 N'000	Net 2020 N'000	Gross 2019 N'000	Reinsurance 2019 N'000	Net 2019 N'000
General Accident	137,666	79,711	57,955	127,243	56,225	71,018
Fire	107,361	37,257	70,104	84,947	39,206	45,741
Marine & Aviation	13,593	3,875	9,718	15,120	4,317	10,803
Motor	144,932	4,169	140,763	146,671	8,844	137,827
TOTAL	**403,552**	**125,012**	**278,540**	**373,981**	**108,592**	**265,389**

Outstanding claims on insurance contracts

Outstanding claim represents the estimated ultimate cost of settling all claims arising from incidents occurring as at the date of the statement of financial position.

(a) Methodology

(I) Valuation

Ernst and Young Nigeria 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 Unearned Premium Reserve is calculated as: Premium *(UP)/ full policy duration.

(ii) Discounting

No allowance has been made for discounting as it is not expected to have a significant impact given the relatively short-tailed claims run-off.

(iii) Reserving Methods and Assumptions - 31 December 2020

The volume of data in the reserving classes influenced the methodologies used. Four methods were used for the projection of claims;

(a) 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

Statement of Significant Accounting Policy

Bornheutter 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.

(b) The loss ratio method

This method is simple and gives an approximate estimate. This method was adopted as a check on the actuary's ultimate projections and also where there were insufficient data to be credible to use for the statistical approaches. Under this method, Ultimate claims were obtained by studying the historical loss ratios, investigating any differences and using judgments to derive a loss ratio. Paid claims already emerged were then deducted from the estimated Ultimate claims to obtain our reserves.

(c) A Bornheutter Ferguson method.

This method essentially combines the estimates attained from the above two methods. The BF method takes a weighted average of the two estimates, where the weights are related to the number of claims already reported. Therefore, the more past information there is available, the higher the weighting given to the chain ladder estimate.

(d) Frequency and Severity Method

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 distorting the claims payment trend was excluded from all our chain ladder projections and analyzed separately using the Average Cost per claim method.

Choice of Method

The IBNR reserves are determined using deterministic calculations which provide a "best estimate" of the reserve. The "bestestimate" 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 more heavily 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 the reported to date is a less reliable estimate of the ultimate loss, a BF method is used which makes use of an estimate of the ultimate loss ratio. 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 for any anomalous movements that may have distorted the estimated patterns in order to smooth these out. This prevents distortion of the results by once-off extreme movements and therefore ensures a stable result from year to year.

IBNR results

Class of business	Gross 2020 N'ooo	Gross 2019 N'ooo
General Accident	38,400	30,086
Fire	38,393	53,295
Marine & Aviation	3,266	13,998
Motor	11,609	21,220
TOTAL	91,668	118,599

Outstanding claims results

Class of business	Gross 2020 N'ooo	Gross 2019 N'ooo
General Accident	233,833	214,327
Fire	138,551	94,052
Marine & Aviation	18,575	6,796
Motor	16,415	36,785
TOTAL	407,374	351,960

UPR results

Class of business	AURR N'ooo	UPR N'ooo	Gross 2020 N'ooo	Gross 2019 N'ooo
General Accident	2,755	134,911	137,666	127,243
Fire	12,612	94,749	107,361	84,947
Marine & Aviation	371	13,222	13,593	15,120
Motor	-	144,932	144,932	146,671
TOTAL	15,738	387,814	403,552	373,981

Financial & Insurance Risk Management (Cont'd)

Sensitivity analysis.

The cumulative triangulations that were used in the reserve report as at 31 December 2020 carried out by Ernst and Young Nigeria for all class of the business where triangulation methods were used, i.e. for Fire, General Accident and Motor. The triangulations including and excluding exceptionally large losses are shown below:

Claims paid triangulation as at 31 December 2020 excluding large claims

General accident

Accident Year	1	2	3	4	5	6	7	8	9	10
2011	14,855	19,686	25,574	11,561	3,863	482	-	-	-	-
2012	7,500	23,702	9,283	10,932	11,285	5,373	13	-	-	-
2013	11,869	42,996	35,232	69	105	-	-	-	-	-
2014	17,462	14,874	1,840	11,026	160	452	-	-	-	-
2015	15,190	11,025	838	2,257	182	-	-	-	-	-
2016	8,204	6,214	3,263	556	-	-	-	-	-	-
2017	13,373	25,955	13,488	-	-	-	-	-	-	-
2018	4,067	6,507	-	-	-	-	-	-	-	-
2019	9,695	9,658	-	-	-	-	-	-	-	-
2020	6,597									

Fire

Accident Year	1	2	3	4	5	6	7	8	9	10
2010	-	2,781	509	162	-	-	-	-	-	-
2011	167	104	1,275	-	54	-	-	150	892	-
2012	90	2,512	2,102	706	-	890	-	116	-	-
2013	527	5,405	1,066	862	-	6	-	-	-	-
2014	2,387	4,725	1,218	155	932	-	-	-	-	-
2015	3,884	4,753	1,478	2,677	-	-	-	-	-	-
2016	7,680	,238	12,071	61	-	-	-	-	-	-
2017	10,425	21,530	2,576	-	-	-	-	-	-	-
2018	4,508	29,118	-		-	-	-	-	-	-
2019	11,130	12,589	-		-	-	-	-	-	-
2020	10,236									

Motor

Accident Year	1	2	3	4	5	6	7	8	9	10
2010	12,429	11,088	5,021	419	1,187	225	-	-	-	-
2011	9,652	21,095	2,503	692	902	216	-	1,317	953	-
2012	8,492	6,863	909	-	18	-	-	-	-	-
2013	8,626	8,768	-	-	-	-	-	-	-	-
2014	24,727	14,728	2,321	-	-	45	-	-	-	-
2015	32,140	14,748	484	142	954	-	-	-	-	-
2016	23,351	12,604	752	-	-	-	-	-	-	-
2017	25,328	9,370	1,276	-	-	-	-	-	-	-
2018	34,189	9,262	-		-	-	-	-	-	-
2019	24,657	26,854	-		-	-	-	-	-	-
2020	35,125									

Marine and Aviation

Accident Year	1	2	3	4	5	6	7	8	9	10
2010	335	1,265	-	2,426	-	-	-	-	-	-
2011	220	3,047	1,912	146	-	-	-	-	-	-
2012	4,871	3,602	13	-	-	-	-	-	-	-
2013	1,938	213	-	-	-	-	-	-	-	-
2014	-	2,854	374	-	-	-	-	-	-	-
2015	258	397	11	23	-	-	-	-	-	-
2016	4,287	1,019	-	-	-	-	-	-	-	-
2017	4,101	5,309	-	-	-	-	-	-	-	-
2018	-	304	-		-	-	-	-	-	-
2019	5,274	3,659	-		-	-	-	-	-	-
2020	4,598									

Financial & Insurance Risk Management (Cont'd)

Capital Management

Our capital management framework is primarily based on statutory risk-based capital and solvency margin measures. The Company manages its capital to ensure that it continues as a going concern and complies with the regulators' capital requirements while maximizing the return to stakeholders through the optimization of its equity balance. The capital structure of the Company consists of equity attributable to equity holders of the Company, comprising issued capital, reserves and a retained loss. Reinsurance is also used as part of capital management. The regulatory capital (as required under Insurance Act 2003 and NAICOM Guideline) within the Company has been maintained and preserved over the reporting periods. The minimum regulatory capital for general insurers in Nigeria is N3 billion. The Company equally measures its capital using an economic capital model which is the Company's own assessment of the amount of capital it needs to hold which takes into account both financial and non-financial assumptions. In most cases the internally required capital is determined by the application of percentages to premiums, claims, reserves and expenses. There was no change made neither to the capital base nor to the objectives, policies and processes for managing capital. Under our capital management policy approved by the Board of Directors, the Managing Director and the Chief Financial Officer are authorized to approve capital actions on behalf of the Company and to further delegate authority with respect to capital actions to appropriate officers. Any capital commitment that exceeds the authority granted to senior management is separately authorized by the Board. The Insurance Act 2003 (Section 24) prescribed that an insurer shall in respect of its business other than life insurance business, maintain a margin of solvency being the excess of the value of its admissible assets in Nigeria over its liabilities in Nigeria. The solvency margin, which is determined as the excess of admissible assets over total liabilities shall not be less than 15% of the gross premium income less reinsurance premiums paid out during the year under review or the minimum paid up capital, whichever is greater.

Statement of Solvency MarginComputation

Under S.24 (1) of the Insurance Act 2003

	2020 N'000 Total	2020 N'000 Inadmissible	2020 N'000 Admissible		2019 N'000 Admissible
Admissible Assets					
Cash and cash equivalents	671,661	-	671,661		680,541
Financial assets:					
Available-for-sale financial assets	263,233	-	263,233		216,015
Held to maturity	886,042	-	886,042		1,037,334
Trade receivables	-	-	-		5,226
Reinsurance assets	300,328	-	300,328		349,730
Deferred acquisition costs	62,932	-	62,932		53,319
Other receivables and prepayments	55,676	51,432	4,244		26,537
Investment properties	85,000	-	85,000		78,000
Intangible Asset	3,998	3,998	-		-
Property, plant and equipment	842,229	-	842,229		778,933
Statutory deposit	333,654	-	333,654		333,654
Total assets	**3,504,752**	**55,430**	**3,449,322**	**A**	**3,559,289**
Less admissible liabilities					
Insurance contract liabilities	902,593	-	902,593		844,540
Trade payables	-	-	-		-
Other payables and accruals	134,002	-	134,002		132,396
Employee benefit obligations	1,743	-	1,743		4,316
Current tax payable	87,057	-	87,057		90,809
Deferred tax liabilities	110,011	110,011	-		-
Deposit for shares	151,400		151,400		151,400
Total liabilities	**1,386,805**	**110,011**	**1,276,794**	**B**	**1,223,461**
Minimumto be maintained:			2,172,528		2,335,828
The higher of 15% of net premium			162,226		193,671
and					
Minimumpaid up share capital			3,000,000		3,000,000
Solvency margin (A-B) = C			(827,472)		(664,172)

Classification of financial assets and liabilities

Financial assets and liabilities

The table below sets out the Company's classification of each class of financial assets and liabilities and their fair values.

2020	Notes	Loans and receivables	Available-for-sale	Other financial asset/(liabilities) at amortised	Total carrying amount	Fair value
Cash and cash equivalents	14	671,661	-	-	671,661	671,661
Available for sale financial assets	15	-	263,233	-	263,233	263,233
Held-to-maturity financial assets	16			886,042	886,042	886,042
Trade receivables	17	-	-	-	-	-
Reinsurance assets (excluding prepaid reinsurance)	18	175,316	-	-	175,316	175,316
Other receivables (excluding prepayments and WHTreceivables)	20	11,080	-	-	11,080	11,080
Statutory deposits	26	333,654	-	-	333,654	333,654
		1,191,711	**263,233**	**886,042**	**2,340,986**	**2,340,986**
Trade payables	28	-	-	-	-	-
Accruals & other payables (excluding statue based deductions and unearned rent income)	29	-	-	(129,108)	(129,108)	(129,108)
		-	**-**	**(129,108)**	**(129,108)**	**(129,108)**

2019	Notes	Loans and receivables	Available for -sale	Other financial (asset)/liabilities at amortised cost	Total carrying amount	Fair value
		N'000	N'000	N'000	N'000	N'000
Cash and cash equivalents	14	680,541	-	-	680,541	680,541
Available for sale	15	-	216,015	-	216,015	216,015
Held to maturities	16			1,037,334	1,037,334	1,037,334
Trade receivables	17	5,226	-	-	5,226	5,226
Reinsurance assets (excluding prepaid reinsurance)	18	241,138	-	-	241,138	241,138
Other receivables (excluding prepayments and WHTreceivables)	20	29,460	-	-	29,460	29,460
Statutory deposits	26	333,654	-	-	333,654	333,654
		1,290,019	**216,015**	**1,037,334**	**2,543,368**	**2,543,368**
Trade payables	28	-	-	-	-	-
Accruals & other payables (excluding statue based deductions and	29	-	-	(111,236)	(111,236)	(111,236)
		-	**-**	**(111,236)**	**(111,236)**	**(111,236)**

Segment Reporting

The accounting policies of the reportable segments are the same as the Company's accounting policies. Segment result represents the result of each segment without allocation of certain expenses, finance costs and income tax. This is the measure reported to the Company's Chief Executive for the purpose of resource allocation and assessment of segment performance. The following is an analysis of the Company's revenue and result by reportable segment in 2020 and 2019.

December, 2020	Motor	General accident	Marine and Aviation	Fire	Total
Income:	N'000	N'000	N'000	N'000	N'000
Gross premium written	295,374	463,221	51,133	271,780	1,081,507
Change in unearned premium reserve	1,739	1,557	(3,018)	(29,849)	(29,571)
Gross premium income	297,113	464,778	48,115	241,931	1,051,936
Reinsurance premium expenses	(13,400)	(187,142)	(11,197)	(106,244)	(317,983)
Net insurance premium earned	283,713	277,636	36,918	135,687	733,953
and commission income	2,345	40,883	3,275	33,981	80,484
Net underwriting income/(loss)	286,058	318,519	40,193	169,668	814,437
Gross claims paid	(55,397)	(160,263)	(2,350)	(53,579)	(271,589)
Change in outstanding claims/IBNR	(4,245)	(18,895)	(385)	(4,958)	(28,483)
Gross claims expenses incurred	(59,642)	(179,158)	(2,735)	(58,537)	(300,072)
Reinsurance claims recovery	30,019	79,862	523	34,455	144,859
Net claims expenses incurred/(recovered	(29,623)	(99,296)	(2,212)	(24,082)	(155,213)
Underwriting expenses:					
Acquisition cost	(35,923)	(74,137)	(10,237)	(52,573)	(172,871)
Maintenance cost	(22,470)	(57,721)	(7,680)	(24,385)	(112,256)
Total underwriting expenses	(58,393)	(131,858)	(17,917)	(76,958)	(285,127)
Underwriting profit/(loss)	198,042	87,365	20,063	68,628	374,097

December, 2019	Motor	General accident	Marine and Aviation	Fire	Total
	N'000	N'000	N'000	N'000	N'000
Income:					
Gross premium written	455,303	517,454	62,666	255,715	1,291,138
Change in unearned premium reserve	(55,662)	(25,676)	(4,886)	(28,819)	(115,043)
Gross premium income	399,641	491,778	57,780	226,896	1,176,095
Reinsurance premium expenses	(26,668)	(147,859)	(12,769)	(86,322)	(273,618)
Net insurance premium earned	372,973	343,919	45,011	140,574	902,477
and commission income	4,127	35,219	3,527	28,087	70,960
Net underwriting income/(loss)	377,100	379,138	48,538	168,661	973,437
Gross claims paid	(50,759)	(59,994)	(547)	(93,473)	(204,773)
Change in outstanding claims/IBNR	(10,170)	(35,997)	12,891	(28,657)	(61,933)
Gross claims expenses incurred	(60,929)	(95,991)	12,344	(122,130)	(266,706)
Reinsurance claims recovery	11,299	(11,989)	(1,655)	14,062	11,717
Net claims expenses incurred/(recovered	(49,630)	(107,980)	10,689	(108,068)	(254,989)
Underwriting expenses:					
Acquisition cost	(47,598)	(83,078)	(11,331)	(47,005)	(189,012)
Maintenance cost	(20,470)	(46,721)	(5,030)	(23,305)	(95,526)
Total underwriting expenses	(68,068)	(129,799)	(16,361)	(70,310)	(284,538)
Underwriting profit	259,402	141,359	42,866	(9,717)	433,910

	2020	2019
1 Gross premium income	**N'000**	**N'000**
Gross premium written	1,081,507	1,291,138
Movement in unearned premium (Note 1(c))	(29,571)	(115,043)
	1,051,936	**1,176,095**

(a) Gross Premium Income Movement	Gross premium written 2020 N'000	Movement in unearned 2020 N'000	Gross premium income 2020 N'000
Motor	295,374	(1,739)	297,113
Fire	271,780	29,849	241,931
Marine and aviation	51,133	3,018	48,115
General Accident	294,936	(3,612)	298,548
Oil and Gas	168,285	2,055	166,230
	1,081,507	**29,571**	**1,051,936**

(b) Gross Premium Income Movement	Gross premium written 2019 N'000	Movement in unearned 2019 N'000	Gross premium income 2019 N'000
Motor	455,303	(70,594)	384,709
Fire	255,715	(31,991)	223,724
Marine and Aviation	62,666	(4,153)	58,513
General Accident	332,262	(8,305)	323,957
Oil and Gas	185,193	-	185,193
	1,291,138	**(115,043)**	**1,176,095**

(c) Changes In unearned premium per class of insurance business	Unearned Premium As At 1/1/2020 N'000	Increase/ (Decrease) in Unearned N'000	Unearned Premium As At 12/31/2020 N'000
Motor	146,671	(1,739)	144,932
Fire	84,946	29,849	114,795
Marine & Aviation	15,120	3,018	18,138
General Accident	85,987	(3,612)	82,375
Oil & Gas	41,257	2,055	43,312
	373,981	**29,571**	**403,552**

(d) Further analysis of unexpired risks (UPR) and additional unexpired risk reserve (AURR) in line with the Actuarial valuation for the year ended 31 December 2020 is stated below;

	AURR N'000	UPR N'000	TOTAL N'000
Motor	-	144,932	144,932
Fire	12,612	94,749	107,361
Marine & Aviation	371	13,222	13,593
General Accident	459	93,895	94,354
Oil & Gas	2,296	41,016	43,312
	15,738	**387,814**	**403,552**

2 Re-insurance expenses	**N'000**	**N'000**
Prepaid reinsurance b/f	108,592	71,401
Reinsurance ceded during the year	334,402	310,809
	442,994	382,210
Prepaid reinsurance c/f	(125,012)	(108,592)
	317,982	**273,618**

Breakdown of the reinsurance ceded is stated below;	31/12/2020	31/12/2019
General Accident	106,645	105,332
Fire	106,703	101,963
Marine	10,749	12,595
Motor	7,647	31,455
Oil & Gas	102,658	103,451
	334,402	**354,796**

3 Fees and commission income	**N'000**	**N'000**
Commission received on treaty reinsurance	45,861	40,505
Commission received on facultative reinsurance	34,624	30,455
	80,484	**70,960**

4 Claims expenses	**N'000**	**N'000**
Claims paid during the year	271,589	204,762
Movement in outstanding claims (Note 27(b))	55,414	180,661
Movement in IBNR (Note 27(c))	(26,931)	54,028
Total claims incured for the year	300,072	439,451
Recoveries from reinsurers (Note 18 & 44d)	(144,858)	(184,462)
	155,214	**254,989**

		2020	2019
5	**Underwriting expenses**	N'000	N'000
	Aquisition cost (Note19)	172,871	189,012
	Underwriting cost (5(a))	112,256	95,526
		285,127	**284,538**

(a)	**Analysis of underwriting cost:**	N'000	N'000
	Survey expenses	18,613	20,387
	Early payment discount	58,313	39,057
	ORC expenses	15,628	23,657
	Tracking fees	10,638	8,235
	Bidding expenses	6,646	3,169
	Superintending fees	2,418	1,021
		112,256	**95,526**

6	**Investment income**	N'000	N'000
	Rental income from land and building	8,850	8,593
	Dividend income on Available for sale equities	8,752	7,794
	Interest income on statutory deposit with CBN	20,384	53,566
	Interest income on fixed deposits	13,128	87,425
	Interest income on treasury bills	53,713	52,682
		104,826	**210,059**

7	**Net fair value gains**	N'000	N'000
	Fair value gains on investment properties (Note 21)	7,000	3,000

The Company's investment property was revalued and a fair value gain of N7 million (2019: N3 million) was recognised in the statement of profit or loss. The Company's loss after tax of N82 million (2019: N795 million) contained N7 million (2019: N3 million) fair value gain from revaluation of investment property.

8	**Other operating income**	N'000	N'000
	Recoveries	47	-
	Unrealized forex gains	22,239	-
	Gain on disposal of property, plant and equipment	3,108	1,558
	Write back of provision for trade receivables no longer required (Note 17(c))	-	9,898
	Sundry Income	-	458
		25,394	**11,914**

9	**Other operating expenses**	N'000	N'000
	Depreciation & Amortization (see note 24 & 25)	45,135	47,259
	Auditors' remuneration	5,000	5,000
	Staff cost (Note 9 (a))	320,046	348,839
	Legal and professional fees	37,376	144,836
	Rent and Rates	10,591	10,493
	Administrative expenses (Note 9 (b))	318,138	312,186
		736,287	**868,613**

(a)	**Staff cost**	N'000	N'000
	Wages and salaries	307,200	335,356
	Pension costs	12,846	13,483
	Total employee benefits expense	**320,046**	**348,839**

(b) Administrative expense	2020 N'000	2019 N'000
AGMExpenses	5,921	13,786
Penalties (Note 39)	-	4,985
Consultancy fees	-	2,888
Directors fees and allowances (see note 41 (b))	8,200	14,800
Directors expenses	12,641	24,816
Fuel	14,520	24,548
NAICOMDues	2,610	6,878
VAT& WHTexpenses	6,399	292
Office running expenses *	155,209	177,682
Contractors outsourced staff	21,028	23,442
Statutory Levy	19,585	2,615
Subscription	4,406	374
Tour and travel	7,539	12,855
COVID19 Donation	1,000	-
Impairment of reinsurance assets	57,894	-
Other expenses	1,185	2,225
	318,138	312,186

* Office running expenses includes car repairs and maintenance, ICT expenses and office maintenance.

10 Impairment reversal on financial assets	N'000	N'000
Write back of impairment on other receivables (Note 20(c))	-	67,444

11 Current tax

(a) Charge for the year	N'000	N'000
Recognised in profit or loss		
Income tax	-	-
Minimumtax	2,704	6,456
Tetiary education tax	-	-
NITDA	-	-
Prior year under provision	-	1,300
	2,704	7,756
Defered tax charge (Note 23 (b))	-	-
	2,704	7,756

(b) Reconciliation of effective tax rate	31 December 2020 N'000	31December 2019 N'000
Loss before tax	(224,970)	(787,286)
Income tax using the domestic corporation tax rate	(67,491)	(236,186)
Non-deductible expenses	15,748	53,030
Tax exempt income	(94,858)	(7,946)
Impact of Industry tax law	149,305	162,842
Tertiary education tax	-	-
Information technology levy	-	-
Changes in estimates related to prior years	-	36,016
	2,704	7,756
Effective rate	(0.01)	(0.01)

12 Dividends paid and proposed

No dividend was proposed or paid by the Company for the period ended 31 December, 2020 (2019: nil).

13 Earningsper share

Basic earnings per share is calculated by dividing the results attributable to the ordinary shareholders by the weighted average number of ordinary shares in issue during the year outstanding at the reporting date.

	2020 N'000	2019 N'000
(Loss)/profit attributable to ordinary shareholders	(227,673)	(795,042)
	'000	'000
Weighted average number of ordinary shares issued	6,140,000	6,140,000
Basic and diluted earnings per ordinary share (Kobo)	(4)	(13)

14 Cash and cash equivalents

	N'000	N'000
Cash and cash equivalent comprises :		
Balance held with banks in Nigeria	661,137	551,565
Placements	10,524	128,976
	671,661	680,541
Representing:	N'000	N'000
Policyholder's fund	520,261	551,565
Shareholder's fund	151,400	128,976
	671,661	680,541

Placements comprise deposits with maturity periods of less than 90 days from the value date of the instruments. All placements are subject to an average variable interest rate of 4%(2019: 8.0%) obtainable in the market.

The carrying amounts disclosed above reasonably approximate fair value at the reporting date and are all current balances

15 Financial assets at fair value through other comprehensive income

Equity securities	N'000	N'000
Quoted (Note 15(a))	56,820	53,500
Unquoted (Note 15(b))	209,581	165,683
Impairment loss	(3,168)	(3,168)
	263,233	216,015

(a) **Quoted Equities:**	N'000	N'000
At 1 January	53,500	66,759
Fair value loss/(gain) (Note 36)	3,320	(13,259)
At 31 December	56,820	53,500

(b) **Unquoted Equities:**	N'000	N'000
At 1 January	165,683	230,504
Addition through rights issue	-	-
Fair value loss/(gain) (Note 36)	43,898	(64,821)
At 31 December	209,581	165,683

Classification	N'000	N'000
Current	-	-
Non-current	263,233	216,015
	263,233	216,015

(c) **The movement in impairment of unquoted equities**	N'000	N'000
As 1 January	3,168	3,168
Impairment charge during the year	-	-
As at 31 December	3,168	3,168

		2020	2019
16	**Financial assets at Amortised costs**	N'000	N'000
	Treasury bills	886,042	1,037,334
(a)	**Quoted Debt securities - Treasury bills**	N'000	N'000
	Nigerian Treasury Bills	886,042	1,037,334

Movement in held to maturity investment securities during the year is as follows:

	N'000	N'000
Beginning of the year	1,037,334	142,730
(Liquidation)/additions during the year	(161,381)	864,083
Interest accrued	10,090	30,521
	886,042	1,037,334
Classification	N'000	N'000
Current	886,042	1,037,334
Non-current	-	-
	886,042	1,037,334

		N'000	N'000
17	**Trade receivables**		
	Gross insurance receivables	-	5,226
	Impairment allowance	-	-
		-	5,226

The carrying amounts disclosed above approximate fair value at the reporting date. Impairment allowance involves all trade receivables aged over 30 days.

		N'000	N'000
(a)	**Trade receivables comprises the followings:**		
	Insurance companies	-	-
	Broker	-	5,226
		-	5,226
(b)	**Impairmentof trade receivables are as follows**	N'000	N'000
	Insurance companies	-	-
	Broker	-	-
		-	-
(c)	**Movementin impairmentof trade receivable:**	N'000	N'000
	At 1 January	-	9,898
	Impairment reversal during the year	-	(9,898)
	As at 31 December	-	-

Impairment allowance involves all trade receivables aged over 30 days.

		N'000	N'000
	Classificationof Trade receivables		
	Current	-	5,226
	Non-current	-	-
		-	5,226
(d)	The age analysis of trade receivables is as follows:	N'000	N'000
	Within 30 days	-	5,226
	Above 30 days	-	-
		-	5,226

18 Reinsurance asset	2020 N'000	2019 N'000
Prepaid reinsurance premium	125,012	108,592
Reinsurance share of paid claims	18,337	112,895
Reinsurance share of outstanding claims	126,521	99,927
Reserve for IBNR(Note 18(a))	30,458	28,316
	300,328	**349,730**

Prepaid reinsurance represents the unexpired risk on premium ceded to reinsurers

(a) Movement in IBNR	N'000	N'000
At 1 January	28,316	31,814
Increase/(decrease) during the year	2,142	(3,498)
At 31 December	**30,458**	**28,316**
Classification	N'000	N'000
Current	300,328	349,730
Non-current	-	-
	300,328	**349,730**

(b) Movement in prepaid reinsurance	N'000	N'000
At 1 January	108,592	71,401
Reinsurance expense (Note 2)	(317,982)	(273,618)
Reinsurance cost	334,402	310,809
At 31 December	**125,012**	**108,592**

19 Deferred acquisition cost

This represent the unexpired portion of the commission paid to brokers and agents at the reporting date.

	Fire N'000	Motor N'000	General accident N'000	Marine and aviation N'000	Total N'000
As at 1 January 2019	**10,919**	**9,644**	**20,205**	**2,090**	**42,858**
Additional Acquisition cost for the year	51,666	55,281	80,419	12,107	199,473
Amortization for the year (Note 5)	(47,005)	(47,598)	(83,078)	(11,331)	(189,012)
As at 1 January 2020	**15,580**	**17,327**	**17,546**	**2,866**	**53,319**
Additional Acquisition cost for the year	56,571	36,505	79,423	9,984	182,484
Amortization for the year (Note 5)	(52,573)	(35,923)	(74,137)	(10,237)	(172,871)
As at 31 December 2020	**19,578**	**17,909**	**22,832**	**2,613**	**62,932**
2020					
Current	19,578	17,909	22,832	2,613	62,932
Non-current	-	-	-	-	-
	19,578	**17,909**	**22,832**	**2,613**	**62,932**
2019					
Current	15,580	17,327	17,546	2,866	53,319
Non-current	-	-	-	-	-
	15,580	**17,327**	**17,546**	**2,866**	**53,319**

20 Other receivables and prepayments	2020 N'000	2019 N'000
Financial assets (Note 20(a))	10,491	29,460
Non-financial assets (Note 20(b))	45,184	43,222
	55,676	**72,682**
(a) *Financial assets*		
Sundry debtors	-	1,263
Accrued interest on statutory deposit	6,516	25,274
Rent receivable	3,975	2,334
	10,491	28,871
Impairment charge on financial assets	0	-
Total financial assets	**10,491**	**28,871**

(b) *Non-financial assets*	N'000	N'000
Prepaid staff expense	4,244	4,500
Withholdingtax receivable	9,279	8,461
Deposit for computerization	93,880	93,880
Prepayments	34,536	33,724
	141,938	46,685
Impairment charge on non-financial assets	(96,754)	(96,754)
Total non-financial assets	**45,184**	**43,222**
	N'000	**N'000**
Gross other receivables	152,429	169,436
Impairment charge on other receivables	(96,754)	(96,754)
	55,676	**72,682**

i **Classification**	N'000	N'000
Current	55,676	72,682
Non-current	-	-
	55,676	**72,682**

(d) **Movement on impairment**	N'000	N'000
As 1 January	96,754	164,198
Impairment reversal during the year (Note 10)	-	(67,444)
As at 31 December	**96,754**	**96,754**

The carrying amounts disclosed above reasonably approximate the fair value at the reporting date. All other receivable amounts are collectible within one year. Prepayments are also utilisable within one year.

21 **Investment properties**	2020 N'000	2019 N'000
Reconciliation of carrying amount		
At 1 January	78,000	1,820,000
Disposal	-	(1,100,000)
	78,000	720,000
Loss on disposal	-	(645,000)
Fair value adjustment (Note 7)	7,000	3,000
At 31 December	**85,000**	**78,000**

Investment properties are stated at fair value, which has been determined based on valuations performed by Ubosi Eleh & Co.(FRCN/2014/NIESV/00000003997), accredited independent valuers, The valuer is a specialist in valuing these types of investment properties. The determination of fair value of the investment property was supported by market evidence. The modalities and process of valuation utilized extensive analysis of market data and other sectors specific peculiarities corroborated with available data derived from previous experiences. There was no disposal of any property during the year. The title document in respect of this property is the deed of assignment jointly executed by the parties involved.

Valuations are performed on an annual basis and the fair value gains and losses were recorded within the profit or loss.

22 Description of valuation techniques used and key inputs to valuation on investment properties

The valuation of the properties is based on the price for which comparable land and properties are being exchanged hands on or are being marketed for sale (investment method). By nature, detailed information on concluded transactions is difficult to come by. We have therefore relied on past transactions and recent adverts in deriving the value of the subject properties. At least, eight properties were analysed and compared with the subject property.

There are no restrictions on the reliability of investment property or the remittance of income and proceeds of disposal. The Company has no contractual obligations to purchase, construct or develop investment property or for repairs or enhancement.

Valuation

S/N	Location of Investment property	Name of valuer	Address of valuer	FRC number	NIESVAReg. No	2020 N'ooo	2019 N'ooo
1	5, Primate Adejobi Crescent, Anthony Village, Lagos	Ubosi Eleh & Co.	27, Obafemi Awolowo Way, Ikeja, Lagos.	FRCN/2014/NIESV/00000003997	ESVA-576	85,000	78,000
						85,000	**78,000**

Description of valuation techniques used and key inputs to valuation on investment properties. The valuation of the properties is based on the price for which comparable land and properties are being exchanged hands on or are being marketed for sale. (Open Market Basis Approach)

S/N	Location of Investment property	Level	Valuation technique	Significant unobservable input
1	5, Primate Adejobi Crescent, Anthony Village, Lagos	Level 3	Investment approach was adopted in arriving at the fair value through the analysis of comparable of recent rental values of similar properties within the neighbourhood.	The land area is 611.62m ². The neighbourhood is predominant with residential properties and estate.

23 Current Tax Liability

The movement on tax payable account during the year is as follows:

	2020 N'ooo	2019 N'ooo
(a) Current tax payable		
At 1 January	90,809	196,193
Payments during the year	(6,456)	(113,140)
Charge for the year (Note 11(a))	2,704	7,756
At 31 December	**87,057**	**90,809**

	N'ooo	N'ooo
(b) Deferred tax liabilities		
At 1 January	107,368	102,712
Less: Deferred Income Tax assets		
Charge to profit or loss for the year (Note 11(a))	-	-
Recognized in Other Comprehensive Income	2,643	4,656
	110,011	**107,368**

Deferred income taxes are calculated on all temporary differences under the liability method using an effective tax rate of 10% (2019: 10%) on investment properties and 30% (2019: 30%) on other items.

(c) Deferred tax liability of N (2019: N) was recognized as at year end. It is attributable to the following;

	N'ooo	N'ooo
Property and equipment	-	-
Investment property	-	-
Revaluation of land	-	-
	-	-

24 Intangible Asset

	N'ooo	N'ooo
At 1 January	86,929	86,929
Additions	4,732	-
At 31 December	91,661	86,929
Accumulated amortisation and impairment:	N'ooo	N'ooo
At 1 January	86,919	86,650
Amortization	744	269
At 31 December	87,663	86,919
Carrying amount:		
At 31 December	3,998	10

The intangible assets are non-current.

25 Property, Plant and equipm	Building	Land	Computer Equipment	Furniture and Fittings	Motor Vehicles	Total
Cost/Revaluation	N'000	N'000	N'000	N'000	N'000	N'000
At 1 January 2019	520,000	200,000	110,211	98,879	218,427	1,147,517
Additions	630	-	1,691	12,592	29,196	44,109
Revaluation Gain	41,558	5,000	-	-	-	46,558
Net off of accumulated depreciation on revaluation	(37,188)	-	-	-	-	(37,188)
Disposals	-	-	(478)	-	(15,025)	(15,503)
At 31 December 2019	525,000	205,000	111,424	111,471	232,598	1,185,493
At 1 January 2020	525,000	205,000	111,424	111,471	232,598	1,185,493
Additions	2,295	70,500	4,450	3,075	1,534	81,854
Revaluation	25,929	500	-	-	-	26,429
Net off of accumulated depreciation on revaluation	(28,224)	-	-	-	-	(28,224)
Disposals	-	-	-	-	(33,737)	(33,737)
Write-off	-	-	-	-	(6,136)	(6,136)
At 31 December 2020	525,000	276,000	115,874	114,546	194,259	1,225,679
Accumulated depreciation	N'000	N'000	N'000	N'000	N'000	N'000
At 1 January 2019	-	-	105,679	91,644	213,978	411,301
Depreciation for the year	37,188		2,569	3,932	3,301	46,990
Net off of accumulated depreciation on revaluation	(37,188)	-	-	-	-	(37,188)
Disposals				(19)	(14,524)	(14,543)
At 1 January 2020	-	-	108,248	95,557	202,755	406,560
At 1 January 2020	-	-	108,248	95,557	202,755	406,560
Depreciation for the year	28,224		3,096	4,521	8,550	44,391
Net off of accumulated depreciation on revaluation	(28,224)	-	-	-	-	(28,224)
Disposals	-	-	-	-	(33,140)	(33,140)
Write-off	-		-	-	(6,136)	(6,136)
At 31 December 2020	-	-	111,344	100,078	172,029	383,450
Carrying amount						
At 31 December 2020	525,000	276,000	4,531	14,468	22,230	842,229
At 31 December 2019	525,000	205,000	3,654	15,436	29,843	778,933

(a) All categories of property and equipment are initially recorded at cost. Subsequently, land and building are measured using revaluation model. The elimination adjustment shows the netting-off of accumulated depreciation against the carrying amount (previous revalued amount) in order to show the net book value as at the day of revaluation. An additional parcel of land was acquired during the year in Maitama, Abuja at a cost of N70.5million. The property was valued at N71million as at 31 December 2020. The title document on the property at the momemt is the deed of assignment signed by the parties involved in the transaction. A valuation was conducted by Ubosi Eleh & Co.(FRC/2014/NIESV/00000003997).

They have relevant recognized professional qualification and experience in the property being valued. The property was valued using the OMV basis as at 31 December 2020. The valuation method is the comparable method.

(b) There were no impairment losses on any class of assets during the year (2019: Nill)

© There were no capitalized borrowing costs (2019: Nil)

(d) There were no lien or encumberances on any asset

(e) All classes of property and equipment were non-current

(f) Land and buildings are measured using revaluation model and elimination

(g) Land and building: historical cost If the revalued assets were carried using the cost model, the carrying amounts as at 31 December 2020 would be as follows:

	Land N'000	Building N'000
Cost	205,000	525,000
Additions	70,500	-
Net book value	**275,500**	**525,000**

(h) Measurements of fair values

The fair value of land and building at the reporting date are determined by external, independent property valuers, having appropiate recognised professional qualifications and recent experience in the location and category of property being valued. The independent valuers provide the fair value of the property, annually.

The fair value measurement of land and building has been categorised as a Level 3 fair value based on the inputs to the valuation techniques used. The valuation techniques and significant unobservable inputs used in measuring the fair values of land and building are disclosed below.

There were no transfers between fair value hierarchies during the year

Description of valuation techniques used and key inputs to valuation on investment properties

The valuation of the properties is based on the price for which comparable land and properties are being exchanged hands on or are being marketed for sale. (Open Market Basis Approach)

Location of Land and building	Valuation technique	Significant unobservable input
Guinea Insurance House, 33, Ikorodu, Jibowu, Lagos	The basis of valuation is the Market value, that is, the price, which an interest in a property might reasonably be expected to realize in a sale by Private Treaty assuming: • a willing buyer; • a reasonable period within which to negotiate the sale taking into account the nature of the property and the state of the market; • values will remain static throughout the period; • the property will be freely exposed to the market; • no account is to be taken of an additional bid by • no account is to be taken of expenses of realization, which may arise in the event of a special purchaser; disposal.	Area of the land is 1,240.01m2. The neighbourhood is of high density area predominantly with both commercial and residential structures. Commercial properties such as block of office, eateries, banks, filling station. Motor park among others. The neighbourhood is a high density area.

By nature, detailed information on concluded transactions is difficult to come by. Therefore reliance was placed on past transactions and recent adverts in deriving the value of the subject properties. At least, eight properties were analysed and compared with the subject property.

Significant increases/(decreases) in estimated rental value and rent growth per annum in isolation would result in a significantly higher/(lower) fair value of the properties. Significant increases/(decreases) in the long-term vacancy rate and discount rate (and exit yield) in isolation would result in a significantly.

Generally, a change in the assumption made for the estimated rental value is accompanied by a directionally similar change in the rent growth per annum and discount rate (and exit yield), and an opposite change in the long term vacancy rate.

Under the open market basis the current cost of reconstructing the existing structure together with improvement in today's market, adequately depreciated to reflect its physical wear and tear, age, functional and economical obsolescence plus site value in its existing use as at the date of inspection. The duration of the cash flows and specific timing of inflows are determined by event such as rent reviews, lease renewals and related re-letting, redevelopment, or refurbishment. The appropriate duration is typically driven by the agreement at the time of letting out the property. Periodic cash flow is typically estimated as gross income less non recoverable expense, collection losses, lease incentives, maintenance cost, agent and commission cost, and other operating and management expenses.

26 Statutory deposit

This represents the amount deposited with the Central Bank of Nigeria as at 31 December, 2020 (2019: N333,654,000) in accordance with Section 10 (3) of Insurance Act 2003. Interest income was earned at an average rate of 10% per annum (2020: 12.39%) and this has been included within investment income. The cash amount held is considered to be a restricted cash balance and do not qualify as cash and cash equivalent.

	2020 N'000	2019 N'000
Statutory deposit	333,654	333,654

27 Insurance contract liabilities

	N'000	N'000
Provision for reported claims by policyholders (Note 27(b))	407,374	351,960
Provisions for claims incurred but not reported (IBNR)(Note 27(c))	91,668	118,599
Outstanding claims provisions (Note 27(a))	499,042	470,559
Provision for unearned premiums (Note 27(d))	387,814	365,831
Provision for AURR	15,737	8,150
	902,593	**844,540**

The cash and cash equivalents as described in note 15 serves as a cash cover for the insurance contract liabilities.

Classification	N'000	N'000
Current	884,985	842,758
Non-current	17,608	1,782
	902,593	**844,540**

(a) **Outstanding claims provision: represents the ultimate cost of settling all claims arising from incidents reported as at the reporting date**

Age analysis of outstanding claims is as follows:

Days	N'000	N'000
0-90	93,366	80,666
91-180	45,565	39,367
181-270	26,245	22,675
271-365	11,879	10,263
Above 365	230,319	198,989
	407,374	351,960
IBNR(Note 27(c))	91,668	118,599
	499,042	**470,559**

Of the outstanding claims, 23% are within 90 days holding days period whilst 77% are above 90 days holding period. Most of the claims in these bands are largely outstanding due to Guinea's participation as co - insurer and not the lead, thus making it difficult to get relevant claims documents from the insured/brokers without going through the Lead on the accounts.

		N'000	N'000
(b)	**Outstandingreported claims provision**		
	At 1 January	351,960	171,299
	Movement during the year (Note 4)	55,414	180,661
	At 31 December	**407,374**	**351,960**
(c)	**IBNR provision**	**N'000**	**N'000**
	At 1 January	118,599	64,571
	Movement during the year	(26,931)	54,028
	At 31 December	**91,668**	**118,599**
(d)	**Provision for unearned premiums**	**N'000**	**N'000**
	At 1 January	373,981	258,938
	Movement during the year	13,833	106,893
		387,814	**365,831**
	AURR	**15,737**	**8,150**
	At 31 December, 2020	**403,551**	**373,981**

		2019 N'000	2018 N'000
28	**Trade payables**		
	This represnts the amount payable to insurance companies on facultative placements	-	-

Trade payables are recognised when due. These include amount due to agents, brokers and insurance and reinsurance contract holders. Trade payables are measured on initial recognition at the fair value of the consideration received and subsequently measured at amortized cost.

The company has the right to set-off reinsurance payables against the amount due from reinsures and brokers in line with the agreement between both parties. Trade payables includes reinsurance liabilities which are primarily premiums payable on reinsurance contracts entered into by the company and are recognised as at when incurred. Commissions payables to the brokers also form part of trade payables. The company has no trade payables as at December 31, 2020.

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

		N'000	N'000
29	**Other payables and accruals**		
	Accrued expenses	38,168	46,302
	Deferred revenue	3,151	3,348
	Deferred commission income	31,622	28,327
	Statutory payables	1,743	17,812
	Other payables	59,318	36,607
		134,002	132,396
		N'000	**N'000**
	Due within 12 months	134,002	132,396
	Due after 12 months	-	-
		134,002	132,396

Deferred revenue represent rental income arising from operating lease on investment properties and is accounted for on a straight line basis over the lease terms. Rental income is included in investment income.

Other payables represent outstanding NAICOM charges, union dues, travel insurance, stale cheque, unclaimed dividend and other creditors.

		N'000	N'000
30	**Employee benefit obligations**		
	Defined benefit		
	Employee Benefit		
	End of service benefit plan (Note 30(a))	4,316	2,141
	Defined benefit plan	(2,573)	2,175
		1,743	4,316
	Classified as;		
	Current	1,743	4,316
	Non-Current		
		1,743	4,316

(a) The balance of N1,743,000 standing in the account as at 31 December 2020 represents the defined benefits plan for staff.

		N'000	N'000
31	**Depositfor shares**		
	Deposit for shares	**151,400**	**151,400**

Breakdown of deposit for shares	2020	2019
Investors	N'000	N'000
Simon Bolaji	500	500
Emeka Uzoukwu	900	900
Kosch Ventures Limited	150,000	150,000
	151,400	151,400

Movement in deposit for shares is analysed as follows:		
	N'000	N'000
Balance at the beginning of the year	151,400	151,400
Additions during the year	-	-
Balance at the end of the year	151,400	151,400

Deposit for shares represents funds from three parties for subscription to the equity shares of the Company. The parties include Simon Bolaji, Emeka Uzoukwu and Kosch Ventures Limited. As at the date the financial statements were finalised, the company was in the process of completing a private placement of the shares. The company has elected to classify these deposit as a liability until the completion of the listing process.

32 Share capital and reserve

(a)	Authorised and issued share capital	N'000	N'000
	Authorised share capital 8 billion Ordinary shares of N0.50k each	4,000,000	4,000,000
(b)	Issued and fully paid	N'000	N'000
	6,140,000,000 Ordinary shares of N0.50k each	3,070,000	3,070,000
33	Share premium	N'000	N'000
	At the beginning and at the end	337,545	337,545

34 Statutory contingency reserve

In accordance with the Insurance Act of Nigeria, a contingency reserve is credited with the greater of 3% of total premium or 20% of profit of general insurance business. This shall accumulate until it reach the amount of greater of minimum paid up capital or 50% of net premium.

		N'000	N'000
	At 1 January	518,878	480,144
	Transfer from accumulated losses	32,445	38,734
	As at December	551,323	518,878
35	Accumulated Losses	N'000	N'000
	At 1 January	(1,759,222)	(925,446)
	Loss for the year	(227,673)	(795,042)
	Transfer to contingency reserve	(32,445)	(38,734)
	Transfer from employee benefit reserves	-	-
	As at December	(2,019,340)	(1,759,222)
36 a.	Available -for- sale reserve	N'000	N'000
	At 1 January	65,512	143,592
	Fair value changes - Quoted Equity (Note 15(a))	3,320	(13,259)
	Fair value changes - Unquoted Equity (Note 15(b))	43,898	(64,821)
	As at December	112,730	65,512

A valuation of the Company's unquoted equity was conducted by Pedabo (FRC/2013/ICAN/00000000904). They have relevant recognized professional qualification and experience.

36b SHAREHOLDING STRUCTURE

COMPANY NAME	ADDRESS	HOLDING UNITS	% HOLDING
Chrome Oil Services Limited	5, Idowu Taylor Street Victoria Island, Lagos	2,798,514,210	46
Nimek Investments Limited	Plot 228B, Muri Okunola Stree Victoria Island, Lagos	1,288,252,777	21

Mr. Anthony Achebe and Simon Bolaji represent the interests of Chrome Oil Services Limited while Mr. Emeka Uzoukwu represents the interest of Nimek Investments Limited.

Rules Governing Free Float Requirements.

In accordance with Rule 2.2 - Rules governing Free Float Requirement:
Guinea Insurance Plc complies with the Exchange's Free Float Requirement.

Securities Trading Policy

In compliance with Rule 17.15 Disclosure of Dealings in issuers' Shares, Rulebook of the Exchange 2015 (Issuers Rule). Guinea Insurance Plc maintains a Security Trading Policy which guides Directors, Audit Committee members, employees and all individuals categorized as insiders with respect to their dealing in the Company's shares. The policy undergoes periodic review by the Board and is updated accordingly. The Company has made specific inquiries of all its directors and other insiders and is not aware of any infringement of the policy during the period.

37 Other reserves

a Revaluation reserve

	N'ooo	N'ooo
At 1 January	41,902	-
Revaluation gain on property, plant and equipment (Note 25)	26,429	46,558
Deferred tax impact on OCI	(2,643)	(4,656)
As at December	**65,688**	**41,902**

The revaluation reserve is related to the revaluation of property and equipment (land and building), which are measured using the revaluation model.

38 Contingencies and commitments

(a) Legal proceedings and regulations

The Company is a party to some legal actions during the year arising out of its normal business operations. Total estimated liability from the legal actions amount to N292.02mmillion (2019: N352.0 million). The Directors believe, based on currently available information andadvice of the legal counsel, that none of the outcomes that will result from such proceedings will have a material adverse effect on the financial position of the Company. Cases involed the following; NICN/LA/502/2017, NICN/LA/92/2017, CV/955/19,

(b) Capital commitments

The Company had no capital commitments as at year end (2019: Nil)

39 Contravention of laws and regulations

The Company incurred the following penalty/fine during the year:

Description	2020 N'ooo	2019 N'ooo
Penalties imposed by the Securities Exchange Commission for late filing of the 2018 accounts		4,625

40 Related party disclosures

Related parties include the directors, their close family members and any other employee who is able to exert significant influence on the operating policies of the Company. Key management personnel are also considered to be related parties for disclosure purposes. Key management personnel are those persons having authority and responsibility for planning, directing and controlling the activities of the Company, directly or indirectly, (whether executive or otherwise).

The Company entered into transaction with shareholders of the company and key management personnel in the normal course of business.

(a) Details of significant transactions carried out with related parties during the year are as follows:
Transactions during the period

Company/Individual	Type of relationship	Nature of transaction	2020 N'ooo	2019 N'ooo
Global Scans Technology Limited	Common shareholder	Investment in commercial paper	-	-
Amount represents investment in a commercial paper floated by Global Scan Technology a Company owned by Sir Emeka Offor - A majority shareholder of the Company. The commercial paper that was fully impaired as at 31 December 2018, and has now been fully recovered with the last payment of N110.0 million received in 2019.				
Choffan Nigerian Limited - (Kiss FM)	Common shareholder	Rental Income	-	-

41 Employees and directors

a. Employees

The average number of persons employed by the Company during the year was as follows:	N'ooo	N'ooo
Executive directors	3	4
Management	16	19
Non-management	48	57
	67	80

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

	Number	Number
Less than N800,001	-	-
N800,001 - N2,000,000	32	37
N2,000,001 - N2,800,000	8	10
N2,800,001 - N3,500,000	8	9
N3,500,001 - and Above	19	24
	67	80

b. Directors

	2020	2019
Remuneration paid to the Company's directors (excluding pension contribution)	N'000	N'000
Fees and sitting allowances (see note 9 (b))	14,800	14,800
Executive compensation (see (a) below)	57,333	57,333
	72,133	72,133
The chairman	1,200	1,200
The highest paid director	28,000	28,000

Executive compensation is included as part of staff cost.

The number of directors who received fees and other emoluments (excluding pension contributions, certain benefits and reimbursable expenses) in the following ranges was:

	Number	Number
Below N1,600,000	8	9
N1,600,000 - N2,000,000	-	-
N2,000,001 - N2,900,000	-	-
N2,900,001 - N3,400,000	-	-
N3,400,000 - and above	4	4
	12	13

42. Impact of Covid-19

The COVID-19 pandemic is no longer a news to the business world as many companies have adjusted to the initial shock as presented by the pandemic, and Guinea Insurance was not exempted. However, the company was able to implement strategies that allowed it to continue in providing services to its customers through e-Channels with minimum disruption, and less contact in line with the COVID-19 protocols.

The impact of the pandemic is insignificant both financially and otherwise to the continuation of our business operations as there was no impairment to our assets (financial and otherwise), there is no sign of bankruptcy with any of our major customers and none of our operational facilities was shut down, though we operated below capacity in some of our offices in compliance with covid-19 protocols as directed by government. We leveraged on our investment in information technology to activate our e-Channels and other business portals that ensured our staff were able to work remotely to complement those working at the offices, resulting in the reduction of some overheads. Above all, there is no legal restriction because of the pandemic that will affect the company's operation.

We constantly review the effect of the pandemic and implement measures that will make its impacts on both our business operations and staff very minimal.

The directors assessed the impact of COVID-19 on the business continuity of the Company and believe that it will not affect the ability of the Company to continue in business.

43. Events after the reporting period

There were no significant events after reporting date which could have had a material effect on the financial statements for the year ended 31 December 2020 which have not been adequately provided for or disclosed in the financial statements.

44. Solvency Margin

The Company's solvency margin of N2.173 billion as at 31 December 2020 (2019: N2.336 billion) was below the minimum regulatory requirement of N3,000,000,000 prescribed by the Insurance Act of Nigeria. The ability of the Company to continue to take on new businesses is significantly hinged on successfully addressing the shortfall in the solvency margin to meet the minimum solvency margin requirements of the Insurance Act. The major shareholders of the company have given firm commitments to inject additional funds to meet the minimum regulatory capital requirement of N10 billion and also rectify the deficiency in the solvency margin.

Based on the foregoing, The Directors confirm the Company to continue as a going concern, realise its assets and discharge its liabilities in the normal course of business. Accordingly, the financial statements are prepared on the going concern basis.

45	**Reconciliation of Statement of Cash flow**	**Notes**	**2020**	**2019**
(a)	**Premium received**		**N'000**	**N'000**
	Gross written premium per income statement	1	1,081,507	1,291,138
	Decrease/(increase) in insurance receivables		5,226	(1,754)
			1,086,733	**1,289,384**
(b)	**Commission received**		**N'000**	**N'000**
	Change in deferred commission income		3,295	11,290
	Fees and commission income per income statement	3	80,484	70,960
			83,779	**82,250**
(c)	**Reinsurance premium paid**		**N'000**	**N'000**
	Reinsurance premium per income instatement	2	(317,982)	(273,618)
	Change in trade payables		-	(12,606)
	Increase in prepaid reinsurance		(16,420)	(178,853)
			(334,402)	**(465,077)**
(d)	**Gross claims paid net of recoveries**		**N'000**	**N'000**
	Claims recovered		212,822	54,744
	Gross claims paid per income statement	4	(271,589)	(204,762)
			(58,767)	**(150,018)**
(e)	**Payments to employees**		**N'000**	**N'000**
	Employee benefits expenses	9(a)	320,046	348,839
	Decrease in employee benefit obligations		2,573	(2,175)
			322,619	**346,664**
(f)	**Other operating cash payments**		**N'000**	**N'000**
	Other Operating expenses		(456,068)	(402,793)
	Less: Non-Cash Items			
	Decrease in other receivables and prepayments		17,006	58,736
	Decrease/(increase) in other payables		1,606	(223,684)
			(437,456)	**(567,741)**
(g)	**Investment income received**		**N'000**	**N'000**
	Rental income from land and building	6	4,875	8,593
	Dividend income on AFS equity	6	8,752	7,794
	Interest income on statutory deposit with CBN	6	13,868	53,566
	Interest income on fixed placement	6	13,128	87,425
	Interest income on treasury bills	6	43,623	52,682
			84,245	**210,060**
(h)	**Other income received**		**N'000**	**N'000**
	Recoveries from other receivables	8	47	-
	Sundry Income	8	-	458
			47	**458**
(i)	**Deposit for shares**		**N'000**	**N'000**
	Balance at the start of the year	31	151,400	151,400
	Cash inflow	31	-	-
	Balance at the end of the year	31	**151,400**	**151,400**
(j)	**Procceds from sale of property and equipment**		**N'000**	**N'000**
	Cost of property and equipment disposed	25	33,737	15,503
	Accumulated depreciation of property and equipment disposed	25	(33,140)	(14,543)
	Gain on disposal of property and equipment	8	3,108	1,558
	Proceeds on disposal		**3,704**	**2,518**

46. Hypothecation of insurance fund on assets

The Company structured its assets to meet the requirements of the Insurance Act 2003 such that policyholders' assets and funds are not comingled with shareholders'. In particular, investment properties, investment securities (equities and fixed income securities) and insurance funds hypothecated to policyholders are distinguished from those owned by the shareholders. The assets hypothecated are shown below:

		31-Dec-2020			31-Dec-19	
	Insurance funds	Shareholders funds	Total	Insurance funds	Shareholders funds	Total
Assets	N'000	N'000	N'000	N'000	N'000	N'000
Cash and cash equivalents	671,661	-	671,661	680,541	-	680,541
Financial investments						
- Available-for-sale financial assets	-	263,233	263,233	-	216,015	216,015
- Held-to-maturity financial assets	-	886,042	886,042	-	1,037,334	1,037,334
Trade receivables	-	-	-	-	5,226	5,226
Reinsurance assets	300,328	-	300,328	349,730	-	349,730
Deferred acquisition costs	-	62,932	62,932	-	53,319	53,319
Other receivables and prepayments	-	55,676	55,676	-	72,682	72,682
Investment properties	-	85,000	85,000	-	78,000	78,000
Intangible Asset	-	3,998	3,998	-	10	10
Property and equipment	-	842,229	842,229	-	778,933	778,933
Statutory deposit	-	333,654	333,654	-	333,654	333,654
Total assets	971,989	2,532,764	3,504,752	1,030,271	2,575,173	3,605,444
Liabilities						
Insurance contract liabilities	902,593	-	902,593	844,540	-	844,540
Trade payables	-	-	-	-	-	-
Other payables and accruals	-	134,002	134,002	-	132,396	132,396
Employee benefit obligations	-	1,743	1,743	-	4,316	4,316
Current tax payable	-	87,057	87,057	-	90,809	90,809
Deferred tax liabilities	-	110,011	110,011	-	107,368	107,368
Deposit for shares	-	151,400	151,400	-	151,400	151,400
Total liabilities	902,593	484,213	1,386,805	844,540	486,289	1,330,829
SURPLUS	69,396	2,048,551	2,117,947	185,731	2,088,884	2,274,615

OTHER NATIONAL DISCLOSURE

for the year ended 31 December 2020

	31-Dec-2020 N'000	%	31-Dec-2019 N'000	%
Net premium income	814,438		973,437	
Reinsurance, claims, commission and others	(811,448)		(1,657,042)	
Investment and other income	137,220		224,973	
Impairment writeback/(charge)	-		67,444	
Value added /(absorbed)	140,210	100	(391,188)	(100)

Applied as follows:

Salaries, wages and other benefits	320,046	228	348,839	89
Government taxes	2,704	2	7,756	2
Retained in the business				
Depreciation & Amortization of property and equipm	45,133	32	47,259	12
Appropriation to contingency reserve	32,445	23	38,734	10
Loss for the year	(260,119)	(186)	(833,776)	(213)
	140,210	100	(391,188)	(100)

	2020 N'000	2019 N'000	2018 N'000	Restated 2017 N'000	2016 N'000
ASSETS					
Cash and cash equivalents	671,661	680,541	746,176	889,005	882,168
Financial assets at FVOCI	263,233	216,015	294,095	394,196	140,576
Financial assets at Amortised cost	886,042	1,037,334	142,730	-	-
Trade receivables	-	5,226	3,472	24,027	18,922
Reinsurance assets	300,328	349,730	170,877	205,047	176,900
Deferred acqusition cost	62,932	53,319	42,858	32,241	39,095
Other receivables and prepayment	55,676	72,682	131,418	37,914	137,159
Investment properties	85,000	78,000	1,820,000	1,770,000	1,572,500
Intangible Asset	3,998	10	279	998	1,806
Property and equipment	842,229	778,933	736,216	715,864	752,499
Statutory deposits	333,654	333,654	333,654	333,654	315,000
Total Assets	3,504,752	3,605,444	4,421,775	4,402,946	4,036,625
EQUITY & LIABILITIES					
Share Capital & Reserves:					
Ordinary share capital	3,070,000	3,070,000	3,070,000	3,070,000	3,070,000
Share premium	337,545	337,545	337,545	337,545	337,545
Contingency reserve	551,323	518,878	480,144	442,907	392,701
Accumulated losses	(2,019,340)	(1,759,222)	(925,446)	(704,964)	(905,791)
Available-for-sale reserve	112,730	65,512	143,592	260,647	48,176
Other reserves	65,688	41,902	-	-	-
Total Equity	2,117,947	2,274,616	3,105,835	3,406,135	2,942,631
Insurance contract liabilities	902,593	844,540	494,808	540,047	600,378
Finance lease obligation	-	0	-	-	-
Trade payables	-	-	12,606	41,738	59,121
Provisions	-	-	2,908	-	-
Accruals & other payables	134,002	132,396	353,172	122,376	159,548
Retirement benefit obligations	1,743	4,316	2,141	23,652	12,895
Income tax payable	87,057	90,809	196,193	117,947	131,815
Deferred tax liabilities	110,011	107,368	102,712	75,651	130,238
Deposit for shares	151,400	151,400	151,400	75,400	-
Total Liabilities	1,386,805	1,330,829	1,315,940	996,811	1,093,995
Total Equity & Liabilities	3,504,752	3,605,444	4,421,775	4,402,946	4,036,625

STATEMENT OF COMPREHENSIVE INCOME

	2020 N'000	2019 N'000	2018 N'000	2017 N'000	Restated 2016 N'000
Gross premium written	1,081,507	1,291,138	1,241,218	967,144	906,692
Net premium earned	733,954	902,477	904,934	747,071	649,549
(Loss)/profit before taxation	(224,970)	(787,286)	(49,998)	237,849	176,290
Taxation	(2,704)	(7,756)	(140,201)	13,184	(135,685)
(Loss)/profit for the year	(227,673)	(795,042)	(190,199)	251,033	40,605
Transfer to contingency reserve	32,445	38,734	37,237	50,207	27,401
(Loss)/earnings per N1 share (basic)	(4)	(13)	(3.1)	4.09	0.04

	Authorized Share Capital Increase				Issued & Fully Paid Capital Increase				
DATE	UNITS "000"	PRICE N	FROM AMOUNT N(000)	TO AMOUNT N(000)	UNITS "000"	PRICE N	FROM AMOUNT N(000)	TO AMOUNT N(000)	CONSIDERATION
1959	100	2.00	-	200	76	2.00	-	152	Cash
1973	-	2.00	-	200	0.5	2.00	1	153	Bonus
1974	50	2.00	100	300	38.25	2.00	76.5	229.5	Bonus
1977	100	2.00	200	500	57.375	2.00	114.75	344.25	Bonus
1981	250	2.00	500	1,000	240.975	2.00	481.95	826.2	Bonus
1985	500	2.00	1,000	2,000	344.25	2.00	688.5	1,514.7	Bonus
1986	500	2.00	1,000	3,000	504.9	2.00	1,009.8	2,524.5	Bonus
1989	6,000	0.50	3,000	6,000	2,524.5	0.50	1,262.25	3,786.75	Bonus
1991	18,000	0.50	9,000	15,000	-	0.50	-	3,786.75	Bonus
1992	30,000	0.50	15,000	30,000	15,147	0.50	7,573.5	11,360.25	Rights
1993	40,000	0.50	20,000	50,000	14,496,408	0.50	7,248.204	18,608.454	Rights
1997	140,000	0.50	70,000	120,000	37,016,908	0.50	18,508.454	37,216.908	Bonus
2001	-	0.50	-	120,000	165,566,184	0.50	82,783.092	120,000	Rights
2002	260,000	0.50	130,000	250,000	-	0.50	-	120,000	-
2003	500,000	0.50	250,000	500,000	-	0.50	-	120,000	-
2004	-	0.50	250,000	500,000	480,000	0.50	240,000	360,000	Rights
2005	-	0.50	-	500,000	-	0.50	-	360,000	Nil
2006	-	0.50	-	500,000	-	0.50	-	360,000	Nil
2007	5,000,000	0.50	500,000	3,000,000	-	0.50	-	360,000	Nil
2008	-	0.50	-	3,000,000		0.50		2,550,000	Nil
2011	-	0.50	-	3,000,000	300,000	0.50	2,550,000	2,700,000	Absorption of Life business
2012	400,000	0.50	3,000,000	3,200,000,	-	0.50	-	2,700,000,	-
2013	-	0.50	-	3,200,000	740,000	0.50	2,700,000	3,200,000	cash
2014	-	-	-	3,200,000	-		-	3,200,000	
2015	1,600,000	-	3,200,000	4,000,000	6,140,000	0.50		3,070,000	cash

Information on unclaimed dividends with figures as at 31st December 2020 for Guinea Insurance Ordinary Shares may be obtained by shareholders at:

CARDINALSTONE REGISTRARS
358, Herbert Macaulay Road Yaba Lagos | Nigeria
01-7120090
registrars@cardinalstone.com

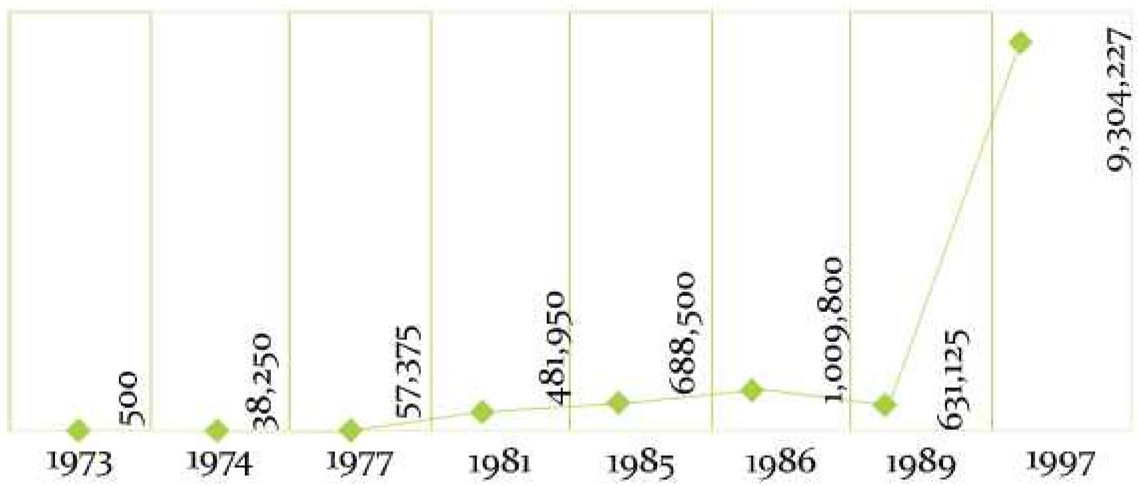
About CardinalStone Registrars Limited

CardinalStone Registrars Limited (previously known as City Securities Registrars) was incorporated in April 2002 and commenced full operations in March 2007. The Company was a wholly-owned subsidiary of First City Monument Bank Plc ("FCMB") till April 2013, when it was acquired by CardinalStone Partners Limited.

CardinalStone Registrars Limited (CSRL) has continued to deliver world-class quality service to its clients leveraging on the core values of the CardinalStone group including professionalism, integrity, innovation and creativity.

As a leading securities registration and data administration service provider, CSRL acts as Registrars to a wide spectrum of companies across various industries and currently manages registers of over two million shareholders across a wide variety of companies/institutions in different industries in Nigeria. Our mission is to exceed clients' and other stakeholders' expectations by leveraging cutting-edge technology to provide outstanding and innovative services.

BONUS HISTORY



DIVIDEND HISTORY

Dear Shareholder,

E-Dividend and E-Bonus

Experience has shown that many Shareholders do not receive their dividend warrants weeks and in some cases even months after the dividend warrants were dispatched.

To prevent this and facilitate the prompt receipt of your future dividends and bonus Certificates, we will be introducing the e-dividend and e-bonus which is a fast, reliable and efficient way of receiving dividends and bonus directly into your bank and personal accounts with the Central Securities Clearing System (CSCS).

To benefit from the e-dividend and e-bonus system, you need to have a bank account as well as a CSCS account to be opened with the assistance of a Stock Broker of your choice. The mandate form on the next page has been designed in this regard. Please fill it as appropriate and forward it to our Registrars for necessary action.

For further information, we advise that you get in touch with either of the following:

The Registrars
Cardinalstone Registrars Limited
358, Herbert Macaulay Way Yaba Lagos

Yours faithfully,

CHINENYE NWANKWO
Company Secretary
FRC/2021/002/0000002354

CORPORATE HEAD OFFICE	Guinea Insurance House 33, Ikorodu Road, Jibowu, Lagos. 01-2934575, 01- 2934577
BENIN	82, 1st East Circular Road, Benin City, Edo State Contact : Stephen Ovonlen Tel: 052-240035, 08033166898
PORT HARCOURT	125, Stadium Road, Indigo Mall, Port Harcourt Contact: Joseph Nwokolo Tel: 0803336497
ONITSHA	4, Ridge Road, G.R.A Stock Exchange Building , Onitsha Contact: Ijeoma Okafor Tel: 08037508525
ABUJA	UAC Complex Beside SEC & Opp. Arewa Suites Central Business District, Abuja Contact: Seyi Adediran Tel: 08037552910
KADUNA	NNIL Building (2ND FLOOR) NO. 4 Waf Road P. O. BOX 108 Kaduna Contact: Jafaar Babasaleh Tel: 08033359797
KANO	2nd Floor, 22, Zaria Opposite Umar Ibnkhatabu Mosque, Kano Contact: Ladi Jacob Tel: 07036470347

Please admit

Shareholder's Full Name ....

To be completed in advance by Shareholders or his duly appointed proxy to the 62nd Annual General Meeting of Guinea Insurance Plc which will take place at Guinea Insurance House, 33 Ikorodu Road, Jibowu, Lagos State

1. The admission card must be produced by the Shareholder or his proxy to obtain entrance to the meeting.

2. Shareholders or proxies are requested to sign the admission card before the meeting. Number of Shares held (to be completed by the Company's Officials)

Number of Shares held ....

CHINENYE NWANKWO
Company Secretary
FRC/2021/002/0000002354

Annual General Meeting at Guinea Insurance House, 33 Ikorodu Road, Jibowu, Lagos State

Number of Shares (to be completed by the Company's Officials)

Number of Share Held .... (To be completed by the Company's Officials)

Shareholder's full name ....
To be completed in advance Shareholders).

....
Signature of person attending
(To be signed in the presence of the Company's Official at the entrance of the Hall)

Date ______________________________

The Registrars, Cardinalstone Registrars Ltd.
358, Herbert Macaulay Way Yaba Lagos

Dear Sir,

Mandate Form for E-Bonus and E-Dividend,

I/We hereby mandate you to include my/our shareholding in Guinea Insurance Plc among the e-bonus beneficiaries for future bonus issues. My/Our Shareholding particulars are:

Surname .... Other Names ....

Address .... Signature ....

Telephone .... Account Number ....

Note: please ensure that names are identical with those on your Share certificates

CSCS Clearing House No. ....

I/We will also like to receive my/our future dividends directly into my/our bank account electronically through edividend. My/Our bank account are as stated below:

Bank ... . Branch ....

Account Number....................................... Bank Sort Code...............................

....
Signature (s) of Shareholder(s)

NOTICE OF 63RD ANNUAL GENERAL MEETING OF GUINEA INSURANCE PLC

NOTICE IS HEREBY GIVEN THAT the 63rd Annual General Meeting of **GUINEA INSURANCE PLC** will be held at the Company's Head Office, Guinea Insurance House, 33, Ikorodu Road, Jibowu, Lagos via proxy on **Thursday** the 23rd **Day of September 2021** at **11.00 a.m.** prompt.

I /We ....
being a member/members of Guinea Insurance Plc hereby appoint

....or
Failing him, the Chairman of the Meeting as my/our proxy to act and vote for me/us on my behalf at the 61st Annual General Meeting of the Company to be held on **Thursday** the 23rd **Day of September 2021.**

Dated this 29th day of July, 2021

____

Shareholder's Signature

RESOLUTION	FOR	AGAINST
1. To lay before the Members, the Report of the Directors and the Audited Financial Statements together with the Auditors Report for the year ended 31st December 2020;		
2. To re-elect the following Directors retiring by rotation;		
▪ Chief Osita Chidoka ▪ Mr. Samuel Onukwue ▪ Mr. Chukwuemeka Uzoukwu		
3. To disclose the remuneration of Managers of the Company;		
4. To authorize Directors to fix the remuneration of the External Auditors of the Company; and		
5 To elect members of the Statutory Audit Committee.		

Please indicate "x" in the appropriate square how you wish your vote to be cast on the resolution set out above unless otherwise instructed, the Proxy will vote or abstain from the voting at his/her discretion.

NB: Completed proxy forms should be sent to cardinalstone registrars or cnwankwo@guineainsurance.com

By enrolling in electronic delivery service, you have agreed to receive future announcements /shareholder communication materials stated above by E- mail/Compact Disc (CD) /Internet Address (URL). These materials can be made available to you electronically either semi annually or annually. Annual Report, Proxy Form, Prospectus and Newsletter are examples of shareholder communications that can be made to you electronically. The subscription enrolment will be effective for all your holdings in GUINEA INSURANCE PLC on an ongoing basis unless you change or cancel your enrolment. This initiative is in line with our determination to help protect and sustain our planet's environment and the consolidated SEC Rule 128 (6) of September 2011 which states that ' A Registrar of a public Company may dispatch Annual Reports and notices of General Meetings to shareholders by electronic means'

....

Name (surname first) Signature and Date

The Registrar
Cardinalstone Registrars ltd
358, Herbert Macaulay Way
Yaba Lagos

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