CONSOLIDATED HALLMARK INSURANCE LIMITED

CONSOLIDATED AUDITED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2024

CONSOLIDATED HALLMARK INSURANCE LTD

REPORT AND CONSOLIDATED AUDITED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2024

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Corporate Information

Directors	Mr. Obinna Ekezie	Chairman
	Mrs. Mary Adeyanju	Managing Director/CEO
	Mrs. Katherine Itua	Executive Director, Finance & Investments
	Mr. Jimalex Orjiako	Executive Director, Operations
	Mr. Olumide Ajomale	Independent Non-Executive Director
	Mr. Francis Udubor	Non-Executive Director
	Mr. Charles Ojo	Non-Executive Director
	Mr. Mohammed Gambo Umar	Non-Executive Director

Company Secretary

Mrs. Rukevwe Falana
Consolidated Hallmark Insurance Ltd
266, Ikorodu Road
Obanikoro, Lagos

Registered Office

Consolidated Hallmark Insurance Ltd
266, Ikorodu Road
Obanikoro, Lagos

Registration Number 168762

Corporate Head Office

Consolidated Hallmark Insurance Ltd
266, Ikorodu Road
Obanikoro, Lagos
Email: info@chiplc.com

Registrars

Meristem Registrars & Probate Services Ltd
213, Herbert Macaulay Road
Adekunle, Yaba Lagos
Tel: +234 (1) 8920491-2
Lagos

Bankers

Fidelity Bank Plc
First Bank of Nigeria Limited
GTBank Limited
United Bank for Africa Plc
Zenith Bank Plc
FCMB

Auditors

PKF Professional Services
PKF House
205A, Ikorodu Road, Obanikoro
Lagos, Nigeria.
Tel:+2349030001351
Website: www.pkf-ng.com

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Corporate Information

Actuary	Becoda Consulting 7 Ibiyinka Olorunbe Close Victoria Island Lagos
Reinsurers	African Reinsurers Corporation Continental Reinsurance Plc WAICA Reinsurance Corporation
Subsidiaries	CHI Capital Limited 33D Bishop Aboyade Cole Street Victoria Island
	CHI Microinsurance Limited 5A, Sawyer Close Obanikoro, Lagos
Sub-Subsidiary	CHI Support Service Limited 33D Bishop Aboyade Cole Street Victoria Island

Branch Networks
Corporate Head Office
266, Ikorodu Road
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Tel: +234-1-2912543
0700CHINSURANCE
O7OO24467872
e-mail:info@chiplc.com
website: www.chiplc.com

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Central Business District, Abuja
Tel: 09-2347965 Fax: 097804398
abuja@chiplc.com

Regional Offices
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52, Emekuku Street
Amazing Grace Plaza
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Victoria Island Office
Plot 33D Bishop Aboyade Cole Street
Victoria Island Lagos
Tel:01-4618222
Fax 01-4618380
e-mail: info@chiplc.com
website:www.chiplc.com

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Corporate Information

Aba Office
4, Eziukwu Road
Tel: 08180001164
aba@chiplc.com

Owerri Office
5B Okigwe Road
Opp. Govt College Owerri
08180001162
owerri@chiplc.com

Kano Office
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Gyadi Gyadi
Tel: 08180001146
kano@chiplc.com

Onitsha Office
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Tel: 08180001139
onitsha@chiplc.com

Ibadan Office
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Tel: 08180001152
ibadan@chiplc.com

Kaduna Office
NK 9, Constitution Road
Kaduna
Tel: 08180001148
kaduna@chiplc.com

Akure Office
3rd Floor, Bank of Industry (BOI) House
Alagbaka Akure
Tel: 08180001154
akure@chiplc.com

Warri Office
179, Jakpa Road, Effurun
Tel: 08180001157
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Enugu Office
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Tel: 08180001142
enugu@chiplc.com

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Financial highlight	Group			Company		
	2024	2023	%	**2024**	2023	%
	N	N		**N**	N	
Financial Position						
Assets						
Cash and cash equivalents	**2,638,500,414**	2,985,320,307	-12%	**2,046,455,016**	1,933,950,945	6%
Financial assets	**24,532,570,950**	14,822,533,183	66%	**24,472,516,117**	12,432,077,250	97%
Premium receivables	**2,793,343,630**	1,182,794,434	136%	**2,781,327,367**	1,150,281,154	142%
Reinsurance assets	**7,021,632,499**	3,446,441,321	104%	**7,021,632,499**	3,446,441,321	104%
Other receivables & prepayments	**1,408,121,414**	478,478,481	194%	**1,447,147,116**	644,340,993	125%
Investment in subsidiaries	**-**	-	0%	**330,000,000**	1,594,225,000	-79%
Investment project	**9,337,601,830**	-	100%	**9,337,601,830**	-	100%
Investment properties	**1,273,391,118**	1,474,449,524	-14%	**1,273,391,118**	1,271,781,524	0%
Property and equipment	**1,418,056,029**	1,279,747,102	11%	**1,405,149,303**	1,199,375,173	17%
Total assets	**50,756,107,640**	26,178,313,391	94%	**50,423,547,781**	23,987,240,641	110%
Liabilities						
Insurance contract liabilities	**15,986,336,689**	9,979,029,160	60%	**15,929,148,886**	9,701,037,803	64%
Investment contract liabilities	**10,411,830**	10,437,775	0%	**-**	-	
Trade payables	**-**	330,749,570	-100%	**-**	330,749,570	-100%
Borrowing	**-**	597,302,864	-100%	**-**	-	
Income tax liabilities	**1,306,801,383**	1,554,577,043	-16%	**1,267,301,864**	1,316,060,787	-4%
Total liabilities	**18,344,788,975**	13,282,809,214	38%	**18,232,710,095**	11,849,607,141	54%
Issued and paid up share capital	**4,155,775,000**	5,420,000,000	-23%	**4,155,775,000**	5,420,000,000	-23%
Share Premium	**-**	168,933,834	-100%	**-**	168,933,834	-100%
Contingency reserve	**7,998,035,551**	3,473,337,958	130%	**7,988,196,583**	3,469,814,488	130%
Statutory reserve	**-**	133,136,812	-100%	**-**	-	
Fair value through OCI reserve	**102,081,848**	126,393,793	-19%	**102,081,847**	127,131,418	-20%
Revaluation reserve	**138,165,551**	138,165,551	0%	**138,165,551**	138,165,551	0%
Requlatory risk reserve	**-**	17,293,896	-100%	**-**	-	
Retained earnings	**20,017,260,715**	3,418,242,332	486%	**19,806,618,705**	2,813,588,208	604%
Shareholders fund	**32,411,318,665**	12,895,504,177	151%	**32,190,837,686**	12,137,633,499	165%
Statement of Profit or loss and Other comprehensive Income						
Insurance revenue	**28,256,885,753**	15,710,848,992	80%	**28,160,973,732**	14,815,865,738	90%
Insurance service expenses	**(20,429,959,564)**	(12,099,491,054)	69%	**(20,369,206,746)**	(11,518,480,204)	77%
Net expenses from reinsurance contracts held	**(4,885,216,473)**	(3,727,209,643)	31%	**(4,877,691,864)**	(3,710,381,308)	31%
Insurance service result	**2,941,709,716**	(115,851,705)	2439%	**2,914,075,122**	(412,995,774)	806%
Net investment income	**22,124,594,718**	6,374,090,333	247%	**22,040,419,883**	5,487,985,454	302%
Other expenses	**(1,948,959,521)**	(1,692,470,184)	15%	**(1,922,728,085)**	(967,086,837)	99%
Other income	**48,695,577**	86,086,132	-43%	**44,251,934**	5,117,000	765%
Profit before tax	**22,954,026,861**	4,651,854,575	393%	**22,864,005,226**	4,113,019,843	456%
Income tax expense	**(279,628,876)**	(882,705,000)	-68%	**(272,091,139)**	(759,953,356)	-64%
Profit for the year	**22,674,397,985**	3,769,149,575	502%	**22,591,914,087**	3,353,066,487	574%
Basic and diluted earnings per share (Kobo)	**272.81**	34.77		**271.81**	30.93	779%

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Director's Report
The Directors have the pleasure in submitting their report on the affairs of Consolidated Hallmark Insurance Ltd together with the Group Audited Financial Statements for the year ended 31st December 2024.

Legal Form
The Company was incorporated on 2nd August 1991 as a private limited liability Company and commenced operations in 1992. The Company converted to a public limited Company in July 2005, and in 2007 changed its name from Consolidated Risk Insurers Plc to Consolidated Hallmark Insurance Plc in February 2008. In 2022, the Company resolved to undergo another corporate restructuring with the incorporation of a Non-Operating Holding Company called "Consolidated Hallmark Holdings (CHH) Plc'' in furtherance of its objective for value maximisation and operational efficiency. The Corporate Restructuring (Scheme of Arrangement) was approved by a Court-Ordered Meeting on 1st November 2022 and sanctioned by the Federal High Court on 12th July 2023. Following the sanctioning of the Scheme of Arrangement, the Company is now called Consolidated Hallmark Insurance Ltd, which is now a limited liability company.

Principal Activities and Corporate Development
During the year under review, the Company engaged in general insurance business maintained 13 corporate offices.

Operating Results

Comprehensive Income	2024	2023		2024	2023	
	N	N		N	N	
Insurance revenue	**28,256,885,753**	15,710,848,992	80%	**28,160,973,732**	14,815,865,738	90%
Insurance service expenses	**(20,429,959,564)**	(12,099,491,054)	69%	**(20,369,206,746)**	(11,518,480,204)	77%
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Profit before tax	**22,954,026,861**	4,651,854,575	393%	**22,864,005,226**	4,113,019,843	456%
Income tax expense	**(279,628,876)**	(882,705,000)	-68%	**(272,091,139)**	(759,953,356)	-64%
Profit for the year	**22,674,397,985**	3,769,149,575	502%	**22,591,914,087**	3,353,066,487	574%

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

1	Mr. Obinna Ekezie	Non-Executive Director	Appointed 1st April 2016
2	Mrs. Mary Adeyanju	Managing Director	Effective January 1, 2024
3	Mrs. Katherine Itua	Executive Director, Finance & Investments	Effective January 1, 2024
4	Mr. Jimalex Orjiako	Executive Director, Operations	Effective January 1, 2024
5	Mrs Adebola F. Odukale	Non-Executive Director	Resigned April 30, 2024
6	Mr. Olumide Ajomale	Independent Non-Executive Director	Appointed January 29, 2024
7	Mr. Francis Udubor	Non-Executive Director	Appointed January 29, 2024
8	Mr. Charles Ojo	Non-Executive Director	Appointed January 29, 2024
9	Mr. Mohammed Gambo Umar	Non-Executive Director	(Awaiting NAICOM's approval).

DIRECTORS AND THEIR INTERESTS
No director has any interest in the Company.

Substantial Interest in Shares
Shareholders who held more than 5% of the issued share capital of the Company as at 31 December 2024 were as follows:

Shareholder	Units Held	%
Consolidated Hallmark Holdings Plc	8,311,554,000	100

Directors Responsibilities

The Company's Directors are responsible, in accordance with the provisions of Section 377 of the Companies and Allied Matters Act 2020, for the preparation of Financial Statements which give a true and fair view of the state of affairs of the Company as at the end of each financial year and of its profit and loss and cash flows for the year and that the statements comply with the International Financial Reporting Standard, Insurance Act 2003 and Companies and Allied Matters Act 2020. In doing so they ensure that:

a. Proper accounting records are maintained.

b. Adequate internal control procedures are established which as far as is reasonably possible, safeguards the assets, prevents and detects fraud and other irregularity.

c. Applicable accounting standards are followed.

d. Suitable accounting policies are consistently applied.

e. Judgments and estimates made are reasonable and prudent and consistently applied.

f. The going concern basis is used unless it is inappropriate to presume that the Company shall continue in Business.

Dividend: The Board of Directors of the company has recommended a dividend of N0.25kobo per share as dividend subject to regulatory approval.

Property and Equipment

Movements in Property and Equipment during the year are shown in note eleven in the opinion of the Directors the market value of the Company's fixed assets is not lower than the value shown in the Consolidated Audited Financial Statement.

Corporate Governance Report

Introduction

Consolidated Hallmark Insurance Ltd (‘CHI’) is unswerving in its adherence to the principles of corporate governance as enshrined in the regulators’ codes. CHI recognizes the benefits that strict adherence to these codes afford its investors, the Company, the insurance industry and the financial market in Nigeria and beyond. The Company has thus, not reneged in its commitment and efforts toward ensuring full compliance with the various and similar standards required of it by its regulators.

The Company’s Board of Directors is made of seasoned and accomplished professionals in the petroleum, insurance, accounting and banking industry. This assemblage of well-bred and accomplished professionals with vast experience who are very conscious of their various professional ethics and the regulated nature of the insurance business have over the years brought these experiences to bear by their robust, dispassionate and consistent review of the Company’s policies.

Composition of the Board

The Board of CHI is made up of nine Directors. The Board is composed majorly of Non-Executive Directors which makes it independent of Management and has thus, enabled the Board to carry out its oversight function in an objective and effective manner.

In tandem with the Nigerian Code of Corporate Governance 2018, NAICOM Corporate Governance Guidelines for Insurance and Reinsurance Companies in Nigeria 2021, international best practice, the positions of the Chairman and the Chief Executive Officer/Managing Director are occupied by two different persons.

The details of the composition of the Board are stated below:

1	Mr. Obinna Ekezie	Non-Executive Director	Appointed 1st April 2016
2	Mrs. Mary Adeyanju	Managing Director	Effective January 1, 2024
3	Mrs. Katherine Itua	Executive Director, Finance & Investments	Effective January 1, 2024
4	Mr. Jimalex Orjiako	Executive Director, Operations	Effective January 1, 2024
5	Mrs Adebola F. Odukale	Non-Executive Director	Resigned April 30, 2024
6	Mr. Olumide Ajomale	Independent Non-Executive Director	Appointed January 29, 2024
7	Mr. Francis Udubor	Non-Executive Director	Appointed January 29, 2024
8	Mr. Charles Ojo	Non-Executive Director	Appointed January 29, 2024
9	Mr. Mohammed Gambo Umar	Non-Executive Director	(Awaiting NAICOM’s approval).

Duties of the Board

1. Provides strategic direction for the Company.
2. Approves budget of the Company.
3. Oversees the effective performance of Management in running the affairs of the Company.
4. Ensures human and financial resources are effectively deployed.
5. Establishes adequate system of internal control procedures that ensure the safeguard of assets and assist in the prevention and detection of fraud and other irregularities
6. Following applicable accounting standards.
7. Consistently applying suitable accounting policies.
8. Ensures compliance with the code of corporate governance and with other regulatory laws and guidelines.
9. Performance appraisal of Board Members and senior executives.
10. Approves the policies surrounding the Company’s communication and information dissemination system.

Meetings of the Board

The Board meets regularly and ensures that the minimum standards in terms of attendance and frequency of meetings are complied with. The Board met seven times in 2024 thus it ensured that the requirement of meeting at least once in every quarter was surpassed. Required notices and meeting papers were sent in advance before the meeting to all the Directors.

Board Committees
To assist in the execution of its responsibilities, the Board discharges its oversight functions through various Committees put in place. The Committees are set up in line with statutory and regulatory requirements and are consistent with global best practices. Membership of the Committees of the Board is intended to make the best use of the skills and experience of non-Executive Directors in particular.

The Committees have well defined terms of reference which set out their roles, responsibilities, functions, scope of authority and procedure for reporting to the Board. The Committees consider matters that fall within their purview to ensure that decisions reached are as objective as possible. Set out below are the various Committees and the terms of reference of each Board Committee:

1. Board Finance, Investment & General Purpose Committee (FIGPC)
2. Board Audit, Risk Management & Compliance Committee (ARMCC)
3. Board Establishment, Governance & Remuneration Committee (EGRC)

1) Board Finance, Investment & General Purpose Committee (FGPC)
Purpose
The Board Finance, Investment & General Purpose Committee is responsible to the Board of Directors and it is mandated to oversee the Company's financial affairs on behalf of the Board and to give initial consideration to and advice on any other Board business of particular importance or complexity.

Responsibilities
- To review and make a recommendation to the Board on the annual budget and audited accounts of the Company. To recommend strategic initiatives to the Board.
- To review quarterly and annual performance against budget
- To consider and approve extra budgetary expenditure.
- To give anticipatory approvals on behalf of the Board and ensure that such approvals are ratified by the Board at the next sitting.

- To present the investment policies and investment plans to the Board annually for approval and ensure that investments are made in accordance with the policies.
- To consider and advise the Board on strategic policies for the Company's investment programmes.
- To decide on the appropriateness of all investments within the Company that affects the Company's clients, lines of business, management and staff and also IT systems.
- To ensure that guidelines for investment comply with legal and regulatory requirements and that investment activities reflect the goals and strategy of the Company.
- To ensure that the assets of the Company are protected and effective control measures are put in place for sufficient internal checks and balances.

- To present the investment policies and investment plans to the Board annually for approval and ensure that investments are made in accordance with the policies.
- To consider and advise the Board on strategic policies for the Company's investment programmes.
- To approve all investment in excess of the limits delegated to Management Investment Committee.
- To approve provisions for non-performing investments based on presentation by the CEO and in line with existing regulations.

- To review Management Investment Committee's authority level as and when deemed necessary and recommend new levels to the Board for consideration.
- To conduct quarterly review of investments granted by the Company to ensure procedures.
- To notify all Directors related investment to the Board.
- To ensure that the investment assets of the company are protected and effective control measures are put in place for sufficient internal checks and balances .
- To monitor and notify the top debtors to the attention of the Board
- Any other matter that is not specifically covered by any other Committee.
- Any other matter as may be delegated to the Committee by the Board from time to time.

Meetings of the Committee
The Committee meets as often as it considers necessary, but not less than once per quarter.

Membership/Composition

Mr Charles Ojo	Chairman	(Appointed January 29 2024)
Mrs. Mary Adeyanju	Member	(Effective January 1 2024)
Mrs Katherine Itua	Member	(Effective January 1 2024)
Mrs Jimalex Orjiako	Member	(Effective January 1 2024)
Mr Olumide Ajomale	Member	(Appointed January 29 2024)

2) Board Audit, Risk Management & Compliance Committee (ARMCC)

Purpose

The primary objective of the Audit, Risk Management & Compliance Committee of the Board is to monitor and provide effective supervision of the Management's Financial Reporting Process with a view to ensuring accurate, timely and proper disclosures, transparency, integrity and quality of financial reporting.

The Committee also oversees the work carried out in the financial reporting process by Management, Internal Auditor and the External Auditor. The Committee has the power to investigate any activity within its terms of reference, seek information from any employee when necessary and obtain external legal or professional advice from experts when necessary.

Responsibilities

- Monitors the integrity of the Financial Statements of the Company and any formal announcements relating to the Company's financial performance, reviewing significant reporting judgments contained in them, assisting the Board's oversight of the Company's compliance with applicable legal and regulatory requirements in this respect.
- Reviews and approves the External Auditors' terms of engagement, propose fees and planned audit scope.
- Oversees, monitors and reviews the functions and effectiveness of Internal Audit.
- It reviews the scope and planning of Internal Audit requirements.
- It reviews findings on management matters in conjunction with the External Auditors.
- The Committee reviews the effectiveness of the Company's system of accounting and internal control.
- The promotion, co-ordination and monitoring of risk management activities, including regular review and input to the corporate risk profile.
- The Committee shall ensure that principal risks of the Company's business are identified and effectively managed.
- To ensure that infrastructure, resources and systems are in place for risk management.
- Carry out review of the risk mitigation programmes for completeness, adequacy, proportionality and optimal allocation of resources.
- Setting the Company's tolerance for risks.
- Ensuring that management establishes a framework for assessing the various risks.
- It makes recommendation to the Board with regard to the appointment, removal and remuneration of the External Auditors, financial and senior management of the Company.
- It has the power to instruct the Internal Auditors to carry out investigations into any of the Company's activities which might be of interest or concern to the Board.
- The Committee is responsible for the review of the integrity of the Company's financial reporting and oversees the independence and objectivity of the External Auditors.
- The Committee may seek explanations and additional information from the External Auditors with management presence.
- It receives quarterly reports of the Internal Auditors.

Membership/Composition

Mr Olumide Ajomale	Chairman	(Appointed January 29 2024)
Mr Francis Udubor	Member	(Appointed January 29 2024)
Mrs Mary Adeyanju	Member	(Effective January 1 2024)

3. Board Governance Nomination & Renumeration Committee

Purpose

The Committee deals with matters affecting executive management staff as it relates to recruitment, assessment, promotion, disciplinary measures, career development among others. The Committee is also responsible for monitoring corporate governance developments, best practices for corporate governance and furthering the effectiveness of the Company's corporate governance practices.

Responsibilities

- Review from time to time the People Management Policies and make recommendations to the Board as appropriate;
- Review and recommend recruitment, appointment and promotion of Top Management Staff;
- Consideration and approval of disciplinary matters and exit/severance matters pertaining to Top Management Staff;
- Reviews periodically, reports on productivity/performance of Top Management;
- Review of staff compensation and welfare packages and make recommendation to the Board;
- Consider and approve annual training programmes for the Company's staff in order to ensure overall staff development.
- Develop a formal, clear and transparent framework for the Company's remuneration policies and procedures;
- Make recommendations on compensation structure for Executive Directors.

In carrying out its Corporate Governance functions, the Committee shall undertake the following duties:

- Evaluate the current composition, organisation and governance of the Board and its Committees, as well as determine future requirements and make recommendations in this regard to the Board for its approval;
- Oversee the evaluation of the Board;
- Recommend to the Board, Director nominees for each Committee of the Board;
- Coordinate and recommend Board and Committee meeting schedules;
- Advise the Company on the best business practices being followed on corporate governance issues nationally and world-wide;
- Recommend to the Board the governance structure for the management of the affairs of the Company;
- Review and re-examine the Board charter annually and make recommendations to the Board for any proposed changes; and
- Annually review and evaluate Board performance.

Membership/Composition

Mr Francis Udubor	Chairman	(Appointed January 29 2024)
Mr Charles Ojo	Member	(Appointed January 29 2024)
Mrs Mary Adeyanju	Member	(Effective January 1 2024)

Attendance at Board & Its Committees' Meetings

	BOARD	FIGPC	ARMC	BEGRC
Mr. Obinna Ekezie	7	N/A	N/A	N/A
Mrs. Mary Adeyanju	7	2	1	1
Mrs. Katherine Itua	7	1	N/A	N/A
Mr. Jimalex Orjiako	7	1	N/A	N/A
Mr. Charles Ojo	6	2	N/A	1
Mr Francis Udubor	6	N/A	1	1
Mr. Olumide Ajomale	6	2	1	N/A
Mrs. Bola Odukale	2	N/A	N/A	N/A
Mr. Mohammed Gambo Umar	N/A			
	1/29/2024	10/16/2024	10/16/2024	10/16/2024
	2/28/2024	12/6/2024		
	4/26/2024			
	7/2/2024			
	7/22/2024			
	10/23/2024			
	12/12/2024			

Tenure of Directors
The tenure of the Non-Executive Directors is limited to three terms of three years each. This is in compliance with CAMA, NAICOM's Code of Good Corporate Governance and also fueled by the necessity to reinforce the Board by continually injecting new energy, fresh ideas and perspectives.

Shareholders Rights
The Board is continuously committed to the fair treatment of shareholders and ensures that the shareholders are given equal access to information about the Company irrespective of their shareholdings. The general meetings of the Company have always been conducted in an open manner which allows for free discussions on all issues on the agenda. The statutory and general rights of the shareholders are protected at all times.

Representatives of regulatory bodies such as the NAICOM, and CAC are always in attendance at our annual general meetings.

Conflict of Interest
CHI has a policy in place that requires prompt disclosure from Directors of any real or potential conflict of interest that they may have regarding any matter that may come before the Board or its Committees. CHI policy requires any Director who has or may have a conflict of interest to abstain from discussions and voting on such matters.

Directors' Nomination and Appointment Process
Appointment to the Board is regulated by an approved Board Appointment Policy which accords with best practice, the requirements of the applicable codes of Corporate Governance and the provisions of the Companies and Allied Matters Act 2020.

Training Induction of New Directors
Training on directors needs to help them perform optimally in their responsibilities are organized on an annual basis. Board Retreat is also an avenue where the Board Members are trained and refreshed on their fiduciary duties to the Company and on emerging trends in the insurance industry and the general business environment.

Newly appointed Directors are made to undergo induction with the Board and top executives of the Company to aid seamless integration to the responsibilities of the Board. The Board Retreat also serve as an opportunity for integrating new Directors into the Board. However, no new Director was appointed in the financial year ended 31st December 2024.

The Company Secretary
The Company Secretary primarily assists the Board and Management in the implementation and development of good corporate governance. The Company Secretary provides guidance and advice to the Board and the Management of the Company on issues of ethics, conflict of interest and good corporate governance.

The Company Secretary also does the following: advice the Directors on their duties and ensure that they comply with corporate legislation and the Articles of Association of the Company;

Arranging meetings of the Directors and the Shareholders. This responsibility involves the issue of proper notices of meetings, preparation of agenda, circulation of relevant papers and taking and producing minutes to record the business transacted at the meetings and the decisions taken.

Renumeration
CHI has a comprehensive remuneration policy for Directors and all levels of Management staff. Our remuneration policy is adequate to attract, motivate and retain skilled, qualified and experienced individuals required to manage the Company successfully. The statement of the Directors remuneration is stated in the Audited Financial Statement.

Sustainability Reporting
The following principles and practices are part of the Company's approach towards ensuring a sustainable socio-economic environment:

a. Corruption
Ours is a Company that abhors corruption in business practice. To ensure activities in this regard are discouraged, we have put in place an Anti- bribery policy which is included in all Service Level Agreements with vendors.

b. Environmental Protection
The nature of our services is not such that emit hazardous substances to the environment. We nonetheless have in place a robust Enterprise Risk Management framework. This consists of a policy and a set of procedures to identify, assess and manage environmental and other risks.

c. HIV/AIDS
The Company does not discriminate in the employment of persons living with HIV/AIDS and any form of disability. This is explicit in the employment policy.

d. Awareness Creation
We are known as the foremost contributor to tertiary education in insurance through the annual Consolidated Hallmark Insurance Essay Competition. This forms part of our Corporate Social Responsibilities.

SPONSORSHIP AND DONATIONS
In line with our Corporate Social Responsibility initiatives the following sponsorship and donations were made to organisations during the year, including:

	2024	2023
	N	N
Organisation		
Ikeja Golf Club	-	250,000
Ikoyi Club 1938	-	250,000
Chartered Insurance Institute of Nigeria	5,950,000	1,550,000
Mind Builders School	50,000	50,000
National Association Of Insurance and Pension Correspondents	-	350,000
Professional Insurance Ladies Association	500,000	500,000
Hallmark Health Services Limited		1,500,000
Nigerian-British Chamber of Commerce	-	500,000
Tamilore Areola Foundation Taf	-	500,000
Corporate Farmers International	-	200,000
Acturial Science and Insurance Students' Association of Nigeria	150,000	100,000
Ibadan Golf Club	1,000,000	-
ACCIMA Investiture	200,000	1,000,000
Total	**7,850,000**	**6,750,000**

Employment and Employees
a) Employment of disabled persons
The Company does not discriminate in considering applications for employment from disabled persons. If a disabled person meets all recruitment requirements, the Company shall not by reason of disability deny such a person from employment opportunity but would make adequate provision for the accommodation of such person. However, as at 31 st December 2024 there was no disabled person in the Company employment.

b) Employees' training and Involvement
The Company ensures that the employees are kept fully informed of the values, goals and performance plans and progress during the year. They are involved in the goal setting at the beginning of the year and meet regularly to review performances. They make recommendations on innovative ideas towards meeting customers' expectations and improving on general operations and relationships within the Company. The Company pays strong importance to the use of our core values in the discharge of duties across the Company and acquisition of Technical expertise through extensive internal and external training, on the job skills enhancement and professional development.

c) Health, Safety and Welfare of Employees
The Company strictly observes all safety and health regulations. Successfully managing HSE issues is an essential component of our business strategy. Through observance and encouragement of this policy, we assist in protecting the environment and the overall well-being of all our stakeholders, specifically, our employees, clients, shareholders, contractors, and host communities.

We conduct regular fire training and drill exercises to sensitize all staff and stakeholders of the need to be safety conscious. The Company ensures that all safety measures are observed in all locations. During the period under consideration, we did not experience any workplace accident or health hazards.

Employees are registered with Health Management Organizations of their choice for provision of medical services at the designated hospitals. We equally have arrangement with offsite hospitals to cater for emergency cases that occur during working hours.

Auditors
The Auditors PKF Professional Services have indicated their willingness to serve as the Company's External Auditors in accordance with section 401 of the Companies and Allied Matters Act 2020.
A resolution will be proposed at the Annual General Meeting to authorize the Directors to fix their remuneration.

Compliance Statement
The Board of Directors affirm that it is in substantial compliance with the Nigerian Code of Corporate Governance and requirements of the Securities and Exchange Commission, National Insurance Commission, the Financial Reporting Council, the Nigerian Exchange Limited, the Corporate Affairs Commission and other applicable regulatory requirements of Governments Agencies.

By order of the Board

RUKEVWE FALANA
Company Secretary
FRC/2016/NBA/00000014035

Dated:

CONSOLIDATED HALLMARK INSURANCE LTD

REPORT AND CONSOLIDATED AUDITED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2024

Statement of Directors' Responsibilities

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

The responsibilities include ensuring that:

- Appropriate and adequate internal controls are established to safeguard the assets of the Group and to prevent and detect fraud and other irregularities.
- The Group keeps proper accounting records which disclose with reasonable accuracy the financial position of the Group and which ensure that the financial statements comply with the requirements of the Companies and Allied Matters Act, 2020, Banks and Other Financial Institutions Act, 1991, Insurance Act 2003, Financial Reporting Council Act No 42 2023 (as amended) and Prudential Guidelines issued by NAICOM.
- The Group has used appropriate accounting policies, consistently applied and supported by reasonable and prudent judgments and estimates, and that all applicable accounting standards have been followed; and
- The financial statements are prepared on a going concern basis unless it is presumed that the Group will not continue in business.

The Directors accept responsibility for the year's financial statements, which have been prepared using appropriate accounting policies supported by reasonable and prudent judgments and estimates in conformity with;

- Insurance Act 2003
- International Financial Reporting Standards;
- Companies and Allied Matters Act 2020;
- NAICOM Prudential Guidelines; and
- Financial Reporting Council Act No 42 2023 (as amended).

The Directors are of the opinion that the financial statements give a true and fair view of the state of the financial affairs of the Group and of its operating result for the year ended.

The Directors further accept responsibility for the maintenance of accounting records that may be relied upon in the preparation of the financial statements, as well as adequate systems of financial control. Nothing has come to the attention of the Directors to indicate that the Group will not remain a going concern for at least twelve months from the date of this statement.

Signed on behalf of the Directors on March 07, 2025 by:

Mrs Mary Adeyanju	**Mr. Obinna Ekezie**
Managing Director/CEO	**Chairman, Board of Director**
FRC/2022/PRO/DIR/003/03266	**FRC/2017/IODN/000000017485**
Dated:	**Dated:**

CONSOLIDATED HALLMARK INSURANCE LTD

REPORT AND CONSOLIDATED AUDITED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2024

Certification Pursuant to Section 60 (2) of Investment and Securities Act No. 29 of 2007
We the undersigned hereby certify the following with regards to our Audited Financial Statements for the period ended December 31, 2024 that:

a. We have reviewed the report;

To the best of our knowledge, the report does not contain:
i. Any untrue statement of a material fact, or
ii. Omit to state a material fact, which would make the statements misleading in the light of circumstances under which such statements were made;

b. To the best of our knowledge, the financial statement and other financial information included in this report fairly present in all material respects the financial condition and results of operation of the company as of, and for the periods presented in this report.

c. We:
- Are responsible for establishing and maintaining internal controls.
- have designed such internal controls to ensure that material information relating to the Company and its consolidated subsidiaries is made known to such officers by others within those entities 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;

d. We have disclosed to the auditors of the Company and Audit Committee:
i. All significant deficiencies in the design or operation of internal controls which would adversely affect the company's ability to record, process, summarize and report financial data and have identified for the company's auditors any material weakness in internal controls, and

ii. Any fraud, whether or not material, that involves management or other employees who have significant role in the company's internal controls.

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.

Mrs. Katherine Itua	**Mrs. Mary Adeyanju**
E.D. Finance & Investment	**Managing Director /CEO**
FRC/2012/ICAN/00000000514	**FRC/2022/PRO/DIR/003/03266**
Dated:	**Dated:**

CONSOLIDATED HALLMARK INSURANCE LTD

REPORT AND CONSOLIDATED AUDITED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2024

Certification of management's assessment on internal control over financial reporting
To comply with the provision of Section 1.1 of SEC Guidance on implementation of Sections 60-63 of the investments and securities Act No. 29, 2007 for the year ended **31st December, 2024.**

We the undersigned hereby certify the following with regard to Audited Accounts for the year ended **31st December, 2024** that:

1. We have reviewed the report and to the best of our knowledge, the report does not contain:
   a. Any untrue statement of material fact, or
   b. Any omission of material fact, which would make the statement, misleading in the light of the circumstances under which such statements were made.

2. To the best of our knowledge, the consolidated financial statement and the other financial information included in the report fairly present in all material respects the financial state and result company and the group as at and for the periods presented in the report.

3. We are responsible for:
   a. Establishing and maintain internal controls
   b. The design of such internal controls and to ensure that material information relating to the company is made known to the officers in the company particularly during the period in which the periodic reports are being prepared.

   c. Evaluating the effectiveness of the company’s and the group's internal controls within 90 days prior to the report.

   d. Presenting in the report our conclusions about the effectiveness of the company’s and the group's internal control based on our evaluation as of that date.

4. We have disclosed to the auditors of the group and Audit committee:
   a. All significant deficiencies in the design or operation of internal controls which would adversely affect the company’s and the group's ability to record process, summarize and report financial data and have identified for the company’s and the group's Auditor any material weakness in internal controls, and

   b. Any fraud, whether or not material, that involves management or other employees who have significant role in the company’s and the group's internal controls.

5. We have identified in the report whether or not there were significant changes in the internal controls or other factors that could significantly affect internal control subsequent to the date of our evaluation, including any corrective actions with regards to significant deficiencies and material weakness.

Katherine Itua	**Mary Adeyanju**
Chief Financial Officer	**Managing Director**
FRC/2012/ICAN/00000000514	**FRC/2022/PRO/DIR/003/03266**

Dated:

CONSOLIDATED HALLMARK INSURANCE LTD

REPORT AND CONSOLIDATED AUDITED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2024

Management's Annual Assessment of, and Report on, the Entity's Internal Control over Financial Reporting

To comply with the provision of Section 1.3 of SEC Guidance on implementation of Sections 60-63 of the investments and securities Act No. 29, 2007 for the year ended 31st December, 2024.

We the undersigned hereby make the following statements regarding the Internal Controls of the **Consoldated Hallmark Insurance Limited**. Over the audited financial statements for the year ended **31st December, 2024** that:

i. Management is responsible for establishing and maintaining a system of internal controls over financial reporting ("ICFR") that provides reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purpose in accordance with International Financial Reporting Standards.

ii. Management used the Committee of Sponsoring Organisation of the Treadway Commission (COSO) internal Control-Integrated Framework to conduct the required evalaution of the effectiveness of the entity's ICFR.

iii. Management has assessed that the entity's ICFR as of the end of 31 December 2024 is effective.

iv. The external auditor Messrs PKF Professional Services that audited the group financial statements, included in the annual report, has issued an attestation report on management's assessment of the company's and group's internal control over financial reporting.

The attestation report of Messrs PKF Professional Services that audited its consolidated financial statements will be filed as part of its annual report.

Katherine Itua	**Mary Adeyanju**
Chief Financial Officer	**Managing Director**
FRC/2012/ICAN/00000000514	**FRC/2022/PRO/DIR/003/03266**

Dated this…….

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Independent Auditor's Attestation Report on Management's Assessment of Internal Controls over Financial Reporting

To the Shareholders of Consolidated Hallmark Insurance Limited

Attestation
We have performed a limited review assurance engagement on management's assessment of the effectiveness of internal control over financial reporting of **Consolidated Hallmark Insurance Limited** ("the Company") and it Subsidiaries ("the Group") as at **31 December 2024**,incompliance with the SEC Guidance on Implementation of Section 60-63 of the Investments and Securities Act 2007 issued by the Securities and Exchange Commission and in accordance with the FRC Guidance on Assurance Engagement Report on Internal Control Over Financial Reporting("the Guidance") issued by the Financial Reporting Council of Nigeria.

Based on the procedures performed and evidence obtained,nothing has come to our attention to cause us to believe that the Company's and the Group's internal control over financial reporting as of 31 December 2024 is not effective,incompliance with the SEC Guidance on Implementation of Section 60-63 of the Investments and Securities Act 2007 issued by the Securities and Exchange Commission and the FRC Guidance on Assurance Engagement Report on Internal Control Over Financial Reporting("the Guidance")issued by the Financial Reporting Council of Nigeria.

Basis for Attestation
We conducted a limited review assurance engagement on management's assessment of the effectiveness of internal control over financial reporting of **Consolidated Hallmark Insurance Limited** ("the Company") and it Subsidiaries ("the Group") as of 31 December 2024, based on FRC Guidance on Assurance Engagement Report on Internal Control Over Financial Reporting ("the Guidance") issued by the Financial Reporting Council of Nigeria.
Our responsibilities under those sections and the guidance are further described in the Auditor's Responsibilities for the Audit of the internal control procedures over financial reporting section of our report.

We are independent of the Company and the Group in accordance with the requirements of the International Ethics Standards Board for Accountants' International Code of Ethics for Professional Accountants (including International Independence Standards) (IESBA Code) together with the ethical requirements that are relevant to our audit of the internal control procedures over financial reporting in Nigeria.

We have fulfilled our other ethical responsibilities in accordance with the IESBA Code and other ethical requirements that are relevant to our audit of Internal control procedures over financial reporting in Nigeria.

Responsibilities of the Directors and Those Charged with Governance for maintaining effective internal control over financial reporting
The directors are responsible for maintaining effective internal control over financial reporting, and for its assessment of the effectiveness of internal control over financial reporting, in accordance with requirement of Section 405 of the Companies and Allied Matters Act, 2020, in connection with Section 1.3 of SEC Guidance on implementation of Sections 60-63 of the Investments and Securities Act, No. 29, 2007 and in compliance with the FRC Guidance on Assurance Engagement Report on Internal Control Over. Financial Reporting ("the Guidance") issued by the Financial Reporting Council of Nigeria.

Auditor's Responsibilities for the Audit of the internal control procedures over financial reporting
Our responsibility is to express an opinion on the management's assessment of the effectiveness of the Campany's and the Group's internal control over financial reporting based on our limited review.

We conducted our limited review assurance engagement in accordance with "the Guidance", which requires that we planned and performed the assurance engagement and provide a limited assurance report on the entity's internal control over financial reporting based on our assurance engagement.

As prescribed in the Guidance, the procedures we performed included:

- obtaining an understanding of internal control over financial reporting;
- assessed the risks that a material weakness may exists; and
- evaluated the result of the test of design and operating effectiveness of internal control based on the assessed risks.

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

Definition of Internal Control over Financial Reporting
The Banks's internal control over financial reporting is process designed by, or under the supervision of, the entity's principal executive and principal financial officers, or persons performing similar functions, and effected by the entity's board of directors, management, and other personnel, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with Generally Acceptable Accounting Principles and includes those policies and procedures that:

a) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the Company and the Group.

b) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the Campany and the Group are being made only in accordance with authorisations of management and direction of the Company and the Group; and

c) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the Company's and the Group's assets that could have a material effect on the financial statements.

Limitations of Internal Control over Financial Reporting
Because of such limitations, Internal Control over Financial Reporting cannot prevent or detect all misstatements, whether unintentional errors or fraud. However, these inherent limitations are known features of the financial reporting process, therefore, it is possible to design into the process safeguards to reduce, though not eliminate, this risk. The major limitation are:

a) Internal Control over Financial Reporting cannot provide absolute assurance due to its inherent limitations;

b) it is a process that involves human diligence and compliance and is subject to lapses in judgment and breakdowns resulting from human failures.

c) It can be circumvented by collusion or improper management override.

Other Information
We have also audited, in accordance with the requirements of International Standards on Auditing, the financial statements of the **Consolidated Hallmark Insurance Limited** ("the Company") and it Subsidiaries ("the Group") our report dated **7 March 2025** expressed an unqualified opinion.

Najeeb Abdussalaam
FRC/2013/PRO/ICAN/002/00000000753
For: **PKF Professional Services**
Chartered Accountants
FRC/2023/COY/141906
Lagos, Nigeria

Dated: 7 March 2025

PKF

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Independent Auditor's Report

To the Shareholders of Consolidated Hallmark Insurance Limited

Opinion

We have audited the consolidated financial statements of **Consolidated Hallmark Insurance Limited ("the Company") and its Subsidiaries ("the Group)**, which comprise the consolidated statement of financial position at 31 December 2024, the consolidated statement of profit or loss and other comprehensive income, consolidated statement of changes in equity and consolidated statement of cash flows for the year ended, and notes to the consolidated consolidated financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying consolidated financial statements present fairly, in all material respects, the consolidated financial position of the Group at 31 December 2024, and its consolidated financial performance and its consolidated cash flows for the year then ended in accordance with International Financial Reporting Standards (IFRSs) and with the requirements of the Companies and Allied Matters Act 2020, the Insurance Act, Cap I17, LFN 2003 and relevant policy guidelines issued by the National Insurance Commission (NAICOM) and the Financial Reporting Council of Nigeria Act, No. 42, 2023 (as amended).

Basis for Opinion

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

Key audit matters

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

Key audit matters	How the matters were addressed in the audit
a) **Valuation of Insurance and reinsurance Contract assets and Liabilities** The Group and the Company have insurance contract liabilities and reinsurance assets for the Group ₦14.96 billion and ₦7.02 billion while the Company ₦14.89 billion and ₦7.02 billion (2023:Group ₦9.98 billion and ₦3.45 billion - Company ₦9.70 billion and ₦3.45 billion) which are significant. The valuation of insurance contract liabilities and reinsurance assets involves high estimation uncertainties, risk adjustment, time value of money and other significant judgments over uncertain future outcomes. Liabilities for incurred claims are essentially based on the present value of the fulfilment future cash flows plus, if any, risk adjustment. This reserve is for outstanding claims, including incurred but not yet reported claims and risk adjustment. Liabilities for remaining coverage involved calculating of each policy's unexpired insurance coverage period (UP) as the exact number of days of insurance cover available after the review date, then we calculates the UPR as the year's premium multiplied by the unexpired period divided by the policy duration, using 365th UPR reserve approach on the gross premium. The LRC is equal to unearned premium unless facts and circumstances indicate that the group is onerous, in which case the LRC will be supplemented by an amount (the loss component) that would bring it to the level it would be under the GMA. Reinsurance recoveries and recoverable are based on historical experience and actual claims put forward. This involves ascertain any contingent cash flows commitments made by the reinsurers and the cedant and the risk for the risk adjustment, for the reinsurance asset value. The Group has an external consultant who assesss on periodic basis, an estimate of the insurance liabilities. At the end of each year management employed the services of an external actuary in the determination of its insurance contract liability and reinsurance assets in line with the requirements of IFRS 17, after considering the accuracy and integrity of data used in the valuation. Necessary adjustments are made in the financial statements to reflect the liabilities and/or assets determined by the actuary. The Group's accounting policy on the valuation of insurance contract liabilities and related disclosures are shown in Note 6,6 and 14 respectively.	Our approaches in relation to management's valuation of insurance contract liabilities and reinsurance assets included the following: i) We evaluated the design, implementation and operating effectiveness of key controls instituted by the Group which includes management review of data used for the valuation of insurance contract liabilities and reinsurance assets. ii) We tested the accuracy and completeness of the underlying data used in actuarial valuations by checking claims paid, outstanding claims and underwriting data recorded in the Group's books. iii) We engaged our actuarial specialists to challenge the appropriateness of the methodology used by the Group's external actuary in calculating the insurance contract liabilities and reinsurance asset.This involved an assessment of the appropriateness of the valuation methods, taking into account available industry data and specific product features of the Group. iv) With the assistance of our actuarial specialists, we evaluated the reasonableness of the actuarial assumptions used by the Group's external actuary and performed liability adequacy tests based on the requirements of IFRS 17 on cohort of policies with similar contract boundary and homogenous risk grouping on insurance contract liabilities and reisnuarnce assets including basis for risk adjustments, impact of time value of money,assumptions and estimates on the present value of the total future fulfilment cashflows, best estimate liability (BEL), undiscounted and discounted estimate, basic chain ladder, runoff period, inflation rate, mortality and discount rates by comparing them to Group specific data, available industry data and market experience. v) We considered the Group's valuation methodology and assumptions for consistency between reporting periods as well as indicators of possible management bias. We were also assisted by our actuarial specialists in this regard. Based on the work we have performed, we consider the valuation of insurance contract liabilities and reinsurance assets acceptable.

PKF

Key audit matters	How the matters were addressed in the audit
b) Valuation of investment properties,land and buildings The valuation of the Group's investment property, land and buildings are identified as a key audit matter due to the significance of the balance and judgment required in assessing the key valuation assumptions and methodology. The investment properties, land and buildings are valued annually using the income capitalization methodology. Key assumptions in the valuation methodology include capitalization rate, vacancy rate, estimated expenses, future rental income, property not affected by or subject to compulsory acquisition, road widening, new proposal or planning scheme, title to the property is good and marketable. At the end of each year management employed the services of external valuers in the determination of its investment properties,land and buildings' valuation. Necessary adjustments are made in the financial statements to reflect the valuation determined by the valuers. The Group's accounting policy on investment properties; property and equipment and related disclosures are shown in Notes 12,12..2,10 and 11.	Our audit approach included the following: i) We assessed the appropriateness of the valuation methodology adopted by giving due consideration to the requirements of the relevant accounting standards and the Group accounting policies. ii) We challenged key assumptions applied in the valuation of the properties, including the capitalization rates, vacancy rate, estimated expenses and future rental income, by comparing the assumptions to publicly available sales information, historical data, market experience and properties specific attributes such as location and asset condition. iii) We ensured the appropriateness of the journals posted and agreed the figures in the consolidated financial statements to the valuation report. iv) We recomputed the fair value gain on investment properties. v) We involved our legal experts in the determination of the adequacy of the properties' title documents. Based on the work we have performed, we consider the valuations of investment properties and land and buildings acceptable.
c) Impairment allowance on financial assets The impairment assessment of investment securities at amortised costs,insurance contract receivable, reinsurance contract claims recoverable and other assets are key areas of judgment due to the level of subjectivity inherent in estimating the impact of key assumptions on the recoverable amount of the insurance and reinsurance assets and other receivable. Significant judgement is required by the Directors in assessing the impairment of financial assets in compliance with IFRS 9, which requires a loss allowance for Expected Credit Loss (ECL) to be measured at the reporting date for those financial assets subject to impairment accounting. With the concept of a significant increase in credit risk arising as a result of the default in recovery rate and diminution in value of financial assets in determining expected credit losses, this assessment must consider all reasonable and supportable historic and forward-looking information.	We focused our testing of management's impairment assessment on investment securities at amortised costs, insurance contract receivable, reinsurance contract claims recoverable and other assets included: i) We reviewed the IT general controls governing the IFRS reporting process employed by the Group in assigning PD's to the financial assets. Also, tested the key controls relating to the preparation of the impairment model including the competence and authority of person(s) performing the control, frequency, and consistency with which the control is performed;

Key audit matters	How the matters were addressed in the audit
c) Impairment allowance on financial assets (Cont'd)	
The use of the Expected Credit Loss (ECL) model for the computation of impairment allowance requires the application of certain indices which are derived from historical financial data within and outside the Group, this includes: • Assessing the relationship between the quantitative and qualitative factors incorporated in determining the Probability of Default (PD), and the Loss Given Default (LGD) and the Exposure at Default (EAD). • Incorporating forward-looking information into the ECL model and probability weightings applied to them. • Factors considered in cash flow estimation including timing and amount. • Analysis of external ratings, internal benchmarking or grouping risks together when the Group relies on such. The Group might be unable to support the suitability of any groupings to justify such approach as this may mask underlying credit losses or increases in credit risks, if the segments are not sufficiently homogeneous.	Our further procedures in relation included: ii) For insurance contract receivable, reinsurance contract claims recoverable and other assets,obtained an understanding of the Expected Credit Loss (ECL) model prepared by management for the computation of impairment. iii) Checked the forward-looking information used by management in its ECL calculations and corroborated the information using publicly available data comprising foreign exchange rate, gross domestic (GDP) growth rate, inflation, interest rates, unemployment rate etc. iv) Assessed the appropriateness of the most significant model assumptions including loss given default and probability of default and recalculated the impairment allowance. v) Validated material transactions during the year to debit and credit notes. vi) We reviewed subsequent receipts after year end of insuance and reinsurance assets and other assets. vii) Evaluated the appropriateness of the related disclosures in line with IFRS 9 requirements. viii) Verifying the source of the credit ratings used and check the appropriateness of the ratings in accordance with IFRS 9.
The Group's accounting policy on impairment and placement with banks, investment securities at amortised cost, premium receivable, reinsurance recoverable and other assets are disclosed in Notes 3.2.4,3.5.5.5,16,17.3,18,19 and 20.	Based on the work we have performed, we consider the level of impairment allowance acceptable.

Other Matters

We drew attention to the following matters:

- The audited consolidated financial statements of Consolidated Hallmark Insurance Plc for the year ended 31 December, 2024 were audited by another auditor who expressed an unmodified opinion on those consolidated statements on 7 March 2025.

Other information
The directors are responsible for the other information. The other information comprises the Chairman's statement, Directors' Report; Audit Committee's Report, and Statement of Directors Responsibilities which are expected to be made available to us after that date. The other information does not include the consolidated financial statements and our auditor's report thereon.

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

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

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

Responsibilities of the Directors and those charged with Governance for the consolidated financial statements
The Directors are responsible for the preparation and fair presentation of the consolidated financial statements in accordance with International Financial Reporting Standards (IFRSs) and with the requirements of the Companies and Allied Matters Act, 2020, the Insurance Act, Cap I17, LFN 2003 and relevant policy guidelines issued by the National Insurance Commission (NAICOM), and the Financial Reporting Council of Nigeria Act, No 42, 2023 (as amended) and for such internal control as the Directors determine is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

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

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

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

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

- Identified and assessed the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, designed and performed audit procedures responsive to those risks, and obtained 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.
- Obtained an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control.
- Evaluated the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.
- Concluded on the appropriateness of the director's use of the going concern basis of accounting and based on the audit evidence obtained, whether a material uncertainty exists and related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we concluded that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.

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

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

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

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

Report on other legal and regulatory requirements
In accordance with the fifth schedule of the Companies and Allied Matters Act, 2020 and Section 28(2) of the Insurance Act, Cap I17, LFN 2003, 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 Group, so far as it appears from our examination of those books;

iii) The Group's consolidated statement of financial position, consolidated statement of profit or loss and other comprehensive income are in agreement with the books of account;

iv) In accordance with the provisions of Section 28(2) of the Insurance Act 2003, the consolidated statement of financial position, consolidated statement of profit or loss and other comprehensive income present fairly, in all material respects,the consolidated financial position and consolidated financial performance of the Group.

INSTITUTE OF CHARTERED ACCOUNTANTS OF NIGERIA
ICAN
0708192

Najeeb Abdussalaam
FRC/2013/PRO/ICAN/002/00000000753
For: **PKF Professional Services**
Chartered Accountants
FRC/2023/COY/141906
Lagos, Nigeria

Dated: 7 March 2025

CONSOLIDATED HALLMARK INSURANCE LTD

REPORT AND CONSOLIDATED AUDITED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2024

General Information;

The Group
The group comprises of Consolidated Hallmark Insurance Ltd (the company) and its subsidiaries - CHI Capital Limited and CHI Microinsurance Limited. CHI Capital Limited has one wholly owned subsidiary 'CHI Support Services Limited'.

Company Information:
Consolidated Hallmark Insurance Ltd (formerly Consolidated Risk Insurers Plc) was incorporated on 2 August 1991. The Company changed its name from Consolidated Risk Insurers Plc to Consolidated Hallmark Insurance Plc following its merger with Hallmark Assurance Plc and The Nigerian General Insurance Company Limited in line with the consolidation reform of NAICOM announced in 2006. Consolidated Hallmark Insurance Plc came into effect from 1 March 2007.

Part of the long-term vision when the Company was incorporated as a General Insurance Business company over three decades ago, was to become a financial power- house. In line with this vision, the company had progressively over the years diversified into other related businesses within the financial services sector. This diversification gave rise to founded CHI Capital Limited in 2008 and CHI Support Services Limited in 2010., Hallmark Health Services Limited (a NHIA accredited Health Management Organisation) in 2018 and more recently established CHI Microinsurance Life Company Limited (A Micro Life Assurance Company, licensed by NAICOM) in 2020. a Microinsurance Life business in 2020.

The Company, Consolidated hallmark Insurance Ltd, has thus far operated both as a Company and as a Group in line with its natural evolution, with each of the subsidiaries becoming direct offshoot of the General Insurance business.

Transformation into Consolidated Hallmark Holdings Ltd
Consolidated Hallmark Insurance Plc changed to a Private Limited Company in October 2023 following a corporate restructure via a scheme of arrangement. Consolidated Hallmark Insurance Limited subsequently became a fully owned subsidiary of Consolidated Hallmark Holdings Plc. Other members of the Group are Hallmark Finance Company Limited and Hallmark Health Services Limited.

These consolidated and separate financial statements have been authorized for issue by the Board of Directors on **February 24, 2025**.

Principal Activities
Consolidated Hallmark Insurance Plc is a General Business and Special Risks Insurance underwriting firm fully capitalized in line with statutory requirements of the industry regulatory body
- National Insurance Commission. The company underwrites Aviation, Oil and Gas, Marine Cargo and Hull and other non - life insurance underwriting including Motor, Fire and Special Perils, Goods- in-transit, Engineering Insurance and General Accident insurance businesses.

The Company identifies prompt claims payment as a means to achieving customer satisfaction and therefore emphasizes prompt claims payment in its operations. The company also invests its available funds in interest bearing and highly liquid instruments to generate adequate returns to meet its claims obligations.

The Company is a public limited company incorporated and domiciled in Nigeria. Its shares are listed on the floor of the Nigerian Stock Exchange and have its registered office at Consolidated Hallmark House, 266, Ikorodu Road, Lagos.

Going concern assessment
These consolidated financial statements have been prepared on a going concern basis. The group has neither intention nor need to reduce substantially its business operations. The management believes that the going concern assumption is appropriate for the group and there are no going concern threats to the operations of the group.

Subsidiaries;

CHI Microinsurance Limited
CHI Microinsurance Limited is a fully owned subsidiary of Consolidated Hallmark Insurance Plc, incorporated in 2016 and Licensed by NAICOM to provide Life microinsurance services.
Microinsurance is a financial arrangement to protect low -income people against specific perils in exchange for regular premium payment proportionate to the likelihood and cost of risk involved.

CHI Capital Limited
CHI Capital Limited is a fully owned subsidiary of Consolidated Hallmark Insurance Plc. It carries on the business of corporate support services. CHI Capital Limited incorporated CHI Support Services Limited in 2014 with 100% shareholdings.

CHI Support Services Limited is a company incorporated as a limited liability company in 2014.
CHI Support Services ltd started as an autotrack business but has now focused on providing corporate support services for the Group. CHI Support Services was incorporated in Nigeria.

CONSOLIDATED HALLMARK INSURANCE LTD

REPORT AND CONSOLIDATED AUDITED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2024

Statement of Significant Accounting Policies
The following are the significant accounting policies adopted by the Group in the preparation of its consolidated financial statements. These policies have been consistently applied to all year's presentations, unless otherwise stated

1. Basis of presentation:
1.1 Statement of compliance with IFRS

These financial statements are the separate and consolidated financial statement of the company and its subsidiaries (together, "the group"). The group's financial statements for the year **2024** have been prepared in accordance with the International Financial Reporting Standards ("IFRSs") as issued by the International Accounting Standard Board ("IASB"), and interpretations issued by IFRS's interpretation committee (IFRIC) and in compliance with the Financial Reporting Council of Nigeria Act, No 42 2023 (as amended).

These are the Group's financial statements for the year ended 31 December **2024**, prepared in accordance with IFRS 10 - Consolidated Financial Statements.

1.1.2 Application of new and amended standards
Standards and interpretation effective and adopted in current year

1.1.2.1.New and amended standards and interpretations
Several standards amendments and interpretations apply for the first time in **2024** but did not have an impact on the financial statements of the Group.

TIn the current year, the Group has applied a number of amendments to IFRS Accounting Standards issued by the International Accounting Standards Board (IASB) that are mandatorily effective for an accounting period that begins on or after **1 January 2024**. Their adoption has not had any material impact on the disclosures or on the amounts reported in these consolidated financial statements.

1.1.2.2.Amendments to IAS 1 Presentation of Financial Statements—Classification of Liabilities as Current or Non-current

The amendments to IAS 1 published in January 2020 affect only the presentation of liabilities as current or noncurrent in the consolidated statement of financial position and not the amount or timing of recognition of any asset, liability, income or expenses, or the information disclosed about those items.

The amendments clarify that the classification of liabilities as current or non-current is based on rights that are in existence at the end of the reporting period, specify that classification is unaffected by expectations about whether an entity will exercise its right to defer settlement of a liability, explain that rights are in existence if covenants are complied with at the end of the reporting period, and introduce a definition of 'settlement' to make clear that settlement refers to the transfer to the counterparty of cash, equity instruments, other assets or services.

The directors of the Group have accessed the application of this amendment above and concluded that it did not have any material impact on the amounts recognised in the Group's consolidated financial statements for prior periods and in future periods.

1.1.2.3.Amendments to IAS 1 Presentation of Financial Statements—Non-current Liabilities with Covenants

The amendments specify that only covenants that an entity is required to comply with on or before the end of the reporting period affect the entity's right to defer settlement of a liability for at least twelve months after the reporting date (and therefore must be considered in assessing the classification of the liability as current or noncurrent). Such covenants affect whether the right exists at the end of the reporting period, even if compliance with the covenant is assessed only after the reporting date (e.g. a covenant based on the entity's financial position at the reporting date that is assessed for compliance only after the reporting date).

The IASB also specifies that the right to defer settlement of a liability for at least twelve months after the reporting date is not affected if an entity only has to comply with a covenant after the reporting period. However, if the entity's right to defer settlement of a liability is subject to the entity complying with covenants within twelve months after the reporting period, an entity discloses information that enables users of financial statements to understand the risk of the liabilities becoming repayable within twelve months after the reporting period. This would include information about the covenants (including the nature of the covenants and when the entity is required to comply with them), the carrying amount of related liabilities and facts and circumstances, if any, that indicate that the entity may have difficulties complying with the covenants.

The directors of the Group have accessed the application of this amendment above and concluded that it did not have any material impact on the amounts recognised in the Group's consolidated financial statements for prior periods and in future periods

1.1.2.4.Amendments to IAS 7 Statement of Cash Flows and IFRS 7 Financial Instruments: Disclosures—Supplier Finance Arrangements

The amendments add a disclosure objective to IAS 7 stating that an entity is required to disclose information about its supplier finance arrangements that enables users of financial statements to assess the effects of those arrangements on the entity's liabilities and cash flows. In addition, IFRS 7 was amended to add supplier finance arrangements as an example within the requirements to disclose information about an entity's exposure to concentration of liquidity risk.

The term 'supplier finance arrangements' is not defined. Instead, the amendments describe the characteristics of an arrangement for which an entity would be required to provide the information.

To meet the disclosure objective, an entity will be required to disclose in aggregate for its supplier finance arrangements:

* The terms and conditions of the arrangements;
* The carrying amount, and associated line items presented in the entity's statement of financial position, of the liabilities that are part of the arrangements;
* The carrying amount, and associated line items for which the suppliers have already received payment from the finance providers;
* Ranges of payment due dates for both those financial liabilities that are part of a supplier finance arrangement and comparable trade payables that are not part of a supplier finance arrangement;
* Liquidity risk information.

The directors of the Group have accessed the application of this amendment above and concluded that it did not have any material impact on the amounts recognised in the Group's consolidated financial statements for prior periods and in future periods

1.1.2.5.Amendment to IFRS 16 Leases—Lease Liability in a Sale and Leaseback

The amendments to IFRS 16 add subsequent measurement requirements for sale and leaseback transactions that satisfy the requirements in IFRS 15 to be accounted for as a sale. The amendments require the seller-lessee to determine 'lease payments' or 'revised lease payments' such that the seller-lessee does not recognise a gain or loss that relates to the right of use retained by the seller-lessee, after the commencement date.

The amendments do not affect the gain or loss recognised by the seller-lessee relating to the partial or full termination of a lease. Without these new requirements, a seller-lessee may have recognised a gain on the right of use it retains solely because of a remeasurement of the lease liability (for example, following a lease modification or change in the lease term) applying the general requirements in IFRS 16. This could have been particularly the case in a leaseback that includes variable lease payments that do not depend on an index or rate.

As part of the amendments, the IASB amended an Illustrative Example in IFRS 16 and added a new example to illustrate the subsequent measurement of a right-of-use asset and lease liability in a sale and leaseback transaction with variable lease payments that do not depend on an index or rate. The illustrative examples also clarify that the liability, that arises from a sale and leaseback transaction that qualifies as a sale applying IFRS 15, is a lease liability.

The directors of the Group have accessed the application of this amendment above and concluded that it did not have any material impact on the amounts recognised in the Group's consolidated financial statements for prior periods and in future periods

1.1.3 Interpretations Issued and Effective on or after 1 January 2025

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

1.1.3.1. Standards issued and effective on or after 1 January 2025

* Amendments to IAS 21 -- Lack of Exchangeability (effective for annual periods beginning on or after 1 January 2025);

* Amendments to the Classification and Measurement of Financial Instruments – Amendments to IFRS 9 and IFRS 7 (effective for annual periods beginning on or after 1 January 2026);
* IFRS 19 Subsidiaries without Public Accountability: Disclosures (effective for annual periods beginning on or after 1 January 2027);
* IFRS 18 Presentation and Disclosure in Financial Statements (effective for annual periods beginning on or after 1 January 2027);

The directors do not expect that the adoption of the Standards listed above will have a material impact on the consolidated financial statements of the group in future periods, except if indicated below.

1.1.3.1.1.Amendments to IAS 21 -- Lack of Exchangeability (effective for annual periods beginning on or after 1 January 2025)

In August 2023, the IASB amended IAS 21 to help entities to determine whether a currency is exchangeable into another currency, and which spot exchange rate to use when it is not.

The directors do not expect that the adoption of the Standards listed above will have a material impact on the consolidated financial statements of the group in future periods, except if indicated below.

1.1.3.1.2.Amendments to the Classification and Measurement of Financial Instruments – Amendments to IFRS 9 and IFRS 7 (effective for annual periods beginning on or after 1 January 2026)

On 30 May 2024, the IASB issued targeted amendments to IFRS 9 and IFRS 7 to respond to recent questions arising in practice, and to include new requirements not only for financial institutions but also for corporate entities.These amendments:

* clarify the date of recognition and derecognition of some financial assets and liabilities, with a new exception for some financial liabilities settled through an electronic cash transfer system;
* clarify and add further guidance for assessing whether a financial asset meets the solely payments of principal and interest (SPPI) criterion;
* add new disclosures for certain instruments with contractual terms that can change cash flows (such as some financial instruments with features linked to the achievement of environment, social and governance targets); and

* update the disclosures for equity instruments designated at fair value through other comprehensive income (FVOCI).

The directors do not expect that the adoption of the Standards listed above will have a material impact on the consolidated financial statements of the group in future periods, except if indicated below.

1.1.3.1.3.IFRS 19 Subsidiaries without Public Accountability: Disclosures (effective for annual periods beginning on or after 1 January 2027)

Issued in May 2024, IFRS 19 allows for certain eligible subsidiaries of parent entities that report under IFRS Accounting Standards to apply reduced disclosure requirements.

The directors do not expect that the adoption of the Standards listed above will have a material impact on the consolidated financial statements of the group in future periods, except if indicated below.

1.1.3.1.4.IFRS 18 Presentation and Disclosure in Financial Statements (effective for annual periods beginning on or after 1 January 2027)

IFRS 18 will replace IAS 1 Presentation of financial statements, introducing new requirements that will help to achieve comparability of the financial performance of similar entities and provide more relevant information and transparency to users.Even though IFRS 18 will not impact the recognition or measurement of items in the financial statements, its impacts on presentation and disclosure are expected to be pervasive, in particular those related to the statement of financial performance and providing management-defined performance measures.
within the financial statements.
The new standard introduces the following key new requirements:

* Entities are required to classify all income and expenses into five categories in the statement of profit or loss. Namely the operating, investing, financing, discontinued operations and income tax categories. Entities are also required to present a newly-

defined operating profit subtotal. Entities net profit will not chnage.

* Management-defined performance measures (MPMs) are disclosed in a single note in the financial statements.

* Enhances guidance is provided on how to group information in the financial statements.

In addition, all entities are required to use the operating profit sub-total as the starting points for the statement of cash flows when presenting operating cash flows under the indirect method.

Management is currently assessing the detailed implications of applying the new standard on the group's consolidated financial statements. From the high-level preliminary assessment performed, the following potential impacts have been identified:

* Although the adoption of IFRS 18 will have no impact on the group's net profit, the group mexpects that grouping items of income and expenses in the statement of profit or loss into the new categories will impact how operating profit is calculated and reported. From the high-level impact assessment that the group has performed, the following items might potentially impact operating profit:
  * Foreign exchange differences currently aggregated in the line item 'other income and other gains/(losses) – net' in operating profit might need to be disaggregated, with some foreign exchange gains or losses presented below operating profit.
  * IFRS 18 has specific requirements on the category in which derivative gains or losses are recognised – which is the same category as the income and expenses affected by the risk that the derivative is used to manage. Although the group currently recognises some gains or losses in operating profit and others in finance costs, there might be a change to where these gains or losses are recognised, and the group is currently evaluating the need for change.

* The line items presented on the primary financial statements might change as a result of the application of the concept of 'useful structured summary' and the enhanced principles on aggregation and disaggregation. In addition, since goodwill will be required to be separately presented in the statement of financial position, the group will disaggregate goodwill and other intangible assets and present them separately in the statement of financial position.

* The directors of the group does not expect there to be a significant change in the information that is currently disclosed in the notes because the requirement to disclose material information remains unchanged; however, the way in which the information is grouped might change as a result of the aggregation/disaggregation principles. In addition, there will be significant new disclosures required for:
  * management-defined performance measures;
  * a break-down of the nature of expenses for line items presented by function in the operating category of the statement of profit or loss – this break-down is only required for certain nature expenses; and
  * for the first annual period of application of IFRS 18, a reconciliation for each line item in the statement of profit or loss between the restated amounts presented by applying IFRS 18 and the amounts previously presented applying IAS 1.

* From a cash flow statement perspective, there will be changes to how interest received and interest paid are presented. Interest paid will be presented as financing cash flows and interest received as investing cash flows, which is a change from current presentation as part of operating cash flows

The Group will apply the new standard from its mandatory effective date of 1 January 2027. Retrospective application is required, and so the comparative information for the financial year ending 31 December 2026 will be restated in accordance with IFRS 18.

1.2 Basis of measurement

These financial statements are prepared on the historical cost basis except for the following:

- Investment property is measured at fair value.
- Assets held for trading are measured at fair value

1.3 Functional and presentation currency

The financial statements are presented in the functional currency, Nigeria naira which is the Group's functional currency.

1.4 Consolidation

The Group financial statements comprise the financial statements of the company and its subsidiaries, CHI Capital Limited and CHI Microinsurance Limited, all made up to 31 December, each year.

The financial statements of subsidiaries are consolidated from the date the group acquires control, up to the date that such effective control seizes.

Subsidiaries are all entities (including structured entities) over which the Group exercise control. Control is achieved when the Group is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power to direct the activities of the entity.

(1) Power over the investee
(2) Exposure, or rights, to variable returns from its involvement with the investee, and
(3) The ability to use its power over the investee to affect the amount of the investor's returns.

The subsidiaries are fully consolidated from the date on which control is transferred to the group. They are de-consolidated from the date that control ceases.
Subsidiaries are measured at cost less impairment in the separate financial statement.

1.5 Use of estimates and judgments
The Group makes estimate and assumption about the future that affects the reported amounts of assets and liabilities. Estimates and judgement are continually evaluated and based on historical experience and other factors, including expectation of future events that are believed to be reasonable under the circumstances. In the future, actual experience may differ from these estimates and assumption. The annual accounting basis is used to determine the underwriting result of each class of insurance business written.

The effect of a change in an accounting estimate is recognized prospectively by including it in the comprehensive income in the period of the change, if the change affects that period only, or in the period of change and future period, if the change affects both.

The estimates and assumptions that have a significant risk of causing material adjustment to the carrying amount of asset and liabilities within the next financial year are discussed below:
(a) The ultimate liability arising from claims made under insurance contracts
The estimation of the ultimate liability arising from claims made under insurance contracts is the group's most critical accounting estimate. There are several sources of uncertainty that need to be considered in the estimate of the liability that the company will ultimately pay for such claims. The uncertainty arises because all events affecting the ultimate settlement of the claims have not taken place and may not take place for some time. Changes in the estimate of the provision may be caused by receipt of additional claim information, changes in judicial interpretation of contract, or significant changes in severity or frequency of claims from historical records. The estimates are based on the company's historical data and industry experience. The ultimate claims liability computation is subjected to a liability adequacy test by an actuarial consultant using actuarial models.

(b) Impairment of premium receivables
The Group adopted the policy of no premium no cover and the premium receivables outstanding as at the reporting period are premium receivable within 30days that are due from brokers. The premium receivable was further subjected to impairment based on management judgement. Internal models were developed based on company's specific collectability factors and trends to determine amounts to be provided for impairment of premium receivables. Efforts are made to assess significant debtors individually based on information available to management and where there is objective evidence of impairment they are appropriately impaired. Other premium receivables either significant or otherwise that are not specifically impaired are grouped on a sectorial basis and assessed based on a collective impairment model that reflects the company's debt collection ratio per sector.

(c) Income taxes
The Group periodically assesses its liabilities and contingencies related to income taxes for all years open to audit based on the latest information available. For matters where it is probable that an adjustment will be made, the Group records its best estimate of the tax Management believes they have adequately provided for the probable outcome of these matters; however, the final outcome may result in a materially different outcome than the amount included in the tax liabilities.

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

3.0 Cash and cash equivalents
Cash and cash equivalents comprise cash in hand, deposits with a maturity of three months or less and other short-term highly liquid investments that are readily convertible into known amounts of cash. For the purpose of reporting cash flows, cash and cash equivalents include cash on hand; bank balances, fixed deposits and treasury bills within 90days.

3.1 Financial Instruments
Financial Assets Recognition
The Group on the date of origination or purchase recognizes placements, equity securities and deposits at the fair value of consideration paid. Regular -way purchases and sales of financial assets shall be recognized on the settlement date. All other financial assets and liabilities, including derivatives, shall be initially recognized on the trade date at which the Company becomes a party to the contractual provisions of the instrument.

Classification and Measurement
Initial measurement of a financial asset or liability shall be at fair value plus transaction costs that are directly attributable to its purchase or issuance. For instruments measured at fair value through profit or loss, transaction costs shall be recognized immediately in profit or loss. Financial assets include placement with banks, treasury bills and equity instruments.

Financial assets shall be classified into one of the following measurement categories in line with the provisions of IFRS 9:

1. Amortised cost
2. Fair Value through Other Comprehensive Income (FVOCI)
3. Fair Value through Profit or Loss (FVTPL) for trading related assets.

The Group shall classify its financial assets based on the business model for managing the assets and the asset's contractual cash flow characteristics.

Business Model Assessment
Business model assessment shall involve determining whether financial assets are managed in order to generate cash flows from collection of contractual cash flows, selling financial assets or both. The Group shall assess business model at a portfolio level reflective of how groups of assets are managed together to achieve a particular business objective. For the assessment of business model the Group will take into consideration the following factors:

The stated policies and objectives for the portfolio and the operation of those policies in practice. In particular, whether management's strategy focuses on earning contractual interest revenue, maintaining a particular interest rate profile, matching the duration of the financial assets to the duration of the liabilities that shall be funding those assets or realizing cash flows through the sale of the assets;

- How the performance of assets in a portfolio will be evaluated and reported to the relevant heads of department and other key decision makers within the Company's business lines;
- The risks that affect the performance of assets held within a business model and how those risks shall be managed;
- How compensation shall be determined for the Company's business lines, management that manages the assets; and
- The frequency and volume of sales in prior periods and expectations about future sales activity.

Management shall determine the classification of the financial instruments at initial recognition. The business model assessment falls under three categories:

I) Business Model 1(BM1): Financial assets held with the sole objective to collect contractual cash flows
II) Business Model 2 (BM2): Financial assets held with the objective of both collecting contractual cash flows and selling; and
III) Business Model 3 (BM3): Financial assets held with neither of the objectives mentioned in BM1 or BM2 above. These shall be basically financial assets held with the sole objective to trade and to realize fair value changes.

The Group may decide to sell financial instruments held under the BM1 category with the objective to collect contractual cash flows without necessarily changing its business model if one or more of the following conditions shall be met:

i) Where these sales shall be infrequent even if significant in value. A Sale of financial assets shall be considered infrequent if the sale shall be one -off during the Financial Year and/or occurs at most once during the quarter or at most three (3) times within the Financial Year.
ii) Where these sales shall be insignificant in value both individually and in aggregate,even if frequent. A sale shall be considered insignificant if the portion of the financial assets sold shall be equal to or less than five (5) per cent of the carrying amount (book value) of the total assets within the business model.
iii) When these sales shall be made close to the maturity of the financial assets and the proceeds from the sales approximates the collection of the remaining contractual cash flows. A sale is considered to be close to maturity if the financial assets has a tenor to maturity of not more than one (1) year and/or the difference between the remaining contractual cash flows expected from the financial asset does not exceed the cash flows from the sales by ten (10) per cent.

Other reasons: The following reasons outlined below may constitute 'Other Reasons' that may necessitate selling financial assets from the BM1 category that will not constitute a change in business model:

1 Selling the financial asset to realize cash to deal with unforeseen need for liquidity (infrequent).
2 Selling the financial asset to manage credit concentration risk (infrequent)
3 Selling the financial assets as a result of changes in tax laws (infrequent).
4 Other situations also depends upon the facts and circumstances which need to be judged by the Management

Cash flow characteristics assessment

The company shall assess the contractual features of an instrument to determine if they give rise to cash that shall be consistent with a basic investment arrangement. Contractual cash flows shall be consistent with a basic deposit arrangement if they represent cash flow that are solely payments of principal and interest on the principal amount outstanding (SPPI). Principal shall be defined as the fair value of the instrument at initial recognition. Principal may change over the life of the instruments due to repayments. Interest shall be defined as consideration for the time value of money and the credit risk associated with the principal amount outstanding and for other basic lending risks and costs (liquidity risk and administrative costs), as well as a profit margin.

Classification of Financial Assets

a) Financial assets measured at amortised cost

Financial assets shall be measured at amortised cost if they are held within a business model whose objective shall be to hold for collection of contractual cash flows where those cash flows represent solely payments of principal and interest. After initial measurement, debt instruments in this category shall be carried at amortized cost using the effective interest rate method. The effective interest rate shall be the rate that discounts estimated future cash payments or receipts through the expected life of the financial asset to the gross carrying amount of a financial asset. Amortized cost shall be calculated taking into account any discount or premium on acquisition, transaction costs and fees that shall be an integral part of the effective interest rate.

Amortization shall be included in Interest income in the Consolidated Statement of Income. Impairment on financial assets measured at amortized cost shall be calculated using the expected credit loss approach. Financial assets measured at amortized cost shall be presented net of the allowance for credit losses (ECL) in the statement of financial position.

b) Financial assets measured at FVOCI

Financial assets shall be measured at FVOCI if they are to be held within a business model whose objective shall be to hold for collection of contractual cash flows and for selling financial assets, where the assets' cash flows represent payments that shall be solely payments of principal and interest. Subsequent to initial recognition, unrealized gains and losses on debt instruments measured at FVOCI shall be recorded in Other Comprehensive Income (OCI).

c) Financial assets measured at FVTPL

Financial assets measured at FVTPL include assets held for trading purposes, assets held as part of a portfolio managed on a fair value basis and assets whose cash flows do not represent payments that shall be solely payments of principal and interest. Financial assets may also be designated at FVTPL if by so doing eliminates or significantly reduces an accounting mismatch which would otherwise arise. These instruments shall be measured at fair value in the Consolidated Statement of Financial Position, with transaction costs recognized immediately in the Consolidated Statement of Income.

d) Equity Investments

Equity instruments shall be measured at FVTPL, unless an election is made to designate them at FVOCI upon purchase. For equity instruments measured at FVTPL, changes in fair value shall be recognized in the Consolidated Statement of Income. The Company can elect to classify non-trading equity instruments at FVOCI. This election will be used for certain equity investments for strategic or longer term investment purposes. The FVOCI election shall be made upon initial recognition, on an instrument-by-instrument basis and once made shall be irrevocable. Gains and losses on these instruments including when derecognized/sold be irrevocable. Gains and losses on these instruments including when derecognized/sold shall be recorded in OCI and shall not be subsequently reclassified to the Consolidated Statement of Income.

Dividends received shall be recorded in Interest income in the Consolidated Statement of Income. Any transaction costs incurred upon purchase of the security shall be added to the cost basis of the security and shall not be reclassified to the Consolidated Statement of Income on sale of the security.

Financial Liabilities
Financial liabilities shall be classified into one of the following measurement categories:
a) Fair Value through Profit or Loss (FVTPL)
b) Amortised cost

a) Financial Liabilities at fair value through profit or loss
Financial liabilities accounted for at fair value through profit or loss fall into two categories: financial liabilities held for trading and financial liabilities designated at fair value through profit or loss on inception

Financial liabilities at fair value through profit or loss shall be financial liabilities held for trading. A financial liability shall be classified as held for trading if it shall be incurred principally for the purpose of repurchasing it in the near term or if it shall be part of a portfolio of identified financial instruments that shall be managed together and for which there shall be evidence of a recent actual pattern of profit-taking. Derivatives shall also be categorized as held for trading unless they shall be designated and effective as hedging instruments. Financial liabilities held for trading also include obligations to deliver financial assets borrowed by a short seller.

Gains and losses arising from changes in fair value of financial liabilities classified as held for trading shall be included in the income statement and shall be reported as 'Net gains/(losses) on financial instruments classified as held for trading'. Interest expenses on financial liabilities held for trading shall be included in 'Net interest income'.

Financial Liabilities shall be designated at FVTPL when either the designation eliminates or significantly reduces an accounting mismatch which would otherwise arise or the financial liability contains one or more embedded derivatives which significantly modify the cash flows otherwise required. For liabilities designated at fair value through profit or loss, all changes in fair value shall be recognized in the Consolidated Statement of Income, except for changes in fair value arising from changes in the company's own credit risk which shall be recognized in OCI. Changes in fair value of liabilities due to changes in the company's own credit risk, which are recognized in OCI, shall not be subsequently reclassified to the Consolidated Statement of Income upon derecognition/extinguishment of the liabilities.

b) Financial Liabilities at amortised cost
Financial liabilities that are not classified at fair value through profit or loss fall into this category and shall be measured at amortised cost using the effective interest rate method. Financial liabilities measured at amortised cost shall be debt securities in issue for which the fair value option is not applied, convertible bonds and subordinated debts.

Reclassifications
Financial assets shall not be reclassified subsequent to their initial recognition, except in the period after the Group changes its business model for managing financial assets. A change in the Group's business model will occur only when the Group either begins or ceases to perform an activity that is significant to its operations such as:

- Significant internal restructuring or business combinations; for example: an acquisition of a private asset management company that might necessitate transfer and sale of assets to willing buyers, this action will constitute changes in business model and subsequent reclassification of the assets held from BM1 to BM2 Category.

Any other reason that might warrant a change in the Group's business model are determined by management based on facts and circumstances.

The following shall not be considered to be changes in the business model:
(a) (even in circumstances of significant changes in market conditions)
(b) A temporary disappearance of a particular market for financial assets.
(c) A transfer of financial assets between parts of the Group with different business models.

When reclassification occurs, the Group shall reclassify all affected financial assets in accordance with the new business model. Reclassification shall be applied prospectively from the 'reclassification date'. Reclassification date shall be 'the first day of the first reporting period following the change in business model. Gains, losses or interest previously recognised shall not be restated when reclassification occurs.

Impairment of Financial Assets
In line with IFRS 9, the Group assess the under listed financial instruments for impairment using Expected Credit Loss (ECL) approach:
1. Amortized cost financial assets; and
2. Debt securities classified as at FVOCI;

Equity instruments and financial assets measured at FVTPL shall not be subjected to impairment under the standard.

Expected Credit Loss Impairment Model
The Group's allowance for credit losses calculations shall be outputs of models with a number of underlying assumptions regarding the choice of variable inputs and their interdependencies. The expected credit loss impairment model reflects the present value of all cash shortfalls related to default events either over the following twelve months or over the expected life of a financial instrument depending on credit deterioration from inception. The allowance for credit losses reflects an unbiased, probability-weighted outcome which considers multiple scenarios based on reasonable and supportable forecasts.

The Group shall adopt a three-stage approach for impairment assessment based on changes in credit quality since initial recognition.

Stage 1 - Where there has not been a Significant Increase in Credit Risk (SICR) since initial recognition of a financial instrument, an amount equal to 12 months expected credit loss shall be recorded. The expected credit loss shall be computed using a probability of default occurring over the next 12 months. For those instruments with a remaining maturity of less than 12 months, a probability of default corresponding to remaining term to maturity shall be used.

Stage 2 - When a financial instrument experiences a SICR subsequent to origination but is not considered to be in default, it shall be included in Stage 2. This requires the computation of expected credit loss based on the probability of default over the remaining estimated life of the financial instrument.

Stage 3 - Financial instruments that are considered to be in default shall be included in this stage. Similar to Stage 2, the allowance for credit losses captures the lifetime expected credit losses.

The guiding principle for ECL model shall be to reflect the general pattern of deterioration or improvement in the credit quality of financial instruments since initial recognition. The ECL allowance shall be based on credit losses expected to arise over the life of the asset (life time expected credit loss), unless there has been no significant increase in credit risk since origination. Examples of financial assets with low credit risk (no significant increase in credit risk) include: Risk free and gilt edged debt investment securities that shall be determined to have low credit risk at the reporting date; and Other financial instruments (other than lease receivables) on which credit risk has not increased significantly since their initial recognition.

Measurement of Expected Credit Losses
The probability of default (PD), exposure at default (EAD), and loss given default (LGD) inputs used to estimate expected credit losses shall be modelled based on macroeconomic variables that are most closely related with credit losses in the relevant portfolio.

Details of these statistical parameters/inputs are as follows:
PD - The probability of default shall be an estimate of the likelihood of default over a given time horizon. A default may only happen at a certain time over the remaining estimated life, if the asset has not been previously derecognized and are still in the portfolio.

12-month PDs - This is the estimated probability of default occurring with the next 12 months (or over the remaining life of the financial instrument if that is less than 12 months). This shall be used to calculate 12-month ECLs.

Lifetime PDs - This is the estimated probability of default occurring over the remaining life of the financial instrument. This shall be used to calculate lifetime ECLs for “stage 2” and stage 3 exposures. PDs shall be limited to the maximum exposure required by IFRS 9

EAD - The exposure at default shall be an estimate of the exposure at a future default date, taking into account expected changes in the exposure after the reporting date, including repayments of principal and interest, whether scheduled by contract or otherwise, expected drawdowns on committed facilities, and accrued interest from missed payments.

LGD - The loss given default shall be an estimate of the loss arising in the case where a default occurs at a given time. It shall be based on the difference between the contractual cash flows due and those that the lender would expect to receive, including from the realization of any collateral. It shall be usually expressed as a percentage of the EAD.

Forward-looking information
The measurement of expected credit losses for each stage and the assessment of significant increases in credit risk considers information about past events and current conditions as well as reasonable and supportable forecasts of future events and economic conditions. The estimation and application of forward-looking information requires significant judgement.

Macroeconomic factors
The Group shall rely on a broad range of forward looking information as economic inputs, such as GDP growth, unemployment rates, central bank base rates, crude oil prices, inflation rates and foreign exchange rates. The inputs and models used for calculating expected credit losses may not always capture all characteristics of the market at the date of the financial statements. To reflect this, qualitative adjustments or overlays shall be made as temporary adjustments using expert credit judgement.

Multiple forward-looking scenarios
The Group shall determine allowance for credit losses using three probability -weighted forward looking scenarios. The Group shall consider both internal and external sources of information in order to achieve an unbiased measure of the scenarios used. The Group prepares the scenarios using forecasts generated by credible sources such as Business Monitor International (BMI), International Monetary Fund (IMF), Nigeria Bureau of Statistics (NBS), World Bank, Central Bank of Nigeria (CBN), Nigeria Insurers Association, Financial Markets Dealers Quotation (FMDQ), and Trading Economics.

The Group estimates three scenarios for each risk parameter (LGD, EAD, CCF and PD) - Normal, Upturn and Downturn, which in turn shall be used in the estimation of the multiple scenario ECLs. The 'normal case' represents the most likely outcome and shall be aligned with information used by the company for other purposes such as strategic planning and budgeting. The other scenarios represent more optimistic and more pessimistic outcomes. The Group has identified and documented key drivers of credit risk and credit losses for each portfolio of financial instruments and, using an analysis of historical data, has estimated relationships between macro -economic variables, credit risk and credit losses.

Assessment of significant increase in credit risk (SICR)
At each reporting date, the company shall assess whether there has been a significant increase in credit risk for exposures since initial recognition by comparing the risk of default occurring over the remaining expected life from the reporting date and the date of initial recognition. The assessment considers borrower-specific quantitative and qualitative information without consideration of collateral, and the impact of forward-looking macroeconomic factors. The common assessments for SICR on retail and non-retail portfolios include macroeconomic outlook, management judgement, and delinquency and monitoring. Forward looking Macroeconomic factors shall be a key component of the macroeconomic outlook. The importance and relevance of each specific macroeconomic factor depends on the type of product, characteristics of the financial instruments and the borrower and the geographical region.

The Group shall adopt a multi factor approach in assessing changes in credit risk. This approach considers: Quantitative (primary), Qualitative (secondary) and Back stop indicators which are critical in allocating financial assets into stages.

The quantitative models considers deterioration in the credit rating of obligor/counterparty based on the company's internal rating system or External Credit Assessment Institutions (ECAI) while qualitative factors considers information such as expected forbearance, restructuring, exposure classification by licensed credit bureau etc.

A backstop shall be used to ensure that in the (unlikely) event that the primary (quantitative) indicators do not change and there is no trigger from the secondary (qualitative) indicators, an account that has breached the 30 days past due criteria for SICR and 90 days past due criteria for Default shall be transferred to stage 2 and stage 3 respectively except there is a reasonable and supportable evidence available without undue cost to rebut the presumption.

Definition of Default and Credit Impaired Financial Assets
At each reporting date, the Group shall assess whether financial assets are credit impaired. A financial asset shall be credit impaired when one or more of the following events have a detrimental impact on the estimated future cash flows of the financial asset:

- Significant financial difficulty of the Issuer;
- A breach of contract such as a default or past due event;
- It is becoming probable that the borrower will enter bankruptcy or other financial reorganization.
- The disappearance of an active market for a security because of financial difficulties

A debt that has been renegotiated due to a deterioration in the issuer's condition shall be considered to be credit-impaired unless there is evidence that the risk of not receiving contractual cash flows has reduced significantly and there shall be no other indicators of impairment. In making an assessment of whether an investment in sovereign debts is credit-impaired, the Group shall consider the following factors.

1 The market's assessment of credit worthiness as reflected in the bond yields
2 The rating agencies' assessments of credit worthiness
3 The country's ability to access the capital markets for new debt issuance

4 The probability of debt being restructured, resulting in holders suffering losses through voluntary or mandatory debt forgiveness

5 The international support mechanisms in place to provide the necessary support as lender of last resort to that country as well as the intention, reflected in public statements of governments and agencies to use those mechanisms. This includes an assessment of the depth of those mechanisms and irrespective of the political intent, whether there is the capacity to fulfil the required Criteria.

Presentation of allowance for ECL in the statement of financial position

Allowances for ECL shall be presented in the statement of financial position as follows:

- Financial assets measured at amortised cost: as a deduction from the gross carrying amount of the assets

- Financial assets measured at FVOCI: no loss allowance shall be recognized in the statement of financial position because the carrying amount of these assets shall be their fair value.

However, the loss allowance shall be disclosed and recognized in the fair value reserve.

Write-off

The Group writes off an impaired financial asset (and the related impairment allowance), either partially or in full, when there shall be no realistic prospect of recovery. After a full evaluation of a non-performing exposure, in the event that either one or all of the following conditions apply,such exposure shall be recommended for write-off (either partially or in full):

- Continued contact with the customer is impossible;
- Recovery cost is expected to be higher than the outstanding debt;
- Amount obtained from realization of credit collateral security leaves a balance of the debt; or
- It is reasonably determined that no further recovery on the facility is possible.

4. Leases

This is a new standard which replaces IAS 17 Leases, and introduces a single lessee accounting model. The main changes arising from the issue of IFRS 16 which are likely to impact the company are as follows:

- Company as lessee: Lessees are required to recognize a right-of-use asset and a lease liability for all leases, except short term leases or leases where the underlying asset has a low value, which are expensed on a straight line or other systematic basis.

- The cost of the right-of-use asset includes, where appropriate, the initial amount of the lease liability; lease payments made prior to commencement of the lease less incentives received; initial direct costs of the lessee; and an estimate for any provision for dismantling, restoration and removal related to the underlying asset.

- The lease liability takes into consideration, where appropriate, fixed and variable lease payments; residual value guarantees to be made by the lessee; exercise price of purchase options; and payments of penalties for terminating the lease.

- The right-of-use asset is subsequently measured on the cost model at cost less accumulated depreciation and impairment and adjusted for any re-measurement of the lease liability. However, right-of-use assets are measured at fair value when they meet the definition of investment property and all other investment property is accounted for on the fair value model. If a right-of-use asset relates to a class of property, plant and equipment which is measured on the revaluation model, then that right-of-use asset may be measured on the revaluation model.

- The lease liability is subsequently increased by interest, reduced by lease payments and re - measured for reassessments or modifications. Re-measurements of lease liabilities are affected against right-of-use assets, unless the assets have been reduced to nil, in which case further adjustments are recognised in profit or loss.

- The lease liability is re-measured by discounting revised payments at a revised rate when there is a change in the lease term or a change in the assessment of an option to purchase the underlying asset.

- The lease liability is re-measured by discounting revised lease payments at the original discount rate when there is a change in the amounts expected to be paid in a residual value guarantee or when there is a change in future payments because of a change in index or rate used to determine those payments.
- Certain lease modifications are accounted for as separate leases. When lease modifications which decrease the scope of the lease are not required to be accounted for as separate leases, then the lessee re-measures the lease liability by decreasing the carrying amount of the right of lease asset to reflect the full or partial termination of the lease. Any gain or loss relating to the full or partial termination of the lease is recognised in profit or loss. For all other lease modifications which are not required to be accounted for as separate leases, the lessee re-measures the lease liability by making a corresponding adjustment to the right - of- use asset.

- Right-of-use assets and lease liabilities should be presented separately from other assets and liabilities. If not, then the line item in which they are included must be disclosed. This does not apply to right-of-use assets meeting the definition of investment property which must be presented within investment property. IFRS 16 contains different disclosure requirements compared to IAS 17 leases. Company as lessor:

- Accounting for leases by lessors remains similar to the provisions of IAS 17 in that leases are classified as either finance leases or operating leases. Lease classification is reassessed only if there has been a modification.

- A modification is required to be accounted for as a separate lease if it both increases the scope of the lease by adding the right to use one or more underlying assets; and the increase in consideration is commensurate to the stand alone price of the increase in scope.
- If a finance lease is modified, and the modification would not qualify as a separate lease, but the lease would have been an operating lease if the modification was in effect from inception, then the modification is accounted for as a separate lease. In addition, the carrying amount of the underlying asset shall be measured as the net investment in the lease immediately before the effective date of the modification. IFRS 9 is applied to all other modifications not required to be treated as a separate lease.

- Modifications to operating leases are required to be accounted for as new leases from the effective date of the modification. Changes have also been made to the disclosure requirements of leases in the lessor's financial statements.

Sale and leaseback transactions:
In the event of a sale and leaseback transaction, the requirements of IFRS 15 are applied to consider whether a performance obligation is satisfied to determine whether the transfer of the asset is accounted for as the sale of an asset. If the transfer meets the requirements to be recognised as a sale, the seller-lessee must measure the new right-of use asset at the proportion of the previous carrying amount of the asset that relates to the right -of-use retained. The buyer-lessor accounts for the purchase by applying applicable standards and for the lease by applying IFRS 16.

If the fair value of consideration for the sale is not equal to the fair value of the asset, then IFRS 16 requires adjustments to be made to the sale proceeds. When the transfer of the asset is not a sale, then the seller-lessee continues to recognize the transferred asset and recognizes a financial liability equal to the transfer proceeds. The buyer -lessor recognizes a financial asset equal to the transfer proceeds. The effective date of the standard is for years beginning on or after January 1, 2019. The company adopted the standard for the first time in the 2019 annual report and financial statements. The impact of this standard is not material on the financial statements.

5. Premium receivables

Trade receivables are recognized when due. These include amounts due from agents, brokers and insurance contract holders. If there is objective evidence that the insurance receivable is impaired, the Company reduces the carrying amount of the insurance receivable accordingly and recognizes that impairment loss in the income statement. The Company first assesses whether objective evidence of impairment exists individually for receivables that are individually significant. If the company determines that no objective evidence of impairment exists for an individually assessed receivable, whether significant or not, it includes the receivable in a group of receivables with similar credit risk characteristics and collectively assesses them for impairment using the model that reflects the company's historical outstanding premium collection ratio per sector.

6. Reinsurance contract assets and liabilities

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

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

In certain cases, a reinsurance contract is entered into retrospectively to reinsure a notified claim under the Company's property or casualty insurance contracts.

Where the premium due to the reinsurer differs from the liability established by the Company for the related claim, the difference is amortized over the estimated remaining settlement period.

The Company assesses its reinsurance assets for impairment. If there is objective evidence that the reinsurance asset is impaired, the Company reduces the carrying amount of the reinsurance asset to its recoverable amount and recognizes that impairment loss in the income statement. The Company gathers the objective evidence that a reinsurance asset is impaired using the same process adopted for financial assets held at amortized cost. The impairment loss is calculated following the same method used for these financial assets.

7. Other receivables and prepayments

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

8. Investment in subsidiaries

Subsidiaries are entities controlled by the parent. In accordance with IAS 10, control exists when the parent has:

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

Investments in subsidiaries are reported at cost less impairment (if any).

9. Offsetting financial instruments

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

10. Intangible assets

Intangible assets acquired separately are shown at historical cost less accumulated amortization and impairment losses. Amortization is charged to profit or loss on a straight- line basis over the estimated useful lives of the intangible asset unless such lives are indefinite. These charges are included in other expenses in profit or loss. Intangible assets with an indefinite useful life are tested for impairment annually.

Amortization periods and methods are reviewed annually and adjusted if appropriate.
The class of the intangible assets recognised by the company and its amortisation rates are as follows:

Rate	
Computer software	15%

11. Property and equipment

11.1 Recognition and Measurement

All property and equipment are stated at historical cost less accumulated depreciation less accumulated impairment losses. Historical cost includes expenditure that is directly attributable to the acquisition of the items.

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

Land is not depreciated. Land and Building shall be measured using the revaluation model. Depreciation on other assets is calculated using the straight-line method to allocate their cost or revalued amounts to their residual values over their estimated useful lives, as follows:

Buildings	-	2%
Furniture & fittings	-	15%
Computers	-	15%
Motor vehicles	-	20%
Office equipment	-	15%

When arts of an item of property and equipment have different useful lives, they are accounted for as separate items (major components) of property and equipment. The assets' residual values and useful lives are reviewed at the end of each reporting period and adjusted if appropriate. An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable value.

Gains and losses on disposals are determined by comparing the proceeds with the carrying amount, these are included in the income statement in operating income. The Group reviews the estimated useful lives of property and equipment at the end of each reporting period.

11.2 Investment property

Property held for long-term rental yields and (or) capital appreciation that is not occupied by the companies in the Group is classified as investment property.

Investment property comprises freehold land and buildings. It is carried at fair values, adjusted if necessary, for any difference in the nature, location or condition of the specific asset. If this information is not available, the Group uses alternative valuation methods such as discounted cash flow projections or recent prices in less active markets. Gains/losses in the fair value of investment properties are recognised in the income statement.

These valuations are reviewed annually by an independent valuation expert. Investment Property under construction that is being developed for continuing use as investment property are measured at cost.

Property located on land that is held under an operating lease is classified as investment property as long as it is held for long-term rental yields and is not occupied by the companies in the consolidated Group. The initial cost of the property shall be the fair value (where available), when not available the initial cost shall be used. The property is carried at fair value after initial recognition.

When the use of a property changes from owner-occupied to investment property, the property is re-measured to fair value and reclassified as investment property. Any gain arising on re-measurement is recognized in income statement to the extent the gain reverses a previous impairment loss on the specific property, with any remaining gain recognized in other comprehensive income and presented in the revaluation reserve in equity.

Any loss is recognized in other comprehensive income and presented in the revaluation reserve in equity to the extent that an amount had previously been included in the revaluation reserve relating to the specific property, with any remaining loss recognized immediately in income statement.

12. Statutory Deposit

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

13. Investment Contract Liability

Investment contracts are those contracts that transfer financial risk with no significant insurance risk. Financial risk is the risk of a possible future change in one or more of a specified interest rate, security price, commodity price, foreign exchange rate, index of prices or rates, credit rating or credit index or other variable, provided in the case of a non-financial variable that the variable is not specific to a party to the contract.

The Group enters into investment contracts with guarantee returns and other businesses of savings nature. Those contracts are termed investment contract liabilities and are initially measured at fair value and subsequently at amortised cost. Finance cost on investment contract liabilities is recognised as an expense in profit or loss using the effective interest rate.

14. Retirement benefits obligations

14.1 Defined contribution plan

The Group runs a defined contribution plan in line with the Pension Reform Act Amended 2014. A defined contribution plan is a pension plan under which the Company pays fixed contributions into a separate entity. The rate of contribution by the Group and its employee is 10% and 8% respectively of basic salary, housing and transport allowance. The Group has no legal or constructive obligations to pay further contributions if the fund does not hold sufficient assets to pay all employees the benefits relating to employee service in the current and prior periods.

Under the defined contribution plans, the Group pays contributions to publicly or privately administered pension insurance plans on a mandatory, contractual or voluntary basis. The Group has no further payment obligations once the contributions have been paid. The contributions are recognized as employee benefit expenses when they are due.

Prepaid contributions are recognized as an asset to the extent that a cash refund or a reduction in the future payments is available.

15. Share capital

Shares are classified as equity when there is no obligation to transfer cash or other assets. Equity instruments issued are recorded at the value of proceeds received, net of costs directly attributable to the issue of the instruments. Incremental costs directly attributable to the issue of equity instruments are shown in equity as a deduction from the proceeds, net of tax.

16. Share premium

Share premium is the excess amount over the par value of the shares. This is classified as equity when there is no obligation to transfer cash or other assets. The proceeds received are recorded as net of costs. This reserve is not ordinarily available for distribution.

18. Contingency reserve

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

19. Dividend distribution

Dividend distribution to the Group's shareholders is recognised as a deduction in the retained earnings in the year in which the dividend is approved by the Company's shareholders.

20. Revenue recognition

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

Non-Life Business - The Company issues non-life insurance to individuals and businesses. Non-life insurance products offered include motor, property, marine, fire and personal accident. These products offer protection of policyholder's assets and indemnification of other parties that have suffered damage as a result of a policyholder's accident.

The Company accounts for these contracts applying the Premium Allocation Approach (PAA).
The Company also holds the following types of reinsurance contracts to mitigate risk exposure.

For the life business, the Company holds quota share reinsurance treaties and accounts for these treaties applying the PAA.

B. Definition and Classification

Products sold by the Company are classified as insurance contracts when the Company accepts significant insurance risk from a policyholder by agreeing to compensate the policyholder if a specified uncertain future event adversely affects the policyholder.

This assessment is made on a contract-by-contract basis at the contract issue date. In making this assessment, the Company considers all its substantive rights and obligations, whether they arise from contract, law or regulation.

The Company determines whether a contract contains significant insurance risk by assessing if an insured event could cause the Company to pay to the policyholder additional amounts that are significant in any single scenario with commercial substance even if the insured event is extremely unlikely or the expected present value of the contingent cash flows is a small proportion of the expected present value of the remaining cash flows from the insurance contract.

The Company does not issue any contracts with direct participating features.

C.Separating components from insurance and reinsurance contracts

The Company assesses its insurance and reinsurance products to determine whether they contain components which must be accounted for under another IFRS rather than IFRS 17 (distinct non - insurance components). After separating any distinct components, an entity must apply IFRS 17 to all remaining components of the (host) insurance contract.

Currently, the Company's products do not include distinct components that require separation.
Some term life contracts issued by the Company include a surrender option under which the surrender value is paid to the policyholder on maturity or earlier lapse of the contract. These surrender options have been assessed to meet the definition of a non - distinct investment component in IFRS 17. IFRS 17 defines investment components as the amounts that an insurance contract requires an insurer to repay to a policyholder in all circumstances, regardless of whether an insured event has occurred. Investment components which are highly interrelated with the insurance contract of which they form a part are considered non-distinct and are not separately accounted for. However, receipts and payments of the investment components are excluded from insurance revenue and insurance expenses. The surrender options are considered non distinct investment components as the Company is unable to measure the value of the surrender option component separately from the life insurance portion of the contract.

D. Level of aggregation

IFRS 17 requires an entity to determine the level of aggregation for applying its requirements. The Company identifies portfolios by aggregating insurance contracts that are subject to similar risks and managed together. In grouping insurance contracts into portfolios, the Company considers the similarity of risks rather than the specific labelling of product lines. The Company has determined that all contracts within each product line, as defined for management purposes, have similar risks. Therefore, when contracts are managed together, they represent a portfolio of contracts. Each portfolio is subdivided into groups of contracts to which the recognition and measurement requirements of IFRS 17 are applied.

At initial recognition, the Company segregates contracts based on when they were issued. A cohort contains all contracts that were issued within a 12-month period. Each cohort is then further disaggregated into three groups of contracts:

- Contracts that are onerous on initial recognition
- Contracts that, on initial recognition, have no significant possibility of becoming onerous subsequently
- Any remaining contracts

For short term contracts accounted for applying the PAA, the Group determines that contracts are not onerous on initial recognition, unless there are facts and circumstances indicating otherwise. As IFRS 17 does not define what “facts/circumstances” entail; the following are considered on their impact on expected cashflows and resulting profitability:

Significant changes in external conditions including economic or regulatory changes.

Changes to the organization or processes
Changes in underwriting and pricing strategies

Trends in experience and expected variability in cashflows

This consideration is only required for Liabilities for Remaining Claims (LRC) and not Liabilities for Incurred Claims (LIC)which is already measured at the current fulfillment value. Fulfillment cashflows can be estimated at whichever aggregate level is deemed appropriate and then subsequently allocated into IFRS 17 portfolios and groups. The fact that incurred claims of a particular cohort are loss-making does not mean the LRC will also be onerous. Judgment is applied to determine whether each cohort’s LRC will be similar to this incurred experience and hence onerous. For example, actions taken to improve profitability a historically loss -making cohort may indicate that the cohort will be non-onerous going forward.

All short-term contracts have currently been assessed as having no possibility of becoming onerous. Though the Fire portfolio (non-Life) has historically been loss-making, the portfolio has been showing some improvement post-implementation of PRAN rates and other underwriting strategies such as removal of some toxic accounts etc. The Company expects that improvements will be sustained in future and therefore the cohort will be non-onerous. In subsequent periods, non-onerous contracts are re-assessed based on the likelihood of prevailing facts and circumstances leading to significant possibility of becoming onerous.

Reinsurance contracts held are assessed for aggregation on an individual contract basis and are assessed separately from insurance contracts. The smallest unit of account is a reinsurance contract, even where this contract covers more than one type of insurance product. However, there are cases where a reinsurance contract covers separate and identifiable product lines which are only included in the same legal document for administrative convenience. These contracts have been separated into its different component.

If two or more reinsurance contracts are written on a particular product line, these may be grouped together in the same portfolio as they will be covering risks of the same nature and will be managed together. For example, the Surplus contracts (1&2) on Fire have been grouped together as they cover risks of the same nature and can be measured under the same measurement approach (PAA because they have a contract boundary of 1 year). While, facultative and excess of loss contracts are in separate groups; though they cover the same risks and are even managed together, differing measurement approaches as well as recognition requirements may apply.

E. Recognition
The Company recognizes groups of insurance contracts issued from the date when the first payment from a policyholder in the group becomes due. As Company adheres to the statutory “no premium no cover”, the date premium is received from the policyholder will always be earlier or on the same date as the coverage period. This premium receipt date would then be used to separate the groups of insurance contracts into yearly cohorts. The contract groupings shall not be reassessed until they are derecognized.

F. Contract Boundaries
The Company includes in the measurement of a group of insurance contracts all the future cash flows within the boundary of each contract in the group. Cash flows are within the boundary of an insurance contract if they arise from substantive rights and obligations that exist during the reporting period in which the Group can compel the policyholder to pay the premiums, or in which the Group has a substantive obligation to provide the policyholder with insurance contract services. A substantive obligation to provide insurance contract services ends when:

- The Company has the practical ability to reassess the risks of the particular policyholder and, as a result, can set a price or level of benefits that fully reflects those risks Or
- Both of the following criteria are satisfied:
- The Company has the practical ability to reassess the risks of the portfolio of insurance contracts that contain the contract and, as a result, can set a price or level of benefits that fully reflects the risk of that portfolio.

- The pricing of the premiums up to the date when the risks are reassessed does not take into account the risks that relate to periods after the reassessment date.

A liability or asset relating to expected premiums or claims outside the boundary of the insurance contract are not recognized. Such amounts relate to future insurance contracts.

3. Premium Allocation Approach (PAA)
This is a simplification of the general model. The Company applies the PAA to the measurement of group life and non-life insurance contracts with a coverage period of each contract in the group of one year or less.

Contracts with coverage period above one year which are not immediately eligible for the PAA, will be subjected to a PAA eligibility by assessing the expected LRC cashflows under both the PAA and General Model approaches. However, there is no material difference in the measurement of the liability for remaining coverage between PAA and the general model, therefore, these qualify for PAA.

On initial recognition, the Group measures the carrying amount of the Liability for remaining coverage for insurance contracts held as the premiums received - Gross Written premium

At subsequent measurement, the LRC is effectively the unearned premium reserve (UPR) under IFRS 4 less the deferred acquisition costs (DAC). Unlike IFRS 4, DAC will not be presented as an asset under IFRS17. It is instead reflected in the overall insurance contract liability for remaining coverage, without being identified as a separate component in the balance sheet.

Premium Experience Adjustment: Where premium experience adjustments relate to current/past service and are treated at the end of the period, this will be immediately recognized in the P&L as insurance revenue.

Insurance acquisition cash flows

Under the PAA, an entity can choose to immediately expense insurance acquisition cash flows in the P&L when incurred if and only if each insurance contract in a group has a coverage period of one year or less. CHI Limited has opted to expense acquisition cash flows immediately when incurred. Alternatively, an entity can recognize insurance acquisition cash flows in the measurement of liability for remaining coverage (LRC) and amortize insurance acquisition cash flows in the P&L (systematically - in line with earning pattern of premium revenue OR passage of time, with the former being the method adopted by the Company).

For contracts measured under PAA in the Group, insurance acquisition costs comprise of costs: that are directly attributable to individual contracts or groups of contracts in a portfolio that are directly attributable to individual contracts or groups of contracts in a portfolio that are not directly attributable to individual contracts but, directly attributable to the portfolio of insurance contracts to which the group belongs; with the costs being allocated to groups on a systematic and rationale method e.g., Activity-Based Costing method or based on GWP proportions or claims cost etc.

4. Onerous contracts

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

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

On initial recognition, the CSM of the group of onerous contracts is nil and the group's measurement consists entirely of fulfilment cash flows. A net outflow expected from a group of contracts determined to be onerous is considered to be the group's 'loss component'. It is initially calculated when the group is first considered to be onerous and is recognized at that date in profit or loss. The amount of the group's loss component is tracked for the purposes of presentation and subsequent measurement.

After the loss component is recognized, the Group allocates any subsequent changes in fulfilment cash flows of the LRC on a systematic basis between the loss component and the LRC excluding the loss component. For groups of onerous contracts, without direct participating features, the Group uses locked-in discount rates. They are etermined at initial recognition to calculate the changes in the estimate of future cash flows relating to future service (both changes in a loss component and reversals of a loss component).

For all issued contracts, other than those accounted for applying the PAA, the subsequent changes in the fulfilment cash flows of the LRC to be allocated are:

- Insurance finance income or expense
  Changes in risk adjustment for non-financial risk recognized in profit or loss representing release from risk in the period.
- Estimates of the present value of future cash flows for claims and expenses released from the LRC because of incurred insurance service expenses in the period.

The Company determines the systematic allocation of insurance service expenses incurred based on the percentage of loss component to the total fulfilment cash outflows included in the LRC, including the risk adjustment for non- financial risk, excluding any investment component amount.

For contracts that are measured under PAA, the assumption is that there are no onerous contracts at initial recognition, unless facts and circumstances indicate otherwise. If the measurement of the LIC results in a loss-making group, this does not translate to the LRC being onerous. In this case, the group will be assessed as to whether its LRC will be similar to the incurred experience and hence considered to be onerous. For example, actions taken to improve profitability on the fire portfolio which has been historically loss-making may indicate that the LRC will have a different loss experience.

This difference is recognized as a loss and shall increase the liability for remaining coverage.

1. Recognition
Proportional reinsurance contracts held will be first recognized on the later of the beginning of the coverage period of the reinsurance contract or the date that the first underlying insurance contract in the treaty is initially recognized.

Non-Proportionate reinsurance coverage will be recognized at the beginning of the coverage period of the contract.

2. Reinsurance contracts held measured under the PAA.
All reinsurance contracts with contract boundaries not exceeding one year are automatically considered to meet PAA eligibility. Most of the Group's Surplus reinsurance contracts are immediately eligible for PAA as they are written on a clean-cut basis. At the end of the period, the reinsurer withdraws from the contract and the reinsurance held portfolio (including outstanding recoveries and ceded portion of unexpired premiums) is transferred to a new reinsurer.

A smaller number of surplus reinsurance contracts and all Facultative contracts are written on an underwriting year basis. This basis extends the contract boundary beyond one year as coverage of contracts ceded to the treaty may continue even after the underwriting year has ended. For example, if an insurance contract incepted in May 2022 and cedes to the Marine Hull Surplus reinsurance treaty (which incepted 1 January 2022); the contract boundary extends till May 2023 when the insurance contract will expire. So, the contract boundary for the reinsurance contract is beyond one year i.e.. 1 Jan 2022 - May 2023.

Where the reinsurance contracts held covers a group of onerous underlying insurance contracts, the Group adjusts the carrying amount of the asset for remaining coverage and recognizes a gain when, in the same period, it reports a loss on initial recognition of an onerous group of underlying insurance contracts or on addition of onerous underlying insurance contracts to a group. The recognition of this gain results in the recognition for the loss recovery component of the asset for the remaining coverage of a group of reinsurance contracts held.

J. Modification and Derecognition

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

- If the modified terms were included at contract inception and the Group would have concluded that the modified contract:

· Is outside of the scope of IFRS 17
– Results in a different insurance contract due to separating components from the host contract
– Results in a substantially different contract boundary
– Would be included in a different group of contracts.
- The original contract met the definition of an insurance contract with direct participating features, but the modified contract no longer meets the definition.
- The original contract was accounted for applying the PAA, but the modified contract no longer meets the PAA eligibility criteria for that approach.

If the contract modification meets any of the conditions, the Group performs all assessments applicable at initial recognition, derecognizes the original contract and recognizes the new modified contract as if it was entered for the first time.

If the contract modification does not meet any of the conditions, the Group treats the effect of the modification as changes in the estimates of fulfilment cash flows.

For insurance contracts accounted for applying the General Model, a change in the estimates of fulfilment cash flows results in a revised end of period CSM (before the current period allocation). A portion of the revised end of period CSM is allocated to the current period, as is the revised CSM amount applied from the beginning of the period but reflecting the change in the coverage units due to the modification during the period.

This portion is calculated using updated coverage unit amounts determined at the end of the period and weighted to reflect the fact that the revised coverage existed for only part of the current period.

For insurance contracts accounted for applying the PAA, the Group adjusts insurance revenue prospectively from the time of the contract modification.

The Company derecognizes an insurance contract when, and only when the contract is:
- Extinguished (when the obligation specified in the insurance contract expires or is discharged or cancelled)

- Modified and the derecognition criteria are met.

· When the Group derecognizes an insurance contract from within a group of contracts, it:
- Adjusts the fulfilment cash flows allocated to the group to eliminate the present value of the future cash flows and risk adjustment

for non-financial risk relating to the rights and obligations that have been derecognized from the group.

- Adjusts the CSM of the group for the change in the fulfilment cash flows (unless it relates to the increase or reversal of the loss component)
- Adjusts the number of coverage units for expected remaining insurance contract services to reflect the coverage units derecognized from the group and recognizes in profit or loss in the period the amount of CSM based on that adjusted number.

When the Company transfers an insurance contract to a third party and that results in derecognition, the Group adjusts the CSM of the group from which the contract has been derecognized for the difference between the change in the carrying amount of the group caused by the derecognized fulfilment cash flows and the premium charged by the third party for the transfer.

When the Company derecognizes an insurance contract due to modification, it derecognizes the original insurance contract and recognizes a new one. The Group adjusts the CSM of the group from which the modified contract has been derecognized for the difference between the change in the carrying amount of the group as a result of adjustment to fulfilment cash flows due to derecognition and the premium the Group would have charged had it entered into a contract with equivalent terms as the new contract at the date of the contract modification, less any additional premium actually charged for the modification.

K. Presentation

The Company has presented separately in the consolidated statement of financial position the carrying amount of portfolios of insurance contracts that are assets and those that are liabilities, and the portfolios of reinsurance contracts held that are assets and those that are liabilities.

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

The Company includes any assets for insurance acquisition cash flows recognized before the corresponding groups of insurance contracts are recognized in the carrying amount of the related portfolios of insurance contracts issued.

1. Insurance Revenue

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

For groups of insurance contracts measured under the General Model, insurance revenue consists of the sum of the changes in the LRC due to:

- The insurance service expenses incurred in the period measured at the amounts expected at the beginning of the period, excluding:
- Amounts allocated to the loss component.
- Repayments of investment components.
- Amounts that relate to transaction-based taxes collected on behalf of third parties.
- Insurance acquisition expenses.
- Amounts relating to risk adjustment for non-financial risk.

- The change in the risk adjustment for non-financial risk, excluding:
- Changes that relate to future service that adjust the CSM.
- Amounts allocated to the loss component.
- The amount of CSM for the services provided in the period.

Other amounts, such as experience adjustments for premium receipts that relate to current or past service, if any Insurance revenue also includes the portion of premiums that relate to recovering those insurance acquisition cash flows included in the insurance service expenses in each period.
Both amounts are measured in a systematic way on the basis of the passage of time.
When applying the PAA, the Group recognizes insurance revenue for the period based on the passage of time by allocating expected premium receipts including premium experience adjustments to each period of service.

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

2. Insurance service expenses

Insurance service expenses arising from a group of insurance contracts issued comprises:

- Changes in the LIC related to claims and expenses incurred in the period excluding repayment of investment components.
- Changes in the LIC related to claims and expenses incurred in prior periods (related to past service)
- Other directly attributable insurance service expenses incurred in the period.
- Amortization of insurance acquisition cash flows, which is recognized at the same amount in both insurance service expenses and insurance contract revenue.
- Loss component of onerous groups of contracts initially recognized in the period.
- Changes in the LRC related to future service that do not adjust the CSM, because they are changes in the loss components of onerous groups of contracts.

3. Income or expenses from reinsurance contracts held.

The Company presents income or expenses from a group of reinsurance contracts held and reinsurance finance income or expenses in profit or loss for the period separately. Income or expenses from reinsurance contracts held are split into the following

- Amount recovered from reinsurers.
- An allocation of the premiums paid.

The Company presents cash flows that are contingent on claims as part of the amount recovered from reinsurers. Ceding commissions that are not contingent on claims of the underlying contracts are presented as a deduction in the premiums to be paid to the reinsurer which is then allocated to profit or loss.

The Company establishes a loss recovery component of the asset for the remaining coverage for a group of reinsurance contracts held. This depicts the recovery of losses recognized on the initial recognition of an onerous group of underlying insurance contracts or on addition of onerous underlying insurance contracts to a group. The loss recovery component adjusts the CSM of the group of reinsurance contracts held. The loss recovery component is then adjusted to reflect:

- Changes in the fulfilment cash flows of the underlying insurance contracts that relate to future service and do not adjust the CSM of the respective groups to which the underlying insurance contracts belong to.
- Reversals of loss recovery component to the extent those reversals are not changes in the fulfilment cash flows of the group of

reinsurance contracts held.

- Allocations of the loss recovery component against the amounts recovered from reinsurers reported in line with the associated reinsured incurred claims or expenses.

4. Insurance finance income and expenses
Insurance finance income or expenses present the effect of the time value of money and the change in the time value of money, together with the effect of financial risk and changesin financial risk of a group of insurance contracts and a group of reinsurance contracts held.

The use of OCI presentation for insurance finance income and expenses

The Company has an accounting policy choice to present all the period's insurance finance income or expenses in profit or loss or to split the amount between profit or loss and other comprehensive income (OCI). When considering the choice of presentation of insurance finance income or expenses, the Group examines the assets held for that portfolio and how they are accounted for. Currently the Company present all the period's insurance finance income or expenses in the profit or loss.

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

Comparatives are not restated.

When applying the PAA, the Group does not discount the liability for remaining coverage to reflect the time value of money and financial risk for group life and non-life policies with a coverage period of one year or less. For those claims that the Group expects to be paid within one year or less from the date of incurrence, the Group does not adjust future cash flows for the time value of money and the effects of financial risks. However, claims expected to take more than one year to settle are discounted applying the discount rate at the time the incurred claim is initially recognized.

22. Investment income
Investment income consists of dividend, interest income. Dividends are recognized only

22.1 Interest income
Interest income is accrued on a time basis, by reference to the principal outstanding and at the effective interest rate applicable, which is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to the assets

22.2 Other operating income
Other operating income is made up of rent income, profit on disposal of fixed assets, profit or loss on disposal of investment, exchange gain or loss and other line of income that are not investment income.

22.3 Realized gains and losses
The realized gains or losses on the disposal of an investment is the difference between proceeds received, net of transaction costs and its original or amortized costs as appropriate.

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

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

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

Deferred income tax assets are recognised to the extent that it is probable that future taxable profit will be available against which the temporary differences can be utilized. Deferred income tax is provided on temporary differences arising on investments in subsidiaries and associates, except where the Group controls the timing of the reversal of the temporary difference and it is probable that the temporary difference will not reverse in the foreseeable future.

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

24. Provisions
Provisions are recognized when the Group has a present obligation (legal or constructive) as a result of a past event, and it is probable that the Group 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.

25. Foreign currency translation
Foreign currency transactions are translated into the functional currency using the exchange rates prevailing at the dates of the transactions. At the reporting date, unsettled monetary assets and liabilities are translated into the Group's functional currency by using the exchange rate in effect at the year-end date. Foreign exchange gains and losses resulting from the settlement of foreign currency transactions and from the translation at exchange rates of monetary assets and liabilities denominated in currencies other than the group's functional currency are recognized in the consolidated income statement.

26. Unclaimed dividend
Unclaimed dividend are amounts payable to shareholders in respect of dividend previously declared by the Group which have remained unclaimed by the shareholder in compliance with section 385 of the Companies and Allied Matters Act (Cap C20) laws of the Federation of Nigeria 2004. Unclaimed dividends are transferred to general reserves after twelve years.

27. Earnings per share
The Group presents basic earnings per share (EPS) for its ordinary shares. Basic EPS is calculated by dividing the profit or loss attributable to ordinary shareholders of the Group by the weighted average number of shares outstanding during the year.

28. Revaluation Reserves
Revaluation reserve is an accounting term used when a company creates a line item on its balance sheet for the purpose of maintaining a reserve account tied to certain assets. This line item can be used when a revaluation assessment finds that the carrying value of the asset has changed. The Group uses revaluation reserve lines on the financial Position to account for value fluctuations in long -term assets.

CONSOLIDATED HALLMARK INSURANCE LTD

CONSOLIDATED STATEMENT OF FINANCIAL POSITION
AT 31 DECEMBER 2024

	Notes	31 December		31 December	
		2024	2023	**2024**	2023
		N	N	**N**	N
Assets					
Cash and cash equivalents	**2**	**2,638,500,414**	2,985,320,307	**2,046,455,016**	1,933,950,945
Financial assets	**3**	**24,532,570,950**	14,822,533,183	**24,472,516,117**	12,432,077,250
Finance lease receivables	**4**	**-**	115,832,776	**-**	-
Premium receivables	**5**	**2,793,343,630**	1,182,794,434	**2,781,327,367**	1,150,281,154
Reinsurance contract assets	**6**	**7,021,632,499**	3,446,441,321	**7,021,632,499**	3,446,441,321
Other receivables & prepayments	**7**	**1,408,121,414**	478,478,481	**1,447,147,116**	644,340,993
Investment in subsidiaries	**8**	**-**	**-**	**330,000,000**	1,594,225,000
Investment project	**8.5**	**9,337,601,830**	**-**	**9,337,601,830**	**-**
Intangible assets	**9**	**12,889,756**	49,681,219	**8,327,414**	14,767,281
Investment properties	**10**	**1,273,391,118**	1,474,449,524	**1,273,391,118**	1,271,781,524
Property and equipment	**11**	**1,418,056,029**	1,279,747,102	**1,405,149,303**	1,199,375,173
Right-of-use of assets (leased assets)	**12**	**-**	23,035,044	**-**	-
Statutory deposits	**13**	**320,000,000**	320,000,000	**300,000,000**	300,000,000
Total assets		**50,756,107,640**	26,178,313,391	**50,423,547,781**	23,987,240,641
Liabilities					
Insurance contract liabilities	**14**	**15,986,336,689**	9,979,029,160	**15,929,148,886**	9,701,037,803
Investment contract liabilities	**14.7**	**10,411,830**	10,437,775	**-**	-
Trade payables	**15**	**-**	330,749,570	**-**	330,749,570
Borrowing	**16**	**-**	597,302,864	**-**	-
Other payables and provision	**17**	**684,205,571**	515,543,558	**679,249,282**	224,024,963
Retirement benefit obligations	**18**	**7,298,322**	15,709,020	**6,927,766**	13,677,328
Income tax liabilities	**19.2**	**1,306,801,383**	1,554,577,043	**1,267,301,864**	1,316,060,787
Deferred tax liabilities	**19.3**	**349,735,180**	279,460,225	**350,082,297**	264,056,690
Total liabilities		**18,344,788,975**	13,282,809,214	**18,232,710,095**	11,849,607,141
Equity and reserves					
Issued and paid up share capital	**20.1**	**4,155,775,000**	5,420,000,000	**4,155,775,000**	5,420,000,000
Share premium	**21**	**-**	168,933,834	**-**	168,933,834
Contingency reserve	**22.1**	**7,998,035,551**	3,473,337,958	**7,988,196,583**	3,469,814,488
Statutory reserve	**22.2**	**-**	133,136,812	**-**	-
Fair value through OCI reserve	**22.3**	**102,081,848**	126,393,793	**102,081,847**	127,131,418
Revaluation reserve	**22.4**	**138,165,551**	138,165,551	**138,165,551**	138,165,551
Requlatory risk reserve	**22.5**	**-**	17,293,896	**-**	-
Retained earnings	**23**	**20,017,260,715**	3,418,242,332	**19,806,618,705**	2,813,588,208
Total equity and reserves		**32,411,318,665**	12,895,504,177	**32,190,837,686**	12,137,633,499
Total liabilities and equity and reserves		**50,756,107,640**	26,178,313,391	**50,423,547,781**	23,987,240,641

The consolidated financial statements were approved by the Board of Directors on ---7th March 2025--

Obinna Ekezie	**Mary Adeyanju**	**Katherine Itua**
Chairman	**Managing Director**	**Chief Financial Officer**
FRC/2017/IODN/00000017485	**FRC/2022/PRO/DIR/003/03266**	**FRC/2012/ICAN/00000000514**

The accompanying notes form an integral part of this consolidated financial statements

CONSOLIDATED HALLMARK INSURANCE LTD

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

	Notes	2024 N	2023 N	2024 N	2023 N
Insurance revenue	24.1	**28,256,885,753**	15,710,848,992	**28,160,973,732**	14,815,865,738
Insurance service expenses	25.	**(20,429,959,564)**	(12,099,491,054)	**(20,369,206,746)**	(11,518,480,204)
Net expenses from reinsurance contracts held	26.	**(4,885,216,473)**	(3,727,209,643)	**(4,877,691,864)**	(3,710,381,308)
Insurance service result		**2,941,709,716**	(115,851,705)	**2,914,075,122**	(412,995,774)
Interest revenue calculated using the effective interest method	27.1.	**1,787,069,056**	1,702,392,304	**1,702,156,599**	871,591,796
Other investment income	27.2.	**596,620,343**	200,934,737	**596,620,343**	200,934,737
Net fair value gains on financial assets at fair value through profi or loss	32.	**16,204,985,867**	1,539,014,618	**16,205,723,489**	1,468,699,284
Net foreign exchange income	29.	**3,529,542,313**	2,958,598,009	**3,529,542,313**	2,958,598,009
Net credit impairment losses	31.	**6,377,139**	(26,849,335)	**6,377,139**	(11,838,372)
Net investment income		**22,124,594,718**	6,374,090,333	**22,040,419,883**	5,487,985,454
Net finance income/expense from insurance contract issued	30	**(303,946,335)**		**(303,946,335)**	
Net finance income/expense from reinsurance contract held	30	**91,932,707**		**91,932,707**	
Net insurance and investment result		**24,854,290,805**	6,258,238,627	**24,742,481,377**	5,074,989,680
Other expenses	33.2.	**(1,948,959,521)**	(1,692,470,184)	**(1,922,728,085)**	(967,086,837)
Other income	28.	**48,695,577**	86,086,132	**44,251,934**	5,117,000
Profit before income tax		**22,954,026,861**	4,651,854,575	**22,864,005,226**	4,113,019,843
Tax expense	19.1	**(279,628,876)**	(882,705,000)	**(272,091,139)**	(759,953,356)
Profit for the year		**22,674,397,985**	3,769,149,574	**22,591,914,087**	3,353,066,487
Other comprehensive income					
Items that may be reclassified subsequently to profit or loss:					
Net finance expenses/income from insurance contracts			-		-
Net finance expense from reinsurance contracts			-		-
Deferred tax relating to these items		**-**	-	**-**	-
Items that may not be reclassified subsequently to profit or loss:					
Gain on revaluation of Land & Building (PPE)		-		-	
Changes in the fair value on equity instruments at fair value through other comprehensive income	30.	(35,785,101)	96,702,433	(35,785,101)	97,457,373
Deferred tax relating to these items		**-**		**-**	-
Total other comprehensive income for the year net of tax		**(35,785,101)**	96,702,433	**(35,785,101)**	97,457,373
Total Comprehensive income for the year net of tax		**22,638,612,884**	3,865,852,007	**22,556,128,986**	3,450,523,860
Profit attributable to:					
Equity holders of the parents'		**22,638,612,884**	3,865,852,007	**22,556,128,986**	3,450,523,860
Non-controlling interest interest		**-**	-	**-**	-
Profit attributable to:		**22,638,612,884**	3,865,852,007	**22,556,128,986**	3,450,523,860
Basic & diluted earnings per share (Kobo)	34.	**272.81**	34.77	**271.81**	30.93

The accompanying notes form an integral part of this consolidated financial statements

The interest revenue calculated using effective interest method was further broken down for 2023 to alligned with the presentation of 2024 and figure did not change.

CONSOLIDATED HALLMARK INSURANCE LTD

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 31 DECEMBER 2024

The Group

	Issued share capital	Share Premium	Contingency reserves	Fair Value Through OCI reserve	Revaluation reserve	Statutory reserve	Regulatory risk reserve	Retained earnings	Total equity
	N	N	N	N	N	N	N	N	N
At 1 January 2023	**5,420,000,000**	**168,933,834**	**2,800,339,728**	**39,180,406**	**128,676,506**	**91,262,839**	**1,828,189**	**704,630,763**	**9,354,852,265**
Changes in equity for 2023:									
Profit for the year	-	-	-			-		3,769,149,574	3,769,149,574
Other comprehensive income for the year:	-								
Gain during the year				87,213,387	9,489,045				96,702,432
Total comprehensive income for the year	**-**	**-**	**-**	**87,213,387**	**9,489,045**	**-**		**3,769,149,574**	**3,865,852,006**
Transactions with owners:								**-**	-
Transfer within reserves	-	-	672,998,231			41,873,973	15,465,707	(730,337,911)	-
Dividends relating to prior year paid during the year	-		-			-	-	(325,200,100)	(325,200,100)
Contribution by and to owners of the business	**-**	**-**	**672,998,231**	**-**	**-**	**41,873,973**	**15,465,707**	**(1,055,538,011)**	**(325,200,100)**
At December 2023	5,420,000,000	168,933,834	3,473,337,959	126,393,793	138,165,551	133,136,812	17,293,896	3,418,242,326	12,895,504,171
At 1 January 2024	**5,420,000,000**	**168,933,834**	**3,473,337,959**	**126,393,793**	**138,165,551**	**133,136,812**	**17,293,896**	**3,418,242,326**	**12,895,504,171**
Changes in equity for 2024:									
Profit for the year	**-**					**-**	**-**	**22,674,397,985**	**22,674,397,985**
Other comprehensive income for the year:									
Loss during the year	**-**	**-**	**-**	**(35,785,101)**	**-**	**-**	**-**	**-**	**(35,785,101)**
Total comprehensive income for the year	**-**	**-**	**-**	**(35,785,101)**	**-**	**-**	**-**	**22,674,397,985**	**22,638,612,884**
Transactions with owners:									
Transfer within reserves			**4,524,391,795**	**-**	**-**	**-**	**-**	**(4,524,391,795)**	**-**
Surrendered and transferred in the year	**(1,264,225,000)**	**(168,933,834)**	**-**	**-**	**-**			**-**	**(1,433,158,834)**
Dividends relating to prior years paid during the year	**-**	**-**		**-**	**-**	**-**	**-**	**(1,080,501,500)**	**(1,080,501,500)**
Adjustments	**-**	**-**	**305,798**		**-**	**-**	**-**	**-**	**305,798**
Deferred tax on FVTOCI instruments	**-**	**-**	**-**	**11,473,156**	**-**	**-**	**-**	**-**	**11,473,156**
Derecognised and transferred to CHI Holdco	**-**		**-**	**-**	**-**	**(133,136,812)**	**(17,293,896)**	**(470,486,307)**	**(620,917,015)**
Contribution by and to owners of the business	**(1,264,225,000)**	**(168,933,834)**	**4,524,697,593**	**11,473,156**	**-**	**(133,136,812)**	**(17,293,896)**	**(6,075,379,602)**	**(3,122,798,395)**
At 31 December 2024	**4,155,775,000**	**0**	**7,998,035,552**	**102,081,848**	**138,165,551**	**(0)**	**(1)**	**20,017,260,709**	**32,411,318,662**

CONSOLIDATED HALLMARK INSURANCE LTD

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 31 DECEMBER 2024

The Company

	Issued share capital N	Share Premium N	Contigency reserves N	Fair Value Through OCI Reserve N	Revaluation Reserve N	Retained earnings N	Total equity N
At 1 January 2023	5,420,000,000	168,933,834	2,799,201,191	39,163,090	128,676,506	456,335,125	9,012,309,746
Changes in equity for 2023:							
Profit for the year	-	-	-			3,353,066,487	3,353,066,487
Other comprehensive income for the year:							
Gain during the year	-		-	87,968,328	9,489,045	-	97,457,373
Total comprehensive income for the year	**-**	**-**	**-**	**87,968,328**	**9,489,045**	**3,353,066,487**	**3,450,523,860**
Transactions with owners:							
Transfer within reserves	-		670,613,297	-		(670,613,297)	-
Dividend paid during the year				-		(325,200,100)	(325,200,100)
Contribution by and to owners of the business	**-**	**-**	**670,613,297**	**-**	**-**	**(995,813,397)**	**(325,200,100)**
At December 2023	5,420,000,000	168,933,834	3,469,814,488	127,131,418	138,165,551	2,813,588,215	12,137,633,506
At 1 January 2024	**5,420,000,000**	**168,933,834**	**3,469,814,488**	**127,131,418**	**138,165,551**	**2,813,588,215**	**12,137,633,506**
Changes in equity for 2024:							
Profit for the year	**-**	**-**	**-**		**-**	**22,591,914,087**	**22,591,914,087**
Other comprehensive income for the year:							
(Loss)/gain during the year	**-**		**-**	**(35,785,101)**	**-**	**-**	**(35,785,101)**
Total comprehensive income for the year	**-**	**-**	**-**	**(35,785,101)**	**-**	**22,591,914,087**	**22,556,128,986**
Transactions with owners:							
Transfer within reserves	**-**	**-**	**4,518,382,096**	**-**	**-**	**(4,518,382,096)**	**-**
Surrendered and transferred in the year	**(1,264,225,000)**	**(168,933,834)**	**-**	**-**	**-**	**-**	**(1,433,158,834)**
Dividend paid during the year	**-**	**-**	**-**	**-**	**-**	**(1,080,501,500)**	**(1,080,501,500)**
Deferred tax on FVTOCI instruments		**-**	**-**	**10,735,530**	**-**	**-**	**10,735,530**
Contribution by and to owners of the business	**(1,264,225,000)**	**(168,933,834)**	**4,518,382,096**	**10,735,530**	**-**	**(5,598,883,596)**	**(2,502,924,804)**
At 31 December 2024	**4,155,775,000**	**-**	**7,988,196,584**	**102,081,847**	**138,165,551**	**19,806,618,706**	**32,190,837,687**

CONSOLIDATED HALLMARK INSURANCE LTD

CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 DECEMBER 2024

	Notes	31 December		31 December	
		2024	2023	**2024**	2023
		N	N	**N**	N
Cash flows from operating activities					
Premium received from policy holders	5.2	**29,550,378,105**	17,173,410,019	**29,587,047,444**	16,252,507,268
Reinsurance receipts in respect of claims		**443,026,793**	1,507,062,125	**440,010,310**	1,507,162,125
Commission received	26.2	**1,250,936,568**	1,074,410,088	**1,250,936,568**	1,074,410,088
Other operating receipts		**3,578,237,890**	86,211,132	**3,573,794,247**	5,117,000
Cash paid to and on behalf of employees	33.3.a	**(855,066,600)**	(1,344,194,434)	**(1,068,602,597)**	(251,960,032)
Reinsurance premium paid	15.2	**(9,956,567,107)**	(5,710,639,932)	**(9,956,567,107)**	(5,710,639,932)
Claims paid	25	**(8,389,005,966)**	(3,856,525,487)	**(8,306,717,083)**	(3,912,849,180)
Amortisation of Insurance acquisition cash flows	25	**(7,495,561,860)**	(3,885,899,729)	**(7,490,217,184)**	(3,841,647,546)
Other operating cash payments		**(4,218,254,868)**	(332,375,216)	**(4,226,444,361)**	(727,175,947)
Incurred fulfillment expenses		**(2,785,228,493)**	(2,335,925,750)	**(2,744,384,067)**	(2,583,470,760)
Company income tax paid	19.2	**(191,927,939)**	(134,769,937)	**(224,088,925)**	(122,565,743)
Net cash from operating activities	35	**930,966,523**	2,240,862,877	**834,767,245**	1,688,887,350
Cash flows from investing activities					
Purchase of property and equipment	11	**(398,793,810)**	(252,268,196)	**(386,473,810)**	(215,176,699)
Proceeds from sale of property and equipment	11	**19,689,484**	-	**19,122,817**	-
Additions to investment properties	10	**(1,609,594)**	(6,555,054)	**(1,609,594)**	(6,555,054)
Investment project	8.5	**(4,650,000,000)**	4,936,000	**(4,650,000,000)**	4,936,000
Purchase of financial assets	3.1	**(4,543,868,004)**	(5,314,990,914)	**(3,898,966,161)**	(4,514,119,840)
Proceeds from sale of financial assets	3.1	**7,173,750,141**	1,092,604,283	**7,160,388,206**	436,059,999
Dividend received	27.2.	**531,919,787**	157,224,481	**531,919,787**	157,224,481
Rental Income received	27.2.	**64,700,556**	43,710,256	**64,700,556**	43,710,256
Foreign exchange gain	29.	**413,036,000**	2,958,598,009	**413,036,000**	2,958,598,009
Interest received	27.1.	**1,360,930,972**	999,684,505	**1,276,018,515**	428,837,389
Net cash (used in)/from investing activities		**(30,244,467)**	(317,056,630)	**528,136,316**	(706,485,459)
Cash flows used in financing activities					
Transfer of share premium to Holdco		**(168,933,836)**		**(168,933,836)**	
Proceeds from borrowing	16	**-**	1,506,337,088	**-**	-
Payment on borrowing (principal & Interest)	16	**-**	(1,880,662,738)	**-**	-
Dividend paid	23	**(1,080,501,500)**	(325,200,100)	**(1,080,501,500)**	(325,200,100)
Net cash used in financing activities		**(1,249,435,336)**	(699,525,750)	**(1,249,435,336)**	(325,200,100)
Increase in cash and cash equivalents		**(348,713,280)**	1,224,280,496	**113,468,225**	657,201,780
Cash and cash equivalents at Beginning		**2,988,728,633**	1,764,448,137	**1,934,781,753**	1,277,579,972
Gross Cash and cash equivalent at End	2	**2,640,015,354**	2,988,728,633	**2,048,249,978**	1,934,781,753

The accompanying notes form an integral part of this statement of cash flows.
The incurred fulfiment expense for 2023 have been separated from other cash payments reported on the cashflow statement. This is to allign with that of 2024.

1. Corporate information

1.1 The Group

The group comprises of Consolidated Hallmark Insurance Ltd and its subsidiaries - CHI Capital Ltd, CHI Micro-Insurance Ltd, CHI Capital Ltd also has a wholly owned subsidiary,CHI Support Services Ltd.

1.2 The Company

Consolidated Hallmark Insurance Ltd (formerly Consolidated Risk Insurers Plc) was incorporated on 2 August 1991. The Company changed its name from Consolidated Risk Insurers Plc to Consolidated Hallmark Insurance Plc following its merger with Hallmark Assurance Plc and The Nigerian General Insurance Company Limited in line with the consolidation reform of NAICOM announced in 2006. Consolidated Hallmark Insurance Ltd came into effect from 1 March 2007. Following the effect of the Holdco transformation in 2022, the name changed from Consolidated Hallmark Insurance Plc to Consolidated Hallmark Insurance Ltd

1.3 Principal activities

During the year under review, the Company engaged in general insurance business and maintained offices in major cities in Nigeria with Corporate headquarters at 266 Moshood Abiola way (formerly Ikorodu Road), Lagos.The principal activities of the subsidiaries are portfolio management and microinsurance life business.

		Group		Company	
		2024	2023	**2024**	2023
		N	N	**N**	N
2.	**Cash and cash equivalents**				
	Cash in hand	**15,177,515**	15,441,476	**15,137,515**	15,025,508
	Balance with banks	**951,439,458**	1,257,143,181	**902,180,370**	1,066,340,993
	Call deposits	**32,429,993**	19,919,990	**32,429,993**	19,919,990
	Fixed deposit - within 90 days (Note 2.1)	**1,640,968,388**	1,696,223,986	**1,098,502,099**	833,495,262
	Gross cash and cash equivalents	**2,640,015,354**	2,988,728,633	**2,048,249,977**	1,934,781,753
	Impairment on cash equivalents (Note 2.2)	**(1,514,940)**	(3,408,326)	**(1,794,961)**	(830,808)
	Net cash and cash equivalents	**2,638,500,414**	2,985,320,307	**2,046,455,016**	1,933,950,945

2.1 The Fixed deposits have a short term maturity of 30-90 days and the effect of discounting is immaterial.

		Group 2024	Group 2023	Company 2024	Company 2023
2.2	**Movement in Impairment on cash equivalents**				
	At 1 January	**3,408,326**	94,971,158	**830,808**	93,631,138
	Charged for the year (Note 34)	**964,153**	1,160,092	**964,153**	(77,406)
	Impairment written off (Note 2.2.1.)	**-**	(92,722,924)	**-**	(92,722,924)
	Derecognised and transferred to CHI Holdco (Note 8.4)	**(2,857,539)**	-	**-**	-
	At 31 December	**1,514,940**	3,408,326	**1,794,961**	830,808

2.2.1 The impairment charge of N92,722,593 as at January 1, 2020 resulted from a fixed deposit of N100million with a mortgage bank in 2018 that went into a default in 2019 and had to be impaired in line with standard accounting practice and regulatory requirement. The company has obtained a court sanction of the settlement reached with the Mortgage Bank to recovered the fund. There is a positive indication that the fund will be recovered.

		Group 2024	Group 2023	Company 2024	Company 2023
3.	**Financial assets**				
	At fair value through profit or loss (Note 3.2)	**18,939,758,654**	2,480,597,165	**18,881,937,253**	2,450,528,763
	At Amortised cost (Note 3.3)	**5,368,174,827**	12,080,403,241	**5,367,056,653**	9,722,241,174
	At fair value through OCI (Note 3.4)	**224,637,469**	261,532,777	**223,522,211**	259,307,313
		24,532,570,950	14,822,533,183	**24,472,516,117**	12,432,077,250
3.1.	**Movement in financial assets**				
	At 1 January	**14,821,840,164**	8,644,183,149	**12,432,077,249**	6,325,958,061
	Addition	**4,543,868,004**	4,084,027,326	**3,898,966,161**	3,309,996,267
	Repayment/Disposal of financial asset	**(7,146,177,634)**	(912,092,885)	**(7,136,829,720)**	(255,548,601)
	Repayment of staff loan	**(27,572,507)**	(180,511,397)	**(23,558,486)**	(180,511,397)
	Transferrred to Investment project (Note 8.5)	**(4,687,601,831)**	-	**(4,687,601,831)**	-
	Interest Capitalised + exchange gain	**3,939,314,482**	1,650,497,790	**3,939,314,482**	1,650,497,790
	Impairment write back/(charged) on amortised cost (Note 31)	**7,341,292**	(66,311,212)	**7,341,292**	(13,452,552)
	Impairment on amortised cost written off (Note 31)	**-**	(693,020)	**-**	(693,020)
	Fair value gains on asset through profit or loss	**16,204,985,867**	1,476,346,618	**16,205,723,489**	1,468,699,283
	Fair value gains through OCI	**(161,440,754)**	126,393,794	**(162,916,519)**	127,131,418
	Derecognised and transferred to CHI Holdco (Note 8.4)	**(2,961,986,133)**	-	**-**	-
	At 31 December	**24,532,570,950**	14,821,840,164	**24,472,516,117**	12,432,077,249
3.2.	**At fair value through profit or loss**				
	At 1 January	**1,156,801,014**	980,043,054	**1,148,175,939**	971,417,979
	Additions	**274,881,327**	176,757,960	**225,685,001**	176,757,960
	Disposals	**-**	-	**-**	-
		1,431,682,341	1,156,801,014	**1,373,860,940**	1,148,175,939
	Fair value gain for the year	**17,508,076,313**	1,323,796,151	**17,508,076,313**	1,302,352,824
	At 31 December	**18,939,758,654**	2,480,597,165	**18,881,937,253**	2,450,528,763
3.2.1.	**Analysis by maturity:**				
	Current	**18,939,758,654**	2,483,265,163	**18,881,937,253**	2,450,528,764
	Non Current	**-**	-	**-**	-
		18,939,758,654	2,483,265,163	**18,881,937,253**	2,450,528,764

3.2.2. Financial assets at fair value through profit or loss of the group represents investment where there is a ready and liquid quoted market, which are acquired for the purpose of short-term trade, and where mark-to-market valuations are possible on every trading day. Assets under this category have been acquired by management with the intent of short term trading.

		2024	2023	2024	2023
		N	N	N	N
3.3	**Amortised Cost**				
	Staff loans (Note 3.3.2)	**70,311,708**	96,279,930	**69,193,535**	91,147,736
	Loan issued to corporate & individuals (Note 3.3.3)	-	2,924,950,471	-	-
	Debt Instruments (Note 3.3.4)	**1,995,222,057**	4,608,870,938	**1,995,222,057**	4,608,870,938
	Fixed deposit - above 90 days (Note 3.3.5)	**3,302,641,062**	4,450,301,902	**3,302,641,062**	5,022,222,500
		5,368,174,827	12,080,403,241	**5,367,056,654**	9,722,241,174
3.3.1.a.	**Analysis by maturity:**				
	Current	**4,575,799,587**	8,667,698,558	**4,574,681,414**	6,691,514,793
	Non Current	**792,375,240**	3,412,704,683	**792,375,240**	3,030,726,380
		5,368,174,827	12,080,403,241	**5,367,056,654**	9,722,241,174
3.3.1.b.	**Analysis by performance:**				
	Performing	**5,343,710,754**	11,677,356,580	**5,342,592,581**	9,701,172,816
	Non-performing	**24,464,073**	403,046,661	**24,464,073**	21,068,358
		5,368,174,827	12,080,403,241	**5,367,056,654**	9,722,241,174
3.3.2.	**Movement in staff loans**				
	At 1 January	**103,812,415**	223,073,812	**98,680,221**	217,941,618
	Addition	**5,000,000**	61,250,000	**5,000,000**	61,250,000
	Repayment	**(27,572,507)**	(180,511,397)	**(23,558,486)**	(180,511,397)
	Gross amount	**81,239,908**	103,812,415	**80,121,735**	98,680,221
	Impairment on staff loans (Note 3.3.2.1)	**(10,928,200)**	(7,532,485)	**(10,928,200)**	(7,532,485)
	At 31 December	**70,311,708**	96,279,930	**69,193,535**	91,147,736
3.3.2.1	**Movement in Impairment on staff loans**				
	At 1 Janaury	**7,532,485**	8,225,505	**7,532,485**	8,225,505
	Charged for the year (Note 3.3.6)	**3,395,715**	-	**3,395,715**	-
	Write off		(693,020)	-	(693,020)
	At 31 December	**10,928,200**	7,532,485	**10,928,200**	7,532,485
3.3.2.2	**Analysis by maturity:**				
	Current	**59,383,508**	88,747,445	**58,265,335**	83,615,251
	Non Current	**10,928,200**	7,532,485	**10,928,200**	7,532,485
		70,311,708	96,279,930	**69,193,535**	91,147,736
3.3.3	**Movement in loan issued to corporate & individuals**				
	At 1 January	**3,306,928,774**	2,622,061,024	-	5,188,038
	Addition	-	1,346,600,072	-	-
	Repayment	-	(661,732,322)	-	(5,188,038)
	Derecognised and transferred to CHI Holdco (Note 8.4)	**(3,306,928,774)**	-	-	-
	Gross amount	-	3,306,928,774	-	-
	Impairment on loans issued to corporate and individuals (Note 3.3.3.1)	-	(381,978,303)	-	-
	At 31 December	-	**2,924,950,471**	-	-
3.3.3.1	**Movement in Impairment on loans issued to corporate & individuals**				
	At 1 Janaury	**381,978,303**	328,482,467	-	-
	Charged for the year (Note 3.3.6)	-	53,495,836	-	-
	Derecognised and transferred to CHI Holdco (Note 8.4)	**(381,978,303)**	-	-	-
	At 31 December	-	381,978,303	-	-
3.3.3.2	**Analysis by maturity:**				
	Current	-	2,542,972,168	-	-
	Non Current	-	381,978,303	-	-
		-	2,924,950,471	-	-
3.3.4	**Movement in debt Instruments**				
	At 1 January	**4,622,406,811**	3,023,434,797	**4,622,406,811**	3,023,434,797
	At initial recognition - additions	**600,882,729**	198,834,787	**600,113,795**	198,834,787
		5,223,289,540	3,222,269,584	**5,222,520,606**	3,222,269,584
	Disposal	**(8,578,980)**	(250,360,563)	**(7,810,046)**	(250,360,563)
	Transferrred to Investment project (Note 8.5)	**(4,687,601,831)**		**(4,687,601,831)**	-
	Exchange gain on eurobonds	**1,055,511,117**	1,207,743,383	**1,055,511,117**	1,207,743,383
	Amortised interest	**426,138,084**	442,754,407	**426,138,084**	442,754,407
	Gross amount	**2,008,757,930**	4,622,406,811	**2,008,757,930**	4,622,406,811
	Impairment on debt Instruments (Note 3..3.4.1)	**(13,535,873)**	(13,535,873)	**(13,535,873)**	(13,535,873)
	At 31 December	**1,995,222,057**	4,608,870,938	**1,995,222,057**	4,608,870,938

		2024 N	2023 N	2024 N	2023 N
3.3.4.1.	**Movement in Impairment on debt Instruments**				
	At 1 January	**13,535,873**	11,428,841	**13,535,873**	11,428,841
	Charged for the year (Note 3.3.6)	**-**	2,107,032	**-**	2,107,032
	At 31 December	**13,535,873**	13,535,873	**13,535,873**	13,535,873
3.3.4.2.	**Debts Instruments are analysed as follows:**				
	Listed	**1,995,222,057**	4,608,870,938	**1,995,222,057**	4,608,870,938
	Unlisted	**-**	-	**-**	-
		1,995,222,057	4,608,870,938	**1,995,222,057**	4,608,870,938
3.3.4.3.	**Analysis by maturity:**				
	Current	**1,213,775,017**	1,585,677,043	**1,213,775,017**	1,585,677,043
	Non Current	**781,447,040**	3,023,193,895	**781,447,040**	3,023,193,895
		1,995,222,057	4,608,870,938	**1,995,222,057**	4,608,870,938
3.3.4.4.	**Detailed analysis of debt instruments**				
	At the reporting date, no held to maturity assets were past due or impaired:				
	FCMB NGN Series 3 Bond 2016/2023	**-**	60,884,665	**-**	60,884,665
	C&I Leasing Series 1 Bond 2018/2023	**-**	16,025,761	**-**	16,025,761
	Lapo Mfb Series 2 Bond 2020/2025	**249,469,170**	221,189,718	**249,469,170**	221,189,718
	Dangote Bond Series 1 2020/2025	**135,905,346**	121,493,702	**135,905,346**	121,493,702
	Axxela Series 1 Bond 2020/2027	**82,911,913**	81,118,254	**82,911,913**	81,118,254
	Flour Mills Of Nigeria Plc 2023/2026 (Purchased With Capital Express)	**86,636,549**	141,353,630	**86,636,549**	141,353,630
	FGN Bond (2020/2050) Planet Capital	**-**	213,582,751	**-**	213,582,751
	FGN BOND (2020/2050) CORDROS	**240,059,935**	115,323,628	**240,059,935**	115,323,628
	FGN BOND (2020/2049) CORDROS	**407,740,859**	485,814,144	**407,740,859**	485,814,144
	FGN Bond (2020/2035) Planet Capital	**-**	103,732,357	**-**	103,732,357
	FGN Bond (2020/2037) Planet Capital	**-**	266,412,705	**-**	266,412,705
	FGN Bond (2020/2024) Meristem	**-**	373,518,988	**-**	373,518,988
	FGN 2051 Eurobond (First Ally Asset Mgt.Ltd)	**-**	932,004,498	**-**	932,004,498
	FGN 2038 Eurobond (First Ally Asset Mgt.Ltd)	**-**	430,102,835	**-**	430,102,835
	FGN 2032 Eurobond (First Ally Asset Mgt.Ltd)	**-**	36,896,700	**-**	36,896,700
	Access Bank Commercial papers	**-**	1,022,952,473	**-**	1,022,952,473
	Treasury Bills 19.8% March 8, 2024 Cardinalstone Securities - 363 Days	**600,113,795**	-	**600,113,795**	-
	MTN Nig Com. Plc 270 days series KICP 29%, 29 Nov, 2024 – 26 August 2025	**205,070,292**	-	**205,070,292**	-
	Bank Deposit/Call	**850,071**	-	**850,071**	-
	At 31 December	**2,008,757,930**	4,622,406,811	**2,008,757,930**	4,622,406,811
3.3.5.	**Fixed deposit - above 90 days**				
	At 1 January	**4,450,301,902**	2,175,704,775	**5,045,238,485**	2,175,704,775
	Addition	**3,535,972,531**	2,297,613,112	**2,941,035,948**	2,869,533,710
	Matured and liquidated	**(7,129,019,674)**	**-**	**(7,129,019,674)**	-
	Exchange gain	**2,457,665,281**	**-**	**2,457,665,281**	-
	Gross investment	**3,314,920,040**	4,473,317,887	**3,314,920,040**	5,045,238,485
	Impairment on fixed deposit - above 90 days (Note 3.3.5.1)	**(12,278,978)**	(23,015,985)	**(12,278,978)**	(23,015,985)
	At 31 December	**3,302,641,062**	4,450,301,902	**3,302,641,062**	5,022,222,500
3.3.5.1.	**Movement in Impairment on fixed deposit - above 90 days**				
	At 1 January	**23,015,985**	11,670,465	**23,015,985**	11,670,465
	Charged for the year (Note 31)	**(10,737,007)**	11,345,520	**(10,737,007)**	11,345,520
	At 31 December	**12,278,978**	23,015,985	**12,278,978**	23,015,985
3.3.5.2.	**Analysis by maturity:**				
	Current	**3,302,641,062**	4,450,301,902	**3,302,641,062**	5,022,222,500
	Non Current	**-**	-	**-**	-
		3,302,641,062	4,450,301,902	**3,302,641,062**	5,022,222,500

		2024	2023	2024	2023
		N	N	**N**	N
3.3.6.	**General movement in impairment on amortised cost other than fixed deposit- above 90 days:**				
	At 1 January	**403,046,661**	348,136,813	**21,068,358**	19,654,346
	Charged for the year (Note 34)	**3,395,715**	55,602,868	**3,395,715**	2,107,032
	Impairment written off		(693,020)	-	(693,020)
	Derecognised and transferred to CHI Holdco (Note 8.4)	**(381,978,303)**	-	-	-
	At 31 December	**24,464,073**	403,046,661	**24,464,073**	21,068,358
3.4	**At fair value through OCI**				
	At 1 January	**135,138,983**	132,167,588	**132,175,895**	129,942,124
	Addition	**127,131,417**	2,971,395	**127,131,417**	2,233,771
	Derecognised and transferred to CHI Holdco (Note 8.4)	**(2,585,971)**	-	**-**	-
		259,684,429	135,138,983	**259,307,312**	132,175,895
	Fair value (loss)/gain (Note 22.3)	**(35,046,960)**	126,393,794	**(35,785,101)**	127,131,418
	At 31 December	**224,637,469**	261,532,777	**223,522,211**	259,307,313
3.4.1	**Analysis by maturity:**				
	Current	-	-	-	-
	Non Current	**224,637,469**	261,532,777	**223,522,211**	259,307,313
		224,637,469	261,532,777	**223,522,211**	259,307,313

3.4.2.a. At fairvalue through other comrehensive income (FVTOCI) assets are the unquoted equity securities of the group and are fair valued using net asset method.

3.4.2.b. Fairvalue Through OCI equities is analysed as follows:

	No. of shares	Cost per unit	2024	2023
			Farivalue	
	Units	**N**	**N**	**N**
Planet Capital Limited (Formerly Strategy and Arbitrage Limited)	5,126,393	2.61	**13,383,689**	2,000,000
Energy & Allied Insurance Pool Nigeria limited	300,000.00	700.46	**210,138,522**	256,388,718
25,000 UNITS OF IPWA STOCKS	25,000	0.00	**-**	-
MTECK Communication Ltd	10,094,452	0.00	**-**	918,595
			223,522,211	259,307,313

3.4.2.c. Non current assets held for sale represent collateral properties recoverred from defaulted loan with aim of coverting the properties to cash within the shortest period of time.

3.5. The Company is exposed to financial risk through its financial assets (investments and loans). The key focus of financial risk management for the Company is to ensure that the proceeds from financial assets are sufficient to fund its obligations arising from its insurance operations. The most important components of financial risk (market risk) arises from open positions in interest rate, fluctuations in stock prices, inflation, all of which are exposed to general and specific market movement and/or conditions.Investments above ninety-one (91) days are classified as part of financial assets of the Company. All financial instruments are initially recorded at transaction price. Subsequent to initial recognition, the fair values of financial instruments are measured at fair values that are quoted in an active market. When quoted prices are not available, fair value are determined by using valuation techniques that refer as far as possible to observable market data. These are compared with similar instruments where market observable prices exist.

		2024	2023	2024	2023
		N	N	**N**	N
4.	**Finance lease receivables**				
	At 1 January	**140,370,527**	280,225,667	-	-
	Addition	**-**	21,062,412	-	-
	Repayment	**-**	(160,917,552)	-	-
	Derecognised and transferred to CHI Holdco (Note 8.4)	**(140,370,527)**	-	-	-
	Gross investment	-	**140,370,527**	-	-
	Unearned income	-	-	-	-
	Net investment (Note 5.1)	-	**140,370,527**	-	-
	Impairment on finance lease receivables (Note 4.3)	-	(24,537,751)	-	-
	At 31 December	-	115,832,776	-	-
4.1.	**Analysis by maturity:**				
	Current	-	20,636,810	-	-
	Non Current	-	95,195,966	-	-
		-	115,832,776	-	-

		Group		Company	
		2024	2023	**2024**	2023
		N	N	**N**	N
4.2.	**Analysis by performance**				
	Performing	**-**	91,295,025	**-**	-
	Non-performing	**-**	24,537,751	**-**	-
		-	115,832,776	**-**	-
4.3	**Movement in impairment - finance lease receivables:**				
	At 1 January	**24,537,751**	69,326,804	-	-
	Charge in the year (Note 31)	**-**	(44,789,053)	**-**	-
	Derecognised and transferred to CHI Holdco (Note 8.4)	**(24,537,751)**	-	**-**	-
	At 31 December	**-**	24,537,751	-	-
5.	**Premium receivables**				
	Due from insurance companies	**2,688,913,391**	984,232,248	**2,676,833,653**	943,744,126
	Due from insurance brokers and agents	**104,493,714**	206,537,028	**104,493,714**	206,537,028
	Gross amount receivables	**2,793,407,105**	1,190,769,276	**2,781,327,367**	1,150,281,154
	Impairment allowance on premium receivables (Note 5.3)	**(63,475)**	(7,974,842)	**-**	-
	Net amount receivables	**2,793,343,630**	1,182,794,434	**2,781,327,367**	1,150,281,154
5.1.	**Analysis by maturity:**				
	Current	**2,793,343,630**	1,182,794,434	**2,781,327,367**	1,150,281,154
	Non Current	**-**	-	**-**	-
		2,793,343,630	1,182,794,434	**2,781,327,367**	1,150,281,154
5.2.	**Movement in premium receivables**				
	At1 January	**1,182,794,434**	831,493,560	**1,150,281,154**	773,060,783
	Gross premium written	**31,160,927,301**	17,524,710,892	**31,218,093,657**	16,629,727,639
	Premium received	**(29,550,378,105)**	(17,173,410,018)	**(29,587,047,444)**	(16,252,507,268)
	At 31 December	**2,793,343,630**	1,182,794,434	**2,781,327,367**	1,150,281,154
5.3.	**Movement in impairment allowance on premium receivables**				
	At 1 January	**7,974,842**	6,586,765	**-**	**-**
	Charged for the year (Note 31)	**-**	1,388,077	**-**	-
	Derecognised and transferred to CHI Holdco (Note 8.4)	**(7,974,842)**	-	**-**	-
	At December	**63,475**	7,974,842	**-**	-
5.3.	**Age analysis of premium receivable**				
	> =1Day <= 30 Days	**1,737,306,365**	931,915,429	**1,725,290,102**	899,402,149
	> =31Days <= 90 Days	**1,056,037,265**	250,879,005	**1,056,037,265**	250,879,005
	Above 90 Days	**-**	-	**-**	-
		2,793,343,630	1,182,794,434	**2,781,327,367**	1,150,281,154
6.	**Reinsurance contract assets**				
	Assets for remaining coverage -ARC- (Note 6.4.a & 6.4.b)	**2,430,294,706**	800,418,433	**2,430,294,706**	800,418,433
	Assets for Incurred claims -AIC- (Note 6.4.a & 6.4.b)	**4,591,337,793**	2,646,022,888	**4,591,337,793**	2,646,022,888
		7,021,632,499	3,446,441,321	**7,021,632,499**	3,446,441,321
	For the year ended 31st December 2024	**7,021,632,499**	3,446,441,321	**7,021,632,499**	3,446,441,321
	Analysis by maturity:				
6.1	Current	**7,021,632,499**	3,446,441,321	**7,021,632,499**	3,446,441,321
	Non-current	**-**	-	**-**	-
		7,021,632,499	3,446,441,321	**7,021,632,499**	3,446,441,321
	Movement in Impairment credit loss				
6.2	At 1 January	**2,505,518**	5,822,491	**2,505,518**	5,822,491
	Charged for the year (Note 31)	**-**	(3,316,973)	**-**	(3,316,973)
	At 31 December	**2,505,518**	2,505,518	**2,505,518**	2,505,518

6.2.1 Impairment (Expected Credit Loss was carried out on reinsurance receivable on claims paid and prepaid minimum & deposit premium. Included in the reinsurance asset stated on the financial position is recoverable on paid claims and prepaid minimum and deposit premium

		2024 N	2023 N	2024 N	2023 N
6.3.	Assets for remaining coverage -ARC- (Note 6.4.a & 6.4.b)	**2,430,294,706**	800,418,433	**2,430,294,706**	800,418,433
	Assets for Incurred claims -AIC- (Note 6.4.a & 6.4.b)	**4,591,337,793**	2,646,022,888	**4,591,337,793**	2,646,022,888
	Gross reinsurance assets	**7,021,632,499**	3,446,441,321	**7,021,632,499**	3,446,441,321
	Net reinsurance assets	**7,021,632,499**	3,446,441,322	**7,021,632,499**	3,446,441,321

6.3.1 The Company assesses its reinsurance assets for impairment. If there is objective evidence that the reinsurance assets are impaired, the Company reduces the carrying amount of the reinsurance assets to its recoverable amount and recognizes that impairment loss in the income statement. The Company has a reinsurance agreement with African Reinsurance Corporation, and Continental Reinsurance Plc. Based on the financial position and performance during the period under review, they are solvent and had never defaulted on their obligations. Consequently, there are no indications of impairment as at the reporting date.

6.4.a. Movement in reinsurance contract assets

The following table shows the reconciliation from opening to the closing balances of the net assets for remaining coverage and the asset for incurred claims

	Asset for remaining coverage		Asset for incurred claims		
	Excluding loss component	Loss component	Estimates of present value of future cash flows	Risk Adjustment	Total
At 1 January	N	N	N		N
Opening reinsurance contract assets	800,418,434	-	2,352,468,007	293,554,880	3,446,441,321
Opening reinsurance contract liabilities	-	-	-		-
Net Reinsurance contracts as of 1 January 2024	800,418,434	-	2,352,468,007	293,554,880	3,446,441,321
Changes in the statement of profit or loss and OCI:					
Allocation of reinsurance premium paid	(7,075,754,267)	-	-		(7,075,754,267)
Amount recovered from reinsurance					
Incurred reinsurance claims and other expenses	-	-	341,550,785		341,550,785
Recoveries from reinsurance contract issued					
Changes that relate to past service-adjustment to ARIC			1,845,753,759	41,491,438	1,887,245,197
Effect of changes in the risk of reinsurers non-performance	-	-	(30,733,580)		(30,733,580)
Net expenses from reinsurance contracts held	(7,075,754,267)	-	2,156,570,964	41,491,438	(4,877,691,865)
Net finance income/expense from reinsurance contract held	-	-	91,932,707		91,932,707
					-
Total changes in the statement of profit or loss and OCI:	(7,075,754,267)	-	2,248,503,671	41,491,438	(4,785,759,158)
Cash flows					
Reinsurance premium Paid during the year	8,705,630,539	-			8,705,630,539
Amounts received under reinsurance contracts held		-	(440,010,310)		(440,010,310)
Non Cashflow item					
Impact of reinsurance premium payable			95,330,108		95,330,108
Total cash flows	8,705,630,539	-	(344,680,202)		8,360,950,337
At 31 December					
Closing Insurance contract assets	2,430,294,707	-	4,256,291,475	335,046,318	7,021,632,499
Closing insurance contacts liabilities	-	-			-
Net closing balance at 31 December	2,430,294,707	-	4,256,291,475	335,046,318	7,021,632,499

6.4.b. Movement in reinsurance contract assets

The following table shows the reconciliation from opening to the closing balances of the net assets for remaining coverage and the asset for incuured claims

	Asset for remaining coverage		Asset for incurred claims		
	Excluding loss component	Loss component	Estimates of present value of future cash flows	Risk Adjustment	Total
At 1 January	**N**	**N**	**N**		**N**
Opening reinsurance contract assets	1,123,890,791	-	2,140,753,773	293,554,880	3,558,199,444
Impairment on reinsurance recoverables	-	-	(5,822,490)		(5,822,490)
Opening reinsurance contract liabilities	-	-	-		-
Net Reinsurance contracts as of 1 January 2023	1,123,890,791	-	2,134,931,283	293,554,880	3,552,376,954
Changes in the statement of profit or loss and OCI:					
Allocation of reinsurance premium paid	4,933,506,763	-	-		4,933,506,763
Amount recovered from reinsurance					
Changes in LIC	-	-	(1,554,515,391)		(1,554,515,391)
Other incurred directly attributable expenses					
Changes in asset for incurred claims	-	-	331,389,936		331,389,936
Effect of changes in the risk of reinsurers adjustment	-	-	-		-
Net expenses from reinsurance contracts held	4,933,506,763	-	(1,223,125,455)		3,710,381,308
Net finance income from reinsurance contract held	-	-	-		-
Effect of movement in exchange rate	-	-	-		-
Total changes in the statement of profit or loss and OCI:	**4,933,506,763**	**-**	**(1,223,125,455)**		**3,710,381,308**
Cash flows					
Premium paid net of ceeding commission	(4,933,506,763)	-	-		(4,933,506,763)
Reinsurance claims recovered	(323,472,357)	-	2,578,004,346		2,254,531,989
Recoveries from reinsurers	-	-	(1,507,162,125)		(1,507,162,125)
Total cash flows	**(5,256,979,120)**	-	**1,070,842,221**		**(4,186,136,899)**
At 31 December					
Assets					
Prepaid minimum & deposit premium	-	-	66,859,500		66,859,500
Reinsurance receivable on claims paid	-	-	305,465,976		305,465,976
Impairment on reinsurance recoverables	-	-	(2,505,518)		(2,505,518)
Net closing balance at 31 December					
Closing Insurance contract assets	**800,418,434**		**2,352,468,007**	**293,554,880**	**3,446,441,321**
Closing insurance contacts liabilities					
Net closing balance at 31 December	**800,418,434**	**-**	**2,352,468,007**	**293,554,880**	**3,446,441,321**

	2024	2023	2024	2023
	N	N	**N**	N
6.5.a. Asset for Remaining Coverage -ARC				
Fire	**197,193,236**	240,097,756	**197,193,236**	240,097,756
General accident	**207,707,440**	147,007,080	**207,707,440**	147,007,080
Motor	**122,716,491**	49,473,035	**122,716,491**	49,473,035
Marine	**300,993,032**	95,404,313	**300,993,032**	95,404,313
Bond	**107,843,294**	69,984,646	**107,843,294**	69,984,646
Engineering	**61,301,042**	73,998,563	**61,301,042**	73,998,563
Aviation	**382,555,067**	127,262	**382,555,067**	127,262
Oil & gas	**1,049,902,876**	124,325,778	**1,049,902,876**	124,325,778
Agric	**82,228**	0	**82,228**	0
	2,430,294,706	800,418,433	**2,430,294,706**	800,418,433

		2024	2023	2024	2023
		N	N	N	N
6.5.c.	**Asset for Incurred Claims -AIC**				
	Fire	532,925,968	314,657,893	532,925,968	314,657,893
	General accident	887,973,057	1,336,514,477	887,973,057	1,336,514,477
	Motor	29,638,361	22,263,984	29,638,361	22,263,984
	Marine	82,515,540	101,816,226	82,515,540	101,816,226
	Bond	20,462,057	1,216,777	20,462,057	1,216,777
	Engineering	65,180,163	76,721,278	65,180,163	76,721,278
	Aviation	274,898,806	112,812,449	274,898,806	112,812,449
	Oil & gas	590,207,800	310,199,846	590,207,800	310,199,846
	Agric	-	-	-	-
		2,483,801,752	2,276,202,930	2,483,801,752	2,276,202,930
7.	**Other receivables and prepayments**				
	Staff advances & prepayment	37,490,709	41,579,675	37,490,709	41,579,675
	Account receivables	146,065,659	307,147,652	114,085,476	78,113,990
	Intercompany receivables (Note 42)	1,041,536,732	-	1,107,984,326	379,358,487
	Witholding tax credit	50,518,546	30,300,846	42,336,801	30,300,847
	Prepayments (7.4)	154,807,235	128,933,487	153,534,293	123,272,485
		1,430,418,881	507,961,660	1,455,431,607	652,625,484
	Impairment allowance on other receivables (Note 7.2)	(22,297,467)	(29,483,178)	(8,284,491)	(8,284,491)
		1,408,121,414	478,478,481	1,447,147,116	644,340,993
7.1.	**Analysis by maturity:**				
	Current	1,408,121,414	478,478,481	1,447,147,116	644,340,993
	Non-current	-	-	-	-
		1,408,121,414	478,478,481	1,447,147,116	644,340,993
7.2.	**Impairment allowance on other receivables**				
	At 1 January	29,483,178	21,062,031	8,284,491	6,504,292
	Charged for the year (Note 31)	-	8,421,147	-	1,780,199
	Derecognised and transferred to CHI Holdco (Note 8.4)	(7,185,711)			
	At 31 December 2024	22,297,467	29,483,178	8,284,491	8,284,491

7.3. Included in Account receivable is =N=57.4 million being the balance of the amount deposited with lead underwriters for the purpose of settling claims based on MOU signed at the inception of the policies. The amount =N=55 million is the balance as at 31st December 2023.

		2024	2023	2024	2023
		N	N	N	N
7.4	**Prepayments**				
	Prepaid rent	**146,087,056**	103,159,013	**146,087,056**	97,498,011
	Other prepayments	**8,720,179**	25,774,474	**7,447,237**	25,774,474
		154,807,235	128,933,487	**153,534,293**	123,272,485
7.4.1	**Analysis by maturity:**				
	Current	**154,807,235**	109,403,720	**153,534,293**	104,945,248
	Non-current	**-**	-	**-**	-
		154,807,235	109,403,720	**153,534,293**	104,945,248
8.	**Investment in Subsidiaries**				
	CHI Capital (Note 8.2.a)	**-**	-	**130,000,000**	130,000,000
	CHI Microinsurance Limited (Note 8.2.b)	**-**	-	**200,000,000**	200,000,000
	Hallmark Finance Company Ltd	**-**	**-**	**-**	764,225,000
	Hallmark Health Services Limited	**-**	**-**	**-**	500,000,000
		-	**-**	**330,000,000**	1,594,225,000

				31 December 2024	
8.1.	**Movement in Investment in subsidiaries**	**At 1 Jan**	**Addition**	**Transferred**	**At 31 Dec**
		N	**N**	**N**	**N**
	CHI Capital	**130,000,000**	**-**	-	**130,000,000**
	CHI Microinsurance Limited	**200,000,000**	**-**	**-**	**200,000,000**
	Hallmark Finance Company Ltd	**764,225,000**		**(764,225,000)**	**-**
	Hallmark Health Services Limited	**500,000,000**	**-**	**(500,000,000)**	**-**
		1,594,225,000	**-**	**(1,264,225,000)**	**330,000,000**

				31 December 2023	
8.1.	**Movement in Investment in subsidiaries**	**At 1 Jan**	**Addition**	**Transferred**	**At 31 Dec**
		N	**N**	**N**	**N**
	CHI Capital	130,000,000	-	-	130,000,000
	CHI Microinsurance Limited	200,000,000	-	-	200,000,000
	Hallmark Finance Company Ltd	764,225,000		-	764,225,000
	Hallmark Health Services Limited	500,000,000	-	-	500,000,000
		1,594,225,000	-	-	1,594,225,000

8.2.a CHI Capital Limited is a fully owned subsidiary of Consolidated Hallmark Insurance Ltd. It carries on the business of corporate support services. CHI Capital Limited also owns 100% interest in CHI Support Services Limited started as a vehicle tracking Company, but now focused on corporate support services for the Group.

8.2.b

CHI Microinsurance Limited is a fully owned subsidiary of Consolidated Hallmark Insurance Ltd. The group incorporated CHI Microinsurance Limited in the year 2016 and licensed by NAICOM to carryout micro life assurance business to further deepen its market share in insurance business.

		CHI Plc	CHI Capital	CHI Microinsurance	Elimination	
		N	N	N	N	N
	Condensed result of consolidated entities - 2024					
8.3.a..i	**Condensed Statement of Financial Position**					
	Assets					
	Cash and cash equivalents	2,046,455,016	259,170,520	332,874,879	-	2,638,500,415
	Financial assets	24,472,516,117	59,285,900	768,934	-	24,532,570,951
	Finance lease receivables	-	-			-
	Premium receivables	2,781,327,367	-	12,016,264	-	2,793,343,631
	Reinsurance assets	7,021,632,499	-	-	-	7,021,632,499
	Other receivables and prepayment	1,447,147,116	34,198,072	(207,410)	(73,016,365)	1,408,121,413
	Investment in subsidiaries	330,000,000	10,000,000		(340,000,000)	-
	Investment project	9,337,601,830	-	-	-	9,337,601,830
	Intangible assets	8,327,414	-	4,562,342		12,889,756
	Investment properties	1,273,391,118	-		-	1,273,391,118
	Property and equipment	1,405,149,303	-	12,906,724	-	1,418,056,027
	Deffered tax asset	-	-	-	-	-
	Statutory deposits	300,000,000	-	20,000,000	-	320,000,000
	Total assets	50,423,547,781	362,654,492	382,921,733	(413,016,365)	50,756,107,641
	Liabilities					
	Insurance contract liabilities	15,929,148,886	-	57,187,804	-	15,986,336,690
	Investment contract liabilities		-	10,411,830		10,411,830
	Trade payables	-	-	-	-	-
	Borrowing	-	-	-	-	-
	Provision and other payables	679,249,282	44,816,194	33,156,461	(73,016,365)	684,205,572
	Retirement benefit obligations	6,927,766	-	370,557	-	7,298,323
	Tax liabilities	1,267,301,864	22,110,365	17,389,155	-	1,306,801,384
	Deffered tax liabilities	350,082,297	(347,118)	-		349,735,179
	Share capital	4,155,775,000	140,000,000	200,000,000	(340,000,000)	4,155,775,000
	Contingency reserve	7,988,196,583	-	9,838,968	-	7,998,035,551
	Fair value through OCI reserve	102,081,847	-	-	-	102,081,847
	Revaluation reserve	138,165,551	-	-	-	138,165,551
	Retained earnings	19,806,618,705	156,075,051	54,553,689	-	20,017,247,445
	Total liabilities and equity	50,423,547,781	362,654,492	382,908,464	(413,016,365)	50,756,094,373
						-
8.3.a.ii.	**Condensed result of consolidated entities - 2024**					
	Condensed statement of profit and loss and other comprehensive income					
	Insurance service result	2,914,075,122	-	27,621,324	-	2,941,696,446
	Net investment income	22,040,419,883	49,414,889	34,759,947	-	22,124,594,719
	Other operating income	44,251,934	3,210,980	1,232,663	-	48,695,577
	Total operating income	24,998,746,939	52,625,869	63,613,934	-	25,114,986,742
	Management expenses	(1,922,728,085)	(203,739)	(26,027,699)	-	- 1,948,959,523
	Profit before taxation	23,076,018,854	52,422,130	37,586,235	-	23,166,027,219
	Taxation	(272,091,139)	-	(7,537,737)	-	- 279,628,876
	Profit after taxation	22,803,927,715	52,422,130	30,048,498	-	22,886,398,343

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8.3.b.i Condensed result of consolidated entities - 2023

Condensed Statement of Financial Position

	CHI Plc N	CHI Capital N	CHI Microinsurance N	Hallmark Health Services LTD N	Hallmark Finance Company Limited	Elimination N	Total N
Assets							
Cash and cash equivalents	1,933,950,945	201,006,598	271,862,506	456,590,518	588,076,417	(466,166,678)	2,985,320,307
Financial assets	12,432,077,250	32,901,660	-	-	2,932,455,526	(574,901,252)	14,822,533,183
Finance lease receivables	-			-	115,832,776	-	115,832,776
Trade receivables	1,150,281,154	-	18,460,702	14,052,577		-	1,182,794,434
Reinsurance contract assets	3,446,441,321	-				-	3,446,441,321
Other receivables and prepayment	644,340,993	29,883,623	8,095,556	44,207,875	160,405,237	(408,454,802)	478,478,481
Investment in subsidiaries	1,594,225,000	-			-	(1,594,225,000)	(0)
Intangible assets	14,767,281	-	5,811,480	1,822,340	27,280,118		49,681,219
Investment properties	1,271,781,524	-		202,668,000		-	1,474,449,524
Property and equipment	1,199,375,173	-	3,866,223	33,683,322	42,822,384	-	1,279,747,102
Right-of-use of assets (leased assets)	-	-	-	23,035,044	-	-	23,035,044
Statutory deposits	300,000,000	-	20,000,000	-	-	-	320,000,000
Total assets	**23,987,240,641**	**263,791,881**	**328,096,467**	**776,059,676**	**3,866,872,458**	**(3,043,747,732)**	**26,178,313,391**
Liabilities							
Insurance contract liabilities	9,701,037,803	-	49,029,040	228,962,317		-	9,979,029,160
Investment Contract liabilities	-	-	10,437,775				10,437,775
Trade payables	330,749,570	-	-			-	330,749,570
Borrowing	-	-	-		1,638,370,794	(1,041,067,930)	597,302,864
Provision and other payables	224,024,963	23,416,347	28,399,078	143,292,869	504,865,103	(408,454,802)	515,543,558
Retirement benefit obligations	13,677,328	-	-		2,031,691	-	15,709,019
Tax liabilities	1,316,060,787	7,829,349	8,354,822	23,329,439	199,002,646	-	1,554,577,043
Deffered tax liabilities	264,056,690	(347,116)	-		15,750,652		279,460,226
Share capital	5,420,000,000	130,000,000	200,000,000	500,000,000	764,225,000	(1,594,225,000)	5,420,000,000
Share Premium	168,933,834	-	-			-	168,933,834
Contingency reserve	3,469,814,488	-	3,523,470			-	3,473,337,958
Statutory reserve	-	-	-		133,136,812	-	133,136,812
Fair value through OCI reserve	127,131,418	(737,624)	-				126,393,794
Revaluation reserve	138,165,551						138,165,551
Requlatory risk reserve	-				17,293,896		17,293,896
Retained earnings	2,813,588,208	103,630,925	28,352,282	(119,524,947)	592,195,864		3,418,242,331
Total liabilities and equity	**23,987,240,640**	**263,791,881**	**328,096,467**	**776,059,677**	**3,866,872,457**	**(3,043,747,732)**	**26,178,313,391**

8.3.b.ii Condensed result of consolidated entities - 2024

Condensed statement of profit and loss and other comprehensive income	CHI Plc N	CHI Capital N	CHI Microinsurance N	Hallmark Health Services LTD N	Hallmark Finance Company Limited	Elimination N	Total N
Insurance service result	(412,995,774)	-	33,824,152	263,319,920	-	-	(115,851,702)
Net investment income	5,487,985,454	32,526,905	46,614,992	110,133,017	696,704,963	-	6,373,965,331
Other operating income	5,117,000	2,351,401	-	4,910,303	73,832,426	-	86,211,131
Total operating income	5,080,106,680	34,878,306	80,439,144	378,363,240	770,537,389	-	6,344,324,760
Management expenses	(967,086,837)	(2,509,875)	(47,645,399)	(278,420,532)	(396,807,537)	-	(1,692,470,183)
Profit before taxation	4,113,019,843	32,368,431	32,793,746	99,942,709	373,729,852	-	4,651,854,577
Taxation	(759,953,356)	-	(8,354,822)	(19,826,785)	(94,570,033)	-	(882,704,996)
Profit after taxation	**3,353,066,487**	**32,368,431**	**24,438,924**	**80,115,924**	**279,159,819**	**-**	**3,769,149,581**

8.4. Transfer to Holdco

The corporate reorganization was achieved via a Scheme of Arrangement duly approved by the shareholders at its Court Ordered Meeting held on October 13, 2022 and sanctioned by the Court. CHI Plc was subsequently delisted from the floor of the Nigerian Exchange (NGX). Similarly, two of the subsidiaries of the erstwhile CHI Plc, namely Hallmark Finance Group Limited and Hallmark Health Services Limited has also become a direct subsidiary of the Holding Group. Consolidated Hallmark. Insurance Plc (CHI) has thus become a limited liability Group wholly owned by CHH Plc. CHI remains under the primary regulation of the National Insurance Commission (NAICOM). The new group comprises of Consolidated Hallmark Holdings Plc (The Parent Group) with Consolidated Hallmark Insurance Limited, Hallmark Finance Company Limited and Hallmark Health Services Ltd as its direct subsidiaries. Similarly, CHI Micro-Insurance Ltd, CHI Capital Ltd and CHI Support Services Ltd. remains the direct subsidiaries of Consolidated Hallmark Insurance Limited.

	Group		Company	
	2024	2023	**2024**	2023
	N	N	**N**	N
8.5. Investment project				
CHI Life Assurance (Note 8.5.2.)	**7,937,601,830**	-	**7,937,601,830**	-
First Atlantic Reinsurance (Note 8.5.3.)	**1,400,000,000**	-	**1,400,000,000**	-
	9,337,601,830	-	**9,337,601,830**	-

	31 December 2024			
	At 1 Jan	**Addition**	**Transferred*** **	**At 31 Dec**
8.5.1. Movement in investment project	**N**	**N**	**N**	**N**
CHI Life Assurance (Note 8.5.2.)	**-**	**4,650,000,000**	**3,287,601,830**	**7,937,601,830**
First Atlantic Reinsurance (Note 8.5.3.)	**-**	**-**	**1,400,000,000**	**1,400,000,000**
	-	**4,650,000,000**	**4,687,601,830**	**9,337,601,830**

8.5.2. This represents amount incurred till date in setting up CHI Life Assurance. The Company has not commenced operations

8.5.3. This represents 70% commitment paid out the proposed N2,000,000,000 investment of Consolidated Hallmark Insurance Limited invested in First Atlantic Reinsurance .

*** This represents the amount transferred from debt instruments in note 3.3.4 during the year

		Group		Company	
		2024	2023	**2024**	2023
		N	N	**N**	N
9.	**Intangible assets**				
	Cost:				
	At 1 January	**128,609,605**	128,609,605	**69,784,428**	69,784,428
	Addition	**-**	-	**-**	-
	Derecognised and transferred to CHI Holdco (Note 8.4)	**(46,460,550)**	-	**-**	-
	At 31 December	**82,149,055**	128,609,605	**69,784,428**	69,784,428
	Accumulated amortization and impairment				
	At 1 January	**55,017,148**	64,499,973	**55,017,148**	47,680,264
	Charge for the year	**6,439,866**	14,428,413	**6,439,866**	7,336,883
	Derecognised and transferred to CHI Holdco (Note 8.4)	**(7,802,285)**	-	**-**	-
	At 31 December	**69,259,299**	78,928,386	**61,457,013**	55,017,148
	Carrying amount:				
	At 31 December	**12,889,756**	49,681,219	**8,327,414**	14,767,281

9.1. Intangible represents the cost of software capitalised for the running of the company. This was purchased and not internally built.

		Group		Company	
10.	**Investment Properties**				
	At 1 January	**1,474,449,524**	1,405,226,470	**1,271,781,524**	1,265,226,470
	Addition	**1,609,594**	6,555,054	**1,609,594**	6,555,054
	Fair value change (Note 32)	**-**	62,668,000	**-**	-
	Derecognised and transferred to CHI Holdco (Note 8.4)	**(202,668,000)**	-	**-**	-
	At 31 December	**1,273,391,118**	1,474,449,524	**1,273,391,118**	1,271,781,524

10.1. Investment Properties

Investment properties are made up of buildings and properties held by the company to earn rentals or for capital appreciation or both and are accounted for in line with International Accounting Standard (IAS) 40.Some of these properties retained the title of one of the legacy companies making up Consolidated Hallmark Insurance Ltd. There is no dispute as to the title of Consolidated Hallmark Insurance Ltd to these properties.

10.1.1

All the total investment properties N1.27 billion (31 Dec 2023: N1.47 billion) are expected to be recovered more than 12 months after the reporting date

10.1.2 Changes in fair values are recognised as gains in statement of profit or loss and other comprehensive income and included in net fairvalue gain at fairvalue through profit or loss under Note 35 of which that of group Nil (31 Dec:2023 N62,668,000) while the Company Nil (31 Dec 2023: Nil) is attributable to investment properties held at the reporting date.

10.1.3 There are no restrictions on the realisability of investment property or remittance of income and proceeds of disposal. The Group has no contractual obligation to purchase, construct or develop investment property or for repairs or enhancement.

		Group		Company	
		2024	2023	**2024**	2023
		N	N	**N**	N
10.2	**Rental income derived from investment properties**				
	Investment properties related expenses	-	-	-	-
	Rental income derived from investment properties (Note 27.2)	**64,700,556**	43,710,256	**64,700,556**	43,710,256
		64,700,556	43,710,256	**64,700,556**	43,710,256

10.3. The properties were professionally re-valued as at 20 November 2024, by Messrs Adegboyega Sanusi & Co (FRC/2013/NIESV/00000001757) on the basis of open market values.

10.4. In line with NAICOM requirement, provided below is the list of these properties and status of efforts to change their name to Consolidated Hallmark Insurance Ltd.

31 December 2024

S/N	Type of Assets	Addresses	Amount	Current title holder	Status on change of title
	Company		N		
1	Building	Plot A/5 Pocket Layout (Clerk Quarters) Owerri, Imo State.	206,000,000	Consolidated Hallmark Insurance Ltd.	Title over this property has been transferred to Consolidated Hallmark Insurance Plc.
2	Building	219, 220 and 221, Akukwe Street, Works Layout, Owerri, Imo State	229,000,000	Consolidated Hallmark Insurance Ltd.	Title now changed from Hallmark Assurance Plc to the name of Consolidated Hallmark Insurance Plc.
3	Building	No. 30, East Street, Rivers Layout Aba, Abia State.	104,682,620	Consolidated Hallmark Insurance Ltd.	Title over this property has been transferred to Consolidated Hallmark Insurance Plc.
4	Building	Plot 33, Chief Ogbonda Layout, Rumuogba, Port Harcourt.	144,221,000	Consolidated Hallmark Insurance Ltd.	Title over this property has been transferred to Consolidated Hallmark Insurance Plc.
5	Building	Rivers State Housing Estate, Abuloma PH	48,712,400	Consolidated Hallmark Insurance Ltd.	Title over this property has been transferred to Consolidated Hallmark Insurance Plc.
6	Land	Plot 14, 1(W) Road, First Avenue, Lugbe Estate, Abuja.	23,000,000	Consolidated Hallmark Insurance Ltd.	The Company had paid all required fees to the Federal Housing Authority since 2017
7		Romax Homes Estate by Harris drivet beside VGCI Ikota, Lekki Lagos	199,002,000	Consolidated Hallmark Insurance Ltd.	The deed of assigment is in the name of Consolidated Hallmark Insurance Plc.
8	Building	Jacob Arena, Plot 4. Close 4, rd 4, west end Estate Ikota Lagos	138,773,098	# Consolidated Hallmark Insurance Ltd.	The deed of assigment is in the name of Consolidated Hallmark Insurance Plc. Perfection of title in progress
9	Building	Semi detached duplex at Osapa London, Lekki Lagos.	180,000,000	Consolidated Hallmark Insurance Ltd.	The deed of assigment is in the name of Consolidated Hallmark Insurance Plc. Perfection of title in progress
		Company's Total			
			(1,273,391,118)		

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10.4. Movement cont'd

31 December 2023

S/N	Type of Assets	Addresses	Amount	Current title holder	Status on change of title
	Company		N		
1	Building	Plot A/5 Pocket Layout (Clerk Quarters) Owerri, Imo State.	206,000,000	Consolidated Hallmark Insurance Ltd.	Title over this property has been transferred to Consolidated Hallmark Insurance Plc.
2	Building	219, 220 and 221, Akukwe Street, Works Layout, Owerri, Imo State	229,000,000	Consolidated Hallmark Insurance Ltd.	Title now changed from Hallmark Assurance Plc to the name of Consolidated Hallmark Insurance Plc.
3	Building	No. 30, East Street, Rivers Layout Aba, Abia State.	104,682,620	Consolidated Hallmark Insurance Ltd.	Title over this property has been transferred to Consolidated Hallmark Insurance Plc.
4	Building	Plot 33, Chief Ogbonda Layout, Rumuogba, Port Harcourt.	144,221,000	Consolidated Hallmark Insurance Ltd.	Title over this property has been transferred to Consolidated Hallmark Insurance Plc.
5	Building	Rivers State Housing Estate, Abuloma PH	48,000,000	Consolidated Hallmark	Title over this property has been transferred to Consolidated Hallmark Insurance Plc.
6	Land	Plot 14, 1(W) Road, First Avenue, Lugbe Estate, Abuja.	23,000,000	Consolidated Hallmark Insurance Ltd.	The Company had paid all required fees to the Federal Housing Authority since 2017 and is awaiting final approval from them.
7	Building	Romax Homes Estate by Harris drivet beside VGCI Ikota, Lekki Lagos	199,002,000	Consolidated Hallmark Insurance Ltd.	The deed of assigment is in the name of Consolidated Hallmark Insurance Plc. Perfection of title in progress
8	Building	3Units of 4 Bedroom Terrace At Westend Ikota, Lagos	137,875,904	Consolidated Hallmark Insurance Ltd.	The deed of assigment is in the name of Consolidated Hallmark Insurance Plc. Perfection of title in progress
9	Building	Semi detached duplex at Osapa London, Lekki Lagos.	180,000,000	Consolidated Hallmark Insurance Ltd.	The deed of assigment is in the name of Consolidated Hallmark Insurance Plc. Perfection of title in progress
		Company's Total	**1,271,781,524**		
	Hallmark Health Services Ltd				
10	Building	Romax Homes Estate by Harris drivet beside VGCI Ikota, Lekki Lagos	202,668,000	Hallmark Health Services Ltd	The deed of assigment is in the name of Hallmark Health Services Ltd.
		Group's Total	**1,474,449,524**		

31 December 2024

10.5 Movement on Investment Properties

S/N	Type of Assets	Addresses	At 1 January	Addition	Disposal/transfer	Increase (decrease) in Fairvalue	At 31 December
	Company		N	N	N	N	N
1	Building	Plot A/5 Pocket Layout (Clerk Quarters) Owerri, Imo State.	206,000,000	-	-	-	206,000,000
2	Building	219, 220 and 221, Akukwe Street, Works Layout, Owerri, Imo State	229,000,000	-	-	-	229,000,000
3	Building	No. 30, East Street, Rivers Layout Aba, Abia State.	104,682,620	-	-	-	104,682,620
4	Building	Plot 33, Chief Ogbonda Layout, Rumuogba, Port Harcourt.	144,221,000	-	-	-	144,221,000
5	Building	Rivers State Housing Estate, Abuloma PH	48,000,000	712,400		-	48,712,400
6	Land	Plot 14, 1(W) Road, First Avenue, Lugbe Estate, Abuja.	23,000,000	-	-	-	23,000,000
7	Building	Romax Homes Estate by Harris drivet beside VGCI Ikota, Lekki Lagos	199,002,000	-	-	-	199,002,000
8	Building	3Units of 4 Bedroom Terrace At Westend Ikota, Lagos	137,875,904	897,194	-	-	138,773,098
9	Building	Semi detached duplex at Osapa London, Lekki Lagos.	180,000,000	-	-	-	180,000,000
		Company Total	**1,271,781,524**	**1,609,594**	**-**	**-**	**1,273,391,118**
	Subsidiary		-				
		Group Total	**1,271,781,524**	**1,609,594**	**-**	**-**	**1,273,391,118**

31 December 2023

10.5 Movement on Investment Properties

S/N	Type of Assets	Addresses	At 1 January	Addition	Disposal/transfer	Increase (decrease) in Fairvalue	At 31 December
	Company		**N**	**N**	**N**	**N**	**N**
1	Building	Plot A/5 Pocket Layout (Clerk Quarters) Owerri, Imo State.	206,000,000	-	-	-	206,000,000
2	Building	219, 220 and 221, Akukwe Street, Works Layout, Owerri, Imo State	229,000,000	-	-	-	229,000,000
3	Building	No. 30, East Street, Rivers Layout Aba, Abia State.	104,105,470	577,150.00	-	-	104,682,620
4	Building	Plot 33, Chief Ogbonda Layout, Rumuogba, Port Harcourt.	144,221,000	-	-	-	144,221,000
5	Building	Rivers State Housing Estate, Abuloma PH	48,000,000	-		-	48,000,000
6	Land	Plot 14, 1(W) Road, First Avenue, Lugbe Estate, Abuja.	23,000,000	-	-	-	23,000,000
7	Building	Romax Homes Estate by Harris drivet beside VGCI Ikota, Lekki Lagos	195,000,000	4,002,000	-	-	199,002,000
8	Building	3Units of 4 Bedroom Terrace At Westend Ikota, Lagos	135,900,000	1,975,904	-	-	137,875,904
9	Building	Semi detached duplex at Osapa London, Lekki Lagos.	180,000,000	-	-	-	180,000,000
		Company Total	**1,265,226,470**	**6,555,054**	**-**	**-**	**1,271,781,524**
	Subsidiary						
10	Building	Romax Homes Estate by Harris drivet beside VGCI Ikota, Lekki Lagos	140,000,000	62,668,000	-	-	202,668,000
		Group Total	**1,405,226,470**	**69,223,054**	**-**	**-**	**1,474,449,524**

11. Property and equipment

11.1. The group

	Land	Building	Office Equipment	Furniture & Fittings	Motor Vehicles	Computer Equipment	Total
	N	N	N	N	N	N	N
Costs/valuation							
At 1 January 2023	300,000,000	716,669,825	122,660,928	161,641,268	717,825,832	279,934,035	2,298,731,887
Additions during the year	-	-	44,044,772	28,170,990	153,562,569	26,489,865	252,268,196
Revaluation surplus	-	13,954,478	-	-	-	-	13,954,478
At 31 December 2023	300,000,000	730,624,303	166,705,700	189,812,258	871,388,401	306,423,900	2,564,954,562
At 1 January 2024	**300,000,000**	**730,624,303**	**166,705,700**	**189,812,258**	**871,388,401**	**306,423,900**	**2,564,954,562**
Additions during the year	**-**	**(0)**	**3,296,400**	**18,390,735**	**322,376,666**	**54,730,009**	**398,793,810**
Disposals during the year	**-**	**-**	**(130,000)**	**-**	**(54,958,978)**	**-**	**(55,088,978)**
Derecognised and transferred to CHI Holdco (Note 8.4)	**-**	**0**	**(9,449,835)**	**(399,292)**	**(135,205,753)**	**(28,529,165)**	**(173,584,045)**
At 31 December 2024	**300,000,000**	**730,624,303**	**160,422,265**	**207,803,701**	**1,003,600,336**	**332,624,744**	**2,735,075,349**
Accumulated depreciation							
At 1 January 2023	-	175,319,825	103,413,572	135,625,874	487,471,808	227,955,653	1,129,786,732
Depreciation charge for the year	-	13,954,478	7,950,828	12,610,140	104,202,971	16,702,313	155,420,730
31 December 2023	-	189,274,304	111,364,400	148,326,014	591,674,779	244,657,966	1,285,207,462
At 1 January 2024							
Depreciation charge for the year	**-**	**13,992,710**	**10,305,162**	**11,337,859**	**117,750,038**	**17,350,724**	**170,736,493**
Disposals during the year	**-**	**-**	**(130,000)**	**-**	**(44,429,128)**	**-**	**(44,559,128)**
Derecognised and transferred to CHI Holdco (Note 8.4)	**-**	**-**	**(4,571,999)**	**(1,423,275)**	**(78,799,731)**	**(9,660,503)**	**(94,455,508)**
At 31 December 2024	**-**	**203,267,014**	**116,967,563**	**158,240,598**	**586,195,958**	**252,348,187**	**1,317,019,320**
Carrying value:							
At 31 December 2024	**300,000,000**	**527,357,289**	**43,454,702**	**49,563,103**	**417,404,378**	**80,276,557**	**1,418,056,029**
At 31 December 2023	300,000,000	541,350,000	55,341,301	41,486,244	279,713,623	61,765,933	1,279,747,102

11.1.1. The properties were professionally re-valued as at 20 November 2024, by Messrs Adegboyega Sanusi & Co (FRC/2013/NIESV/00000001757) on the basis of open market values. These values were incorporated in the books at end of the year 2024. There was no surplus arising from 2024 revaluation. .

11.2. Property and Equipment

The company

	Land	Building	Office Equipment	Furniture & Fittings	Motor Vehicles	Computer Equipment	Total
	N	N	N	N	N	N	N
Costs/valuation							
At 1 January 2023	300,000,000	716,669,825	114,000,493	163,215,975	599,020,079	257,046,410	2,149,952,783
Additions during the year	-	-	43,053,771	26,061,990	126,862,569	19,198,365	215,176,699
Revaluation surplus	-	13,954,478	-	-	-	-	13,954,478
31 December 2023	300,000,000	730,624,303	157,054,264	189,277,965	725,882,648	276,244,776	2,379,083,960
At 1 January 2024	**300,000,000**	**730,624,303**	**157,054,264**	**189,277,965**	**725,882,648**	**276,244,776**	**2,379,083,960**
Additions during the year	**-**	**(0)**	**3,296,400**	**18,390,735**	**310,846,666**	**53,940,009**	**386,473,810**
Disposals during the year	**-**	**-**	**(130,000)**	**-**	**(48,158,978)**	**-**	**(48,288,978)**
At 31 December 2024	**300,000,000**	**730,624,303**	**160,220,664**	**207,668,700**	**988,570,336**	**330,184,785**	**2,717,268,792**
Accumulated depreciation							
At 1 January 2023	-	175,319,825	100,419,985	136,186,020	427,409,980	222,368,809	1,061,704,619
Depreciation charge for the year	-	13,954,478	6,226,630	10,643,160	75,761,622	11,418,278	118,004,168
31 December 2023	-	189,274,303	106,646,615	146,829,179	503,171,602	233,787,087	1,179,708,787
At 1 January 2024	-	**189,274,303**	**106,646,615**	**146,829,179**	**503,171,601**	**233,787,087**	**1,179,708,789**
Depreciation charge for the year	-	**13,992,712**	**10,305,162**	**11,337,859**	**117,750,038**	**17,350,724**	**170,736,497**
Disposals during the year	**-**	**-**	**(130,000)**	**-**	**(38,195,795)**	**-**	**(38,325,795)**
At 31 December 2024	**-**	**203,267,015**	**116,821,777**	**158,167,038**	**582,725,844**	**251,137,811**	**1,312,119,489**
Carrying value:							
At 31 December 2024	**300,000,000**	**527,357,288**	**43,398,887**	**49,501,662**	**405,844,492**	**79,046,974**	**1,405,149,303**
At 31 December 2023	300,000,000	541,350,000	50,407,649	42,448,786	222,711,046	42,457,689	1,199,375,173

11.2.1. The properties were professionally re-valued as at 20 November 2024, by Messrs Adegboyega Sanusi & Co (FRC/2013/NIESV/00000001757) on the basis of open market values. These values were incorporated in the books at end of the year 2024. There was no surplus arising from 2024 revaluation.

12. Right-of-Use of Assets (Leased Assets)

	Furniture & Fittings	Motor Vehicles	Office Equipment	Computer Equipment	Total
	₦	₦	₦	₦	₦
Cost					
At 1 January 2023	5,182,464	9,296,438	2,932,524	389,787	17,801,213
Additions during the year	1,731,278	26,003,562	979,651	130,213	28,844,704
Disposal during the year	-	(2,800,000)	-	-	(2,800,000)
At 31 December 2023	6,913,742	32,500,000	3,912,175	520,000	43,845,917
At 1 January 2024	**6,913,742**	**32,500,000**	**3,912,175**	**520,000**	**43,845,917**
Additions during the year	-	-	-	-	-
Derecognised and transferred to CHI Holdco (Note 8.4)	**(6,913,742)**	**(32,500,000)**	**(3,912,175)**	**(520,000)**	**(43,845,917)**
At 31 December 2024	-	-	-	-	-
Accumulated Depreciation					
At 1 January 2023	5,182,464	9,296,438	2,932,524	389,787	17,801,213
Depreciation charge for the year	1,104,323	3,650,685	976,652	78,000	5,809,660
Disposal during the year	-	(2,800,000)	-	-	(2,800,000)
At 31 December	6,286,787	10,147,124	3,909,175	467,787	20,810,873
At 1 January 2024	**6,286,787**	**10,147,124**	**3,909,175**	**467,787**	**20,810,873**
Charge for the year	-	-	-	-	-
Derecognised and transferred to CHI Holdco (Note 8.4)	**(6,286,787)**	**(10,147,124)**	**(3,909,175)**	**(467,787)**	**(20,810,873)**
At 31 December 2024	-	-	-	-	-
Carrying value:					
At 31 December 2024	-	-	-	-	-
At 31 December 2023	***626,955***	***22,352,876***	***3,000***	***52,213***	***23,035,044***

12.1 The leased assets are owned by the Group at the expiration of the leased year, hence they were depreciated using the useful life of the assets.

	2024	2023	2024	2023
	N	N	N	N
13. Statutory deposits				
Consolidated Hallmark Insurance Ltd	**300,000,000**	300,000,000	**300,000,000**	300,000,000
Microinsurance Ltd	**20,000,000**	20,000,000	**-**	-
	320,000,000	320,000,000	**300,000,000**	300,000,000

13.1 This represents the amount deposited with the Central Bank of Nigeria as at 31 December, 2024.

14. Insurance contract liabilities

	2024	2023	2024	2023
Liability for incurred claim -LIC- (Note 14.1.a & 14.1.b)	**6,597,424,753**	4,533,328,447	**6,592,814,495**	4,460,979,749
Liability for remaining coverage-LRC-(Note 14.1.a &14.1.b)	**9,388,911,936**	5,445,700,713	**9,336,334,391**	5,240,058,054
	15,986,336,689	9,979,029,160	**15,929,148,886**	9,701,037,803

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Insurance Contract Liabilities (excluding insurance acquisition cash flow assets and other pre-recognition cashflows)	15,986,336,689	9,979,029,160	15,929,148,886	9,701,037,804
Insurance acquisition cash flow assets	-			
Other pre-recognition cashflows	0			
Insurance Contract Liabilities	**15,986,336,689**	**9,979,029,160**	**15,929,148,886**	**9,701,037,804**

14.1 Insurance contract liabilities by products

	Liability for remaining coverage-LRC		Liability for incurred claims-LIC(PAA)		
	Excluding loss component	Loss component	Estimates of present value of future cash flows	Risk Adjustment for non-financial risk	Total
	N	N	N	N	N
Motor	**2,347,453,727**	**-**	**148,646,755**	**333,144,362**	**2,829,244,844**
Fire	**1,445,557,864**	**-**	**269,191,006**	**381,793,494**	**2,096,542,364**
Aviation	**609,863,640**	**-**	**36,958,170**	**1,944,943,004**	**2,591,764,814**
Oil & Gas	**2,223,213,218**	**-**	**503,142,760**	**406,555,341**	**3,132,911,319**
Engineering	**533,577,813**	**-**	**45,045,580**	**477,038,274**	**1,055,661,667**
Bond	**496,315,400**	**-**	**28,764,718**	**3,220,298**	**528,300,416**
General Accident	**813,711,098**	**-**	**414,069,178**	**1,344,121,675**	**2,571,901,951**
Marine	**862,176,558**	**-**	**90,249,749**	**164,491,895**	**1,116,918,202**
Agric	**4,465,076**	**-**	**-**	**1,438,236**	**5,903,312**
Total from Company	**9,336,334,394**	**-**	**1,536,067,916**	**5,056,746,579**	**15,929,148,889**
Reported by:					
Microinsurance limited	**52,577,545**	**-**	**4,623,529**	**-**	**57,201,074**
Grand total	**9,388,911,939**	**-**	**1,540,691,445**	**5,056,746,579**	**15,986,349,963**

14.1

	Liability for remaining coverage-		Liability for incurred claims-		
	Excluding loss component	Loss component	Estimates of present value of future cash flows	Risk Adjustment for non-financial risk	Total
	N	N	N	N	N
Motor	1,928,390,951	-	76,232,569	439,324,587	2,443,948,107
Fire	799,837,570	-	109,242,852	387,314,724	1,296,395,146
Aviation	166,213,613	-	58,168,190	163,310,374	387,692,177
Oil & Gas	692,113,690	-	40,719,812	1,026,694,254	1,759,527,756
Engineering	407,458,544	-	37,111,463	204,100,926	648,670,933
Bond	262,667,173	-	2,836,082	29,520,206	295,023,461
General Accident	585,045,256	-	253,557,871	1,493,260,453	2,331,863,580
Marine	398,331,257	-	25,324,086	114,261,306	537,916,649
Agric	-		-	-	-
Total from Company	5,240,058,054	-	603,192,925	3,857,786,830	9,701,037,809
Reported by:					
HMO	156,613,620	-	72,348,697	-	228,962,311
CHI Micro insurance limited	49,029,040	-	-	-	49,029,040
Grand total	5,445,700,714	-	675,541,622	3,857,786,830	9,979,029,160

CONSOLIDATED HALLMARK INSURANCE LTD

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14.2 Reconciliation of insurance contracts issued 31 December 2024

The following table shows the reconciliation from opening to the closing balances of the net liability for remaining coverage and the liability for incurred claims
Group

	Liability for remaining coverage-		Liability for incurred claims-		
	Excluding loss component	Loss component	Estimates of present value of future cash flows	Risk Adjustment for non-financial risk	Total
At 1 January	N	N	N	N	N
Opening insurance contract assets	-	-	-	-	-
Opening insurance contract liabilities	5,445,700,713	-	3,865,531,384	667,797,063	9,979,029,160
Net Opening balance at 1 January	5,445,700,713	-	3,865,531,384	667,797,063	9,979,029,160
Changes in the statement of profit or loss and OCI:					
Insurance revenue	(28,256,885,753)	-	-	-	(28,256,885,753)
Insurance service expenses					
Incurred claims	-	-	9,298,414,358	-	9,298,414,358
Other incurred insurance service expenses				281,699,633	281,699,633
Risk adjustment release for expired risk	-	-	-		-
Insurance acquisition expenses	7,495,561,860	-	-	-	7,495,561,860
Changes to losses on onerous contracts	-	-	-	-	-
Changes in liability for incurred claim	-	-	3,354,283,713	-	3,354,283,713
Total Insurance service expenses	7,495,561,860	-	12,652,698,071	281,699,633	20,429,959,564
Investment components	-	-	-	-	-
Insurance service result	(20,761,323,893)	-	12,652,698,071	281,699,633	(7,826,926,189)
Net finance income/expense from insurance contract issued			303,946,335		303,946,335
	-	-			-
Total changes in the statement of profit or loss and OCI	(20,761,323,893)	-	12,956,644,406	-	(7,522,979,854)
Cash flows					
Premium received	29,550,378,105	-	-	-	29,550,378,105
Claims paid	-	-	(8,389,005,966)	-	(8,389,005,966)
Other insurance service expenses paid			(2,785,228,493)		(2,785,228,493)
Insurance acquisition cash flow	(7,495,561,860)	-	-	-	(7,495,561,860)
					-
Total cash flows	22,054,816,245	-	(11,174,234,459)	-	10,880,581,786
Non Cashflow items					
Non-cash item on LRC - Amount due to Insurance Companies	1,039,156,405				1,039,156,405
Non-cash item on LRC - Amount due from brokers	1,610,549,196				1,610,549,196
	2,649,705,601				2,649,705,601
At 31 December	-	-	-	-	-
Closing insurance contract assets	9,388,898,666	-	5,647,941,331	949,496,696	15,986,336,693
Closing insurance contract liabities					
	9,388,898,666	-	5,647,941,331	949,496,696	15,986,336,693
Net balance at 31 December					

The figures stated as non cash flow items represents amount due to insurance companies and amount due from brokers as at 31st December 2024. They are categorised as non cash items because they are outstanding as at the reporting period ended 31st December 2024.

Amount for N2,744,384,067 stated as insurance service expense paid represents 60% of management expenses which form part of other operating cash payment in the cash flow.Note 33.1

Reconciliation of insurance contracts issued 31 December 2	Liability for remaining coverage-		Liability for incurred claims-		
Group	Excluding loss component	Loss component	Estimates of present value of future cash flows	Risk Adjustment for non-financial risk	Total
	N	N	N	N	N
At 1 January	-	-	-	-	-
Opening insurance contract assets	3,426,196,149	-	2,852,730,619	427,736,402	6,706,663,170
Opening insurance contract liabilities					
	3,426,196,149	-	2,852,730,619	427,736,402	6,706,663,170

Net Opening balance at 1 January					
Changes in the statement of profit or loss and OCI:					
Insurance revenue	**(15,710,848,992)**	**-**	**-**	**-**	**(15,710,848,992)**
Insurance service expenses					
Incurred claims and other expenses	-	-	6,335,546,869	-	6,335,546,869
Risk adjustment release for expired risk	-	-	240,056,551		240,056,551
Insurance acquisition expenses	3,717,441,086	-	-	-	3,717,441,086
Changes to losses on onerous contracts	-	-	-	-	-
Changes in liability for incurred claim	-	-	1,806,446,548	-	1,806,446,548
Total Insurance service expenses	**3,717,441,086**	**-**	**8,382,049,968**	**-**	**12,099,491,054**
Investment components	-	-	-	-	-
Insurance service result	**(11,993,407,906)**	**-**	**8,382,049,968**	**-**	**(3,611,357,938)**
Insurance finance income or expenses	-	-	-	-	-
Total changes in the statement of profit or loss and OCI	**(11,993,407,906)**	**-**	**8,382,049,968**	**-**	**(3,611,357,938)**
Cash flows					
Premium received	17,730,353,556	-	-	-	17,730,353,556
Claims and expenses paid	-	-	(7,129,188,542)	-	(7,129,188,542)
Insurance acquisition cash flow	(3,717,441,086)	-	-	-	(3,717,441,086)
Total cash flows	**14,012,912,470**	**-**	**(7,129,188,542)**	**-**	**6,883,723,928**
At 31 December					
Closing insurance contract assets	-	-	-	-	-
Closing insurance contract liabities	5,445,700,713	-	4,105,592,045	427,736,402	9,979,029,160
Net balance at 31 December	5,445,700,713	-	4,105,592,045	427,736,402	9,979,029,160

14.2 Reconciliation of insurance contracts issued 31 December 2024
to the closing balances of the net liability for remaining

Company

	Liability for remaining coverage-		Liability for incurred claims-		
	Excluding loss component	Loss component	Estimates of present value of future cash flows	Risk Adjustment for non-financial risk	Total
At 1 January	N	N	N	N	N
Opening insurance contract assets	-	-	-	-	-
Opening insurance contract liabilities	**5,240,058,054**	**-**	**3,793,182,686**	**667,797,063**	**9,701,037,803**
Net Opening balance at 1 January	**5,240,058,054**	**-**	**3,793,182,686**	**667,797,063**	**9,701,037,803**
Changes in the statement of profit or loss and OCI:					
Insurance revenue	**(28,160,973,732)**	**-**	**-**	**-**	**(28,160,973,732)**
Insurance service expenses					
Incurred claims		**-**	**9,243,006,216**	**-**	**9,243,006,216**
Other incurred insurance service expenses				**281,699,633**	**281,699,633**
Insurance acquisition expenses	**7,490,217,184**	**-**	**-**		**7,490,217,184**
Changes to losses on onerous contracts		**-**	**-**	**-**	**-**
Changes in liability for incurred claim	**-**	**-**	**3,354,283,713**	**-**	**3,354,283,713**
					-
Total Insurance service expenses	**7,490,217,184**	**-**	**12,597,289,929**	**281,699,633**	**20,369,206,746**
Investment components	**-**	**-**	**-**	**-**	**-**
Insurance service result	**(20,670,756,548)**	**-**	**12,597,289,929**	**281,699,633**	**(7,791,766,986)**
Net finance income/expense from insurance contract issued	**-**	**-**	**303,946,335**		**303,946,335**
Total changes in the statement of profit or loss and OCI	**(20,670,756,548)**	**-**	**12,901,236,264**	**281,699,633**	**(7,487,820,651)**
Cash flows					
Premium received	**29,587,047,444**	**-**	**-**	**-**	**29,587,047,444**
Claims paid	**-**	**-**	**(8,306,717,083)**	**-**	**(8,306,717,083)**
Other insurance service expenses paid			**(2,744,384,067)**		**(2,744,384,067)**
Insurance acquisition cash flow	**(7,490,217,184)**	**-**	**-**	**-**	**(7,490,217,184)**
Total cash flows	**22,096,830,260**	**-**	**(11,051,101,150)**	**-**	**11,045,729,110**
Non Cashflow items					
Non-cash item on LRC - Amount due to Insurance Companies	**1,039,156,405**				**1,039,156,405**
Non-cash item on LRC - Amount due from brokers	**1,631,046,220**				**1,631,046,220**
	2,670,202,625				**2,670,202,625**
At 31 December					
Closing insurance contract assets	**-**	**-**	**-**	**-**	**-**
Closing insurance contract liabities	**9,336,334,391**	**-**	**5,643,317,800**	**949,496,696**	**15,929,148,887**
Net balance at 31 December	**9,336,334,391**	**-**	**5,643,317,800**	**949,496,696**	**15,929,148,887**

	Liability for remaining coverage-LRC		Liability for incurred claims-LIC(PAA)		
Reconciliation of insurance contracts issued 31 December 2(					
Company	**component**	**Loss component**	**present value of**	**for non-financial**	**Total**
At 1 January	**N**	**N**	**N**	**N**	**N**
Opening insurance contract assets	-	-	-	-	-
Opening insurance contract liabilities	3,426,196,149	-	2,852,730,619	427,736,402	6,706,663,170
Net Opening balance at 1 January	3,426,196,149	-	2,852,730,619	427,736,402	6,706,663,170
Changes in the statement of profit or loss and OCI:					
Insurance revenue	**(14,815,865,738)**	**-**	**-**	**-**	**(14,815,865,738)**
Insurance service expenses					
Incurred claims and other expenses	-	-	5,630,329,559	-	5,630,329,559
Risk adjustment release for expired risk	-	-	-	240,056,551	240,056,551
Insurance acquisition expenses	3,841,647,546	-	-	-	3,841,647,546
Changes to losses on onerous contracts	-	-	-	-	-
Changes in liability for incurred claim	-	-	1,806,446,548	-	1,806,446,548
Total Insurance service expenses	**3,841,647,546**	**-**	**7,436,776,107**	**240,056,551**	**11,518,480,204**
Investment components	-	-	-	-	-
Insurance service result	**(10,974,218,192)**	**-**	**7,436,776,107**	**240,056,551**	**(3,297,385,534)**
Insurance finance income or expenses	-	-	-	-	-
Total changes in the statement of profit or loss and OCI	**(10,974,218,192)**	**-**	**7,436,776,107**	**240,056,551**	**(3,297,385,534)**
Cash flows					
Premium received	16,629,727,643	-	-	-	16,629,727,643
Claims paid	-	-	(6,496,319,929)	-	(6,496,319,929)
Other insurance service expenses paid	(3,841,647,546)	-	-	-	(3,841,647,546)
Total cash flows	**12,788,080,097**	**-**	**(6,496,319,929)**	**-**	**6,291,760,168**
At 31 December					
Closing insurance contract assets	-	-	-	-	-
Closing insurance contract liabities	5,240,058,054	-	3,793,186,797	667,792,953	9,701,037,804
Net balance at 31 December	5,240,058,054	-	3,793,186,797	667,792,953	9,701,037,804

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14.3. Data summary and reconciliation

This section outline the summary of the data used for the IFRS 17 Valuation

Valuation result

Insurance contract liabilities-December 2024

14.3.1 **Liability for incurred claims-LIC**

Insurance Contract Liabilities - December 2024					
	Liability for	Liability for Incurred Claims (LIC)			
Portfolios	Remaining	IBNR	Outstanding claims	Risk Adjustment	Total
Motor	2,347,453,727	275,519,056	148,646,755	57,625,306	2,829,244,844
Fire	1,445,557,864	252,098,078	269,191,006	129,695,416	2,096,542,364
General Accident	813,711,098	1,022,488,235	414,069,178	321,633,440	2,571,901,951
Marine	862,176,558	116,574,530	90,249,749	47,917,365	1,116,918,203
Bonds	496,315,399	1,438,236	28,764,718	3,020,295	529,538,648
Oil & Gas	2,223,213,218	1,836,968,747	503,142,760	235,224,851	4,798,549,575
Engineering	533,577,812	170,804,403	45,045,580	45,879,677	795,307,473
Aviation	609,863,640	431,358,597	36,958,170	108,500,345	1,186,680,752
Total	**9,336,334,391**	**4,107,249,882**	**1,536,067,917**	**949,496,696**	**15,929,148,886**
	983%	433%	162%	100%	

14.3.2 Transactional claims data

The table below summarised the claims incurred in the reporting period, claims paid and outstanding claims.

Insurance transactional data and outstanding claims in the reporting			
Portfolio	**Incurred claims**	**Claims paid**	**Outstanding claims**
	N	**N**	**N**
Motor	**1,354,454,631**	**1,595,362,321**	**148,646,755**
Fire	**1,137,948,929**	**952,324,645**	**269,191,006**
Aviation	**581,050,168**	**658,038,965**	**36,958,170**
Oil & Gas	**1,158,039,405**	**2,288,605,382**	**503,142,760**
Engineering	**283,241,254**	**295,418,767**	**45,045,580**
Bond	**26,099,718**	**245,015,819**	**28,764,718**
General Accident	**1,336,116,039**	**529,177,976**	**414,069,178**
Marine	**295,948,308**	**524,104,792**	**90,249,749**
Agric	**-**	**14,563,724**	**-**
Total	**6,172,898,452**	**7,102,612,391**	**1,536,067,916**

CONSOLIDATED HALLMARK INSURANCE LTD

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
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Insurance contract liabilities-December 2023

14.4.1

Portfolio	Liability for remaining coverage-LRC	Liability for incurred claims-LIC		Total
		Outstanding claims	Risk adjustments	
	N	N	N	N
Motor	1,928,390,951	476,446,216	39,110,939	2,443,948,106
Fire	799,837,570	424,779,935	71,777,640	1,296,395,145
Aviation	166,213,613	186,944,497	34,534,067	387,692,177
Oil & Gas	692,113,690	904,426,725	162,987,340	1,759,527,755
Engineering	407,458,544	198,106,277	43,106,111	648,670,932
Bond	262,667,172	29,687,405	2,668,882	295,023,459
General Accident	585,045,256	1,455,484,550	291,333,773	2,331,863,579
Marine	398,331,257	117,307,080	22,278,311	537,916,648
Total	**5,240,058,053**	**3,793,182,685**	**667,797,063**	**9,701,037,801**
	54%	39%	7%	100%

14.4.2 Transactional claims data

The table below summarised the claims incurred in the reporting period, claims paid and outstanding claims.

Insurance transactional data and outstanding claims in the reporting			
Portfolio	**Incurred claims**	**Claims paid**	**Outstanding claims**
	N	N	N
Motor	1,198,675,720	1,304,089,900	76,232,568
Fire	337,856,637	298,011,601	109,242,852
Aviation	44,604,392	74,542,773	58,168,190
Oil & Gas	130,263,970	180,171,723	40,719,811
Engineering	168,934,432	260,568,170	37,111,463
Bond	30,906,813	34,221,715	2,836,082
General Accident	1,098,521,139	1,423,512,389	253,557,870
Marine	277,152,257	368,537,286	25,324,086
Total	**3,286,915,360**	**3,943,655,557**	**603,192,922**

14.5. Age Analysis Of Outstanding Claims As At 31 December, 2024

	0-90 DAYS	91-180 DAYS	181-270 DAYS	271-365 DAYS	ABOVE 365 DAYS	TOTAL
1-250,000	22,296,050	14,116,000	20,956,981	15,358,800	50,512,502	123,240,334
250,001-500,000	17,729,545	3,289,875	3,563,000	3,128,000	39,635,959	67,346,379
500,001-1,500,000	59,015,426	24,000,000	13,899,390	16,025,000	60,177,892	173,117,708
1,500,001-2,500,000	7,780,000	5,402,237	1,600,000	5,539,000	24,196,115	44,517,352
2,500,001-5,000,000	6,000,000	16,483,088	6,343,170	4,080,000	30,990,083	63,896,341
ABOVE 5,000,000	252,567,091	56,275,171	424,211,815	183,419,718	147,476,009	1,063,949,803
TOTAL	**365,388,112**	**119,566,370**	**470,574,356**	**227,550,518**	**352,988,561**	**1,536,067,917**

CONSOLIDATED HALLMARK INSURANCE LTD

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2024

Age Analysis Of Outstanding Claims As At 31 December, 2023

	0-90 DAYS	91-180 DAYS	181-270 DAYS	271-365 DAYS	ABOVE 365 DAYS	TOTAL
1-250,000	24,204,668	18,716,445	20,133,996	16,381,898	31,204,483	110,641,490
250,001-500,000	7,932,795	5,222,000	23,063,222	30,410,079	26,607,131	93,235,228
500,001-1,500,000	15,500,000	7,284,112	26,263,400	33,848,441	68,202,998	151,098,951
1,500,001-2,500,000	11,948,570	6,000,000	4,290,145	12,100,000	8,076,600	42,415,315
2,500,001-5,000,000	3,000,000	26,015,753	20,000,000	28,125,542	28,684,293	105,825,588
ABOVE 5,000,000	14,168,700	7,120,868	6,250,438	29,806,604	42,629,740	99,976,350
TOTAL	**76,754,733**	**70,359,178**	**100,001,202**	**150,672,564**	**205,405,245**	**603,192,922**

Number of claimants in each category

	0-90 DAYS	91-180 DAYS	181-270 DAYS	271-365 DAYS	ABOVE 365 DAYS	TOTAL
At December 2024	508	333	314	260	930	**2,345**
At December 2023	439	381	323	320	636	**2,596**

Further Analysis of Outstanding Claims

OUTSTANDING CLAIMS (AWAITING EDV)

	0-90 DAYS	91-180 DAYS	181-270 DAYS	271-365 DAYS	ABOVE 365 DAYS	TOTAL
1-250,000	-	-	-	-	-	-
250,001-500,000	-	-	-	-	-	-
500,001-1,500,000	-	-	-	-	-	-
1,500,001-2,500,000	-	-	-	-	-	-
2,500,001-5,000,000	-	-	-	-	-	-
ABOVE 5,000,000	-	-	-	-	-	-
TOTAL	-	-	-	-	-	-

OUTSTANDING CLAIMS (AWAITING SETTLEMENT DECISION)

	0-90 DAYS	91-180 DAYS	181-270 DAYS	271-365 DAYS	ABOVE 365 DAYS	TOTAL
1-250,000	200,000.00	-	-	-	549,421.50	**749,421.50**
250,001-500,000	-	-	-	-	800,000.00	**800,000.00**
500,001-1,500,000	-	-	-	1,200,000.00	3,455,590.16	**4,655,590.16**
1,500,001-2,500,000	-	-	-	-	-	-
2,500,001-5,000,000	-	-	-	-	-	-
ABOVE 5,000,000	-	-	-	-	-	-
TOTAL	**200,000.00**	-	-	**1,200,000.00**	**4,805,011.66**	**6,205,011.66**

OUTSTANDING CLAIMS (AWAITING SUPPORTING DOCUMENT)

	0-90 DAYS	91-180 DAYS	181-270 DAYS	271-365 DAYS	ABOVE 365 DAYS	TOTAL
1-250,000	19,828,050.00	12,981,000.00	20,226,981.41	14,916,800.00	48,072,599.51	**116,025,430.92**
250,001-500,000	15,969,660.08	2,989,874.92	1,900,000.00	2,308,000.00	38,186,159.23	**61,353,694.23**
500,001-1,500,000	53,176,890.00	24,000,000.00	10,899,390.00	14,825,000.00	55,022,302.12	**157,923,582.12**
1,500,001-2,500,000	7,780,000.00	3,583,236.80	1,600,000.00	4,000,000.00	19,556,145.23	**36,519,382.03**
2,500,001-5,000,000	3,000,000.00	11,483,088.00	2,698,170.00	4,080,000.00	30,503,666.69	**51,764,924.69**
ABOVE 5,000,000	214,633,634.16	56,275,170.70	275,772,814.66	163,358,717.90	140,355,141.19	**850,395,478.61**

TOTAL		**314,388,234.24**	**111,312,370.42**	**313,097,356.07**	**203,488,517.90**	**331,696,013.97**	**1,273,982,492.60**

OUTSTANDING CLAIMS (BEING ADJUSTED)

		0-90 DAYS	91-180 DAYS	181-270 DAYS	271-365 DAYS	ABOVE 365 DAYS	TOTAL
1-250,000		2,268,000.00	1,135,000.00	730,000.00	442,000.00	1,830,481.29	**6,405,481.29**
250,001-500,000		1,759,885.00	300,000.00	1,663,000.00	820,000.00	649,800.00	**5,192,685.00**
500,001-1,500,000		5,838,536.16	-	-	-	700,000.00	**6,538,536.16**
1,500,001-2,500,000		-	1,819,000.00	-	1,539,000.00	2,139,969.75	**5,497,969.75**
2,500,001-5,000,000		3,000,000.00	5,000,000.00	3,644,999.99	-	2,986,416.04	**14,631,416.03**
ABOVE 5,000,000		37,933,456.50	-	58,500,000.00	10,000,000.00	7,120,868.10	**113,554,324.60**
TOTAL		**50,799,877.66**	**8,254,000.00**	**64,537,999.99**	**12,801,000.00**	**15,427,535.18**	**151,820,412.83**

OUTSTANDING CLAIMS (SIGNED DISCHARGE VOUCHER UNPAID)

		0-90 DAYS	91-180 DAYS	181-270 DAYS	271-365 DAYS	ABOVE 365 DAYS	TOTAL
1-250,000		-	-	-	-	50,000.00	**50,000.00**
250,001-500,000		-	-	-	-	-	**-**
500,001-1,500,000		1,000,000.00	-	-	-		**1,000,000.00**
1,500,001-2,500,000		-	-	-	-	-	**-**
2,500,001-5,000,000		-	-	-	-	-	**-**
ABOVE 5,000,000		-	-	-	-	-	**-**
TOTAL		**1,000,000.00**	**-**	**-**	**-**	**-**	**1,050,000.00**

		Group		Company	
		2024	2023	**2024**	2023
		N	N	**N**	N
14.6	**Funds representing insurance contract liabilities**				
	Insurance contract liabilities	**15,986,336,689**	9,701,037,803	**15,929,148,886**	9,701,037,803
	Recoverable from reinsurance company	**(6,145,888,684)**	(3,446,441,321)	**(7,021,632,499)**	(3,446,441,321)
		9,840,448,005	6,254,596,482	**8,907,516,387**	6,254,596,482
	Fixed deposit - within 90 days (Note 2.1)	**1,096,707,138**	832,664,454	**1,096,707,138**	832,664,454
	Fixed deposit - above 90 days (Note 3.3.5)	**3,302,641,062**	5,022,222,500	**3,302,641,062**	5,022,222,500
	Investment properties	**732,616,020**	1,271,781,524	**732,616,020**	1,271,781,524
	At fair value through profit or loss (Note 3.2)	**18,881,937,253**	2,450,528,763	**18,881,937,253**	2,450,528,763
		24,013,901,473	9,577,197,242	**24,013,901,473**	9,577,197,242
	Surplus	**14,173,453,468**	**3,322,600,760**	**15,106,385,086**	3,322,600,760
14.7.	**Investment contract liabilities**				
	At 1 January	**10,437,775**	13,723,775	-	-
	Movement	**(25,945)**	(3,286,000)	-	-
	At 31 December	**10,411,830**	10,437,775	-	-

		Group		Company	
15.	**Trade payables**				
	Due to insurance companies	**-**	270,057,347	**-**	270,057,347
	Due to reinsurance companies - local	**-**	60,692,224	**-**	60,692,224
		-	330,749,570	**-**	330,749,570
15.1.	**Analysis by maturity:**				
	Current	**-**	330,749,570	**-**	330,749,570
	Non-current	**-**	-	**-**	-
		-	330,749,570	**-**	330,749,570
15.2.	**Movement in non cash in LRC**				
	At 1 January	**330,749,570**	33,472,651	**330,749,570**	33,472,651
	Reinsurance during the year	**9,956,567,107**	6,007,916,851	**9,956,567,107**	6,007,916,851
	Payment	**(9,248,160,272)**	(5,710,639,932)	**(9,248,160,272)**	(5,710,639,932)
	At 31 December	**1,039,156,405**	330,749,570	**1,039,156,405**	330,749,570

Amount due to reinsurance and insurance company amounting to N1,039,156,405 represents premium being owned which was subjected to measurement under LRC on insurance contract liability. It was categoried in the insurance liability reconciliation as non cash item as it has not been paid as at the reporting date 31st December 2024.

16.	**Borrowing**				
	At 1 January	**597,302,864**	680,107,895	-	-
	Addition	**-**	1,506,337,088	-	-
	Repayment	**-**	(1,880,662,738)	-	-
	Interest capitalised	**-**	291,520,620	-	-
	Derecognised and transferred to CHI Holdco (Note 8.4)	**(597,302,864)**	-	-	-
	At 31 December	**-**	597,302,864	**-**	-

16.1. These are financial liabilities that mature within 12 months of the balance sheet date. It is measure at fair value at initial recognition.

17.	**Other payables and provision**				
	Staff payables	**19,735,732**	15,194,488	**15,991,908**	15,194,489
	Payable to related parties (Note 43)	-	697,237	-	697,237
	Audit fees	**12,133,750**	8,020,000	**9,500,000**	8,020,000
	VAT payable	**100,000**	100,000	**-**	100,000
	Witholding tax payable	**128,580,750**	64,333,855	**128,211,880**	64,333,855
	Unclaimed dividend payable (Note 17.2)	**80,208,845**	82,423,287	**80,208,845**	82,423,287
	Accrued expenses	**390,315,490**	45,012,420	**389,476,893**	45,012,420
	Staff co-operative	**54,424,071**	41,870,700	**54,424,071**	41,870,700
	Sundry creditors	**(1,293,067)**	257,891,571	**1,435,685**	(33,627,025)
		684,205,571	515,543,558	**679,249,282**	224,024,963
17.1.	**Analysis by maturity:**				
	Current	**684,205,571**	515,543,558	**679,249,282**	224,024,963
	Non-current	**-**	-	**-**	-
		684,205,571	515,543,558	**679,249,282**	224,024,963

17.2. Unclaimed dividend payable represents amount of dividend which

		Group		Company	
		2024	2023	**2024**	2023
		N	N	**N**	N
18.	**Retirement benefit obligation**				
	Defined contribution pension plan				
	At 1 January	**13,677,328**	2,925,282	**13,677,328**	1,181,508
	Provision during the year (Note 33.3.a)	**57,122,916**	62,255,684	**54,994,984**	56,175,917
	Payment during the year	**(60,076,776)**	(49,471,946)	**(61,744,546)**	(43,680,097)
	Derecognised and transferred to CHI Holdco (Note 8.4)	**(3,425,146)**	-	**-**	-
	At 31 December	**7,298,322**	15,709,020	**6,927,766**	13,677,328
18.1.	Employer contribution	**4,054,623**	8,727,234	**3,647,007**	8,022,364
	Employees contribution	**3,243,699**	6,981,786	**3,280,759**	5,654,964
		7,298,322	15,709,020	**6,927,767**	13,677,328
19.	**Taxation**				
19.1	**Income tax expense**				
	Income tax	**740,013,362**	1,136,823,041	**732,475,625**	990,225,385
	Information technology levy	**221,053,588**	-	**221,053,588**	-
	Education tax	**76,400,789**	19,753,486	**76,400,789**	8,546,100
	Over provision in previous year	**(854,600,000)**	(251,330,458)	**(854,600,000)**	(217,570,158)
		182,867,739	905,246,069	**175,330,002**	781,201,327
	Deferred tax charge/(write back) (Note 19.3)	**96,761,137**	(22,541,069)	**96,761,137**	(21,247,971)
		279,628,876	882,705,000	**272,091,139**	759,953,356

19.1.a. The Nigerian Information Technology Development Agency (NITDA) Act was signed into law on 24 April 2007. Section 12(2a) of the Act demands that, 1% of profit before tax should be paid to the Nigerian Information Technology Development Agency. In line with the Act, the Company has provided for NITDA levy at the specified rate.

		Group		Company	
		2024	2023	**2024**	2023
		N	N	**N**	N
19.2.	**Current income tax liabilities**				
	At 1 January	**1,554,577,043**	651,220,778	**1,316,060,787**	524,545,069
	IFRS 17 adjustment	**-**	132,880,134	**-**	132,880,134
	Payments during the year	**(191,927,939)**	(134,769,937)	**(224,088,925)**	(122,565,743)
		1,362,649,104	649,330,975	**1,091,971,862**	534,859,460
	Derecognised and transferred to CHI Holdco (Note 8.4)	**(238,715,460)**	-	**-**	-
	Charge for the year (Note 19.1)	**182,867,739**	905,246,069	**175,330,002**	781,201,327
	At 31 December	**1,306,801,383**	1,554,577,043	**1,267,301,864**	1,316,060,787
19.2.1.	**Reconciliation of effective tax rate**				
	Profit after tax	**22,674,397,985**	3,769,149,574	**22,591,914,087**	3,353,066,487
	Total income tax expense				
	Income	**740,013,362**	1,136,823,041	**732,475,625**	990,225,386
	Education	**76,400,789**	19,753,486	**76,400,789**	8,546,100
	Over-provision	**(854,600,000)**	(251,330,458)	**(854,600,000)**	(217,570,158)
	Deferred tax charge/(write back) (Note 19.3)	**96,761,137**	(22,541,069)	**96,761,137**	(21,247,971)
		58,575,288	882,705,000	**51,037,551**	759,953,357
	Profit for the year before income tax	**22,732,973,273**	4,651,854,574	**22,642,951,638**	4,113,019,844
	Effective tax rate	**0%**	19%	**0%**	18%
19.3.	**Deferred tax liabilities**				
	At 1 January	**264,056,690**	253,908,071	**264,056,690**	239,442,368
	Charge for the year (Note 19.1)	**96,761,137**	22,541,069	**96,761,137**	21,247,971
	Deferred tax on Revalued Land & Building (PPE) (Note 30)	**-**	3,011,085	**-**	-
	Deferred tax on FVTOCI instruments (Note 30)	**(10,735,531)**	-	**(10,735,530)**	3,366,351
	Derecognised and transferred to CHI Holdco (Note 8.4)	**(347,116)**	**-**	**-**	**(0)**
	At 31 December	**349,735,180**	279,460,225	**350,082,297**	264,056,690

19.3.1 The Company has adopted the International Accounting Standards (IAS 12) on accounting for taxation, which is now computed using liability method.

		Group		Company	
		2024	2023	**2024**	2023
		N	N	**N**	N
20.	**Share capital**				
	Authorised:				
	8.31 billion (Dec 2023:10.84 billion) ordinary shares of 50k each	**4,155,775,000**	5,420,000,000	**4,155,775,000**	5,420,000,000
20.1	***Issued and fully paid:***				
	8.31 billion (Dec 2023:10.84 billion) ordinary shares of 50k each				
	At 31 December	**4,155,775,000**	5,420,000,000	**4,155,775,000**	5,420,000,000
20.2	***Movement in issued and fully paid:***				
	At 1 January	**5,420,000,000**	5,420,000,000	**5,420,000,000**	5,420,000,000
	Surrendered and transferred in the year (Note 20.2.2)	**(1,264,225,000)**	-	**(1,264,225,000)**	-
	At 31 December	**4,155,775,000**	5,420,000,000	**4,155,775,000**	5,420,000,000

20.1. The holder of ordinary shares are entitled to receive dividends as declared from time to time and are entitled to vote at meetings of the Group.

20.2. Board resolution on the virtual meeting held o the 26th day of April, 2023, the followings were proposed:
*That a total of 2,528,450,000 ordinary shares of CHI with a shareholding value of N1,264,2250,000 be and hereby surrendered to Consolidated Hallmark Holdings Plc further to the court -sanctioned scheme of arrangement.

*That the share capital of CHI be and is hereby reduced from N5,420,000,000 to N4,155,775,000 by the surrender of 2,528,450,000 ordinary shares with a total value of N1,264,225,000 CHH.

*That the directors and the company secretary be and hereby empowered to execute and file all required documents necessary to give effect to the above resolutions.

		Group		Company	
		2024	2023	**2024**	2023
		N	N	**N**	N
21.	**Share Premium**				
	At 1 January	**168,933,834**	168,933,834	**168,933,834**	168,933,834
	Surrendered and transferred in the year (Note 20.2.2)	**(168,933,834)**	-	**(168,933,834)**	-
	At 31 December	**-**	168,933,834	**-**	168,933,834
22.	**Other reserves**				
22.1.	**Contingency reserve**				
	At 1 January	**3,473,337,958**	2,800,339,728	**3,469,814,488**	2,799,201,191
	Transfer from retained earnings (Note 23)	**4,518,382,095**	670,613,298	**4,518,382,096**	670,613,297
	Contributed by Chi microinsurance Ltd	**6,009,700**	2,384,933	**-**	-
	Adjustment	**305,798**	-	**-**	-
	At 31 December	**7,998,035,551**	3,473,337,958	**7,988,196,583**	3,469,814,488

22.1.a In line with sections 21(1) and (2) and 22(16) of the Insurance Act 2003, Insurance companies in Nigeria are required to transfer to the statutory contingency reserve, the higher of 20% of net profits and 3% of total Premium. In the year, The company transferred the sum of N4,518,382,096 based on 20% of net profit.

		Group		Company	
		2024	2023	**2024**	2023
		N	N	**N**	N
22.2	**Statutory reserve**				
	At 1 January	**133,136,812**	91,262,839	**-**	-
	Transfer from retained earnings (Note 23)	**-**	41,873,973	**-**	-
	Derecognised and transferred to CHI Holdco (Note 8.4)	**(133,136,812)**	-	**-**	-
	At 31 December	**-**	133,136,812	**-**	-

22.2.a In line with Central Bank of Nigeria guidelines, Finance companies in Nigeria are required to transfer a minimum of 15% of its profit before tax to statutory reserve until the reserve fund equals the Paid-up Capital and a minimum of 10% thereafter. This applies to Hallmark Finance Company Limited a subsidiary within the group.

		Group 2024 N	Group 2023 N	Company 2024 N	Company 2023 N
22.3	**Fair value through OCI reserve**				
	At 1 January	**126,393,793**	39,180,406	**127,131,418**	39,163,090
	(Loss)/gain during the year (Note 30)	**(35,785,101)**	87,213,387	**(35,785,101)**	87,968,328
	Deferred tax on FVTOCI instruments (Note 22.3)	**11,473,156**	-	**10,735,530**	-
	At 31 December	**102,081,848**	126,393,793	**102,081,847**	127,131,418
22.4	**Revaluation reserve**				
	At 1 January	**138,165,551**	128,676,506	**138,165,551**	128,676,506
	Revaluation gain Land & Building)	**-**	9,489,045	**-**	9,489,045
	At 31 December	**138,165,551**	138,165,551	**138,165,551**	138,165,551
22.5	**Regulatory risk reserve**				
	At 1 January	**17,293,896**	1,828,189	**-**	-
	Transfer from retained earnings (Note 23)	**-**	15,465,707	**-**	-
	Derecognised and transferred to CHI Holdco (Note 8.4)	**(17,293,896)**	-	**-**	-
	At 31 December	**-**	17,293,896	**-**	-

22.5.a This is the difference between Expected Credit Loss (ECL) and CBN Prudential Guidelines Computations on Loans & Receivables and Finance Lease Receivables.

		Group 2024 N	Group 2023 N	Company 2024 N	Company 2023 N
23.	**Retained earnings**				
	At 1 January	**3,418,242,332**	704,630,763	**2,813,588,208**	456,335,125
	Dividend declared and paid in the year	**(1,080,501,500)**	(325,200,100)	**(1,080,501,500)**	(325,200,100)
	Transfer to contigency reserve (Note 22.1)	**(4,524,391,795)**	(672,998,231)	**(4,518,382,096)**	(670,613,297)
	Profit for the year	**22,674,397,985**	3,769,149,574	**22,591,914,087**	3,353,066,487
	Transfer to regulatory risk reserve (Note 22.5)	**-**	(15,465,707)	**-**	-
	Transfer to statutory reserve (Note 22.2)	**-**	(41,873,973)	**-**	-
	Derecognised and transferred to CHI Holdco (Note 8.4)	**(470,486,307)**	-	**-**	-
	At 31 December	**20,017,260,715**	3,418,242,332	**19,806,618,705**	2,813,588,208

23.a. Retained earnings are the carried forward recognised income net of expenses plus current p eriod profit attributable to shareholders.

		Group 2024 N	Group 2023 N	Company 2024 N	Company 2023 N
23.1.	**Profit before taxation**				
	Profit before taxation is stated after charging/crediting:				
	Depreciation of property and equipment	**102,441,896**	82,602,918	**102,441,896**	82,602,918
	Auditors' remuneration***	**6,115,500**	4,900,000	**6,115,500**	4,900,000
	Directors' remuneration:				
	- Fees	**11,000,000**	12,334,144	**11,000,000**	12,334,144
	Profit on disposal of property and equipment	**9,159,634**	4,936,000	**9,159,634**	4,936,000
	Foreign exchange gains	**(3,529,542,313)**	(2,958,598,009)	**(3,529,542,313)**	(2,958,598,009)

***The Auditors, Messrs PKF Professional did not render any other services to the Group besides Auditing services.

		Group		Company	
		2024	2023	2024	2023
		N	N	N	N
24	**Insurance revenue**	**28,256,885,753**	15,710,848,992	**28,160,973,732**	14,815,865,738
24.1	**Insurance Revenue analysed as follows:**				
	Fire	**3,686,198,583**	2,296,564,771	**3,686,198,583**	2,296,564,771
	General accident	**2,178,450,342**	1,669,296,461	**2,178,450,342**	1,669,296,461
	Motor	**6,837,895,435**	4,031,349,516	**6,837,895,435**	4,031,349,516
	Aviation	**2,549,626,931**	1,234,369,328	**2,549,626,931**	1,234,369,328
	Oil & Gas	**8,879,271,460**	3,223,495,685	**8,879,271,460**	3,223,495,685
	Marine	**1,920,194,066**	890,340,933	**1,920,194,066**	890,340,933
	Engineering	**1,217,676,823**	871,238,723	**1,217,676,823**	871,238,723
	Bond	**880,875,754**	599,210,321	**880,875,754**	599,210,321
	Agric	**10,784,338**	-	**10,784,338**	-
	Company total	**28,160,973,732**	14,815,865,738	**28,160,973,732**	14,815,865,738
	Reported by:				
	HMO	**-**	832,636,942	**-**	**-**
	Microinsurance limited	**95,912,021**	62,346,312	**-**	**-**
	Group total	**28,256,885,753**	15,710,848,992	**28,160,973,732**	14,815,865,738

24.2. The insurance revenue for the year is the amount of expected premium receipts (excluding any investment component) allocated to the year. The Group allocates the expected premium receipts to each period of insurance contract services on the basis of the passage of time.

		Group 2024	Group 2023	Company 2024	Company 2023
25.	**Insurance service expenses**				
	Incurred claims	**9,298,414,358**	6,335,546,869	**9,243,006,216**	5,630,329,559
	Acquisition expenses (Note 25.1.a)	**7,495,561,860**	3,717,441,086	**7,490,217,184**	3,841,647,546
	Other incurred insurance service expenses	**281,699,633**	240,056,551	**281,699,633**	240,056,551
	Changes in liability for incurred claims	**3,354,283,713**	1,806,446,548	**3,354,283,713**	1,806,446,548
	Total insurance service expenses	**20,429,959,564**	12,099,491,054	**20,369,206,746**	11,518,480,204
25.1.	**Amortisation of insurance Acquisition cashflows**				
	Amortisation of insurance expenses	**4,620,364,721**	2,535,146,047	**5,201,966,754**	2,533,559,482
	Amortisation of maintenance expenses	**2,288,250,435**	1,182,295,039	**2,288,250,435**	1,308,088,064
		6,908,615,157	3,717,441,086	**7,490,217,189**	3,841,647,546

25.1.a Insurance acquisition cash flows are cash flows arising from the costs of selling, underwriting, and starting a group of insurance contracts that are directly attributable to the portfolio of insurance contracts to which the group belongs.

		Group 2024	Group 2023	Company 2024	Company 2023
26.	**Net expenses from reinsurance contracts held**				
	The reinsurance expense is analysed as follows:				
	Reinsurance expenses costs:				
	Allocation of reinsurance premium paid	**7,083,278,876**	5,281,725,034	**7,075,754,267**	5,264,896,699
	Effect of changes in the risk of reinsurers non-performance	**30,733,579**		**30,733,579**	
	Incurred reinsurance claims and other expenses	**(341,550,785)**		**(341,550,785)**	
	Changes that relate to past service-adjustment to ARIC	**(1,887,245,197)**		**(1,887,245,197)**	
	Claims recoverable from reinsurers	**-**	(1,554,515,391)		(1,554,515,391)
		4,885,216,473	3,727,209,643	**4,877,691,864**	3,710,381,308

26.1. The Group presents separately on the face of the statement of profit or loss and other comprehensive income, the amounts expected to be recovered from reinsurers, and an allocation of the reinsurance premiums paid. The Group treats reinsurance cash flows that are contingent on claims on the underlying contracts as part of the claims that are expected to be reimbursed under the reinsurance contract held, and excludes investment components and commissions from an allocation of reinsurance premiums
presented on the face of the statement of profit or loss and other comprehensive income

		Group 2024 N	Group 2023 N	Company 2024 N	Company 2023 N
26.2.	**Fee and commission**				
	Fire	**163,438,229**	391,413,813	**163,438,229**	391,413,813
	General accident	**222,935,934**	245,188,700	**222,935,934**	245,188,700
	Motor	**582,915,053**	10,913,339	**582,915,053**	10,913,339
	Aviation	**-**	-	**-**	-
	Oil & Gas	**-**	-	**-**	-
	Marine	**155,974,511**	218,472,653	**155,974,511**	218,472,653
	Engineering	**65,678,969**	120,696,295	**65,678,969**	120,696,295
	Bond	**59,162,198**	87,725,287	**59,162,198**	87,725,287
	Agric	**831,674**	-	**831,674**	-
		1,250,936,568	1,074,410,087	**1,250,936,568**	1,074,410,087
27.	**Investment income**				
27.1.	**Interest revenue calculated using the effective interest method**				
	Interest received	**1,307,952,013**	132,190,039	**1,223,039,556**	372,027,129
	Interest received on corporate loan	**2,258,228**	7,208,285	**2,258,228**	7,208,285
	Interest accrued	**26,505,943**	1,120,114,573	**26,505,943**	49,601,975
	Interest on staff receivables	**24,214,788**	125,000	**24,214,788**	-
	Amortised interest gain on debts securities (Note 3.2.4)	**426,138,084**	442,754,407	**426,138,084**	442,754,407
		1,787,069,056	1,702,392,304	**1,702,156,599**	871,591,796
27.2.	**Other investment incomes**				
	Rent income on investment properties (Note 10.2)	**64,700,556**	43,710,256	**64,700,556**	43,710,256
	Dividend received	**531,919,787**	157,224,481	**531,919,787**	157,224,481
		596,620,343	200,934,737	**596,620,343**	200,934,737
	Total	**2,383,689,399**	1,903,327,041	**2,298,776,942**	1,072,526,533
27.2.	**Investment income**				
	Investment income attributable to policyholders' fund	**426,138,084**	442,754,407	**426,138,084**	442,754,407
	Investment income attributable to shareholders' fund	**1,957,551,315**	1,460,447,633	**1,872,638,858**	629,772,125
		2,383,689,399	1,903,202,040	**2,298,776,942**	1,072,526,532
28.	**Other operating income**				
	Profit on disposal of property and equipment	**9,159,634**	4,936,000	**9,159,634**	4,936,000
	Other income (Note 28.1)	**39,535,943**	81,150,132	**35,092,300**	181,000
		48,695,577	86,086,132	**44,251,934**	5,117,000

28.1. Included in the figure above is N34.9 million being recovery from savage

		Group 2024 N	Group 2023 N	Company 2024 N	Company 2023 N
29.	**Exchange gain**				
	Gain on disposal of foreign currency	**413,036,000**	921,001,560	**413,036,000**	921,001,560
	Closing foreign currency balances	**(583,075,474)**	1,650,320,100	**(583,075,474)**	1,650,320,100
	Gain from fair valuation of capital market & other financial assets	**3,699,581,787**	387,276,349	**3,699,581,787**	387,276,349
		3,529,542,313	2,958,598,009	**3,529,542,313**	2,958,598,009
30.	**Fair value through OCI**				
	Items that will not be reclassified subsiquently to profit or loss:				
	Gain on revaluation of Land & Building (PPE)	**-**	12,500,130	**-**	9,489,045
	(Loss)/gain on fair value through OCI (Note 22.3)	**(35,785,101)**	87,213,387	**(35,785,101)**	87,968,328
	Impact on discounting of LIC	**-**		**-**	
	Impact on discounting of reinsurance LIC	**-**		**-**	
		(35,785,101)	99,713,517	**(35,785,101)**	97,457,373
	Deffered tax on Fair value through OCI:				
	Deffered tax on revaluation surplus Land & Building (Note 19.3)	**-**	3,011,085	**-**	-
		-	3,011,085	**-**	-
31.	**Net Impairment (charge)/write back**				
31.1.	**Impairment charged**				
	Cash and cash equivalent (Note 2.2)	**(964,153)**	(1,160,092)	**(964,153)**	77,406
	Staff loans, loans to corporate & individuals (Note 3.3.6)	**(3,395,715)**	(54,965,692)	**(3,395,715)**	(2,107,032)
	Debt Instruments (Note 3.3.4.1)	**-**	-	**-**	-
	Fixed deposit- above 90 days (Note 3.3.5.1.)	**10,737,007**	(11,345,520)	**10,737,007**	(11,345,520)
	Trade receivables (Note 5.3)	**-**	(1,388,077)	**-**	-
	Reinsurance assets (Note 6.2)	**-**	3,316,973	**-**	3,316,973
	Other receivables (Note 9)	**-**	(8,421,147)	**-**	(1,780,199)
		6,377,139	(73,963,555)	**6,377,139**	(11,838,372)
31.2.	**Impairment no longer required**				
	Staff loans, loans to corporate & individuals (Note 3.3.6)	**-**	-	**-**	-
	Finance Lease receivable (Note 4.3)	**-**	44,789,053		
	Trade receivables (Note 5.3)	**-**	-	**-**	-
	Other receivables (Note 9)	**-**	2,325,167	**-**	-
	Inventories (Note 11)	**-**	-	**-**	-
		-	47,114,220	**-**	-
		6,377,139	(26,849,335)	**6,377,139**	(11,838,372)

		Group		Company	
		2024	2023	**2024**	2023
		N	N	**N**	N
32.	**Net fair value gain at fair value through profit or loss**				
	Financial assets at fair value through profit or loss (Note 3.1.)**	**16,204,985,867**	1,476,346,618	**16,205,723,489**	1,468,699,283
	Investment properties (Note 11)	**-**	62,668,000	**-**	-
		16,204,985,867	1,539,014,618	**16,205,723,489**	1,468,699,284

32.1. This represents increase/(decrease) in the value of financial assets and investment properties at fair value through profit or loss during the year.
As at 31st August, 2024, we held a total of 1,480,174 units of Aradel Sharws @N 7,413.51 in our investment portfolio. However, Aradel Plc transitioned their shares into the NGX space and had a stock split on 30th September, 2024 on a 20 for 1 basis meaning each original share was split into 20 new shares with a lower nominal value. This new position adjusted the share price to N 516.95 as at 30th September 2024 monthend reporting period with stock units at 29,603,480.
December 31st 2024 closed at N 598per unit

32.2. **Financial assets at fair value through profit or loss were measured using The Nigeria Stock Exchange and NASD price list at the close of business on the 31 December 2024.

		Group		Company	
		2024	2023	**2024**	2023
		N	N	**N**	N
33.	**Expenses attributable to:**				
	Incured Fullfillment Expenses (Note 33.1)	**1,671,028,933**	1,401,555,450	**2,744,384,075**	2,583,470,760
	Other Expenses (Note 33.2)	**1,948,959,521**	1,692,470,184	**1,922,728,085**	967,086,837
		3,619,988,454	3,094,025,634	**4,667,112,160**	3,550,557,597
33.1.	**Incured fullfillment expenses**				
	Employee cost (Note 33.3.a)	**510,574,812**	660,353,202	**510,574,812**	912,436,214
	Rent, insurance and maintenance	**355,700,266**	232,301,008	**355,700,266**	232,301,008
	Depreciation of property and equipment	**102,441,896**	82,602,918	**102,441,896**	82,602,918
	Amortisation of intangible assets	**3,863,920**	5,135,819	**3,863,920**	5,135,819
	Auditors' remuneration	**6,115,500**	4,900,000	**6,115,500**	4,900,000
	Directors' remuneration:				
	- Fees	**6,600,000**	11,900,000	**6,600,000**	11,900,000
	- Allowance & Expenses	**3,195,000**	86,308,926	**3,195,000**	86,308,926
	Professional charges	**271,149,623**	275,839,322	**271,149,623**	275,839,322
	Printing and telecommunication	**71,212,305**	37,100,524	**71,212,305**	35,557,524
	Advertising	**609,874,143**	470,527,758	**609,874,143**	470,527,758
	Travelling and motor vehicle expenses	**37,098,377**	143,416,371	**37,098,377**	142,916,371
	Entertainment	**27,143,757**	-	**27,143,757**	-
	Utilities	**70,475,396**	105,460,869	**70,475,396**	105,460,869
	Bank charges	**59,297,665**	21,643,042	**59,297,665**	20,316,508
	Subscription,Clubs & Donation	**36,283,133**	39,450,133	**36,283,133**	39,450,133
	Office security expenses	**15,480,113**	39,903,039	**15,480,113**	39,670,169
	Brand management	**164,879,648**	68,995,717	**164,879,648**	68,995,717
	Legal and Filing fees	**12,422,841**	30,249,625	**12,422,841**	30,249,625
	Penalty	**-**	-	**-**	-
	Office running expenses	**421,420,098**	19,837,477	**380,575,680**	18,901,879
		2,785,228,493	2,335,925,750	**2,744,384,075**	2,583,470,760

33.1.1. The amount reported above as utilised as Incured Fulfillment Expenses (Note 28) in insurance expenses represents 60% of the expenses total expenses for the year

		Group		Company	
		2024	2023	**2024**	2023
		N	**N**	**N**	**N**
33.2.	**Other Expenses**				
	Employee cost (Note 33.3.a)	**344,491,789**	683,841,232	**340,383,208**	251,960,032
	Rent, insurance and maintenance	**333,462,488**	62,598,288	**330,272,212**	99,557,574
	Depreciation of property and equipment	**71,007,430**	72,817,813	**68,294,598**	35,401,251
	Amortisation of intangible assets	**4,850,085**	9,292,594	**2,575,947**	2,201,066
	Auditors' remuneration	**5,845,750**	2,880,000	**4,077,000**	2,100,000
	Directors' remuneration:				
	- Fees	**5,475,000**	8,100,000	**4,400,000**	5,100,000
	- Allowance & Expenses	**2,130,000**	66,989,540	**2,130,000**	36,989,540
	Professional charges	**180,816,415**	259,808,491	**180,766,415**	118,216,852
	Printing and telecommunication	**48,086,870**	44,192,183	**47,474,870**	15,238,939
	Advertising	**406,851,202**	252,506,512	**406,582,762**	201,654,753
	Travelling and motor vehicle expenses	**24,732,251**	20,657,407	**24,732,251**	61,249,873
	Entertainment	**18,327,428**	8,707,075	**18,095,838**	8,707,075
	Utilities	**49,452,706**	56,243,566	**46,983,597**	44,166,664
	Bank charges	**39,805,761**	37,286,708	**39,531,777**	8,100,805
	Subscription,Clubs & Donation	**24,188,755**	17,720,077	**24,188,755**	16,907,200
	Office security expenses	**10,670,075**	22,993,488	**10,320,075**	17,001,501
	Brand management	**109,919,766**	45,433,761	**109,919,766**	29,569,593
	Legal and Filing fees	**9,087,055**	20,401,449	**8,281,894**	12,964,119
	Office running expenses	**259,758,695**	-	**253,717,120**	-
		1,948,959,521	1,692,470,184	**1,922,728,085**	967,086,837

33.2.1. The amount reported above as utilised other expenses represents 40% of the expenses total expenses for the year.

		Group		Company	
		2024	2023	**2024**	2023
		N	N	**N**	N
33.3.a.	**Employee cost**				
	Wages and salaries	**634,582,027**	1,120,630,114	**850,958,020**	954,860,747
	Medical	**20,862,814**	54,022,881	**20,210,895**	46,073,827
	Staff training	**142,498,843**	107,285,754	**142,438,698**	107,285,754
	Defined contribution pension plan (Note 18)	**57,122,916**	62,255,684	**54,994,984**	56,175,917
		855,066,600	1,344,194,434	**1,068,602,597**	1,164,720,245
33.3.b.	**Chairman's and Directors' emoluments, pensions and compensation for loss of office**				
	Emoluments:				
	Chairman	**5,000,000**	2,000,000	**5,000,000**	2,000,000
	Other Directors	**6,000,000**	6,000,000	**6,000,000**	6,000,000
	Other emolument of executives	**18,760,000**	18,760,000	**18,760,000**	18,760,000
	Emolument of highest paid Director	**14,500,000**	14,500,000	**14,500,000**	14,500,000
34.	**Basic/diluted earnings per share**				
	Profit after taxation	**22,674,397,985**	3,769,149,574	**22,591,914,087**	3,353,066,487
	Number of shares	**8,311,549,998**	10,840,000,000	**8,311,549,998**	10,840,000,000
	Movement in Numbers of Share Capital				
	At 1 January	**10,840,000,000**	10,840,000,000	**10,840,000,000**	10,840,000,000
	Surrendered and transferred in the year (Note 20.2.2)	**(2,528,450,002)**	-	**(2,528,450,002)**	-
	At 31 December	**8,311,549,998**	10,840,000,000	**8,311,549,998**	10,840,000,000
	Weighted Average nos of share				
	At 1 January	**10,840,000,000**	10,840,000,000	**10,840,000,000**	10,840,000,000
	Surrendered and transferred in the year (Note 20.2.2)	**(2,528,450,002)**	-	**(2,528,450,002)**	-
	Weighted Average nos of share	**8,311,549,998**	10,840,000,000	**8,311,549,998**	10,840,000,000
	Basic/diluted earnings per share (kobo)	**272.81**	**34.77**	**271.81**	**30.93**

34.1. Earnings per share have been computed on profit after taxation attributable to ordinary shareholders and divided by the number of shares at 50k ordinary shares in issue at year end.

		Group 2024 N	Group 2023 N	Company 2024 N	Company 2023 N
35.	**Reconciliation of net cashflow from operating**				
	Profit before tax	**22,954,026,861**	4,651,854,575	**22,864,005,226**	4,113,019,843
	Adjustment for the following;				
	Add:				
	Depreciation	**173,449,326**	72,817,813	**170,736,494**	35,401,251
	Amortisation	**8,714,005**	-	**6,439,867**	-
	Fair value gain on Investment Property	**-**	(62,668,000)	**-**	-
	Net fair value gain on financial assets at fair value	**(16,204,985,867)**	(1,476,346,618)	**(16,205,723,489)**	(1,468,699,283)
	Less :				
	Profit on disposal	**(9,159,634)**	(4,936,000)	**(9,159,634)**	(4,936,000)
	Gain on disposal of foreign currency	**(3,529,542,313)**	(2,958,598,008)	**(3,529,542,313)**	(2,958,598,008)
	Investment income	**(1,851,769,612)**	(1,745,977,560)	**(1,766,857,155)**	(915,302,052)
	Dividend received	**(531,919,787)**	(157,224,481)	**(531,919,787)**	(157,224,481)
	Net credit impairment losses	**(6,377,139)**	26,849,335	**(6,377,139)**	11,838,372
		1,002,435,840	(1,654,228,945)	**991,602,070**	(1,344,500,358)
	Changes in working capital:				
	(Increase)/deccrease in premium receivable	**(1,610,549,196)**	351,300,874	**(1,631,046,213)**	(377,220,371)
	(Increase)/deccrease in reinsurance assets	**(3,575,191,178)**	(105,935,633)	**(3,575,191,178)**	105,935,633
	(Increase)/deccrease in other receivable and prepayments	**(929,642,933)**	182,793,348	**(802,806,123)**	8,277,279
	Decrease/(increase) in finance lease receivable	**115,832,776**	(95,063,588)	**-**	-
	Increase in trade payable	**(330,749,570)**	297,276,919	**(330,749,570)**	297,276,919
	Deccrease in Borrowing	**(597,302,864)**	(82,805,031)	**-**	-
	Increase in insurance contract liabilities	**6,007,307,529**	3,051,280,390	**6,228,111,083**	2,994,374,633
	Increase in other payables and provision	**880,230,921**	418,230,744	**455,224,319**	114,813,536
	(Deccrease)/increase in retirement benefits	**160,523,136**	12,783,737	**(276,288,218)**	12,495,820
	Tax paid	**(191,927,939)**	(134,769,937)	**(224,088,925)**	(122,565,743)
		930,966,523	2,240,862,877	**834,767,245**	1,688,887,350

	Group		Company	
	2024 Number	2023 Number	**2024 Number**	2023 Number
36. Staff				
Average number of persons employed in the financial year were as follows:				
Managerial	**31**	39	**30**	31
Senior staff	**138**	161	**132**	123
Junior staff	**16**	18	**16**	16
	185	218	**178**	170

36.a. The number of Directors excluding the Chairman whose emoluments were within the following ranges were:

N		N	Group 2024	Group 2023	Company 2024	Company 2023
Nil	-	100,000	**Nil**	Nil	**Nil**	Nil
100,001	-	200,000	**Nil**	Nil	**Nil**	Nil
200,001	-	300,000	**Nil**	Nil	**Nil**	Nil
Above	-	300,000	**7**	**7**	**7**	**7**

Emolument

	Group 2024	Group 2023	Company 2024	Company 2023
Number of Directors who have waived their rights to receive emoluments	**Nil**	Nil	**Nil**	Nil

36.b. Employees remunerated at higher rates
The number of employees in respect of emoluments within the following ranges were:

N		N	Group 2024	Group 2023	Company 2024	Company 2023
200,001	-	300,000	**7**	7	**6**	6
300,001	-	400,000	**7**	7	**5**	5
400,001		500,000	**4**	4	**4**	4
500,001	-	600,000	**2**	2	**2**	2
600,001	-	700,000	**2**	2	**2**	2
700,001	-	800,000	**8**	8	**4**	4
800,001	-	900,000	**15**	15	**13**	13
900,001	-	1,000,000	**5**	5	**5**	5
1,000,001	and above		**135**	168	**137**	129
			185	218	**178**	170

37.a. Capital commitments
There were no capital commitments as at 31 December 2024 (Dec 2023: Nil).

37.b. Contingent liabilities
There were no contigent liabilities against the Group as at 31 December 2024.

38. Comparative figures
Where necessary, comparative figures have been adjusted to conform with changes in presentation of the current year in accordance with the International Accounting Standards (IAS 1).

39. Segment Information

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

The Group is organized into two operating segments, these segments and their respective operations are as follows:

General & Micro Life Insurance Business : This segment provides cover for indemnifying customers' properties,and compensation for other parties that have suffered damage as a result of customers' accidents. Major sources of revenue in this segment are mainly from insurance premium, investment income, commission received,net fair value gains on financial assets at fair value through profit or loss.

CHI Capital Ltd: This is a subsidiary of Consolidated Hallmark Insurance Ltd. The company is registered by CAC to offer corporate support services to Consolidated Hallmark Insurance Ltd (the parent company). In addition, CHI Capital Ltd k also has 100% in CHI Support Services which are into Auto lease, Project financing and intermediation and Financial Management Consultancy Services. Revenue from this segment is derived primarily from interest income, fee income, investment income and net fair value gains on financial assets at fair value through profit and loss.

Segment information by company and subsidiaries:

At 31 December 2024	**General Insurance N**	**Capital & support services N**	**Elimination N**	**Total N**
Operating income	**24,998,746,939**	**116,239,803**	**-**	**25,114,986,742**
Operating expenses	**(1,922,728,085)**	**(26,231,438)**	**-**	**(1,948,959,523)**
Operating profit	**23,076,018,854**	**90,008,365**	**-**	**23,166,027,219**
Taxation	**(272,091,139)**	**(7,537,737)**	**-**	**(279,628,876)**
Profit for the year	**22,803,927,715**	**82,470,628**	**-**	**22,886,398,343**
Total assets	**50,423,547,781**	**745,576,225**	**(413,016,365)**	**50,756,107,641**
Total liabilities	**18,232,710,095**	**185,095,248**	**(73,016,365)**	**18,344,788,978**
Share capital and reserves	**32,190,837,686**	**560,467,708**	**(340,000,000)**	**32,411,305,394**
Depreciation	**102,441,896**	**-**	**-**	**102,441,896**
ROCE	**72%**	**16%**	**-**	**71%**

At 31 December 2023	**General Insurance,HMO &Life N**	**Finance & support services N**	**Elimination N**	**Total N**
Operating income	5,538,909,063	805,415,696	-	6,344,324,759
Operating expenses	(1,293,152,771)	(399,317,412)	-	(1,692,470,183)
Operating profit	4,245,756,292	406,098,284	-	4,651,854,576
Taxation	(788,134,963)	(94,570,033)	-	(882,704,996)
Profit for the year	3,457,621,329	311,528,251	-	3,769,149,580
Total assets	25,091,396,784	4,130,664,339	(3,043,747,732)	26,178,313,391
Total liabilities	12,341,412,480	2,390,919,466	(1,449,522,732)	13,282,809,214
Share capital and reserves	12,749,984,304	1,739,744,872	(1,594,225,000)	12,895,504,176
Depreciation	118,004,168	37,416,562	-	155,420,730
ROCE	33%	23%	0%	36%

40. Contraventions

The Group did not contravene any rules or regulation during the year of reporting.

41. Reinsurance treaty

The Group has a reinsurance agreement with African Reinsurance Corporation, Continental Reinsurance Plc and WAICA Reinsurance Corporation Plc to reinsure the risks associated with fire and consequential loss, General accident, Marine cargo, motor, aviation and special risks etc. according to agreed quota share, surplus treaty or excess of loss treaty. This agreement was last modified 31 December 2024.

42. Related party transactions

There are no significant business dealings with its related parties during the period under review. All transactions were at arms length.

Parent:

The Group is controlled by Consolidated Hallmark Insurance Ltd. which is the parent company, whose shares are widely held. Consolidated Hallmark Insurance Ltd, is a General Business Insurance Company licensed by the National Insurance Commission.

Subsidiaries:

Consolidated Hallmark Insurance Ltd holds 99.99% interest in CHI Capital Limited, 100% in Micro Insurance Limited. Transactions between Consolidated Hallmark Insurance Ltd and all the subsidiaries are eliminated on consolidation and already disclosed in Note 8.3

Key management personnel:

Key management personnel are those persons having authority and responsibility for planning, directing and controlling the activities of the Group or Company, directly or indirectly, including any director (whether executive or otherwise). It includes close members of their families who may be expected to influence or be influenced by that individual in their dealings with the Group.

The significant related party transaction in the course of the reporting year with the subsidiaries are as stated below;

		31 December	
		2024	2023
	Entity		
Due from Hallmark Finance Limited	Consolidated Hallmark Insurance Ltd	**226,914,383**	238,458,338
Due from Hallmark Health Services Limited	Consolidated Hallmark Insurance Ltd	**114,790,529**	104,692,269
Due from Microinsurance Limited	Consolidated Hallmark Insurance Ltd	**31,432,587**	20,469,254
Due from CHI Capital Limited	Consolidated Hallmark Insurance Ltd	**1,215,667**	1,215,667
Due to Hallmark Health Services Limited from HFC	Hallmark Finance Company Limited	**250,216**	351,310,148
Due from Hallmark Finance Company Limited	Consolidated Hallmark Insurance Ltd	**646,179,093**	574,901,252
Due from Hallmark Finance Company Limited	Microinsurance Limited Group		114,856,530
Interest Expense to Hallmark Finance Company Ltd	Consolidated Hallmark Insurance Ltd		49,829,779
Interest Expense to Hallmark Finance Company Ltd	Hallmark Health Services Limited		19,283,256
Interest Expense to Hallmark Finance Company Ltd	Microinsurance Limited		5,088,803
Due from CSSL	CHI Support service	**87,201,851**	

The above related transactions are transactions carried out at arms length. They relates to share cost receivables from the related parties. They also include services like rent provided to the parties for their various businesses.

1. HALLMARK FINANCE LIMITED:N873,093,476

This figure represents the amount due to Consolidated Hallmark Insurance Limited on the various charges as of 31st December 2024 as analyed below:

a) Balance of year 2024 service charge	N113,457,192
b) Outstanding Balance of Office Rent	N68,074,315
c) Outstanding Balance of Admin Charge	N45,382,876
d) Cost of training & Staff Development	N646,179,093

2. HALLMARK HEALTH SERVICES LIMITED: N114,790,529

This represents the balance cost of Admin charge for the year 2024 as stated in the account.

3. CHI MICROINSURANCE LIMITED: N31,432,587

The amount represent Administrative service charge invoiced to CHI Micro Insurance for services rendered.

4. CHI CAPITAL LIMITED: N1,215,667

The amount stated represents balance of Service charge as of 31st December 2024.

5. CHI SUPORT SERVICE LIMITED: N87,201,851

This represents the amount advanced for the purpose of outsourcing during the reporting period and professional services rendered,

	2024	2023	2024	2023
	N	N	**N**	N
43. Compensation of key management personnel:				
Salaries and other benefits of key management personnel	**49,074,864**	49,074,864	**39,408,000**	39,408,000

44. Events after the reporting year

There are no events after reporting date which could have a material effect on the consolidated financial statements of the Group as at 31 December 2024 or the consolidated financial performance for the year ended that have been adequately provided for or disclosed.

45. Capital management

The Group's objectives with respect to capital management are to maintain a capital base that adequately meets regulatory requirements and to utilize capital allocations efficiently and effectively. Capital levels are determined either based on internal assessment or regulatory requirements.

The Nigerian Insurance Act 2003 stipulates the minimum capital requirement for a non life insurance company as an amount not 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. The Act defines what constitutes admissible assets liabilities. The regulators generally expect companies to comply with capital adequacy requirements and the Company has consistently exceeded this minimum over the years. The regulator has the authority to request more extensive reporting and can place restrictions on the Company's operations if the Company falls below this requirement as deemed neccessary.

All of the Groups capital is Tier 1 (core capital) which consists of share capital and reserves created by appropriation of retained earnings. The following sources of funds are available to the group to meet its capital growth requirements:

1. Profits from operations: The group had regularly appropriated from its profit to grow its capital.
2. Issue of shares: The Group can successfully access the capital market to raise the desired funds for its operations and needs.
3. Loans (long term/short term): this remains a source of capital even though the group had never had cause to access this source for funding its operations.

Compliance with statutory solvency margin requirement:

The company at the end of the financial year ended 31 December 2024, maintained admissible assets of N48,473,116,276 (Dec 2023: N22,827,905,308 which exceeded the total admissible liabilities of N17,882,627,798 (Dece 2023: N11,242,354,857). The solvency margin was computed in line with the requirements of Section 24 of the insurance Act 2003, latest NAICOM guidelines. This showed a solvency margin of N30,590,488,478 (Dec 2023: N11,242,354,857). The minimum requirement for General Insurance Business is N3 billion. Thus, the solvency margin above satisfies the requirement of the Regulator by N30,590,488,478

SOLVENCY MARGIN COMPUTATION AS AT DECEMBER 31, 2024

CONSOLIDATED HALLMARK INSURANCE LIMITED

	Total	Inadmissible Assets	Admissible Assets
Assets			
Cash and Cash Equivalents	2,046,455,016		2,046,455,016
Treasury Bills	600,113,795		600,113,795
Placement with Financial Institution	3,302,641,062		3,302,641,062
Government Bonds	647,800,794		647,800,794
Corporate Bonds & Debentures Quoted	747,307,467		747,307,467
Corporate Bonds & Debentures Unquoted	-		-
Quoted Shares	18,881,937,253		18,881,937,253
Unquoted Shares	223,522,211		223,522,211
Mortgage Loans			-
Loan to Policyholders	-		-
Loan to Staff	69,193,535		69,193,535
Premium Receivable	2,781,327,367		2,781,327,367
Other receivables and prepayments	1,447,147,116	1,409,656,407	37,490,709
Reinsurance asset	7,021,632,499		7,021,632,499
Insurance Contract Assets			
Investment in Associate			
Investment in Subsidiaries	330,000,000		330,000,000
Investment project	9,337,601,830		9,337,601,830
Intangible Assets	8,327,414		8,327,414
Investment Properties	1,273,391,118	540,775,098	732,616,020
Property & Equipment - Land & Building	827,357,288		827,357,288
Property & Equipment	577,792,015		577,792,015
Statutory Deposit	300,000,000		300,000,000
Total Assets	50,423,547,781	1,950,431,505	48,473,116,276
Liabilities			
Insurance Contract Liabilities	15,929,148,886		15,929,148,886
Provision and Other payables	679,249,282		679,249,282
Current Income Tax Liabilities	1,267,301,864		1,267,301,864
Deposit for Shares			-
Deffered Tax Liability	350,082,297	350,082,297	-
Retirement Benefit Obligation	6,927,766		6,927,766
Total Liabilites	18,232,710,095	350,082,297	17,882,627,798
Solvency Margin (Admissible Assets Minus Admissible Liabilities)			30,590,488,478
Subject to higher of:			
15% of Net Premium: 15% X ₦19,834,282,889	2,975,142,433		
Or	or		
Minimum paid-up capital	3,000,000,000		3,000,000,000
Excess Solvency Margin			27,590,488,478

46 Asset & Liability Management

Asset & Liability Management (ALM) is the practice of managing an insurer's financial position so that actions taken with respect to assets and liabilities are designed to address the broad set of financial risks inherent in their joint behavior.

Asset & Liability Management (ALM) attempts to address financial risks the group is exposed to which includes interest rate risks, foreign currency risks, equity price risks and credit risks. The major financial risk is that in the long run its investment proceeds are not sufficient to fund the obligations arising from its insurance contracts.

ALM ensures that specific assets of the group is allocated to cover reinsurance and other liabilities of the group.
The following tables reconcile the consolidated balance sheet to the classes and portfolios used in the Group's ALM framework.

Group 2024

	Insurance fund	Shareholders funds	31 December 2024
	N	N	N
ASSETS			
Cash and cash equivalents	1,096,707,138	1,541,793,276	2,638,500,414
Financial assets	8,688,494,980	15,844,075,970	24,532,570,950
Finance lease receivables	-	-	-
Premium receivables	-	2,793,343,630	2,793,343,630
Reinsurance assets	7,021,632,499	-	7,021,632,499
Other receivables and prepayments		1,408,121,414	1,408,121,414
Intangible Asset		12,889,756	12,889,756
Investment in subsidiaries		330,000,000	
Investment properties	732,616,020	540,775,098	1,273,391,118
Investment Project		9,337,601,830	9,337,601,830
Property and equipment		1,418,056,029	1,418,056,029
Right-of-use of assets (leased assets)			-
Statutory deposit		320,000,000	320,000,000
TOTAL ASSETS	17,539,450,637	33,546,657,003	50,756,107,640
LIABILITIES			
Insurance contract liabilities	15,986,336,689	-	15,986,336,689
Investment contract liabilities	-	10,411,830	10,411,830
Trade payable		-	-
Borrowings		-	-
Other payables and provision		684,205,571	684,205,571
Retirement benefit obligations		7,298,322	7,298,322
Income tax liabilities		1,306,801,383	1,306,801,383
Deferred income tax		349,735,180	349,735,180
TOTAL LIABILITIES	15,986,336,689	2,358,452,286	18,344,788,975
SURPLUS	1,553,113,948	31,188,204,717	32,411,318,665

Group 2023

	Insurance fund	Shareholders funds	December 2023
	N	**N**	**N**
ASSETS			
Cash and cash equivalents	832,664,454	2,152,655,853	2,985,320,307
Financial assets	7,472,751,263	7,349,781,920	14,822,533,183
Finance lease receivables		115,832,776	115,832,776
Premium receivables		1,182,794,434	1,182,794,434
Reinsurance assets	3,446,441,321	-	3,446,441,321
Other receivables and prepayments		478,478,481	478,478,481
Investment in subsidiaries		-	-
Investment interest		-	-
Intangible Asset		49,681,219	49,681,219
Investment properties	1,271,781,524	202,668,000	1,474,449,524
Property and equipment	-	1,279,747,102	1,279,747,102
Right-of-Use Assets (Leased Assets)		23,035,044	23,035,044
Statutory deposit		320,000,000	320,000,000
TOTAL ASSETS	**13,023,638,562**	**13,154,674,829**	**26,178,313,391**
LIABILITIES			
Insurance contract liabilities	9,979,029,160	-	9,979,029,160
Investment contract liabilities		10,437,775	10,437,775
Trade payable		330,749,570	330,749,570
Borrowing		597,302,864	597,302,864
Other payables and provision		515,543,558	515,543,558
Retirement benefit obligations		15,709,020	15,709,020
Income tax liabilities		1,554,577,043	1,554,577,043
Deferred income tax		279,460,225	279,460,225
TOTAL LIABILITIES	**9,979,029,160**	**3,303,780,055**	**13,282,809,215**
SURPLUS	**3,044,609,402**	**9,850,894,774**	**12,895,504,176**

CONSOLIDATED HALLMARK INSURANCE LTD

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2024

Company 2024

	Insurance fund	Shareholders funds	12/31/2024
ASSETS			
Cash and cash equivalents	1,096,707,138	949,747,878	2,046,455,016
Financial assets	8,688,494,980	15,784,021,137	24,472,516,117
Finance lease receivables	-	-	-
Premium receivables		2,781,327,367	2,781,327,367
Reinsurance assets	7,021,632,499	-	7,021,632,499
Deferred acquisition cost	-	-	-
Other receivables & prepaymen	-	1,447,147,116	1,447,147,116
Investment in subsidiaries		330,000,000	330,000,000
Investment Project		9,337,601,830	9,337,601,830
Intangible Assets	-	8,327,414	8,327,414
Investment properties	732,616,020	540,775,098	1,273,391,118
Property and equipment		1,405,149,303	1,405,149,303
Right-of-Use of Assets (Leased Assets)		-	-
Statutory deposits		300,000,000	300,000,000
TOTAL ASSETS	**17,539,450,637**	**32,884,097,144**	**50,423,547,781**
LIABILITIES			
Insurance contract liabilities	15,929,148,886	-	15,929,148,886
Trade payable		-	-
Provision and Other payables		679,249,282	679,249,282
Retirement benefit obligations		6,927,766	6,927,766
Income tax liabilities		1,267,301,864	1,267,301,864
Deferred income tax		350,082,297	350,082,297
TOTAL LIABILITIES	**15,929,148,886**	**2,303,561,209**	**18,232,710,095**
SURPLUS	**1,610,301,751**	**30,580,535,935**	**32,190,837,686**

Company 2023

	Insurance fund	Shareholders funds	December 2023
	N	N	N
ASSETS			
Cash and cash equivalents	832,664,454	1,101,286,491	1,933,950,945
Financial assets:	7,472,751,263	4,959,325,987	12,432,077,250
Finance lease receivables	-	-	-
Premium receivables		1,150,281,154	1,150,281,154
Reinsurance assets	3,446,441,321	-	3,446,441,321
Other receivables & prepayments	-	644,340,993	644,340,993
Investment in subsidiaries		1,594,225,000	1,594,225,000
Investment Project		-	-
Intangible Assets		14,767,281	14,767,281
Investment properties	1,271,781,524	-	1,271,781,524
Property and equipment		1,199,375,173	1,199,375,173
Right-of-Use of Assets (Leased Assets)		-	-
Statutory deposits		300,000,000	300,000,000
TOTAL ASSETS	**13,023,638,562**	**10,963,602,079**	**23,987,240,641**
LIABILITIES			
Insurance contract liabilities	9,701,037,803	-	9,701,037,803
Trade payable		46,805,158	330,749,570
Other payables and provision		275,121,117	224,024,963
Retirement benefit obligations		1,367,928	13,677,328
Income tax liabilities		340,135,901	1,316,060,787
Deferred income tax		247,979,804	264,056,690
TOTAL LIABILITIES	**9,701,037,803**	**911,409,908**	**11,849,607,141**
SURPLUS	3,322,600,759	10,052,192,171	12,137,633,500

47. Fair Value Hierarchy

IFRS 7 specifies a hierarchy of valuation techniques based on whether the inputs to those valuation techniques are Observable input reflect market data obtained from independent sources; unobservable inputs reflect the Company's market assumptions.

The determination of fair value for each class of financial instruments was based on the particular characteristics of the instruments. Group's accounting policy on fair value measurements is discussed under the statement of significant accounting policies.

Level 1: Fair value measurements classified as Level 1 include exchange-traded prices of fixed maturities and equity securities unadjusted in active market for identical assets and liabilities.

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. Observable inputs generally used to measure the fair value of securities classified as Level 2 include benchmark yields, reported secondary trades, broker-dealer quotes, issuer spreads, benchmark securities, bids, offers and reference 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 product. These inputs are generally determined based on inputs of a similar nature, historic observations on the level of the input or analytical techniques.

48. Fair value Hierarchy continue

The table below analyses financial instruments measured at fair value at the end of the reporting period, by the level in the fair value hierarchy into which the fair value measurement is categorized:

Group 31 December 2024

Asset Types	Carrying amount	Level 1	Level 2	Level 3	TOTAL
Cash and cash equivalents	2,638,500,414	2,638,500,414			2,638,500,414
Financial assets at fair value through profit and loss	18,939,758,654	18,939,758,654	-	-	18,939,758,654
At Ammortised Cost	5,368,174,827	-	5,368,174,827	-	5,368,174,827
Fair Value Through OCI	224,637,469	-	-	224,637,469	224,637,469
Finance lease receivables	-			-	0
Premium receivables	2,793,343,630			2,793,343,630	2,793,343,630
Reinsurance assets	7,021,632,499			7,021,632,499	7,021,632,499

Group 31 December 2023

Asset Types	Carrying amount	Level 1	Level 2	Level 3	TOTAL
Cash and cash equivalents	2,985,320,307	2,985,320,307			2,985,320,307
Financial assets at fair value through profit and loss	2,480,597,165	2,480,597,165	-	-	2,480,597,165
At Ammortised Cost	12,080,403,241	-	12,080,403,241	-	12,080,403,241
Fair Value Through OCI	261,532,777	-	-	261,532,777	261,532,777
Finance lease receivables	115,832,776			115,832,776	115,832,776
Premium receivables	1,182,794,434			1,182,794,434	1,182,794,434
Reinsurance assets	3,446,441,321			3,446,441,321	3,446,441,321

Company 31 December 2024

Asset Types	Carrying amount	Level 1	Level 2	Level 3	TOTAL
Cash and cash equivalents	2,046,455,016	2,046,455,016			2,046,455,016
Financial assets at fair value through profit and loss	18,881,937,253	18,881,937,253	-	-	18,881,937,253
At Ammortised Cost	5,367,056,653	-	5,367,056,653	-	5,367,056,653
Fair Value Through OCI	223,522,211	-	-	223,522,211	223,522,211
Trade receivables	2,781,327,367			2,781,327,367	2,781,327,367
Reinsurance assets	7,021,632,499			7,021,632,499	7,021,632,499

Company 31 December 2023

Asset Types	Carrying amount	Level 1	Level 2	Level 3	TOTAL
Cash and cash equivalents	1,933,950,945	1,933,950,945			1,933,950,945
Financial assets at fair value through profit and loss	2,450,528,763	2,450,528,763	-	-	2,450,528,763
At Ammortised Cost	9,722,241,174	-	9,722,241,174	-	9,722,241,174
Fair Value Through OCI	259,307,313	-	-	259,307,313	259,307,313
Trade receivables	1,150,281,154			1,150,281,154	1,150,281,154
Reinsurance assets	3,446,441,321			3,446,441,321	3,446,441,321

49. Management of Insurance and Financial risks

Risk Management Framework:
Consolidated Hallmark Insurance Ltd has a robust and functional Risk Management System that is responsible for identifying and managing the inherent and residual risks facing the Group. As an insurance company, the management of risk is at the core of the operating structure of Consolidated Hallmark Insurance Ltd. As a result, the best risk management practices are deployed to identify, measure, monitor, control and report every material risk prevalent in the business operation.

The Company's Risk Management System is in line with the guidelines as approved by the insurance industry regulator, National Insurance Commission (NAICOM), to identify, assess, manage and monitor the risks inherent in the operations. The risk structure includes our approach to management of risks inherent in the business and the appetite for these risk exposures. Under this approach, we continuously assess the Company's top risks and monitor the risk profile against approved limits. The main strategies for managing and mitigating risk include policies and tools that target specific broad risk categories.

The Company is guided by the following principles to ensure effective integration and to maximize value to stakeholders through an approach that balances the risk and reward in the business. The Company only accepts risks that fall within its risk acceptance criteria and have commensurate returns and continually review its activities to determine inherent risks level and adopt appropriate risk response at all times. It involves broad setting of strategy, risk appetite, performance measurement, establishment and maintenance of internal control and risk management in the business. In addition, business units have the primary responsibility for managing risks and are required to take responsibility for the identification, assessment, management, monitoring and reporting of risks arising within their respective businesses, thereby ensuring an informed risk and reward balance.

The Board sets the organization's risk appetite, approves the strategy for managing risk and is ultimately responsible for the organization's system of internal control. The Board carries out these function by setting Finance and General purpose Committee (FGPC), Board Audit and Risk Management Committee (BARM), Establishment and Governance Committee and Investment Committee. The Board Audit and Risk Management Committee performs the oversight functions of the external auditor and regulatory compliance. It also monitors the internal control process and oversight of enterprise risk management. Finance and General Purpose Committee of the Board functions on oversight of financial reporting and accounting. The Investment Committe reviews and approves the company's investment policy, and approves investment over and above managements' approval limit.

Management is responsible and accountable for ensuring that Risk management policies, framework and procedures are complied with; and Also that the risk profiled for areas under their control are refreshed and updated on a timely basis to enable the collation, analysis and reporting of risks to the Board Committees. Management also ensures that explanations are provided to the Board Committees for any major gaps in the risk profiled and any significant delays in planned treatments for high risk priority matters.

The internal audit function that provides independent and objective assurance of the effectiveness of the Company's systems of internal control is established by the organization in the management of enterprise risks across the organization.The internal audit functions evaluate the design and conceptual soundness of risk measures, accuracy of risk models, soundness of elements of the risk management information systems, adequacy and effectiveness of the procedures for monitoring risk, the progress of plans to upgrade risk management systems, the adequacy and effectiveness of application controls within the risk management information system, and the reliability of the vetting processes.

The Chief Risk Officer (a member of the Management) is responsible for the risk policies, risk methodologies and risk infrastructure. The Chief Risk Office (CRO) informs the Board, as well as the Management about the risk profile of the Company and also communicates the views of the Board and Senior Management down the Company. The CRO is also responsible for independently monitoring the broad risk limits set by the Board throughout the year.

a) Insurance Risk Management

The principal risk the Group faces under insurance contracts is that the actual claims and benefit payments or the timing thereof, differ from expectations. This is influenced by the frequency of claims, severity of claims, actual benefits paid and subsequent development of long-term claims. Therefore, the objective of the Group is to ensure that sufficient reserves are available to cover these liabilities.

Frequency and severity of claims can be affected by several factors. The most significant are the increasing level of damages suffered as a result of road accidents. The Group manages these risks through its underwriting strategy, adequate reinsurance arrangements and proactive claims handling. The Group has the right to reject the payment of a fraudulent claim, and is entitled to pursue third parties for paymentof some or all costs.

The above risk exposure is mitigated by diversification across a large portfolio of insurance. The variability of risks is also improved by careful selection and implementation of underwriting strategy guidelines, as well as the use of reinsurance arrangements.

The Group also has special claims unit that ensures mitigation of the risks surrounding all known claims. This unit investigates and adjusts all claims in conjunction with appointed loss adjusters. The Group actively manages and pursues early settlements of claims to reduce its exposure to unpredictable development.

The Group purchases reinsurance as part of its risks mitigation program. Retention limits for the excess-of-loss reinsurance vary by product line.

Amounts recoverable from reinsurers are estimated in a manner consistent with the outstanding claims provision and are in accordance with the reinsurance contracts. Although the Company has reinsurance arrangements, it is not relieved of its direct obligations to its policy holders and thus a credit exposure exists with respect to ceded insurance, to the extent that any reinsurer is unable to meet its obligations assumed under such reinsurance agreements.

The Group writes insurance primarily over a twelve month duration. The most significant risks arise through high severity, low frequency events such as natural disasters or catastrophes. A concentration of risk may arise from insurance contracts issued in a specific geographic location since all insurance contracts are written in Nigeria.

The Group manages this risk via its underwriting and reinsurance strategy within an overall risk management framework. Exposures are limited by having documented underwriting limits and criteria. Pricing of property and liability policies are based on assumptions in regard to trends and past experience, in an attempt to correctly match policy revenue with exposed risk. Reinsurance is purchased to mitigate the effect of the potential loss to the Company. Reinsurance is placed with African Reinsurance Corporation, WAICA Reinsurance Corporation Plc and Continental Reinsurance Plc, these are Nigerian registered reinsurer.

a(i) Insurance risk associated with uncertainty in the estimation of future claim payments

Claims insurance contracts are payable on a claims-occurrence basis. The Company is liable for all insured events that occurred during the term of the contract. There are several variables that affect the amount and timing of cash 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 they adopted. The Company takes all reasonable steps to ensure that it has appropriate information regarding its claims exposures. Although, given the uncertainty in establishing claims provisions, it is likely that the final outcome will prove to be different from the original liability established. Certains reserves are held for these contracts which are provision for IBNR, a provision for reported claims not yet paid and a provision for uneared premium at the end of the reporting period.

Results summary

This report covers only the Insurance portfolios that fall under IFRS 17 reporting. Any comments made and figures provided are for the IFRS 17 insurance portfolios of Consolidated Hallmark Insurance Ltd and must be considered accordingly.

The last valuation exercise carried out by Consolidated Hallmark Insurance Plc for its IFRS 17 Insurance Portfolio was at 31 December 2024.

49.1 IFRS17 Insurance Portfolio information

Consolidated Hallmark offers comprehensive insurance coverage for the following lines of businesses:

- Engineering
- General Accident
- Motor
- Fire
- Aviation
- Marine (i.e. Marine Cargo and Marine Hull combined)
- Oil and Gas
- Bond

The total gross liability for the IFRS 17 insurance portfolio is N14.889b as at 31 December 2024 (Dec 2023: N9.701). This is made up of N8.297b of liabilities for remaining coverage (LRC) and N4,461m of liabilities for incurred claims (LIC).

The LIC is made up of N8.297b, N4.726 of Incurred But Not Reported (IBNR) Claims, N1.536b of outstanding claims and N1.866b of Risk Adjustment.

The breakdown of the IFRS 17 Insurance contract liabilities is shown in the table below:

CONSOLIDATED HALLMARK INSURANCE LTD

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Valuation Results

Insurance Contract Liabilities - December 2024					
	Liability for Remaining	Liability for Incurred Claims (LIC)			
Portfolios	Coverage (LRC)	IBNR	utstanding clain	Risk Adjustment	Total
Motor	2,347,453,727	275,519,056	148,646,755	57,625,306	2,829,244,844
Fire	1,445,557,864	252,098,078	269,191,006	129,695,416	2,096,542,364
General Accident	813,711,098	1,022,488,235	414,069,178	321,633,440	2,571,901,951
Marine	862,176,558	116,574,530	90,249,749	47,917,365	1,116,918,203
Bonds	496,315,399	1,438,236	28,764,718	3,020,295	529,538,648
Oil & Gas	2,223,213,218	1,836,968,747	503,142,760	235,224,851	4,798,549,575
Engineering	533,577,812	170,804,403	45,045,580	45,879,677	795,307,473
Aviation	609,863,640	431,358,597	36,958,170	108,500,345	1,186,680,752
Agriculture	4,465,075	-	-	-	4,465,075
Total	**9,336,334,391**	**4,107,249,882**	**1,536,067,917**	**949,496,696**	**15,929,148,886**
	59%	26%	10%	6%	100%
	78%	29%	155%	42%	64%

1.1 The breakdown of the reinsurance assets is shown in the table below:

Reinsurance Contract Assets - December 2024					
	Assets for Remaining	Assets for Incurred Claims (AIC)			
Portfolios	Coverage (ARC)	IBNR	Outstanding claims	Risk Adjustment	Total
Motor	122,716,491	26,093,423	14,503,416	3,544,938	166,858,268
Fire	197,193,236	305,152,730	758,222,919	106,174,656	1,366,743,541
General Accident	207,707,440	594,274,927	365,198,594	162,440,743	1,329,621,704
Marine	300,993,032	13,870,461	113,474,424	15,521,323	443,859,239
Bonds	107,843,294	885,803	17,695,631	1,860,187	128,284,915
Oil G Gas	1,049,902,876	261,680,375	1,351,015,623	53,908,120	2,716,506,993
Engineering	61,301,042	37,473,816	100,337,241	11,425,701	210,537,799
Aviation	382,555,067	223,189,842	-	51,708,964	657,453,873
Agriculture	82,228	-	1,683,936	-	1,766,164
Total	**2,430,2G4,706**	**1,462,621,376**	**2,722,131,783**	**406,584,632**	**7,021,632,4G7**

The breakdown of the corresponding Insurance Contract Liabilities for the December 2023 IFRS 17 comparatives is shown in the table below:

Insurance Contract Liabilities - December 2023 Comparatives					
		Liability for Incurred Claims (LIC)			
Portfolios	Remaining Coverage (LRC)	IBNR	Outstanding claims	Risk Adjustment	Total
	N	N	N	N	N
Motor	1,928,390,951	400,213,647	76,232,568	39,110,939	2,443,948,105
Fire	799,837,570	315,537,083	109,242,852	71,777,640	1,296,395,145
General Accident	166,213,613	1,201,926,680	253,557,870	34,534,067	1,656,232,230
Marine	692,113,690	91,982,994	25,324,086	162,987,340	972,408,110
Bonds	407,458,544	26,851,323	2,836,082	43,106,111	480,252,060
Oil & Gas	262,667,172	863,706,914	40,719,811	2,668,882	1,169,762,779
Engineering	585,045,256	160,994,815	37,111,463	291,333,773	1,074,485,307
Aviation	398,331,257	128,776,307	58,168,190	22,278,311	607,554,065
Total	5,240,058,053	3,189,989,763	603,192,922	667,797,063	9,701,037,801

Reinsurance Contract Assets - December 2023 Comparatives					
		Liability for Incurred Claims (LIC)			
Portfolios	Remaining Coverage (LRC)	IBNR	Outstanding claims	Risk Adjustment	Total
	N	N	N	N	N
Motor	49,473,035	9,392,425	11,180,733	1,688,828	71,735,021
Fire	240,097,756	194,022,388	75,151,553	45,483,952	554,755,649
General Accident	147,007,080	941,489,134	172,121,908	222,903,436	1,483,521,558
Marine	95,404,313	70,132,392	15,433,612	16,250,222	197,220,539
Bonds	69,984,646	53,163	1,063,250	100,365	71,201,424
Oil & Gas	124,325,778	244,135,412	18,698,890	47,365,544	434,525,624
Engineering	73,998,563	38,918,156	24,092,567	13,710,556	150,719,842
Aviation	127,262	64,827,570	30,394,586	17,590,292	112,939,710
Total	800,418,433	1,562,970,640	348,137,099	365,093,195	3,076,619,367

The table below shows the summary of the in-force Gross Premium written split by the contract boundary.

Summary of gross premium for contracts issued in 2024			
Portfolios	One year or less (PAA eligible)	Above one year	Percentage Difference
Fire	4,180,463,420.00	11,904,155.00	0.00
General Accident	2,311,040,641.00	18,531,108.00	0.01
Motor	7,022,827,755.00	350,000.00	-
Marine	2,154,381,685.00	152,856,659.00	0.07
Aviation	2,896,849,552.00	-	-
Oil G Gas	10,054,850,909.00	20,153,498.00	0.00
Engineering	1,236,146,692.00	64,359,460.00	0.05
Bonds	1,022,483,530.00	56,136,436.00	0.05
Agriculture	14,758,158.00	-	-
Total	**30,893,802,342.00**	**324,291,316.00**	**0.01**

We can confirm that the contracts above one year are not material and would results in immaterial differences between using PAA and General model for those contracts, hence we have applied PAA model across all contracts in all portfolios.

VALUATION METHOD

In determining the IFRS 17 Insurance Contract Liabilities of the company, the following principles have been used.

A. Liability for Remaining Coverage (LRC)

The Premium Allocation Approach has been used for the calculation of the liability of the Remaining Coverage as outlined in paragragh 55 (b) of the IFRS 17 standard.

i) Using the premium allocation approach, the liability for remaining coverage is the carryin.g amount at the start of the reporting period. Plus the premium received in the period.

ii) Minus insurance acquisition cash flows: unless the entity chooses to recognise the payments as an expense applying paragraph 59 (a)

iii) Plus any amounts relating to the amortisation of insurance acquisition cashflows recognised as an expense in the reporting period unless the entity chooses to recognise insurance acquisition cashflows as an expenses.

iv) Plus any adjustment to a financing component.

v) Minus the amount recognised as insurance revenue for services provided in that period.

vi) Minus any investment component paid or transferred to the liability for incurred claims.

The approach adopted is to recognise acquisition cashflows as expense for full year reporting, However, for reporting periods within the year, the acquisition cashflows are amortised over the reporting year.

The carrying amount of the liability for remaining coverage has not been adjusted to reflect time value of money and the effect of financial risk because the time between providing each part of the services and the related premium due date is no more than a year as paragraph 56 of the standard.

There is no Investment component on businesses underwritten by Consolidated Hallmark Insurance Plc.

B. Liability for Incurred Claims (LIC)
The liability for Incurred claims is made up of the Incurred But Not Reported (IBNR) Reserve, Outstanding Claims and their corresponding Risk.

C Incurred But Not Reported (IBNR) Reservie
The IBNR makes allowance for the delay in reporting claims. To ensure the estimates calculated are not biased by the underlying assumptions of the model chosen, the following deterministic methods were considered:
a) Inflation-Adjusted Basic Chain Ladder Method (IABCL);
b) Inflation Adjusted Loss Development Factor Method (IABCL);
c) Bornhuetter - Ferguson Method (with IABCL loss development factors);
d) Bornhuetter - Ferguson Method (using the average of IABCL and IALDF loss development factors).

Under the Basic Chain Ladder method, historically paid claims were grouped into accident year cohorts-representing when they were paid after their accident year. These cohorts form the development triangles. For each accident year, 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 the difference between the cumulated paid claims and the estimated ultimate claims. Under the inflation-adjusted variant of this method, projected claims allow for inflation and then are discounted to the valuation date's monetary terms.

The Loss Development Factor method looks at the pattern of claim development for each development year, for every loss year, in the data provided.

This then uses the average observed development factor to project the claims into the future. The inflation-adjusted variant (i.e., IALDF) uses the pattern of inflation-adjusted claims.

Under the Bornhuetter - Ferguson (BF) methods, the reserve is based on an estimate of the ultimate claims. This uses the loss development factors derived under the basic chain ladder to project the development of the claims. The appropriate loss ratio used in estimating the BF untimate claim is the cumulative average loss ratio observed in the data provided.

We have considered two variants of this approach based on loss development factors from the IABCL method and the average loss development factors from the IABCL and IALDF methods.

The IBNR reserves have been estimated using the variant of the Bornhuetter-Ferguson Method based on the average loss development factors from the IABCL and IALDF methods.

The minimum IBNR reserve is 10%of the outstanding claims reserve.

D. OUTSTANDING CLAIMS

We adopted the outstanding claims figures as provided and reported by the company, note that any deficiencies in these reserves are captured in the IBNR provision via projected Ultimate Claims.

E. RISK ADJUSTMENT (RA)

The risk adjustment is the additional liability a company needs to hold to cover the uncertainty about the amount and timing of the cashflows that arises from Non-Financial risk as the company fulfil its insurance contracts. The uncertainty and timing for Consolidated Hallmark Insurance arises in the estimate of the Loss Reserve, hence only the uncertainty arising from claims reserve have been allowed for in the Risk Adjustment calculation.

We have used the Value at Risk (VAR) approach to estimate the Risk Adjustment. We have used the historical claims as per the data used in the IBNR calculation and have ranked the claims and the development factors from the claims and have applied a 70% confidence level to determine the Risk Adjustment.

The percentage of the Risk Adjustment calculated as a percentage of the sum of the IBNR and the outstanding claims is outlined in the table below:

	RISK ADJUSTMENT	
Portfolios	**RA Factor as % of IBNR and Oustanding Claims**	
	2024	2023
Motor	14%	8%
Fire	25%	17%
General Accident	22%	20%
Marine	23%	19%
Bonds	10%	9%
Oil and Gas	10%	18%
Engineering	21%	22%
Aviation	23%	19%

We have allowed for inflation in our calcultions based on the following official inflation data. We have adopted 17.2% for future rates as we expect the future rates to converge to 15%.

Year	Inflation Rate	Accumulated Inflation Factor
2018	11.40%	2.33
2019	12.00%	2.08
2020	15.80%	1.80
2021	15.60%	1.56
2022	21.30%	1.28
2023	28.20%	1.00
2024+	17.20%	

E) DISCOUNT RATE

The projected claims under the IBNR reserves have been discounted using the discount rate published by Nigeria Actuarial Society. The discount rates used are published in the appendix of this report.

Other Assumptions Underlying the Valuation Methods

i) Policies are written uniformly throughout the year for each class of business

ii) Claims occur uniformly throughout the year for each class of business. This implies that claims occur on average halfway through the year.

iii) Future claims follow a regression pattern from the historical data, Hence, payment patters will be broadly similar in each accident year. The proportionate increase in the known cumulative payment from one development year to the next is used to calculate the expected cumulative payments for the future development periods.

iv) We assume the gross claim amount and unearned premium includes all related claim expenses. No additional reserve has been held for expenses.

v) The Premium Allocation Approach (PAA) is calculated on the assumption that risk will occur evenly during the duration of the policy.

The table below shows the reconciliation of the insurance contract liabilities and assets from the December 2023 comparatives to December 2024.

Reconciliation of the liability for remaining coverage and the liability for incurred claims for insurance contracts.

	Liability for Remaining Coverage (LRC)		Liability for Incurred Claims	Insurance Contract
	Non-onerous	Onerous	(LIC)	Liabilities (ICL)
	N	N	N	N
Reconciliation of carrying amounts by LRC/LIC: insurance				
At 1 January				
Assets	-	-	-	-
Liabilities	5,240,058,054	-	4,460,979,749	9,701,037,803
Net at 1 January	**5,240,058,054**	**-**	**4,460,979,749**	**9,701,037,803**
Changes in the statement of profit or loss and OCI:				
Insurance revenue	(28,160,973,732)	-	-	(28,160,973,732)
Insurance service expenses				
Incurred claims and other expenses	-	-	9,243,006,216	9,243,006,216
Risk adjustment release for expired risk	7,490,217,184	-	-	7,490,217,184
Acquisition expenses	-	-	-	-
Changes related to future service	-	-	-	-
Changes related to past services	-		3,354,283,713	3,354,283,713
Total Insurance service expenses	7,490,217,184	-	12,597,289,929	20,087,507,113
Investment components	-	-	-	-
Insurance service result	7,490,217,184	-	12,597,289,929	20,087,507,113
Insurance finance income or expenses	-	-	303,946,335	303,946,335
Total changes in the statement of profit or loss and OCI	**(20,670,756,548)**	**-**	**12,597,289,929**	**(8,073,466,619)**
Cash flows				
Premium received	29,587,047,444	-	-	29,587,047,444
Adjustment to liabilities for incurred claims				
Claims and expenses paid	-	-	(8,306,717,083)	(8,306,717,083)
Insurance acquisition cash flow	(7,490,217,184)	-	-	(7,490,217,184)
Total cash flows	**22,096,830,260**	**-**	**(8,306,717,083)**	**13,790,113,177**
At 31 December				
Assets	-	-	-	-
Liabilities	6,666,131,766	-	8,751,552,595	15,417,684,361
Net at 1 January	**6,666,131,766**	**-**	**8,751,552,595**	**15,417,684,361**

CONSOLIDATED HALLMARK INSURANCE LTD

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CLAIMS TRIANGLES

The following tables provide additional details of the gross loss reserves for each Line of Business.

LOB	Motor

Inflation Adjusted Loss Development Factor Method (IALDF)

Gross Loss Reserve calculations
Attritional Claims
Incremental Claims ('000)

	Development Year								
Loss Year	1	2	3	4	5	6	7	8	9
2016	343,032	194,138	1,876	6,313	20	-	-	-	-
2017	403,038	119,399	1,816	74	-	-	-	-	-
2018	430,992	129,433	5,540	775	38	-	-	-	-
2019	530,967	170,125	19,615	453	-	-	-	-	-
2020	551,725	166,816	18,048	2,604	-	-	-	-	-
2021	845,002	214,455	7,749	814	-	-	-	-	-
2022	815,481	195,874	11,169	-	-	-	-	-	-
2023	868,535	232,507	-	-	-	-	-	-	-
2024	1,087,585	-	-	-	-	-	-	-	-

Inflation Adjusted Incremental Claims ('000)

	Development Year								
Loss Year	1	2	3	4	5	6	7	8	9
2016	1,386,061	679,932	5,896	17,718	47	-	-	-	-
2017	1,411,566	375,245	5,098	179	0	-	-	-	-
2018	1,354,514	363,261	13,433	1,626	66	-	-	-	-
2019	1,490,187	412,498	41,131	782	0	-	-	-	-
2020	1,337,751	349,799	31,190	3,510	0	-	-	-	-
2021	1,771,901	370,607	10,446	814	-	-	-	-	-
2022	1,409,262	264,038	11,169	-	-	-	-	-	-
2023	1,170,786	232,507	-	-	-	-	-	-	-
2024	1,087,585	-	-	-	-	-	-	-	-

Inflation Adjusted Cumulative Claims ('000)

	Development Year									
Loss Year	1	2	3	4	5	6	7	8	9	
2016	1,386,061	2,065,994	2,071,890	2,089,609	2,089,656	2,089,656	2,089,656	2,089,656	2,089,656	
2017	1,411,566	1,786,812	1,791,909	1,792,088	1,792,088	1,792,088	1,792,088	1,792,088		
2018	1,354,514	1,717,775	1,731,209	1,732,835	1,732,901	1,732,901	1,732,901			
2019	1,490,187	1,902,685	1,943,816	1,944,599	1,944,599	1,944,599				
2020	1,337,751	1,687,550	1,718,740	1,722,250	1,722,250					
2021	1,771,901	2,142,508	2,152,954	2,153,768						
2022	1,409,262	1,673,299	1,684,468							
2023	1,170,786	1,403,293								
2024	1,087,585									
Devt Factors	1.269	1.009	1.002	1.000	1.000	1.000	1.000			

Inflation Adjusted Cumulative Projected Claims* ('000)

	Development Year								
Loss Year	1	2	3	4	5	6	7	8	9
2016	1,386,061	2,065,994	2,071,890	2,089,609	2,089,656	2,089,656	2,089,656	2,089,656	**2,089,656**
2017	1,411,566	1,786,812	1,791,909	1,792,088	1,792,088	1,792,088	1,792,088	**1,792,088**	**1,792,088**
2018	1,354,514	1,717,775	1,731,209	1,732,835	1,732,901	1,732,901	**1,732,901**	1,732,901	**1,732,901**
2019	1,490,187	1,902,685	1,943,816	1,944,599	1,944,599	**1,944,599**	1,944,599	1,944,599	**1,944,599**
2020	1,337,751	1,687,550	1,718,740	1,722,250	**1,722,250**	1,722,250	1,722,250	1,722,250	**1,722,250**
2021	1,771,901	2,142,508	2,152,954	**2,153,768**	2,153,792	2,153,792	2,153,792	2,153,792	**2,153,792**
2022	1,409,262	1,673,299	**1,684,468**	1,687,826	1,687,844	1,687,844	1,687,844	1,687,844	**1,687,844**
2023	1,170,786	**1,403,293**	1,415,495	1,418,318	1,418,333	1,418,333	1,418,333	1,418,333	**1,418,333**
2024	**1,087,585**	1,375,479	1,387,479	1,390,255	1,390,270	1,390,270	1,390,270	1,390,270	**1,390,270**

*Projected claims have been adjusted by inflation and discounted

Loss reserve (Attritional) 321,125

Large Claims

Loss Year	Exposure/ Earned premium N'000	Paid Amounts N'000	Number of Large Losses	Claim Frequency	Average Paid Cost N'000	Ultimate Avg Cost	UltimateFrequency	Ultimate Paid Amounts N'000	Large Loss Reserves N'000
2017	1,389,896	0	0	0.000000%	0	0	0.00000%	0	0
2018	1,782,316	0	0	0.000000%	0	0	0.00000%	0	0
2019	2,005,379	0	0	0.000000%	0	0	0.00000%	0	0
2020	2,119,710	32,400	2	0.000094%	16,200	16,200	0.00009%	32,400	0
2021	2,252,875	97,830	3	0.000133%	32,610	32,610	0.00013%	97,830	0
2022	2,767,423	129,717	6	0.000217%	21,620	21,620	0.00022%	129,717	0
2023	4,937,462	213,025	10	0.000020%	21,620	21,620	0.00002%	216,025	0
2024	7,023,178	48,750	1	0.000014%	48,750	23,851	0.00009%	151,791	103,041

Large	103,041
Attritional	321,125
Total Gross Loss Reserve	424,166
Reported Outstanding Claim	148,647
Gross Loss Reserve	424,166
Gross IBNR	275,519

LOB	Fire

Discounted Inflation-Adjusted Basic Chain Ladder Method (IABCL)

Gross Loss Reserve calculations
Attritional Claims
Incremental Claims ('000)

	Development Year								
Loss Year	1	2	3	4	5	6	7	8	9
2016	139,641	472,075	42,420	28,011	9,915	-	-	-	-
2017	349,847	233,515	46,968	27,294	-	93	21	-	-
2018	205,575	256,337	20,953	1,668	12	169	-	-	-
2019	330,364	183,418	6,076	602	-	-	-	-	-
2020	205,223	58,751	9,364	13,985	-	-	-	-	-
2021	55,730	33,562	21,690	2,299	-	-	-	-	-
2022	171,584	69,815	44,137	-	-	-	-	-	-
2023	115,468	149,078	-	-	-	-	-	-	-
2024	322,652	-	-	-	-	-	-	-	-

Inflation Adjusted Incremental Claims ('000)

	Development Year								
Loss Year	1	2	3	4	5	6	7	8	9
2016	564,236	1,653,353	133,316	78,615		0	0	-	-
2017	1,225,272	733,885	131,818	66,178	0	161	29	-	-
2018	646,076	719,423	50,804	3,498	20	228	-	-	-
2019	927,183	444,727	12,741	1,041	-	-	-	-	-
2020	497,598	123,197	16,183	18,852	-	-	-	-	-
2021	116,861	57,999	29,238	2,299	-	-	-	-	-
2022	296,520	94,111	44,137	-	-	-	-	-	-
2023	155,650	149,078	-	-	-	-	-	-	-
2024	322,652	-	-	-	-	-	-	-	-

Inflation Adjusted Cumulative Claims ('000)

	Development Year								
Loss Year	1	2	3	4	5	6	7	8	9
2016	564,236	2,217,589	2,350,905	2,429,521	2,453,561	2,453,561	2,453,561	2,453,561	2,453,561
2017	1,225,272	1,959,157	2,090,976	2,157,154	2,157,154	2,157,315	2,157,343	2,157,343	-
2018	646,076	1,365,499	1,416,303	1,419,801	1,419,821	1,420,048	1,420,048	-	-
2019	927,183	1,371,910	1,384,651	1,385,692	1,385,692	1,385,692	-	-	-
2020	497,598	620,795	636,978	655,831	655,831	-	-	-	-
2021	116,861	174,861	204,099	206,398	-	-	-	-	-
2022	296,520	390,631	434,768	-	-	-	-	-	-
2023	155,650	304,728	-	-	-	-	-	-	-
2024	322,652	-	-	-	-	-	-	-	-
	Devt Factors	1.898	1.052	1.021	1.003	1.000	1.000	1.000	1.000

Inflation Adjusted Cumulative Projected Claims ('000)*

	Development Year								
Loss Year	1	2	3	4	5	6	7		8
2016	564,236	2,217,589	2,350,905	2,429,521	2,453,561	2,453,561	2,453,561	2,453,561	**2,453,561**
2017	1,225,272	1,959,157	2,090,976	2,157,154	2,157,154	2,157,315	2,157,343	**2,157,343**	2,157,343
2018	646,076	1,365,499	1,416,303	1,419,801	1,419,821	1,420,048	**1,420,048**	1,420,048	**1,420,048**
2019	927,183	1,371,910	1,384,651	1,385,692	1,385,692	**1,385,692**	1,385,697	1,385,697	**1,385,697**
2020	497,598	620,795	636,978	655,831	655,831	655,860	655,863	655,863	**655,863**
2021	116,861	174,861	204,099	206,398	206,950	206,959	206,960	206,960	**206,960**
2022	296,520	390,631	**434,768**	443,235	444,422	444,442	444,444	444,444	**444,444**
2023	155,650	**304,728**	319,727	325,968	326,843	326,858	326,859	326,859	**326,859**
2024	**322,652**	607,681	637,816	650,355	652,113	652,143	652,146	652,146	**652,146**

*Projected claims have been adjusted by inflation and discounted

Loss reserve (Attritional) 361,900

Large Claims

Loss Year	Exposure/ Earned premium N'000	Total Paid Amounts N'000	Number of Large Losses	Claim Frequency	Average Paid Cost N'000	Ultimate Avg Cost	Ultimate Frequency	Jltimate Paid Amounts N'000	Large Loss Reserves N'000
2016	792,233	0	0	0.000000%	0	0	0.00000%	0	0
2017	847,903	914,830	4	0.000500%	228,708	228,708	0.00050%	914,830	0
2018	1,008,118	126,525	1	0.000100%	126,525	126,525	0.00010%	126,525	0
2019	1,092,345	132,634	1	0.000100%	132,634	132,634	0.00010%	132,634	0
2020	1,118,386	283,382	2	0.000200%	141,691	141,691	0.00020%	283,382	0
2021	1,218,007	0	0	0.000000%	0	0	0.00000%	0	0
2022	1,774,306	75,765	1	0.000100%	75,765	75,765	0.00010%	75,765	0
2023	2,572,627	0	0	0.000000%	0	0	0.00000%	0	0
2024	4,192,368	438,560	1	0.000000%	438,560	197,170	0.00010%	597,949	159,389

Large	159,389
Attritional	361,900
Total Gross Loss Reserve	521,289
Reported Outstanding Claim	269,191
Gross Loss Reserve (subject to minimum 105.0% reported O/S claims)	521,289
Gross IBNR	521,289

LOB	General Accident

Inflation Adjusted Loss Development Factor Method (IALDF)

Gross Loss Reserve calculations
Attritional Claims
Incremental Claims ('000)

Loss Year	Development Year 1	2	3	4	5	6	7	8	9
2016	124,541	168,644	87,021	6,446	3,776	13,120	33,412	2,119	2,794
2017	105,567	132,844	32,036	4,335	137,482	53,525	8,072	162	0
2018	114,253	112,611	76,691	57,928	32,026	2,099	273	0	0
2019	241,643	180,382	127,927	8,037	844	13,441	0	0	0
2020	289,193	513,541	193,816	32,766	12,141	0	0	0	0
2021	352,947	359,414	107,531	27,596	0	0	0	0	0
2022	476,627	569,785	81,129	0	0	0	0	0	0
2023	593,898	577,729	0	0	0	0	0	0	0
2024	842,268	0	0	0	0	0	0	0	0

Inflation Adjusted Incremental Claims ('000)

	Development Year								
Loss Year	1	2	3	4	5	6	7	8	9
2016	503,222	590,643	273,489	18,092	9,155	27,511	57,741	2,857	2,794
2017	369,729	417,499	89,912	10,511	288,289	92,499	10,881	162	
2018	359,072	316,049	185,951	121,471	55,346	2,829	273		
2019	678,185	437,368	268,253	13,889	1,138	13,441			
2020	701,197	1,076,854	334,941	44,168	12,141				
2021	740,103	621,117	144,951	27,596					
2022	823,676	768,071	81,129						
2023	800,575	577,729							
2024	842,268								

Inflation Adjusted Cumulative Claims ('000)

	Development Year								
Loss Year	1	2	3	4	5	6	7	8	9
2016	503,222	1,093,866	1,367,354	1,385,447	1,394,602	1,422,113	1,479,854	1,482,711	1,485,505
2017	369,729	787,228	877,139	887,651	1,175,940	1,268,439	1,279,319	1,279,482	
2018	359,072	675,121	861,072	982,542	1,037,888	1,040,717	1,040,990		
2019	678,185	1,115,552	1,383,805	1,397,694	1,398,832	1,412,273			
2020	701,197	1,778,052	2,112,993	2,157,161	2,169,302				
2021	740,103	1,361,220	1,506,171	1,533,767					
2022	823,676	1,591,747	1,672,876	0					
2023	800,575	1,378,304							
2024	842,268								

Loss Development Factors

		Development Year							
Loss Year		1 --> 2	2 --> 3	3 --> 4	4 --> 5	5 --> 6	6 --> 7	7 --> 8	8 --> 9
2016		2.174	1.250	1.013	1.007	1.020	1.041	1.002	1.002
2017		2.129	1.114	1.012	1.325	1.079	1.009	1.000	
2018		1.880	1.275	1.141	1.056	1.003	1.000		
2019		1.645	1.240	1.010	1.001	1.010			
2020		2.536	1.188	1.021	1.006				
2021		1.839	1.106	1.018					
2022		1.932	1.051						
2023		1.722							
2024									
IALDF Devt Factors*		1.975	1.178	1.016	1.031	1.021	1.015	1.001	1.002
Cumulative DF		2.532	1.282	1.089	1.071	1.039	1.017	1.003	1.002
		2024	2023	2022	2021	2020	2019	2018	2017
Premium ('000)		2,330	1,795	1,565,664	1,292,547	1,287,197	1,105,412	859,881	787,789
Est. Loss factor (1-1/(cumul I		60.51%	22.01%	8.14%	6.65%	3.75%	1.72%	0.29%	0.19%
Ultimate claims ratio			53.06%						
Loss reserve (Attritional)			1,108,557 =sumproduct({Premium},{Estimated IBNR factor})*Ultimate claims ratio						
Loss reserve (Attritional) - Inflation Adjustec			1,049,140						

*This is the average of the 25% and 75% percentiles of the LDFs, which excludes extremem values from the calculation

Large Claims

Loss Year	Exposure/ Earned premium N'000	Total Paid Amounts N'000	Number of Large Losses	Claim Frequency	Average Paid Cost N'000	Ultimate Avg Cost	Ultimate Frequency	Ultimate Paid Amounts N'000	Large Loss Reserves N'000
2016	848,844.00	-	-	-	-	-	-	-	-
2017	787,789.00	-	-	-	-	-	-	-	-
2018	859,881.00	-	-	-	-	-	-	-	-
2019	1,105,412.00	342,811.00	3.00	0.00	114,270.00	114,270.00	0.00	342,811.00	-
2020	1,287,197.00	945,345.00	5.00	0.00	189,069.00	189,069.00	0.00	945,345.00	-
2021	1,292,547.00	259,998.00	3.00	0.00	86,666.00	86,666.00	0.00	259,998.00	-
2022	1,565,664.00	285,047.00	3.00	0.00	95,016.00	95,016.00	0.00	285,047.00	-
2023	1,795,121.00	-	-	-	-	-	-	-	-
2024	2,329,572.00	-	1.00	-	-	122,213.00	0.00	387,417.00	387,417.00

Attritional	387,417
Total Gross Loss Reserve	1,049,140
Reported Outstanding Claim	1,436,557
Gross Loss Reserve (subject to minimum 105.0% reported O/S claims)	1,436,557
Gross IBNR	1,022,488

LOB Marine Bornhuetter-Ferguson Method (using the average of IABCL and IALDF loss development factors)
Gross Loss Reserve calculations
Attritional Claims
Incremental Claims ('000)

Loss Year	Development Year 1	2	3	4	5	6	7	8	9
2016	51,185	36,398	7,932	597	0	0	754	0	0
2017	37,819	30,203	2,765	92	4	3,452	0	0	0
2018	2,226,221	37,269	1,176	7,499	2,403	4,531	634	0	0
2019	67,797	41,377	7,268	526	3,664	0	0	0	0
2020	34,386	36,316	46,812	11,071	58	0	0	0	0
2021	23,315	79,428	27,925	1,363	0	0	0	0	0
2022	107,058	232,981	6,738	0	0	0	0	0	0
2023	87,354	134,420	0	0	0	0	0	0	0
2024	168,149	0	0	0	0	0	0	0	0

Inflation Adjusted Incremental Claims ('000)

	Development Year								
Loss Year	1	2	3	4	5	6	7	8	9
2016	206,819	127,477	24,929	1,674	0	0	1,303	0	0
2017	132,454	94,920	7,761	223	7	5,966	0	0	
2018	6,996,522	104,597	2,851	15,725	4,153	6,108	634		
2019	190,275	100,325	15,241	909	4,939	0			
2020	83,374	76,151	80,898	14,923	58				
2021	48,890	137,263	37,644	1,363					
2022	185,011	314,059	6,738						
2023	117,753	134,420							
2024	168,149								

Inflation Adjusted Cumulative Claims ('000)

	Development Year								
Loss Year	1	2	3	4	5	6	7	8	9
2016	206,819	334,296	359,225	360,900	360,900	360,900	362,202	362,202	362,202
2017	132,454	227,374	235,135	235,358	235,366	241,331	241,331	241,331	
2018	6,996,522	7,101,119	7,103,971	7,119,695	7,123,848	7,129,956	7,130,590		
2019	190,275	290,600	305,841	306,749	311,688	311,688			
2020	83,374	159,526	240,423	255,347	255,405				
2021	48,890	186,153	223,797	225,159					
2022	185,011	499,070	505,807						
2023	117,753	252,174							
2024	168,149								

BF Devt Factors (A)	1.137	1.020	1.004	1.001	1.002	1.000	1.000	1.000
IALDF Devt Factors (B)	2.021	1.092	1.004	1.002	1.007	1.000	1.000	1.000
Average [(A),(B)]	1.579	1.056	1.004	1.002	1.004	1.000	1.000	1.000
Cumulative DF	1.684	1.067	1.010	1.006	1.004	1.000	1.000	1.000
	2024	**2023**	**2022**	**2021**	**2020**	**2019**	**2018**	**2017**
Premium ('000)	2,307,238	1,144,726	799,608	801,591	602,843	598,145	478,342	545,347
Est. Loss factor (1-1/(cumul [	40.61%	6.24%	1.01%	0.60%	0.43%	0.01%	0.00%	0.00%
Ultimate claims ratio	21.14%							

Loss reserve (Attritional) 216,468 =sumproduct({Premium},{Estimated IBNR factor})*Ultimate claims ratio
Loss reserve (Attritional) - Inflation Adjustec 206,824
*This is the average of the 25% and 75% percentiles of the LDFs, which excludes extremem values from the calculation

Large Claims

Loss Year	Exposure / Earned premi N'000	Total Paid Amounts N'000	Number of Large Losses	Claim Frequency	Average Paid Cost N'000	Ultimate Avg Cost	Ultimate Frequency	Ultimate Paid Amounts N'000	Large Loss Reserves N'000
2016	438,314	0	0	0.000000%	0	0	0.00000%	0	0
2017	545,347	0	0	0.000000%	0	0	0.00000%	0	0
2018	478,342	0	0	0.000000%	0	0	0.00000%	0	0
2019	598,145	0	0	0.000000%	0	0	0.00000%	0	0
2020	602,843	0	0	0.000000%	0	0	0.00000%	0	0
2021	801,591	0	0	0.000000%	0	0	0.00000%	0	0
2022	799,608	0	0	0.000000%	0	0	0.00000%	0	0
2023	1,144,726	0	0	0.000000%	0	0	0.00000%	0	0
2024	2,307,238	0	0	0.000000%	0	0	0.00000%	0	0

Large	0
Attritional	206,824
Total Gross Loss Reserve	206,824
Reported Outstanding Claim	90,250
Gross Loss Reserve (subject to minimum 105.0% reported O/S claims)	206,824
Gross IBNR	116,575

LOB	Bonds	Inflation Adjusted Loss Development Factor Method (IALDF)

Gross Loss Reserve calculations
Attritional Claims
Incremental Claims ('000)

	Development Year								
Loss Year	1	2	3	4	5	6	7	8	9
2016	0	5,443	0	0	0	0	0	0	0
2017	1,638	5,288	0	0	0	0	0	0	0
2018	0	0	0	0	0	0	0	0	0
2019	158	10,190	10,035	0	0	0	0	0	0
2020	2,347	0	0	0	0	0	0	0	0
2021	0	0	0	0	0	0	0	0	0
2022	2,297	0	0	0	0	0	0	0	0
2023	25,479	0	0	0	0	0	0	0	0
2024	0	0	0	0	0	0	0	0	0

Inflation Adjusted Incremental Claims ('000)

	Development Year								
Loss Year	1	2	3	4	5	6	7	8	9
2016	0	19,064	0	0	0	0	0	0	0
2017	5,737	16,619	0	0	0	0	0	0	0
2018	0	0	0	0	0	0	0	0	0
2019	443	24,707	21,043	0	0	0	0	0	0
2020	5,690	0	0	0	0	0	0	0	0
2021	0	0	0	0	0	0	0	0	0
2022	3,969	0	0	0	0	0	0	0	0
2023	34,346	0	0	0	0	0	0	0	0
2024	0	0	0	0	0	0	0	0	0

Inflation Adjusted Cumulative Claims ('000)

	Development Year								
Loss Year	1	2	3	4	5	6	7	8	9
2016	0	19,064	19,064	19,064	19,064	19,064	19,064	19,064	19,064
2017	5,737	22,358	22,358	22,358	22,358	22,358	22,358	22,358	0
2018	0	0	0	0	0	0	0	0	0
2019	443	25,149	46,192	46,192	46,192	46,192	0	0	0
2020	5,690	5,690	5,690	5,690	5,690	0	0	0	0
2021	0	0	0	0	0	0	0	0	0
2022	3,969	3,969	3,969	0	0	0	0	0	0
2023	34,346	34,346	0	0	0	0	0	0	0
2024	0	0	0	0	0	0	0	0	0

Cumulative Projected Claims ('000)

		Development Year							
Loss Year		1 --> 2	2 --> 3	3 --> 4	4 --> 5	5 --> 6	6 --> 7	7 --> 8	8 --> 9
2016		1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000
2017		3.897	1.000	1.000	1.000	1.000	1.000	1.000	
2018		1.000	1.000	1.000	1.000	1.000	1.000		
2019		56.827	1.837	1.000	1.000	1.000			
2020		1.000	1.000	1.000	1.000				
2021		1.000	1.000	1.000					
2022		1.000	1.000						
2023		1.000							
2024									
IALDF Devt Factors*		1.362	1.000	1.000	1.000	1.000	1.000	1.000	1.000
Cumulative DF		1.362	1.000	1.000	1.000	1.000	1.000	1.000	1.000
		2024	2023	2022	2021	2020	2019	2018	2017
Premium ('000)		1,078,620	704,989	484,366	257,269	179,318	223,407	131,688	70,374
Est. Loss factor (1-1/(cumul I		26.58%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Ultimate claims ratio			9.48%						
Loss reserve (Attritional)			27,190 =sumproduct({Premium},{Estimated IBNR factor})*Ultimate claims ratio						
Loss reserve (Attritional) - Inflation Adjustec			26,115						

*This is the average of the 25% and 75% percentiles of the LDFs, which excludes extremem values from the calculation

Large Claims

Loss Year	Exposure / Earned premi N'000	Total Paid Amounts N'000	Number of Large Losses	Claim Frequency	Average Paid Cost N'000	Ultimate Avg Cost	Ultimate Frequency	Ultimate Paid Amounts N'000	Large Loss Reserves N'000
2016	0	0	0	0.000000%	0	0	0.00000%	0	0
2017	0	0	0	0.000000%	0	0	0.00000%	0	0
2018	0	0	0	0.000000%	0	0	0.00000%	0	0
2019	0	0	0	0.000000%	0	0	0.00000%	0	0
2020	0	0	0	0.000000%	0	0	0.00000%	0	0
2021	0	0	0	0.000000%	0	0	0.00000%	0	0
2022	0	0	0	0.000000%	0	0	0.00000%	0	0
2023	0	0	0	0.000000%	0	0	0.00000%	0	0
2024	0	0	0	0.000000%	0	0	0.00000%	0	0

Large	0
Attritional	26,115
Total Gross Loss Reserve	26,115
Reported Outstanding Claim	28,765
Gross Loss Reserve (subject to minimum 105.0% reported O/S claims)	30,203
Gross IBNR	1,438

LOB	Oil & Gas

Inflation-Adjusted Basic Chain Ladder Method (IABCL)

Gross Loss Reserve calculations
Attritional Claims
Incremental Claims ('000)

	Development Year								
Loss Year	1	2	3	4	5	6	7	8	9
2016	19,285	121,166	8,226	30,794	43	26,037	-	48,333	-
2017	11,767	51,809	104,046	273,755	50,109	-	-	-	-
2018	344	143,877	949	23,942	17,509	-	-	-	-
2019	100,035	16,334	34,296	12,711	-	-	-	-	-
2020	8,064	417,969	598	7,129	-	-	-	-	-
2021	2,295	-	52,262	355,496	-	-	-	-	-
2022	-	23,974	1,531	-	-	-	-	-	-
2023	48,473	81,982	-	-	-	-	-	-	-
2024	672,928	-	-	-	-	-	-	-	-

Inflation Adjusted Increamental Claims ('000)

	Development Year								
Loss Year	1	2	3	4	5	6	7	8	9
2016	77,923	424,360	25,853	86,425	105	54,597	0	65,153	0
2017	41,213	162,825	292,012	663,765	0	0	0	0	
2018	1,081	403,799	2,302	50,205	0	0	0		
2019	280,753	39,604	71,916	21,966	0	0			
2020	19,553	876,449	1,034	9,610	0				
2021	4,813	0	70,450	355,496					
2022	0	32,317	1,531						
2023	65,342	81,982							
2024	672,928								

Inflation Adjusted Cumulative Claims ('000)

	Development Year								
Loss Year	1	2	3	4	5	6	7	8	9
2016	77,923	502,283	528,135	614,560	614,665	669,262	669,262	734,415	734,415
2017	41,213	204,038	496,050	1,159,815	1,264,889	1,264,889	1,264,889	1,264,889	
2018	1,081	404,880	407,182	457,387	487,646	487,646	487,646		
2019	280,753	320,357	392,273	414,239	414,239	414,239			
2020	19,553	896,001	897,035	906,646	906,646				
2021	4,813	4,813	75,263	430,759					
2022	0	32,317	33,848						
2023	65,342	147,323							
2024	672,928								

Devt Factors*	5.119	1.197	1.425	1.038	1.020	1.000	1.034	1.000
Cumulative DF	9.550	1.865	1.559	1.094	1.054	1.034	1.034	1.000
	2024	**2023**	**2022**	**2021**	**2020**	**2019**	**2018**	**2017**
Premium ('000)	10,075,004	3,393,213	2,647,699	2,601,348	2,627,092	2,129,277	1,861,221	1,304,287
Est. Loss factor (1-1/(cumul I	89.53%	46.39%	35.85%	8.61%	5.12%	3.26%	3.26%	0.00%
Ultimate claims ratio	20.96%							

Loss reserve (Attritional) 2,522,043 =sumproduct({Premium},{Estimated IBNR factor})*Ultimate claims ratio

Loss reserve (Attritional) - Inflation Adjusted 2,339,585

Loss reserve (Attritional) - Inflation Adjusted 904,427

Large Claims

Loss Year	Exposure/ Earned premium N'000	Total Paid Amounts N'000	Number of Large Losses	Claim Frequency	Average Paid Cost N'000	Ultimate Avg Cost	Ultimate Frequency	Ultimate Paid Amounts N'000	Large Loss Reserves N'000
2016	814,298	0	0	0.000000%	0	0	0.00000%	0	0
2017	1,304,287	0	0	0.000000%	0	0	0.00000%	0	0
2018	1,861,221	0	0	0.000000%	0	0	0.00000%	0	0
2019	2,129,277	0	0	0.000000%	0	0	0.00000%	0	0
2020	2,627,092	0	0	0.000000%	0	0	0.00000%	0	0
2021	2,601,348	0	0	0.000000%	0	0	0.00000%	0	0
2022	2,647,699	0	0	0.000000%	0	0	0.00000%	0	0
2023	3,393,213	0	0	0.000000%	0	0	0.00000%	0	0
2024	10,075,004	0	0	0.000000%	0	0	0.00000%	0	0

Large	0
Attritional	904,427
Total Gross Loss Reserve	904,427
Reported Outstanding Claim	40,720
Gross Loss Reserve (subject to minimum 105.0% reported O/S claims)	30,203
Gross IBNR	863,707

LOB	Engineering

Discounted Inflation Adjusted Basic Chain Ladder Method

Gross Loss Reserve calculations
Attritional Claims
Incremental Claims ('000)

	Development Year								
Loss Year	1	2	3	4	5	6	7	8	9
2016	11,042	16,531	1,846	1,330	2,408	365	0	0	0
2017	8,132	19,072	4,241	17,145	359	0	0	0	0
2018	19,085	14,553	230	1,583	111	0	0	0	0
2019	55,522	8,048	1,488	664	440	0	0	0	0
2020	25,581	21,991	10,042	246	45	0	0	0	0
2021	33,313	25,641	18,886	5,866	0	0	0	0	0
2022	23,263	63,112	18,328	0	0	0	0	0	0
2023	36,261	38,050	0	0	0	0	0	0	0
2024	32,159	0	0	0	0	0	0	0	0

Inflation Adjusted Increamental Claims ('000)

	Development Year								
Loss Year	1	2	3	4	5	6	7	8	9
2016	44,618	57,896	5,802	3,733	5,839	765	0	0	0
2017	28,481	59,940	11,903	41,572	752	0	0	0	
2018	59,979	40,845	557	3,319	192	0	0		
2019	155,826	19,515	3,119	1,147	593	0			
2020	62,024	46,114	17,354	332	45				
2021	69,855	44,312	25,458	5,866					
2022	40,201	85,075	18,328						
2023	48,880	38,050							
2024	32,159								

Inflation Adjusted Cumulative Claims ('000)

	Development Year								
Loss Year	1	2	3	4	5	6	7	8	9
2016	44,618	102,514	108,316	112,048	117,887	118,652	118,652	118,652	118,652
2017	28,481	88,421	100,324	141,896	142,647	142,647	142,647	142,647	
2018	59,979	100,823	101,381	104,700	104,891	104,891	104,891		
2019	155,826	175,341	178,460	179,607	180,200	180,200			
2020	62,024	108,139	125,493	125,825	125,870				
2021	69,855	114,167	139,624	145,491					
2022	40,201	125,277	143,604						
2023	48,880	86,930							
2024	32,159								

Inflation Adjusted Cumulative Projected Claims* ('000)

	Development Year								
Loss Year	1	2	3	4	5	6	7	8	9
2016	44,618	102,514	108,316	112,048		118,652	118,652	118,652	**118,652**
2017	28,481	88,421	100,324	141,896		142,647	142,647	**142,647**	**142,647**
2018	59,979	100,823	101,381	104,700		104,891	**104,891**	104,891	**104,891**
2019	155,826	175,341	178,460	179,607		**180,200**	180,200	180,200	**180,200**
2020	62,024	108,139	125,493	125,825		126,023	126,023	126,023	**126,023**
2021	69,855	114,167	139,624			147,123	147,123	147,123	**147,123**
2022	40,201	125,277	**143,604**	153,453		155,184	155,184	155,184	**155,184**
2023	48,880	**86,930**	95,324	101,890		103,044	103,044	103,044	**103,044**
2024	**32,159**	56,478	61,969	66,264		67,019	67,019	67,019	**67,019**

Large Claims

Loss Year	Exposure/ Earned premium N'000	Total Paid Amounts N'000	Number of Large Losses	Claim Frequency	Average Paid Cost N'000	Ultimate Avg Cost	Ultimate Frequency	Ultimate Paid Amounts N'000	Large Loss Reserves N'000
2016	142,837	54,177	3	0.002100%	18,059	18,059	0.00210%	54,177	0
2017	163,664	0	0	0.000000%	0	0	0.00000%	0	0
2018	348,826	0	0	0.000000%	0	0	0.00000%	0	0
2019	419,871	94,097	3	0.000700%	31,366	31,366	0.00070%	94,097	0
2020	514,273	10,965	1	0.000200%	10,965	10,965	0.00020%	10,965	0
2021	473,752	141,589	3	0.000600%	47,196	47,196	0.00060%	141,589	0
2022	929,864	104,004	7	0.000800%	14,858	14,858	0.00080%	104,004	0
2023	769,906	23,746	2	0.000300%	11,873	11,873	0.00030%	23,746	0
2024	1,300,506	161,330	1	0.000100%	161,330	29,495	0.00040%	151,512	151,512

Large	151,512
Attritional	64,338
Total Gross Loss Reserve	215,850
Reported Outstanding Claim	45,046
Gross Loss Reserve (subject to minimum 105.0% reported O/S claims)	215,850
Gross IBNR	170,804

LOB	Aviation

Discounted Inflation Adjusted Basic Chain Ladder Method

Gross Loss Reserve calculations
Attritional Claims
Incremental Claims ('000)

	Development Year								
Loss Year	1	2	3	4	5	6	7	8	9
2016	157,092	97,289	23,939	7,793	0	0	142	0	0
2017	68,663	20,553	158,772	0	0	0	0	0	0
2018	349,776	64,802	126,759	7,395	0	0	0	0	0
2019	179,243	9,511	821	38,083	0	0	0	0	0
2020	32,544	7,914	813	0	315	0	0	0	0
2021	0	8,127	0	9,700	0	0	0	0	0
2022	28,092	48,683	43473	0	0	0	0	0	0
2023	25,859	209,455	0	0	0	0	0	0	0
2024	544,307	0	0	0	0	0	0	0	0

Inflation Adjusted Increamental Claims ('000)

	Development Year								
Loss Year	1	2	3	4	5	6	7	8	9
2016	634,748	340,737	75,235	21,870	0	0	245	0	0
2017	240,480	64,594	445,602	0	0	0	0	0	
2018	1,099,269	181,871	307,348	15,506	0	0	0		
2019	503,056	23,061	1,721	65,813	0	0			
2020	78,909	16,596	1,406	0	315				
2021	0	14,044	0	9,700					
2022	48,547	65,625	43,473						
2023	34,859	209,455							
2024	544,307								

Inflation Adjusted Cumulative Claims ('000)

	Development Year								
Loss Year	1	2	3	4	5	6	7	8	9
2016	634,748	975,486	1,050,721	1,072,591	1,072,591	1,072,591	1,072,835	1,072,835	1,072,835
2017	240,480	305,074	750,675	750,675	750,675	750,675	750,675	750,675	
2018	1,099,269	1,281,140	1,588,488	1,603,994	1,603,994	1,603,994	1,603,994		
2019	503,056	526,118	527,839	593,652	593,652	593,652			
2020	78,909	95,505	96,911	96,911					
2021	0	14,044	14,044						
2022	48,547	114,172	157,644						
2023	34,859	244,313							
2024	544,307								
Devt Factors*		1.347	1.264	1.028	1.000	1.000	1.000	1.000	1.000

Inflation Adjusted Cumulative Projected Claims ('000)

	Development Year								
Loss Year	1	2	3	4	5	6	7	8	9
2016	634,748	975,486	1,050,721	1,072,591	1,072,591	1,072,591	1,072,835	1,072,835	**1,072,835**
2017	240,480	305,074	750,675	750,675	750,675	750,675	750,675	**750,675**	**750,675**
2018	1,099,269	1,281,140	1,588,488	1,603,994	1,603,994	1,603,994	**1,603,994**	1,603,994	**1,603,994**
2019	503,056	526,118	527,839	593,652	593,652	**593,652**	593,688	593,688	**593,688**
2020	78,909	95,505	96,911	96,911	97,225	97,225	97,231	97,231	**97,231**
2021	0	14,044	14,044	23,746	23,746	23,746	23,747	23,747	**23,747**
2022	48,547	114,172	**157,644**	161,723	161,734	161,734	161,744	161,744	**161,744**
2023	34,859	**244,313**	305,838	313,830	313,852	313,852	313,871	313,871	**313,871**
2024	**544,307**	730,185	914,818	938,800	938,865	938,865	938,922	938,922	**938,922**

*Projected claims have been adjusted by inflation and discounted

Loss reserve (Attritional) 468,317

Large Claims

Loss Year	Exposure/ Earned premium N'000	Total Paid Amounts N'000	Number of Large Losses	Claim Frequency	Average Paid Cost N'000	Ultimate Avg Cost	Ultimate Frequency	Ultimate Paid Amounts N'000	Large Loss Reserves N'000
2016	1,410,847	0	0	0.000000%	0	0	0.00000%	0	0
2017	571,293	0	0	0.000000%	0	0	0.00000%	0	0
2018	305,404	0	0	0.000000%	0	0	0.00000%	0	0
2019	812,112	0	0	0.000000%	0	0	0.00000%	0	0
2020	928,595	0	0	0.000000%	0	0	0.00000%	0	0
2021	1,126,657	0	0	0.000000%	0	0	0.00000%	0	0
2022	1,093,006	0	0	0.000000%	0	0	0.00000%	0	0
2023	1,311,683	0	0	0.000000%	0	0	0.00000%	0	0
2024	2,896,850	0	0	0.000000%	0	0	0.00000%	0	0

Large	0
Attritional	468,317
Total Gross Loss Reserve	468,317
Reported Outstanding Claim	36,958
Gross Loss Reserve (subject to minimum 105.0% reported O/S claims)	468,317
Gross IBNR	431,359

*This is the average of the 75% and 25% percentile of the LDFs, which excludes extreme values from the calculation.

DISCOUNT RATES

The discount rates applied have been based on the yield curve at 31 December 2024, as published by the Nigerian Actuarial Society (NAS). The table and chart below present this, alongside the yield curve as at 31 December, 2023.

	Spot Rate (Annual)	
Term (annual)	31-Dec-23	31-Dec-24
0		
1	11.5092%	30.0945%
2	13.7947%	20.3231%
3	13.6021%	20.5185%
4	14.3614%	21.8102%
5	15.2478%	22.8415%
6	15.3810%	23.6579%
7	15.1418%	18.3637%
8	14.9153%	20.2710%
9	15.2359%	18.8985%
10	15.8931%	16.1999%
11	16.3600%	16.9861%
12	16.5188%	18.5568%
13	17.5555%	19.1028%
14	17.9572%	18.3115%
15	17.8762%	17.0037%
16	17.8151%	15.8241%
17	17.7716%	14.7570%
18	17.7453%	14.5635%
19	18.6901%	14.3891%
20	20.0784%	14.1833%
21	22.2644%	13.9507%
22	24.2879%	13.6951%
23	23.9388%	13.4195%
24	23.6220%	13.1282%
25	23.3312%	13.1672%
26	23.0634%	13.3330%
27	22.8160%	13.4734%
28	22.5867%	13.6006%
29	22.3736%	13.7283%
30	22.1750%	13.8586%
31	21.9795%	13.9587%
32	21.7962%	14.0520%
33	21.6243%	14.1398%
34	21.4628%	14.2225%
35	21.3106%	14.3004%
36	21.1671%	14.3742%
37	21.0315%	14.4439%
38	20.9032%	14.5101%
39	20.7816%	14.5729%
40	20.6662%	14.6325%
…	…	…
120	17.7038%	16.1950%

a(ii) Expected Loss Ratio Method:

This model was adopted because the volume of data available is too small to be relied upon when using a statistical approach. The reserve for oil & Gas, Bond, Aviation and Engineering was estimated based on this method. Under this method, we obtained the ultimate claims by assuming loss ratio. Paid claims already emerged is then allowed for from the estimated Ultimate claim.

CONSOLIDATED HALLMARK INSURANCE LTD

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2024

b) Sensitivity analysis:- LIC
Sensitivity

Sensitivity Analysis - LIC:		
	2024 (M)	**2023 (M)**
Insurance Revenue	28,161	14,816
Reinsurance cost	8,327	6,339
Gross Claim incurred	10,439	5,093
Claims ratio	37%	34%
5% increase in claims	10,960	5,348
Claims ratio	39%	36%
5% reduction in claims	9,917	4,839
Claims ratio	35%	33%
PBT	22,864	4,113
5% increase in claims	(522)	(255)
PBT	22,342	3,858
SHF	32,191	12,138
5% increase in claims	(522)	(255)
SHF	31,669	11,883

A 5% increase or decrease in general Liability for incured claims experience translates to less than 10% impact on the operating performance of the group. The possibility of a 5% decline in claims experience is considered a rare occurence.

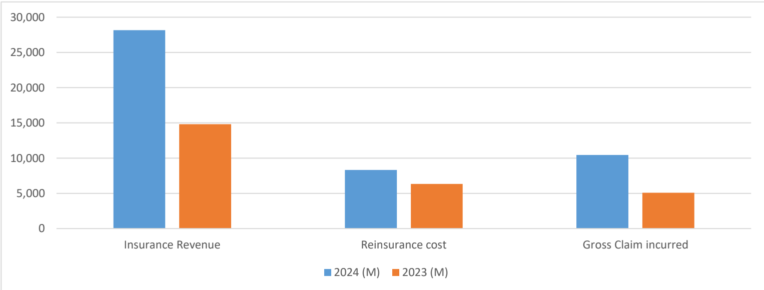


Figure 1 : Gross Premium earned vs Reinsurance Cost vs Gross Claim incured. (2024 & 2023)

c) Risk Concentration
Management assesses risk concentration per class of business. The concentration of insurance risk before and after reinsurance by class in relation to the type of insurance risk accepted is summarized below, with reference to the amount of gross and net premium earned before and after reinsurance respectively:

Year ended 31st December, 2024

Product	Insurance Revenue (M)	Reinsurance Cost (M)	Net Premium Earned (M)
Motor	6,838	1,172	5,666
Fire	3,686	1,016	2,670
Bond	881	386	495
General Accident	2,178	946	1,233
Marine	1,920	852	1,069
Aviation	2,550	917	1,633
Oil & Gas	8,879	2,557	6,323
Engineering	1,218	479	739
Agric	11	3	8
	28,161	8,327	19,834

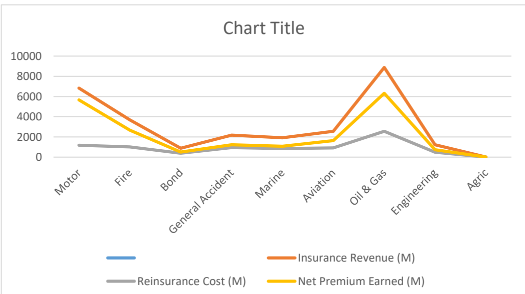


Figure 2 : Gross premium earned vs Reinsurance Cost per class . (2024)

Year ended 31st December, 2023

Product	Insurance Revenue (M)	Reinsurance Cost (M)	Net Premium Earned (M)
Motor	4,031	(228)	4,260
Fire	2,297	1,726	571
Bond	599	273	326
General Accident	1,669	897	773
Marine	890	614	276
Aviation	1,234	779	455
Oil & Gas	3,223	1,809	1,415
Engineering	871	470	401
	14,814	6,340	8,477

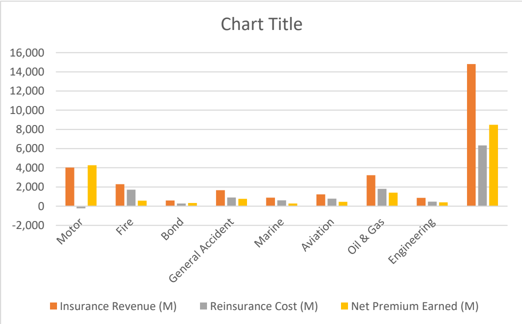


Figure 2 : Gross premium earned vs Reinsurance Cost per class . (2023)

CONSOLIDATED HALLMARK INSURANCE LTD
APPENDIX 1
REVENUE ACCOUNT
FOR THE YEAR ENDED 31 DECEMBER 2024

	Motor	Fire	Bond	Gen. Accident	Marine	Aviation	Oil & Gas	Engineering	Agric	2024 Total	2023 Total
	N	N	N	N	N	N	N	N		N	N
Income											
Direct premium	6,964,925,218	4,184,181,289	1,077,968,569	2,301,506,007	2,261,450,560	2,896,849,552	9,882,085,870	1,280,288,403	1,332,546	30,850,588,014	16,440,448,977
Inward reinsurance premium	58,252,537	8,186,285	651,397	28,065,742	45,787,784	-	192,918,536	20,217,751	13,425,612	367,505,644	189,278,662
											-
Gross written premium	7,023,177,755	4,192,367,574	1,078,619,966	2,329,571,749	2,307,238,344	2,896,849,552	10,075,004,406	1,300,506,154	14,758,158	31,218,093,658	16,629,727,640
(Increase)/decrease in unexpired premium reserve	(185,282,321)	(506,168,992)	(197,744,213)	(151,121,408)	(387,044,279)	(347,222,622)	(1,195,732,947)	(82,829,332)	(3,973,821)	(3,057,119,935)	(1,813,861,906)
Gross premium earned	6,837,895,434	3,686,198,583	880,875,753	2,178,450,341	1,920,194,066	2,549,626,930	8,879,271,459	1,217,676,822	10,784,337	28,160,973,723	14,815,865,733
Deduct:											
(Increase)/decrease in prepaid reinsurance	73,243,456	(42,904,520)	37,858,648	60,700,360	205,588,719	382,427,805	925,577,098	(12,697,521)	82,228	1,629,876,273	(331,389,936)
Reinsurance cost	(1,172,318,588)	(1,016,150,613)	(385,511,692)	(945,722,736)	(851,511,736)	(916,708,728)	(2,556,538,819)	(478,957,934)	(3,269,988)	(8,326,690,834)	(6,339,306,787)
Net premium earned	5,665,576,846	2,670,047,970	495,364,061	1,232,727,605	1,068,682,329	1,632,918,202	6,322,732,640	738,718,887	7,514,349	19,834,282,889	8,476,558,947
Commission received	582,915,053	163,438,229	59,162,198	222,935,934	155,974,511	-	-	65,678,969	831,674	1,250,936,568	1,074,410,088
(Increase)/decrease in unearned commission	-	-	-	-	-	-	-	-	-	-	-
Total Income	6,248,491,899	2,833,486,199	554,526,259	1,455,663,539	1,224,656,841	1,632,918,202	6,322,732,640	804,397,856	8,346,023	21,085,219,457	9,550,969,034
											-
Gross Claims Paid	(1,534,008,213)	(1,168,041,218)	(326,490)	(1,730,746,925)	(324,105,776)	(817,921,865)	(2,397,106,583)	(332,355,093)	(2,104,920)	(8,306,717,083)	(3,912,849,180)
(Increase)/decrease in outstanding claims provision	33,766,038	(154,426,926)	371,271	(11,372,530)	(115,156,252)	(1,761,860,846)	157,715,965	(280,871,466)	-	(2,131,834,746)	(1,180,512,728)
Gross claims incurred	(1,500,242,175)	(1,322,468,144)	44,781	(1,742,119,455)	(439,262,028)	(2,579,782,711)	(2,239,390,618)	(613,226,559)	(2,104,920)	(10,438,551,829)	(5,093,361,908)
Reinsurance claims recovery	54,837,601	68,797,885	2,037,659	252,106,054	31,732,356	20,378,499	-	10,120,256	-	440,010,310	1,507,162,125
(Increase)/decrease in reinsurance recoveries	13,208,700	794,278,847	19,245,279	(389,675,591)	(61,089,855)	173,342,391	1,335,846,112	(6,121,434)	1,683,936	1,880,718,385	142,651,094
											-
Net claims incurred	(1,432,195,874)	(459,391,413)	21,327,719	(1,879,688,992)	(468,619,527)	(2,386,061,821)	(903,544,506)	(609,227,737)	(420,984)	(8,117,823,134)	(3,443,548,689)
Acquisition expenses	(820,226,143)	(790,096,123)	(193,456,165)	(450,939,074)	(459,310,794)	(584,843,168)	(1,643,568,194)	(255,957,349)	(3,569,744)	(5,201,966,754)	(2,533,559,482)
(Increase)/decrease in commission expenses	-	-	-	-	-	-	-	-	-	-	(0)
Maintenance/operating expenses	(448,454,933)	(192,544,952)	(37,388,941)	(92,058,517)	(77,799,998)	(968,067,230)	(409,565,444)	(61,767,616)	(602,804)	(2,288,250,435)	(1,308,088,064)
Total expenses	(2,700,876,950)	(1,442,032,488)	(209,517,387)	(2,422,686,583)	(1,005,730,319)	(3,938,972,219)	(2,956,678,144)	(926,952,703)	(4,593,533)	(15,608,040,323)	(7,285,196,235)
											-
Underwriting profit/(loss)	3,547,614,950	1,391,453,711	345,008,872	(967,023,044)	218,926,522	(2,306,054,017)	3,366,054,496	(122,554,846)	3,752,490	5,477,179,134	2,265,772,799

a(ii) **Expected Loss Ratio Method:** This model was adopted because the volume of data available is too small to be relied upon when using a statistical approach. The reserve for oil & Gas, Bond, Aviation and Engineering was estimated based on this method. Under this method, we obtained the ultimate claims by assuming loss ratio. Paid claims already emerged is then allowed for from the estimated Ultimate claim.

b) **Sensitivity analysis:- Claims**

Sensitivity analysis attempts to estimate likely amount of reserves at rare/worst case scenarios. The estimated claim amounts can never be an exact forecast of future claim amounts and therefore looking at how these claim amounts vary could provide valuable information for business planning and risk appetite considerations. Results of sensitivity testing based on expected loss ratios are as follows, shown gross and net of reinsurance as impact on pre-tax income:

Sensitivity Analysis - Claims:		
	2024(M)	**2023(M)**
Gross Premium Earned	28,161	14,816
Reinsurance cost	8,327	6,339
Gross Claim incurred	10,439	5,093
Claims ratio	**37%**	**34%**
5% increase in claims	10,960	5,348
Claims ratio	**39%**	**36%**
5% reduction in claims	9,917	4,839
Claims ratio	**35%**	**33%**
PBT	**22,864**	**4,113**
5% increase in claims	**(522)**	**(255)**
PBT	**22,342**	**3,858**
SHF	**32,191**	**12,138**
5% increase in claims	**(522)**	**(255)**
SHF	**31,669**	**10,069**

A 5% increase or decrease in general Gross Claim experience translates to less than 10% impact on the operating performance of the group. The possibility of a 5% decline in claims experience is considered a rare occurence.

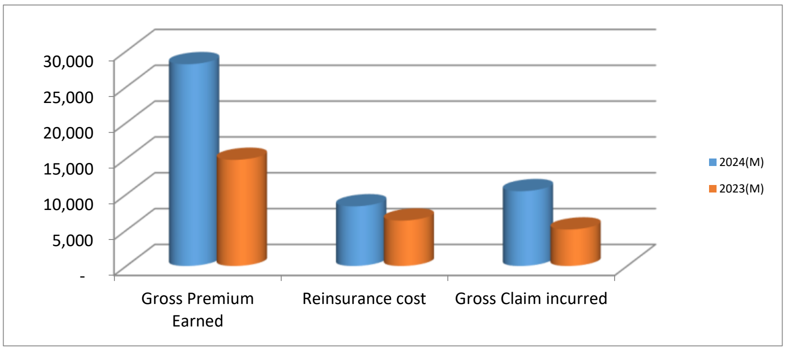
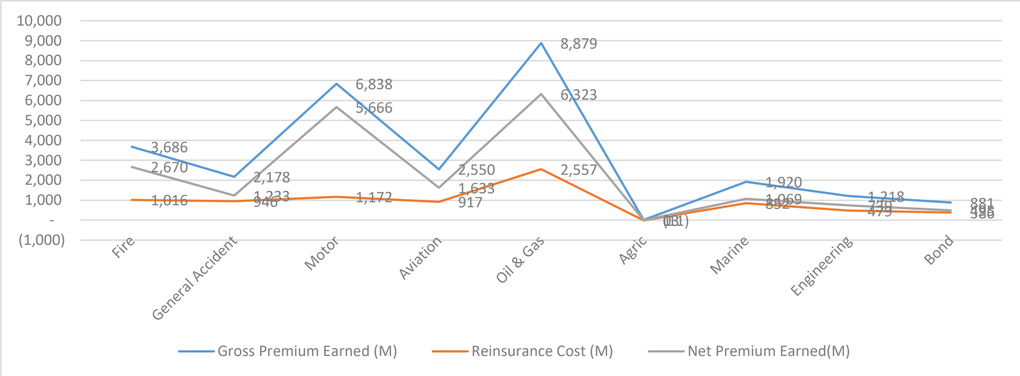


Figure 1 : Gross Premium earned vs Reinsurance Cost vs Gross Claim incured. (2024 & 2023)

c) ***Risk Concentration***

Management assesses risk concentration per class of business. The concentration of insurance risk before and after reinsurance by class in relation to the type of insurance risk accepted is summarized below, with reference to the amount of gross and net premium earned before and after reinsurance respectively:

Product	**Gross Premium Earned (M)**	**Reinsurance Cost (M)**	**Net Premium Earned(M)**
Fire	3,686	1,016	2,670
General Accident	2,178	946	1,233
Motor	6,838	1,172	5,666
Aviation	2,550	917	1,633
Oil & Gas	8,879	2,557	6,323
Agric	13	(11)	0
Marine	1,920	852	1,069
Engineering	1,218	479	739
Bond	881	386	495
	28,164	8,313	**19,827**



. Figure 2 : Gross premium earned vs Reinsurance Cost per class . (2024)

FOR THE PERIOD ENDED 31 DECEMBER 2023

Product	Gross Premium Earned	Reinsurance Cost	Net Premium Earned
Fire	2,297	(1,726)	571
General Accident	1,669	(897)	773
Motor	4,031	228	4,260
Aviation	1,234	(779)	455
Oil & Gas	3,223	(1,809)	1,415
Marine	890	(614)	276
Engineering	871	(470)	401
Bond	599	(273)	326
	14,816	**4,042**	**8,477**

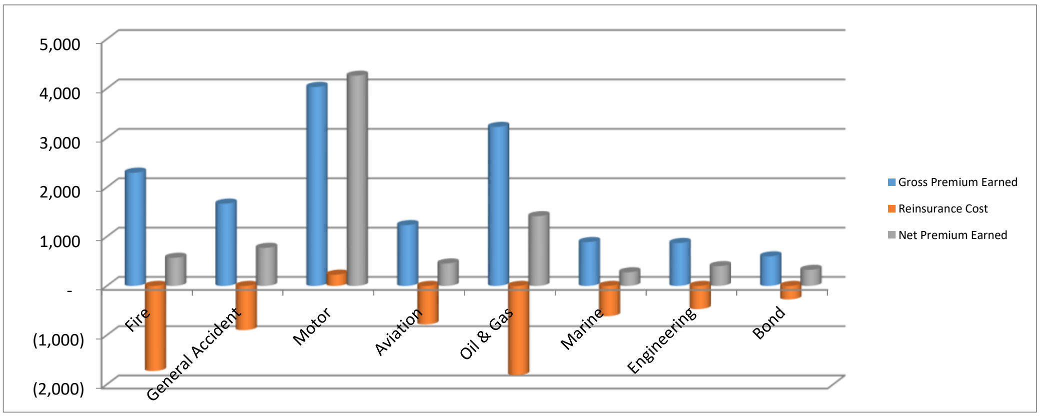
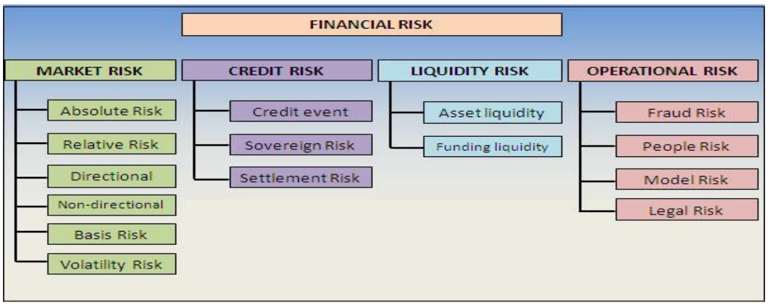


Figure 3 : Gross premium earned vs Reinsurance Cost per class. (2023)

d. Financial Risks Management (FRM)

Risk Classification: Most financial risk can be categorized as either systematic or non-systematic. **Systematic risk** affects an entire economy and all of the businesses within it; an example of systematic risk would be losses due to a recession. **Non-systematic risks** are those that vary between companies or industries; these risks can be avoided completely through careful planning. There are several types of systematic risk. Interest risk is the risk that changing interest rates will make your current investment's rate look unfavorable. Inflation risk is the risk that inflation will increase, making your current investment's return smaller in relation. Liquidity risk is associated with "tying up" your money in long-term assets that cannot be sold easily. There are also different types of non-systematic risk. Management risk is the risk that bad management decisions will hurt a company in which you're invested. Credit risk is the risk that a debt instrument issuer (such as a bond issuer) will default on their repayments to you. Consolidated Hallmark Insurance Ltd is exposed to an array of risks through its operations. the Company has identified and categorized its exposure to these broad risks listed below: Market Risk, Credit Risk, Operational Risk, Liquidity Risk, Interest Rate Risk, Reputaional Risk, Foreign Currency Risk, Equity risk.

d(i) ***Financial risk*** is an umbrella term for multiple types of risk associated with financing, including financial transactions that include group loans in risk of default. Financial risk is one of the high-priority risk types for every business. Financial risk is caused due to market movements and market movements can include host of factors. Based on this, financial risk can be classified into various types such as Market Risk, Credit Risk, Liquidity Risk, Operational Risk and Legal Risk.The Group has exposure to the following risks and their management approach are disclosed in the accompanying explanatory notes:



d(ii) Operational risks

Operational risks are the risks of direct or indirect loss arising from a wide variety of causes associated with the company's processes, personnel, technology and infrastructure, and from external factors other than credit, market and liquidity risks such as those arising from legal and regulatory requirements and generally accepted standards of corporate behaviour. Operational risks arise from all of the company's operations.

The Company's objective is to manage operational risks so as to balance the avoidance of financial losses and damage to the company's reputation with overall cost effectiveness and to avoid control procedures that restrict initiative and creativity.

The primary responsibility for the development and implementation of controls to address operational risk is assigned to senior management within each unit. This responsibility is supported by the development of operational standards for the management of operational risk in the following areas:
- requirements for appropriate segregation of duties, including independent authorisation of
- requirements for the reconciliation and monitoring of transactions.
- compliance with regulatory and other legal requirements.
- documentation of controls and procedures.
- training and professional development.
- ethical and business standards.
- adequate insurance and reinsurance protection purchased

Reinsurance is placed with African Reinsurance Corporation, WAICA Reinsurance Corporation Plc and Continental Reinsurance Plc, these are Nigerian registered reinsurer. Management monitors the creditworthiness of the Reinsurers by reviewing their annual financial statements and through ongoing communications. Reinsurance treaties are reviewed annually by management prior to renewal of the reinsurance contract.

d(iii) Credit risks

Credit risk is the risk of financial loss to the Group if a debtor fails to make payments of interest and principal when due. The Group is exposed to this risk relating to its debt holdings in its investment portfolio and the reliance on reinsurers to make payment when certain loss conditions are met.

Sources of credit risk identified are Direct Default Risk that the Group will not receive the cash flows or assets to which it is entitled because a party with which the firm has a bilateral contract defaults on one or more obligations. Downgrade Risk that changes the possibility of future default by an obligor will adversely present value of the contract with the obligor today and Settlement risk arising from lag between the value and settlement dates of transactions. All these risks are closely monitored and measures are put in place to minimise the Groups exposure to them.

On insurance receivables, the Group has a credit control policy which is enforced by a credit control unit and which forms part of the underwriting process. In addition, the Maximum exposure to credit risk before collateral held or other credit enhancements:

	Group		Company	
Overall credit risk	**2024**	2023	**2024**	2023
Reinsurance contracts	**7,021,632,499**	3,446,441,321	**7,021,632,499**	3,446,441,321
Amortised cost	**5,368,174,827**	12,101,224,594	**5,367,056,653**	9,722,241,174
Premium receivables	**2,798,983,613**	1,182,794,434	**2,781,327,368**	1,150,281,154
Short-term funds treated as investment	**1,640,968,388**	1,696,223,987	**1,098,502,099**	833,495,262
Equity investment	**18,939,758,654**	2,480,597,165	**18,881,937,253**	2,450,528,763
Cash and bank	**999,046,966**	1,292,504,647	**949,747,878**	1,101,286,491

The table below analyses end of the year values of the above exposures:

	Fair value as at 2024	Fair value as at 2023	**Fair value as at 2024**	Fair value as at 2023
Reinsurance contracts	**7,021,632,499**	3,446,441,321	**7,021,632,499**	3,446,441,321
Amortised cost	**5,368,174,827**	12,101,224,594	**5,367,056,653**	9,722,241,174
Premium receivables	**2,798,983,613**	1,182,794,434	**2,781,327,368**	1,150,281,154
Short-term funds treated as investment	**1,640,968,388**	1,696,223,987	**1,098,502,099**	833,495,262
Treasury bills	**-**	-	**-**	-
Equity investment	**18,939,758,654**	2,480,597,165	**18,881,937,253**	2,450,528,764
Cash and bank	**999,046,966**	1,292,504,647	**949,747,878**	1,101,286,491
	36,768,564,948	22,199,786,148	**36,100,203,750**	18,704,274,166

For credit risk purpose, the trade debtors are grouped into three categories:
Group A – the maximum trade credits allowed per participant under this group is N10m.
Group B – the maximum trade credits allowed per participant under this group is N7m.
Group C – the maximum trade credits allowed per participant under this group is N5m.
Past experience is used in grouping the debtors since most of the clients are not rated.
The profit before tax of the Group will be reduced by N1.84b if the overall credit is impaired by 5%

Credit quality of financial assets per asset class-Group

31-Dec-24	**Cash and cash equivalents**	**Premium receivables**	**Amortised cost**
Neither past due nor impaired	**2,638,500,414**	**2,793,343,630**	**6,776,296,241**
Past due but not impaired		**-**	**-**
Impaired	**-**	**-**	**24,464,073**
Gross	**2,638,500,414**	**2,793,343,630**	**6,800,760,314**
Impairment allowance - collective	**(131,925,021)**	**(139,667,182)**	**(340,038,016)**
Net	**2,506,575,394**	**2,653,676,449**	**6,460,722,299**

Credit quality of financial assets per asset class-Group

31-Dec-23	Cash and cash equivalents	Premium receivables	Amortised cost
Neither past due nor impaired	2,985,320,307	1,182,794,434	5,846,653,308
Past due but not impaired		-	-
Impaired	3,408,326	-	381,978,303
Gross	2,988,728,633	1,182,794,434	6,228,631,611
Impairment allowance - collective	149,436,432	59,139,722	311,431,581
Net	3,138,165,065	1,241,934,156	6,540,063,192

Credit quality of financial assets per asset class-Company

31-Jan-24	**Cash and cash equivalents**	**Premium receivables**	**Amortised Cost**
Neither past due nor impaired	**2,046,455,016**	**2,781,327,367**	**6,686,208,273**
Past due but not impaired		**-**	**-**
Impaired		**-**	**-**
Gross	**2,046,455,016**	**2,781,327,367**	**6,686,208,273**
Impairment allowance - collective	**-**	**(139,066,368)**	**(334,310,414)**
Net	**2,046,455,016**	**2,642,260,999**	**6,351,897,860**

Credit quality of financial assets per asset class-Company

31-Dec-23	Cash and cash equivalents	Trade receivables	Amortised Cost
Neither past due nor impaired	1,933,950,945	1,150,281,154	10,216,581,667
Past due but not impaired		-	150,000,500
Impaired		-	-
Gross	1,933,950,945	1,150,281,154	10,366,582,167
Impairment allowance - collective	-	(57,514,058)	(518,329,108)
Net	1,933,950,945	1,092,767,096	9,848,253,059

(a) Financial assets neither past due nor impaired

The credit quality of the portfolio of insurance receivables and other loans and receivables, debt securities and other financial asset exposed to credit risk that were neither past due nor impaired can be assessed by reference to the capacity of the business to pay on written businesses. The Group does not rate any of its financial assets measured at amortised cost.

The assets above are analysed in the table below either using Standard & Poors or GCR rating agencies. Government securities are rated using soveregn rate.

Group	**A+**	**AA-**	**BBB-**	**Below BBB**	**Not rated**
31-Dec-24					
Cash and cash equivalents	**902,180,370**	**37,947,903**	**681,929,162**	**992,968,621**	**23,474,359**
Premium receivables					**2,793,343,630**
Amortised cost		**2,008,757,930**	**849,582,965**		**2,509,833,932**
Other assets		**-**			**1,408,121,414**
Reinsurance assets				**7,021,632,499**	**-**
Debt securities				**-**	
	902,180,370	**2,046,705,833**	**1,531,512,127**	**8,014,601,119**	**6,734,773,335**

Group	A+	A	BBB-	Below BBB	Not rated
31-Dec-23					
Cash and cash equivalents	1,058,075,553	41,240,984	931,929,162	932,591,148	23,474,359
Premium receivables					1,182,794,434
Loans and other receivables		3,597,577,237	237,215,479		8,266,431,878
Other assets		-			417,677,138
Reinsurance assets				3,446,441,321	-
Debt securities				-	-
	1,058,075,553	3,638,818,221	1,169,144,641	4,379,032,469	9,890,377,809

Company	**A+**	**A**	**BBB-**	**Below BBB**	**Not rated**
31-Dec-24					
Cash and cash equivalents	**902,180,370**	**37,947,903**	**681,929,162**	**400,923,223**	**23,474,359**
Premium receivables					**2,781,327,367**
Amortised cost		**2,008,757,930**	**849,582,965**		**2,508,715,759**
Other assets		**-**			**1,447,147,116**
Reinsurance assets				**7,021,632,499**	**-**
Debt securities				**-**	
	902,180,370	**2,046,705,833**	**1,531,512,127**	**7,422,555,722**	**6,760,664,601**

Company	A+	A	BBB-	Below BBB	Not rated
31-Dec-23					
Cash and cash equivalents	1,058,075,553	41,240,984	331,929,162	479,230,888	23,474,359
Trade receivables					2,168,499,237
Loans and other receivables		3,597,577,237	237,215,479		4,152,312,802
Other assets		-			665,935,858
Reinsurance assets				3,446,441,321	-
Debt securities				-	
	1,058,075,553	3,638,818,221	569,144,641	3,925,672,209	7,010,222,256

(b) Age Analysis financial assets past due but not impaired

Group **31-Dec-24**	**< 90 days**	**91-180 days**	**181-270 days**	**271-365 days**	**Above 365days**
Premium receivables	**2,793,343,630**	**0**			
Total	**2,793,343,630**	**0**	**0**	**-**	**-**
Profile	**100%**	**0%**	**0%**	**0%**	**0%**

Group

31-Dec-23	< 90 days	91-180 days	181-270 days	271-365 days	1-2 yr
Premium receivables	1,182,794,434	-			
Total	1,182,794,434	-	-	-	-
Profile	100%	0%	0%	0%	0%

Company

31-Dec-24	**< 90 days**	**91-180 days**	**181-270 days**	**271-365 days**	**Above 365days**
Premium receivables	**2,781,327,367**	**0**			
Total	**2,781,327,367**	**-**	**-**	**-**	**-**
Profile	**100%**	**0%**	**0%**	**0%**	**0%**

Company

31-Dec-23	< 90 days	91-180 days	181-270 days	271-365 days	1-2 yr
Premium receivables	1,150,281,154	-			
Total	1,150,281,154	-	-	-	-
Profile	100%	0%	0%	0%	0%

IMPAIRMENT MODEL

Premium debtors are measured at amortised cost, less provision for impaired receivables. Under IFRS, an asset is impaired if the carrying amount is greater than the recoverable amount. IAS 39 favours the use of the incurred loss model in estimating the impairment of its receivables. However, with the inception of IFRS 9, which became effective for annual periods beginning on/after 1 January 2018, the Expected Credit Losses (ECL) method of impairment calculation will be in force.

Based on NAICOM's “No Premium No Cover” guidelines which state that “all insurance covers shall be provided on a strict ‘no premium no cover’ basis”, only cover for which payment has been received shall be booked. However, brokers have a 30 day period to make payments from the date of the credit notes.

After analysing this financial instrument based on NAICOM “No Premium No Cover” guidelines, a nil impairment standpoint was taken.

The impairment requirements of IFRS 9 apply to all debt instruments that are measured at amortised cost or FVOCI, and to off-balance sheet lending commitments such as loan commitments and financial guarantees (hereafter collectively referred to as financial assets). This contrast to the IAS 39 impairment model which was not applicable to loan commitments and financial guarantee contracts, as there were instead covered by International Accounting standards 37: "Provisions, contingent liabilities and contingent assets (IAS 37)".

The determination of impairment loss and allowance moves from the incurred credit loss model whereby credit losses are recognised when a defined loss event occurs under IAS 39, to expected credit loss model under IFRS 9, where provisions are recognised upon initial recognition of the financial asset based on expectation of potential credit losses at the time of initial recognition. Under IFRS 9, The Company first evaluates individually whether objective evidence of impairment exists for loans that are individually significant and then collectively assess the loan and other receivables that are not significant and those which are significant but for which there is no objective evidence of impairment available under the individual assessment

Expected Credit Loss Impairment Model

The Group's allowance for credit losses calculations are outputs of models with a number of underlying assumptions regarding the choice of variable inputs and their interdependencies. The expected credit loss impairment model reflects the present value of all cash shortfalls related to default events either over the following twelve months or over the expected life of a financial instrument depending on credit deterioration from inception. The allowance for credit losses reflects an unbiased, probability-weighted outcome which considers multiple scenarios based on reasonable and supportable forecasts.

The Group adopts a three-stage approach for impairment assesment based on changes in credit quality since initial recognition.

• Stage 1 – Where there has not been a significant increase in credit risk (SICR) since initial recognition of a financial instrument, an amount equal to 12 months expected credit loss is recorded. The expected credit loss is computed using a probability of default occurring over the next 12 months. For those instruments with a remaining maturity of less than 12 months, a probability of default corresponding to remaining term to maturity is used.

• Stage 2 – When a financial instrument experiences a SICR subsequent to origination but is not considered to be in default, it is included in Stage 2. This requires the computation of expected credit loss based on the probability of default over the remaining estimated life of the financial instrument.

• Stage 3 – Financial instruments that are considered to be in default are included in this stage. Similar to Stage 2, the allowance for credit losses captures the lifetime expected credit losses.

Impairment Methodology

Calculation of Expected Credit Losses

Calculation of the expected credit loss is based on the key risk parameters of PD, LGD and ED. The calculation of ECL incorporates forward-looking information in all the ECL components. This forward-looking information will impact the various ECL components as follows:

Probability of default – The PDs will vary during various stages of an economic cycle. It is based on the likelihood that a borrower will default within one year (PD), assessment of the creditworthiness of the counterparty and transformation of 1 Year horizon into lifetime of the asset.

Loss Given Default – Collateral values will vary based on the stage of an economic cycle.

Exposure at default – Change in interest rates may affect the EAD, e.g. higher interest rates may result in longer terms for loans causing a change in the EAD.

Loss Given Default

The Company applies historical experience to determine the expected loss given default ratios for each class of financial instruments. Where internal historical experience is not available, other sources, e.g. data available from rating companies as well as professional judgements are used to determine the LGD ratios that will apply. Collateral that is held against the financial assets is also considered in determining the LGD

The Company Management has resolved to use the recovery rates as published by Moodys credit analytics for all credit exposures to sovereign denominated in foreign currencies and all corporate exposures.

For sovereign exposures denominated in Naira which are assessed as low credit risk exposures, we have resolved to use LGDs within the rage of 5-10% based on the Central Banks of Nigeria's Revised Guidance Notes on Credit risk. Section 3.1 of the document addresses exposure to sovereigns and Central banks and states that financial institutions should assign a risk weight of 0% to the following:

Exposures to Federal Government of Nigeria (FGN) and Central Bank of Nigeria (CBN);

Instruments issued by other entities backed by express guarantee of the FGN;

Inter-bank transactions guaranteed by the FGN or CBN; and

Inter-bank transactions among supervised institutions collateralized by FGN Bonds, Treasury Bills or other similar sovereign bills.

Macroeconomic factors

The Group relies on a broad range of forward looking information as economic inputs, such as: GDP growth,unemployment rates, central bank base rates, crude oil prices,inflation rates and foreign exchange rates. The inputs and models used for calculating expected credit losses may not always capture all characteristics of the market at the date of the financial statements. To reflect this, qualitative adjustments or overlays may be made as temporary adjustments using expert credit judgement.

Multiple forward-looking scenarios

The Group determines allowance for credit losses using probability-weighted forward looking scenarios. The Group considers both internal and external sources of information in order to achieve an unbiased measure of the scenarios used. The Group prepares the scenarios using forecasts generated by credible sources such as Business Monitor International (BMI),International Monetary Fund (IMF), Nigeria Bureau of Statistics (NBS), World Bank, Central Bank of Nigeria (CBN), Financial Markets Dealers Quotation (FMDQ) and Trading Economics.

The Group estimates three scenarios for each risk parameter (LGD, EAD, CCF and PD) – Normal, Upturn and Downturn, which in turn are used in the estimation of the multiple scenario ECLs. The normal case' represents the most likely outcome and is aligned with information used by the Group for other purposes such as strategic planning and budgeting. The other scenarios represent more optimistic and more pessimistic outcomes.The Group has identified and documented key drivers of credit risk and credit losses for each portfolio of financial instruments and, using an analysis of historical data, has estimated relationships between macro-economic variables, credit risk and credit losses.

Assessment of significant increase in credit risk (SICR)

At each reporting date, the Group assesses whether there has been a significant increase in credit risk for exposures since initial recognition by comparing the risk of default occurring over the remaining expected life from the reporting date and the date of initial recognition. The assessment considers specific quantitative and qualitative information about the issuer without consideration of collateral, and the impact of forward-looking macroeconomic factors.The common assessments for SICR on retail and non-retail portfolios include macroeconomic outlook, management judgement, and delinquency and monitoring. Forward looking macroeconomic factors are a key component of the macroeconomic outlook. The importance and relevance of each specific macroeconomic factor depends on the type of product, characteristics of the financial instruments and the issuer and the geographical region.

The Group adopts a multi factor approach in assessing changes in credit risk. This approach considers: Quantitative (primary), Qualitative (secondary) and Back stop indicators which are critical in allocating financial assets into stages.

The quantitative models considers deterioration in the credit rating of obligor/counterparty based on the Group's internal rating system or External Credit Assessment Institutions (ECAI) while qualitative factors considers information such as expected forbearance, restructuring, exposure classification by licensed credit bureau etc.

A backstop is typically used to ensure that in the (unlikely) event that the primary (quantitative) indicators do not change and there is no trigger from the secondary (qualitative) indicators, an account that has breached the 30 days past due criteria for SICR and 90 days past due criteria for default is transferred to stage 2 and stage 3 respectively except there is a reasonable and supportable evidence available without undue cost to rebut the presumption.

Definition of Default and Credit Impaired Financial Assets

At each reporting date, the Group assesses whether financial assets carried at amortised cost and debt financial assets carried at FVOCI are credit-impaired. A financial asset is 'credit impaired' when one or more events that have a detrimental impact on the estimated future cashflows of the financial assets have occurred.

Evidence that a financial asset is credit-impaired includes the following observable data:

(i) Significant financial difficulty of the borrower or issuer;

(ii) A breach of contract such as a default or past due event;

(iii) It is becoming probable that the issuer will enter bankruptcy or other financial reorganisation; or

(iv)The disappearance of an active market for a security because of financial difficulties.

(v)The purchase or origination of a financial asset at a deep discount that reflects the incurred credit losses.

An asset that has been renegotiated due to a deterioration in the issuer's condition is usually considered to be credit-impaired unless there is evidence that the risk of not receiving contractual cash flows has reduced significantly and there are no other indicators of impairment.

In making an assessment of whether an investment in sovereign debt is credit-impaired, the Group considers the following factors.

- The market's assessment of creditworthiness as reflected in the bond yields.
- The rating agencies' assessments of creditworthiness.
- The country's ability to access the capital markets for new debt issuance.
- The probability of debt being restructured, resulting in holders suffering losses through voluntary or mandatory debt forgiveness.
- The international support mechanisms in place to provide the necessary support as 'lender of last resort' to that country, as well as the intention, reflected in public statements, of governments and agencies to use those mechanisms. This includes an assessment of the depth of those mechanisms and, irrespective of the political intent, whether there is the capacity to fulfil the required criteria.

Presentation of allowance for ECL in the statement of financial position Loan allowances for ECL are presented in the statement of financial position as follows:

- Financial assets measured at amortised cost: as a deduction from the gross carrying amount of the assets:
- Debt instruments measured at FVOCI: no loss allowance is recognised in the statement of financial position because the carrying amount of these assets is their fair value. However, the loss allowance is disclosed and is recognised in the fair value reserve.

Concentration of credit risk

Concentration risk (including geographical risk) includes identification of the concentration of risks insured by Consolidated Hallmark Insurance Plc utilize data analysis, software and market knowledge to determine the concentration of its risks by insurance class, geographic location, exposure to a client or business. The assessment of the concentration risk are consistent with the overall risk appetite as established by the Group.

Consolidated Hallmark Insurance Plc monitors concentration of credit risk by geographical and nature of business. An analysis of concentrations of credit risk for trade receivables are set out below:

(a) Geographical sectors

At 31 December	Group		Company	
	2024	**2023**	**2024**	**2023**
Lagos & Western region (Nigeria)	**1,189,815,956**	183,040,500	**1,100,016,760**	454,367,890
Eastern region (Nigeria)	**28,741,906**	25,086,030	**26,773,830**	24,506,030
Northern region (Nigeria)	**1,574,785,768**	2,018,592,491	**1,654,536,777**	671,407,234
Total	**2,793,343,630**	2,226,719,021	**2,781,327,367**	1,150,281,154

d(iv) Liquidity risks

Liquidity risk is the risk that the Group will not be able to meet all cash outflow obligations as they come due. The Group mitigates this risk by monitoring cash activities and expected outflows. The Group's current liabilities arise as claims are made. The Group does not have material liabilities that can be called unexpectedly at the demand of a lender or client. It has no material commitments for capital expenditures and there is no need for such expenditures in the normal course of business. Claim payments are funded by current operating cash flow including investment income. Short-term investments include treasury bills, commercial paper and term deposits with an original maturity of less than one year. There have been no significant changes from the previous year in the exposure to risk or policies, procedures and methods used to measure the risk.

FINANCIAL ASSETS MATURITY PROFILE

The maturity profile Group's financial assets is as listed below:

	Group		Company	
Loans And Receivables				
	2024	2023	**2024**	2023
Analysis by Performance:				
Performing	**5,343,710,754**	12,080,403,241	**5,342,592,581**	9,722,241,174
Non - Performing	**24,464,073**	381,978,303	**24,464,073**	-
Total	**5,368,174,827**	12,462,381,544	**5,367,056,654**	9,722,241,174
Analysis by Maturity:				
0 - 30 days	**289,710,100**	373,055,200	**276,655,100**	360,000,200
1 - 3 months	**435,050,500**	620,050,500	**345,000,000**	530,000,000
3 - 6 months	**261,341,049**	476,840,838	**124,500,211**	340,000,000
6 - 12 months	**500,678,900**	555,000,000	**185,678,900**	240,000,000
Beyond 12 Months	**3,881,394,279**	10,437,435,006	**4,435,222,443**	8,252,240,974
Total	**5,368,174,827**	12,462,381,544	**5,367,056,654**	9,722,241,174

Fixed deposits with banks	Group		Company	
Analysis by maturity	**2024**	2023	**2024**	2023
0 - 30 days	**983,869,451**	1,277,063,171	**934,610,363**	1,086,260,983
30 - 90 days	**1,640,968,388**	1,696,223,987	**1,098,502,099**	833,495,262
Above 90 days	-	-	-	-
Grand Total	**2,624,837,839**	2,973,287,158	**2,033,112,462**	1,919,756,245

d(v) Equity risk

Equity risk is the uncertainty associated with the valuation of assets arising from changes in equity markets. The Group is exposed to this risk through its equity holdings within its investment portfolio. The Group's management of equity price risk is guided by Investment Quality and Limit Analysis, Stop Loss Limit Analysis and Stock to Total Loss Limit Analysis.

d(vi) Currency risks

Currency risks are the risks that the fair value of future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates. Foreign exchange risk (also known as exchange rate risk or currency risk) is a financial risk posed by an exposure to unanticipated changes in the exchange rate between two currencies. Investors and multinational businesses exporting or importing goods and services or making foreign investments throughout the global economy are faced with an exchange rate risk which can have severe financial consequences if not managed appropriately.

The Group's principal transactions are carried out in Naira and its financial assets are primarily denominated in the Naira and its exposure to foreign exchange risk is minimal.

d(vii) Business Risks

Business risk relates to the potential erosion of our market position or revenue shortfall compared to the cost base due to strategic and/or reputational reasons. The corporate governacnce structure of the group is effective. Each level of leadership has limits of authority and approval to ensure business decisions are properly considered, relevant risks exposures evaluated and necessary measures implemented to mitigate such risks.

The Group holds regular strategic sessions both at the Board, Management and Operational Unit basis to review the corporate and the unit strategies and ensure the group market share is effectively defended against competition.

d(viii) Reputational Risks

Reputational risk, often called reputation risk, is a type of risk related to the trustworthiness of business. Damage to a firm's reputation can result in lost revenue or destruction of shareholder value, even if the company is not found guilty of a crime. Reputational risk can be a matter of corporate trust, but serves also as a tool in crisis prevention. This type of risk can be informational in nature or even financial. Extreme cases may even lead to bankruptcy.

The composition of the Board and leadership of the group are made up of reputable and experienced practitioners. The group also holds it core values of Professionalism, Relationship, Integrity, Zeal and Excellence (PRIZE) which is regularly communicated to every member and compliance monitored on an ongoing basis.

CONSOLIDATED HALLMARK INSURANCE LTD

STATEMENT OF VALUE ADDED - GROUP
FOR THE YEAR ENDED 31 DECEMBER 2024

	2024		2023	
	N	%	N	%
Insurance Revenue	**28,256,885,753**		14,815,865,738	
Reinsurance, claims and Commissions & Others - local	**915,051,111**		(8,641,386,940)	
Reinsurance, claims and Commissions & Others - foreign	**-**		-	
Value added	**29,171,936,864**	**100**	6,174,478,798	100
Applied as follows:				
To pay employees				
Salaries, pension and welfare	**510,574,812**	**2**	1,479,782,785	24
To pay government				
Company income taxation	**279,628,876**	**1**	759,953,356	12
To pay providers of capital				
Shareholders as dividend	**1,080,501,500**	**4**	325,200,100	5
Retained for future maintenance of assets and future expansion of business:				
- Contingency & Statutory reserve	**4,524,391,795**	**16**	670,613,296	11
- Depreciation of fixed assets	**102,441,896**	**0**	125,341,051	2
'- Retained earnings for the year	**22,674,397,985**	**78**	2,813,588,208	46
Value added	**29,171,936,864**	**100**	6,174,478,796	100

Value added represents the wealth created by the Group during the reporting year. This statement shows the allocation of that wealth among employees, shareholders, government, and that retained for future creation of more wealth.

CONSOLIDATED HALLMARK INSURANCE LTD

STATEMENT OF VALUE ADDED - COMPANY
FOR THE YEAR ENDED 31 DECEMBER 2024

	2024		2023	
	N	%	N	%
Gross premium income	**28,160,973,723**		15,710,848,992	
Reinsurance, claims and Commissions & Others - local	**914,931,807**		(8,674,481,380)	
Reinsurance, claims and Commissions & Others - foreign	**-**		-	
Value added	**29,075,905,530**	**100**	7,036,367,612	100
Applied as follows:				
To pay employees				
Salaries, pension and welfare	**510,574,812**	**2**	1,532,233,665	22
To pay government				
Company income taxation	**272,091,139**	**1**	882,704,996	13
To pay providers of capital				
Shareholders as dividend	**1,080,501,500**	**4**	325,200,100	5
Retained for future maintenance of assets and future expansion of business				
Contingency reserve	**4,518,382,096**	**16**	730,337,909	10
Depreciation of property and equipment	**102,441,896**	**0**	147,648,610	2
Retained earnings for the year	**22,591,914,087**	**78**	3,418,242,332	49
Value added	**29,075,905,530**	**100**	7,036,367,612	100

Value added represents the wealth created by the Company during the reporting year. This statement shows the allocation of that wealth among employees, shareholders, government, and that retained for future creation of more wealth.

CONSOLIDATED HALLMARK INSURANCE LTD

FIVE YEAR FINANCIAL SUMMARY - GROUP
STATEMENT OF FINANCIAL POSITION

	31 December				
	2024	2023	2022	2021	2020
	N	N	N	N	N
Assets					
Cash and cash equivalent	**2,638,500,414**	2,985,320,307	1,666,364,199	2,857,075,240	3,173,916,076
Financial assets	**24,532,570,950**	14,822,533,183	8,644,183,149	5,290,556,582	4,428,386,704
Finance lease receivables	**-**	115,832,776	210,896,364	148,741,442	86,247,031
Trade receivables	**2,793,343,630**	1,182,794,434	831,493,560	601,620,155	607,688,316
Reinsurance assets	**7,021,632,499**	3,446,441,321	3,552,376,954	4,086,694,213	3,018,080,617
Deferred acquisition cost	**-**	-		-	355,066,148
Other receivables and prepayments	**1,408,121,414**	478,478,481	295,685,133	222,692,504	129,353,111
Investment in subsidiaries	**-**	-	-	-	-
Investment project	**9,337,601,830**	-	-	-	-
Intangible Assets	**12,889,756**	49,681,219	64,109,633	76,702,921	36,574,657
Investment properties	**1,273,391,118**	1,474,449,524	1,405,226,470	1,098,676,470	1,042,487,470
Property and equipment	**1,418,056,029**	1,279,747,102	1,168,945,157	1,163,471,059	1,021,572,225
Right-of-use of assets (leased assets)	**-**	23,035,044	2,844,702	6,406,591	9,968,479
Statutory deposits	**320,000,000**	320,000,000	400,000,000	400,000,000	402,000,000
Total assets	**50,756,107,640**	26,178,313,391	18,242,125,320	15,952,637,177	14,311,340,834
Liabilities					
Insurance contract liabilities	**15,986,336,689**	9,979,029,160	6,927,748,770	5,828,566,433	5,208,233,152
Investment contract liabilities	**10,411,830**	10,437,775	13,723,775	17,660,923	-
Trade payables	**-**	330,749,570	33,472,651	46,805,158	13,972,733
Borrowing	**-**	597,302,864	680,107,895	55,800,013	5,013,052
Other payables and provision	**684,205,571**	515,543,558	324,165,837	274,735,366	221,056,870
Retirement benefit obligations	**7,298,322**	15,709,020	2,925,281	2,075,682	4,129,526
Income tax liabilities	**1,306,801,383**	1,554,577,043	651,220,778	462,785,845	359,459,121
Deferred tax liabilities	**349,735,180**	279,460,225	253,908,071	259,663,907	177,878,284
Total liabilities	**18,344,788,975**	13,282,809,215	8,887,273,058	6,948,093,327	5,989,742,738
Equity & reserves					
Issued and paid up share capital	**4,155,775,000**	5,420,000,000	5,420,000,000	5,420,000,000	5,420,000,000
Share Premium	**-**	168,933,834	168,933,834	168,933,834	168,933,834
Contingency reserve	**7,998,035,551**	3,473,337,958	2,800,339,728	2,437,638,438	2,136,621,663
Statutory reserve	**-**	133,136,812	39,180,405	30,615,727	-
Fair value through OCI reserve	**102,081,848**	126,393,793	91,262,839	72,039,763	45,964,378
Revaluation reserve	**138,165,551**	138,165,551	1,828,189	1,354,214	-
Requlatory risk reserve	**-**	17,293,896	128,676,506	115,793,288	-
Retained earnings	**20,017,260,715**	3,418,242,332	704,630,761	758,168,587	550,078,221
Total equity	**32,411,318,665**	12,895,504,176	9,354,852,262	9,004,543,851	8,321,598,096
Total liabilities and equity & reserves	**50,756,107,640**	26,178,313,391	18,242,125,320	15,952,637,178	14,311,340,834

CONSOLIDATED HALLMARK INSURANCE LTD

FIVE YEAR FINANCIAL SUMMARY - GROUP
STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

			31 December		
	2024	2023	2022	2021	2020
	N	N	N	N	N
Insurance revenue	**28,256,885,753**	15,710,848,992	11,880,010,802	-	-
Insurance service expenses	**(20,429,959,564)**	(12,099,491,054)	(8,963,514,992)	-	-
Net expenses from reinsurance contracts held	**(4,885,216,473)**	(3,727,209,643)	(2,745,106,417)	-	-
Insurance service result	**2,941,709,716**	(115,851,705)	171,389,393	-	-
Interest revenue calculated using the effective interest method	**1,787,069,056**	1,702,392,304	1,303,018,414	-	-
Other investment income	**596,620,343**	200,934,737	136,589,671	-	-
Net fair value gains on financial assets at fair value through profi or loss	**16,204,985,867**	1,539,014,618	72,297,226	-	-
Net foreign exchange income	**3,529,542,313**	2,958,598,009	590,678,251	-	-
Net credit impairment losses	**6,377,139**	(26,849,335)	(197,713,768)	-	-
Net investment income	**22,124,594,718**	6,374,090,333	1,904,869,794	-	-
Finance expenses from insurance contracts issued	**-**	**-**	-	-	-
Finance income from reinsurance contracs issued	**-**	**-**	-	-	-
Net insurance finance expenses	**-**	-	**-**	-	-
Net insurance and investment result	**25,066,304,433**	6,258,238,628	2,076,259,187	-	-
Other expenses	**(1,948,959,521)**	(1,692,470,184)	(1,159,454,003)	-	-
Other income	**48,695,577**	86,086,132	66,439,274	-	-
Profit before income tax	**23,166,040,489**	4,651,854,576	983,244,458	-	-
Tax expense	**(279,628,876)**	(882,705,000)	(436,229,655)	-	-
Profit for the year	**22,886,411,613**	3,769,149,576	547,014,803	-	-
Other comprehensive income					
Items that may be reclassified subsequently to profit or loss:					
Net finance expenses from insurance contracts	**-**	**-**	-	-	-
Net finance income from reinsurance contracts	**-**	**-**	-	-	-
Deferred tax relating to these items	**-**	**-**	-	-	-
Items that may not be reclassified subsequently to profit or loss:					
Gain on revaluation of Land & Building (PPE)	**-**	-	18,945,909	-	-
Changes in the fair value on equity instruments at fair value through other comprehensive income	**(35,785,101)**	96,702,433	8,511,186	-	-
Deferred tax relating to these items	**-**	-	(6,062,691)	-	-
Total other comprehensive income for the year net of tax	**(35,785,101)**	96,702,433	21,394,404	-	-
Total Comprehensive income for the year net of tax	**22,850,626,512**	3,865,852,009	568,409,207	-	-
EPS	**272.81**	34.77	5.00	-	-

CONSOLIDATED HALLMARK INSURANCE LTD

FIVE YEAR FINANCIAL SUMMARY - GROUP
STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

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	2021	2020
	N	**N**
Gross premium written	9,775,797,397	8,691,234,590
Gross premium income	9,698,993,709	8,302,808,423
Reinsurance premium expenses	(3,691,859,703)	(3,357,536,001)
Net premium income	6,007,134,006	4,945,272,422
Fee and commission income	493,373,753	519,638,029
Net underwriting income	6,500,507,759	5,464,910,450
Claims expenses	(4,173,175,310)	(3,448,090,659)
Claims recoveries from reinsurers	1,607,269,895	1,768,819,617
Claims incurred	(2,565,905,415)	(1,679,271,042)
Underwriting expenses	(2,073,847,971)	(1,957,228,763)
Underwriting profit	1,860,754,373	1,828,410,645
Investment income	940,350,767	1,080,354,125
Other operating income	91,162,556	29,560,781
Impairment charge	(45,399,531)	(147,122,129)
Net fair value gains/(loss) on financial assets at fair value through profit or loss	72,321,055	(11,848,771)
Management expenses	(2,146,624,937)	(2,067,880,186)
Profit before taxation	772,564,283	711,474,465
Income tax expenses	(94,581,467)	(111,159,875)
Profit after taxation	677,982,816	600,314,590
Other comprehensive income net of tax	-	-
Total comprehensive (loss)/income for the year	677,982,816	677,982,816
Profit/(loss) attributable to:		
Equity holders of the parent	677,982,816	677,982,816
Non-contingency interest	-	-
	677,982,816	677,982,816
		-
Basic and diluted earnings/(loss) per share (kobo)	**10.25**	**9.77**

CONSOLIDATED HALLMARK INSURANCE LTD

FINANCIAL SUMMARY - COMPANY

	31 December				
	2024	2023	2022	2021	2020
	N	N	**N**	**N**	**N**
Assets					
Cash and cash equivalent	**2,046,455,016**	1,933,950,945	1,183,948,834	2,044,305,295	2,175,313,539
Financial assets	**24,472,516,117**	12,432,077,250	6,325,958,061	3,926,828,203	3,683,146,676
Trade receivables	**2,781,327,367**	1,150,281,154	773,060,783	543,897,328	481,030,540
Reinsurance assets	**7,021,632,499**	3,446,441,321	3,552,376,954	4,086,694,213	3,018,080,617
Deferred acquisition cost	**-**	-	-	-	344,817,850
Other receivables and prepayments	**1,447,147,116**	644,340,993	652,618,272	547,376,936	388,249,870
Investment in subsidiaries	**330,000,000**	1,594,225,000	1,594,225,000	1,594,225,000	1,494,225,000
Investment project	**9,337,601,830**	-	-	-	-
Intangible Assets	**8,327,414**	14,767,281	22,104,164	29,482,173	30,480,413
Investment properties	**1,273,391,118**	1,271,781,524	1,265,226,470	1,008,676,470	948,826,470
Property and equipment	**1,405,149,303**	1,199,375,173	1,088,248,164	1,089,355,653	963,585,844
Right-of-use of assets (leased assets)	**-**	-			
Statutory deposits	**300,000,000**	300,000,000	300,000,000	300,000,000	300,000,000
	50,423,547,781	23,987,240,641	16,757,766,702	15,170,841,271	13,827,756,819
Liabilities					
Insurance contract liabilities	**15,929,148,886**	9,701,037,803	6,706,663,170	5,648,280,708	5,014,339,773
Trade payables	**-**	330,749,570	33,472,651	46,805,158	13,972,733
Other payables and provision	**679,249,282**	224,024,963	240,152,189	206,315,888	208,764,373
Retirement benefit obligations	**6,927,766**	13,677,328	1,181,508	1,367,928	2,253,607
Income tax liabilities	**1,267,301,864**	1,316,060,787	524,545,069	340,135,901	289,145,971
Deferred tax liabilities	**350,082,297**	264,056,690	239,442,368	247,979,804	173,040,130
Total liabilities	**18,232,710,095**	11,849,607,141	7,745,456,955	6,490,885,387	5,701,516,587
Equity & reserves					
Issued and paid up share capital	**4,155,775,000**	5,420,000,000	5,420,000,000	5,420,000,000	5,420,000,000
Share Premium	**-**	168,933,834	168,933,834	168,933,834	168,933,834
Contingency reserve	**7,988,196,583**	3,469,814,488	2,799,201,192	2,437,343,087	2,136,621,663
Statutory reserve	**-**	-	39,163,090	30,669,220	-
Fair value through OCI reserve	**102,081,847**	127,131,418	128,676,506	30,669,220	-
Revaluation reserve	**138,165,551**	138,165,551	-	-	-
Retained earnings	**19,806,618,705**	2,813,588,208	456,335,125	507,216,455	400,684,735
Total equity	**32,190,837,686**	12,137,633,499	9,012,309,746	8,594,831,816	8,126,240,232
Total liabilities and equity & reserves	**50,423,547,781**	23,987,240,640	16,757,766,702	15,085,717,203	13,827,756,819

CONSOLIDATED HALLMARK INSURANCE LTD

FIVE YEAR FINANCIAL SUMMARY - COMPANY
STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

	IFRS 17				
			31 December		
	2024	2023	2022	2021	2020
	N	N	N	N	N
Insurance revenue	**28,160,973,732**	14,815,865,738	11,142,727,902	-	-
Insurance service expenses	**(20,369,206,746)**	(11,518,480,204)	(8,300,193,584)	-	-
Net expenses from reinsurance contracts held	**(4,877,691,864)**	(3,710,381,308)	(2,741,454,939)	-	-
Insurance service result	**2,914,075,122**	(412,995,774)	101,079,379	-	-
Interest revenue calculated using the effective interest method	**1,702,156,599**	871,591,796	554,657,475	-	-
Other investment income	**596,620,343**	200,934,737	197,727,671	-	-
Net fair value gains on financial assets at fair value through profi or loss	**16,205,723,489**	1,468,699,284	10,163,192	-	-
Net foreign exchange income	**3,529,542,313**	2,958,598,009	590,678,251	-	-
Net credit impairment losses	**6,377,139**	(11,838,372)	(20,066,075)	-	-
Net investment income	**22,040,419,883**	5,487,985,454	1,333,160,515	-	-
Finance expenses from insurance contracts issued	**-**	-	-	-	-
Finance income from reinsurance contracs issued	**-**	-	-	-	-
Net insurance finance expenses	**-**	-	**-**	-	-
Net insurance and investment result	**24,954,495,005**	5,074,989,680	1,434,239,894	-	-
Other expenses	**(1,922,728,085)**	(967,086,837)	(500,371,852)	-	-
Other income	**44,251,934**	5,117,000	4,676,938	-	-
Profit before income tax	**23,076,018,854**	4,113,019,843	938,544,980	-	-
Tax expense	**(272,091,139)**	(759,953,356)	(410,768,155)	-	-
Profit for the year	**22,803,927,715**	3,353,066,487	527,776,825	-	-
Other comprehensive income					
Items that may be reclassified subsequently to profit or loss:					
Net finance expenses from insurance contracts	**-**	**-**	-	-	-
Net finance income from reinsurance contracts	**-**	**-**	-	-	-
Deferred tax relating to these items	**-**	**-**	-	-	-
Items that may not be reclassified subsequently to profit or loss:					
Gain on revaluation of Land & Building (PPE)	**-**	-	18,945,909	-	-
Changes in the fair value on equity instruments at fair value through other comprehensive income	**(35,785,101)**	97,457,373	12,490,985	-	-
Deferred tax relating to these items	**-**	-	(10,059,806)	-	-
Total other comprehensive income for the year net of tax	**(35,785,101)**	97,457,373	21,377,088	-	-
Total Comprehensive income for the year net of tax	**22,768,142,614**	3,450,523,860	549,153,913	-	-
EPS	**271.81**	30.93	4.90	-	-