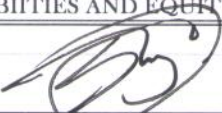

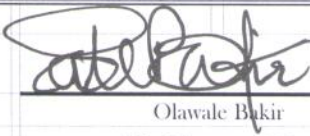


ARM Life Plc

**Quarterly Returns
for the period ended 30 June 2018**

ARM LIFE PLC
STATEMENT OF FINANCIAL POSITION AS AT 30TH JUNE 2018

| | | JUNE 2018 | DECEMBER 2017 | |
|---|------|---|--|--|
| | NOTE | N'000 | N'000 | |
| ASSETS | | | | |
| Cash and cash equivalents | 2 | 224,013 | 1,678,427 | |
| Financial Assets | | | | |
| Investment in Securities FVTPL | 3a | 14,360,714 | 11,026,166 | |
| Investment in Securities HTM | 3b | 561,656 | 568,552 | |
| Investment in Securities AFS | 3c | 139,595 | 139,197 | |
| Trade receivables | 4 | 28,248 | 13,094 | |
| Reinsurance assets | 5 | 483,001 | 303,234 | |
| Deferred acquisition cost | 6 | 48,920 | 14,039 | |
| Other receivables and prepayments | 7 | 170,579 | 105,420 | |
| Investment properties | 8 | 2,006,000 | 2,006,000 | |
| Propert Plant and equipment | 9 | 129,875 | 78,265 | |
| Statutory deposit | 10 | 200,000 | 200,000 | |
| TOTAL ASSETS | | 18,352,600 | 16,132,394 | |
| LIABILITIES | | | | |
| Insurance contract liabilities | 11 | 11,415,418 | 9,690,314 | |
| Investment contract liabilities | 12 | 2,850,475 | 2,529,995 | |
| Trade payables | 13 | 42,928 | 13,299 | |
| Other payables | 14 | 636,349 | 512,222 | |
| Retirement benefit obligation | 15 | 50,103 | 45,773 | |
| Current income tax | 16 | - | 22,912 | |
| Deferred Tax liabilities | | 83,900 | 83,900 | |
| TOTAL LIABILITIES | | 15,079,173 | 12,898,414 | |
| EQUITY | | | | |
| Share capital | | 4,786,960 | 3,857,115 | |
| Share premium | | 800,094 | 795,325 | |
| Deposit for Shares | | - | 967,000 | |
| Statutory contingency reserve | | 328,612 | 328,612 | |
| Fair Value reserve | | 35,423 | 35,048 | |
| Retained earnings | | (3,133,967) | (3,587,608) | |
| Current Year Profit/(Loss) | | 71,475 | 453,658 | |
| Revaluation Reserve | | 384,828 | 384,828 | |
| SHAREHOLDERS' FUND BALANCE | | 3,273,427 | 3,233,979 | |
| TOTAL LIABILITIES AND EQUITY | | 18,352,600 | 16,132,394 | |
|  Stephen Alangbo Managing Director | |  |  Olawale Bakir Chief Finance Officer | |

| STATEMENT OF COMPREHENSIVE INCOME FOR THE PERIOD ENDED 30TH JUNE 2018 | | | |
|--|------|-----------------------|---------------------------|
| | NOTE | JUNE 2018 N'000 | DECEMBER 2017 N'000 |
| GROSS WRITTEN PREMIUM | 17a | 3,010,620 | 4,539,117 |
| Gross premium income | 17b | 2,412,516 | 3,621,800 |
| Movement in unearned premium reserve | | (202,333) | (40,817) |
| | | 2,210,183 | 3,580,983 |
| Reinsurance expenses | | (106,051) | (198,681) |
| NET PREMIUM | | 2,104,132 | 3,382,302 |
| Commission income | 19 | 34,184 | 46,357 |
| NET UNDERWRITING INCOME | | 2,138,316 | 3,428,659 |
| Re-insurance recoveries | 20 | 75,038 | 138,167 |
| Gross benefits and claims paid | 21 | (375,865) | (570,249) |
| Acquisition expenses due for the period | 22 | (145,302) | (189,601) |
| Increase on annuity contract liabilities | 22 | (2,113,763) | (2,928,750) |
| UNDERWRITING EXPENSES | | (2,559,892) | (3,550,433) |
| UNDERWRITING PROFIT/(LOSS) | | (421,576) | (121,774) |
| Investment income | 23 | 784,415 | 1,288,787 |
| Other operating income | 24 | 15,181 | 75,952 |
| Net trading loss on financial assets | 25 | 23,325 | 193,715 |
| Impairment of financial assets | 26 | - | 10,328 |
| Profit on Investment contracts | | 182,995 | 194,141 |
| Fair value gain on investment properties | | - | 15,000 |
| Net Income | | 584,340 | 1,656,150 |
| Administrative and finance cost | 28 | (512,506) | (1,169,188) |
| Loss before tax | | 71,834 | 486,962 |
| Profit/(Loss) before tax | | 71,834 | 486,962 |
| Income taxes | | | |
| Minimum tax | | - | (22,912) |
| Income tax expense | | (358) | (10,391) |
| PROFIT/LOSS FOR THE YEAR | | 71,476 | 453,659 |
| Other Comprehensive Income | | | |
| Item that are or may be reclassified to profit or loss | | | |
| Available-for-sale investment securities - net change in fair value reclassified to profit or loss on disposal of investment | | 398 | 28,663 |
| Other Comprehensive Income, net tax | | 398 | 28,663 |
| Total comprehensive income for the year | | 71,874 | 482,322 |
| EARNING PER SHARE IN(KOBO) | | 1 | 6 |



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| Statement of changes in equity | | | | | | | | | |
|---|------------------|-------------------|--------------------|-------------------------------|---------------------|---------------------|-------------------------------|----------|------------------|
| as at 30th June 2018 | | | | | | | | | |
| | Share capital | Share Premium | Retained earnings | Prepaid capital contributions | Fair value reserves | Revaluation reserve | Statutory contingency reserve | | Total |
| | N'000 | N'000 | N'000 | N'000 | N'000 | N'000 | N'000 | N'000 | N'000 |
| Beginning Balance 1/1/2018 | 3,857,115 | 795,325 | -3,133,968 | 967,000 | 35,049 | 384,806 | 328,612 | - | 3,233,939 |
| Profit for the year | - | - | 71,475 | - | - | - | - | - | 71,475 |
| Other Comprehensive income | - | - | - | - | - | 398 | - | - | 398 |
| Net changes in fair value | - | - | - | - | - | 398 | - | - | 398 |
| Total Comprehensive income | - | - | 71,475 | - | - | 398 | - | - | 71,874 |
| Transfer to contingency reserve | - | - | - | - | - | - | - | - | - |
| Proceeds from issue of share | 929,845 | 37,194 | - | - | - | - | - | - | 967,039 |
| Right issue expenses | - | (32,425) | - | - | - | - | - | - | (32,425) |
| Prepaid contributions from owners | 929,845 | 4,769 | - | (967,000) | - | - | - | - | (967,000) |
| | - | - | - | - | - | - | - | - | (32,386) |
| As At reporting date | 4,786,960 | 800,093.73 | (3,062,492) | 0 | 35,049 | 385,204 | 328,612 | - | 3,273,427 |
| Statement of changes in equity | | | | | | | | | |
| as at 31 December 2017 | | | | | | | | | |
| | Share capital | Share Premium | Retained earnings | Prepaid capital contributions | Fair value reserves | Revaluation reserve | Statutory contingency reserve | | Total |
| | N'000 | N'000 | N'000 | N'000 | N'000 | N'000 | N'000 | N'000 | N'000 |
| As at 1 January 2017 | 3,857,115 | 795,325 | -3,541,313 | 967,000 | 6,386 | 384,806 | 282,299 | - | 2,751,618 |
| Profit for the year | - | - | 453,658 | - | - | - | - | - | 453,658 |
| Other comprehensive income | - | - | - | - | - | - | - | - | - |
| Net change in fair value | - | - | - | - | - | 28,663 | - | - | 28,663 |
| Total comprehensive income for the year | - | - | 453,658 | - | - | 28,663 | - | - | 482,321 |
| Transactions with owners, recorded directly in equity | - | - | - | - | - | - | - | - | - |
| Transfer to contingency reserve | - | - | (46,313) | - | - | - | 46,313 | - | - |
| Contractual commitment from owners | - | - | - | - | - | - | - | - | - |
| | - | - | - | - | - | - | - | - | - |
| As at 31 December 2017 | 3,857,115 | 795,325 | -3,133,968 | 967,000 | 35,049 | 384,806 | 328,612 | - | 3,233,939 |



Statement of cash flows

for the year ended 30 June, 2018

| | JUNE | 2018 | DECEMBER 2017 |
|---|-------------|--------------------|--------------------|
| Cash flows from operating activities: | | | |
| Total premium received from policy holders | 2,397,009 | | 3,628,108 |
| Reinsurance receipt in respect of claims | 72,253 | | 159,320 |
| Coupon received on investment securities | 279,438 | | 268,662 |
| Interest received on placement | 22,410 | | 34,379 |
| Dividend received | 26,540 | | 46,357 |
| Other income received | (285,352) | | (449,717) |
| Payments to customers on investment contract liabilities | 598,131 | | 917,317 |
| Receipts from customers on investment contract liabilities | (213,717) | | |
| Reinsurance premium paid | (342,524) | | (219,428) |
| Claims paid | (660,621) | | (412,328) |
| Annuity claims payment | (180,498) | | (838,045) |
| Commission paid | (223,672) | | (183,135) |
| Payment to Employees | (365) | | (530,093) |
| Receipts/(disbursement) in respect of staff loans | (198,713) | | (275) |
| Cash payments for operating expenses | (23,271) | | (505,201) |
| Income tax paid | (1,716) | | (22,323) |
| VAT paid | | | (2,408) |
| Net cash from operating activities | | 1,265,332 | 1,891,191 |
| Cash flows from investing activities: | | | |
| Purchase/sale of investment securities at fair value through profit or loss | | 6,498 | 51,790 |
| Purchase of held to maturity investment securities | (3,926,772) | | (5,406,933) |
| Redemption of held to maturity investment securities | 592,224 | | 1,888,000 |
| Proceeds on disposal of available-for-sale financial assets | | | |
| Rental income | 45,200 | | 54,524 |
| Purchase of property, plant and equipment | (76,456) | | (16,656) |
| Proceeds from sale of property, plant and equipment | 72 | | 1,839 |
| Additions to investment property | | | |
| Coupon received on investment securities | 671,874 | | 1,051,324 |
| Net cash used in investing activities | | (2,687,360) | (2,376,112) |
| Cash flows from financing activities: | | | |
| Proceeds for the issue of shares | (967,039) | | |
| Issues of Ordinary shares | 929,845 | | |
| Increase/(Decrease) in Share premium | 4,808 | | |
| Revaluation of properties | | | |
| Dividend payment | | | |
| Net cash used in financing activities | - | 32,386 | - |
| Net (decrease)/increase in cash and cash equivalents | (1,454,414) | | (484,922) |
| Cash and cash equivalents at beginning of month/year | 1,678,427 | | 2,163,349 |
| Cash and cash equivalents at end of month/year | | 224,013 | 1,678,427 |



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| NOTES TO MANAGEMENT ACCOUNTS | | | |
|---|--|-------------------|-------------------|
| 2. CASH AND CASH EQUIVALENTS | | | |
| Cash and cash equivalent comprises: | | YTD | YTD |
| | | JUNE | DECEMBER |
| | | 2018 | 2016 |
| | | N'000 | N'000 |
| Cash in hand | | | |
| Petty cash | | 380 | 380 |
| Cash at banks | | 176,625 | 1,120,800 |
| Call Account Fund Manager | | 17,009 | 66,658 |
| Short Term Investment | | - | 490,589 |
| | | 224,013 | 1,678,427 |
| 3. Financial Assets | | | |
| | | YTD | YTD |
| | | JUNE | DECEMBER |
| | | 2018 | 2017 |
| | | N'000 | N'000 |
| 3a. Investment In securities FV*PL | | | |
| Annuity Fund | | 334,740 | 316,936 |
| Insurance Contract Lia. Fund | | 124,054 | 122,552 |
| Shareholders' Fund | | 102,862 | 129,064 |
| | | 561,656 | 568,552 |
| 3b. Investment In securities HTM | | TOTAL | TOTAL |
| Bonds | | 10,736,145 | 8,993,147 |
| Treasury Bills | | 2,918,970 | 2,033,019 |
| Short-term placement | | 705,599 | - |
| | | 14,360,714 | 11,026,166 |
| 3c. Investment In securities AFS | | | |
| Annuity Fund | | - | - |
| Insurance Contract Lia. Fund | | 131,906 | 131,508 |
| Shareholders' Fund | | 7,689 | 7,689 |
| | | 139,595 | 139,197 |
| 4. TRADE RECEIVABLES | | | |
| | | YTD | YTD |
| | | JUNE | DECEMBER |
| | | 2018 | 2017 |
| | | N'000 | N'000 |
| a. Premium receivable | | 333,000 | 317,618 |
| Less: | | | |
| Provision for doubtful debt carried forward | | (305,060) | (305,060) |
| | | 27,940 | 12,558 |
| b. Reinsurance and Co-Assurance recovery receivable | | | |
| Co-assurance receivables | | 33,293 | 33,321 |
| Amount due from reinsurance companies | | | |
| Less: | | | |
| Impairment | | (32,985) | (32,985) |
| | | 308 | 536 |
| Gross total | | 28,248 | 13,094 |
| 5. REINSURANCE ASSETS | | | |
| | | YTD | YTD |
| | | JUNE | DECEMBER |
| | | 2018 | 2017 |
| | | N'000 | N'000 |
| Other Assets (Claims reserve) | | 14,862 | 14,506 |
| Reinsurance Claims Receivables | | 16,255 | 6,442 |
| Reinsurance Assets | | 227,067 | 241,567 |
| Prepaid Reinsurance | | 224,817 | 40,719 |
| IBNR | | - | - |
| | | 483,001 | 303,234 |



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| 6. DEFERRED ACQUISITION COST | | YTD JUNE 2018 N'000 | YTD DECEMBER 2017 N'000 |
|---|--|------------------------------|----------------------------------|
| Opening Balance | | 14,039 | 12,492 |
| Additions during the year | | 38,823 | 12,535 |
| Amortization of commission | | 52,862 | 55,047 |
| | | (3,943) | (41,008) |
| | | 48,920 | 14,039 |
| 7. RECEIVABLES AND PREPAYMENTS | | YTD JUNE 2018 N'000 | YTD DECEMBER 2017 N'000 |
| Staff loans & advances | | 610 | 275 |
| Prepayments | | 56,628 | 16,274 |
| Intercompany Receivables | | - | 0 |
| Transfer from investment properties | | 100,800 | 100,800 |
| Internal Managed Fund | | 5,099 | 5,099 |
| WIFI Receivable | | - | - |
| Dividend income receivable | | 0 | - |
| Loan on policy holders | | - | 0.00 |
| Rent receivable | | 97,107 | 12,007 |
| Interest receivable | | (0) | 16,415 |
| Other Assets | | 2,940 | 17,123 |
| Receivable from SHF | | 386 | 92 |
| Receivable from Annuity | | 4,862 | 333 |
| Receivable from Insurance Funds | | 7,913 | 5,000 |
| Receivable from Investment Fund | | (0) | (0) |
| Stundry debtors | | 4,981 | 12,778 |
| Sub-total | | 281,355 | 216,195 |
| Allowance for impairment | | (100,800) | (100,800) |
| | | 180,555 | 115,395 |
| Add: | | | |
| Investment receivables: | | | |
| Investment debtors | | 145,135 | 145,135 |
| Amount due from from stockbrokers | | - | - |
| Lease income receivables | | 27,460 | 27,460 |
| Sub-total | | 172,595 | 172,595 |
| Allowance for impairment | | (182,571) | (182,571) |
| | | (9,975) | (9,975) |
| Grand Total | | 170,579 | 105,420 |
| 8. INVESTMENT PROPERTY | | YTD JUNE 2018 N'000 | YTD DECEMBER 2017 N'000 |
| 5 bedroom detached house located on Festival Road, Victoria Island | | 480,000 | 480,000 |
| Land at Oworonshoki, Lagos State Residential Scheme | | 11,000 | 11,000 |
| 2 units of detached house at IEI Estate, Ibadan- Oyo State | | 90,000 | 90,000 |
| 1 unit of semi-detached house at IEI Estate, Liberty road Ibadan | | 50,000 | 50,000 |
| 60 acres of Land at Simawa Village, Ogun State | | - | - |
| Land at Edmund Crescent, Yaba, Lagos | | - | - |
| 10 Plots of Land at Lafaji, Eti-Osa, Lagos | | 150,000 | 150,000 |
| 4 bedroom detached bungalow at Emeka Anyanoku, Garki District FCT, Abuja | | 150,000 | 150,000 |
| 2 acres of Land at Honey City, Abuja | | 180,000 | 180,000 |
| 5 floors building at Kasumu Ekemode, Victoria Island | | 895,000 | 895,000 |
| | | 2,006,000 | 2,006,000 |
| 10. SATUTORY DEPOSIT | | | |
| This represents amounts deposited with the Central Bank of Nigeria (CBN) pursuant to Section 10(3) of the Insurance Act, 2003. Interest is earned on the deposit Bi-annually into our sterling bank account | | 200,000 | 200,000 |



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| 11. INSURANCE CONTRACT LIABILITIES | | JUNE 2018 N'000 | DECEMBER 2017 N'000 |
|--|---|--|--|
| Balance b/forward | | | |
| Outstanding claims | a | 651,263 | 768,301 |
| Reserves - Annuity | b | 9,502,804 | 8,057,381 |
| Reserves - Unearned Premium | c | 395,263 | 153,781 |
| IBNR Claims | d | 866,088 | 710,817 |
| | | 11,415,418 | 9,690,314 |
| 11a. OUTSTANDING CLAIMS | | | |
| Opening Balance | | 768,301 | 723,321 |
| Addition during the year | | 726,625 | 1,190,553 |
| Payment during the year | | (843,663) | (4,143,575) |
| Write-back to income statement | | - | - |
| Reclassification to coinsurance | | - | - |
| | | 651,263 | 768,301 |
| 11b. Movement on Annuity fund | | | |
| Opening Balance | | 8,057,381 | 5,966,676 |
| Addition during the year | | 1,655,256 | 2,727,203 |
| Payment during the year | | -668,341 | -838,045 |
| Reserving | | (19,658) | (81,716) |
| Impact of discounting | | 508,165 | 286,263 |
| | | 9,502,804 | 8,057,381 |
| 11c. Movement on Unearned premium | | | |
| Opening Balance | | 153,783 | 112,968 |
| Addition during the year | | 245,899 | 49,816 |
| Amortized during the year | | (4,119) | - |
| | | 395,263 | 153,781 |
| 11c. Movement on IBNR Claims | | | |
| Opening Balance | | 710,818 | 597,903 |
| Activities during the year | | 155,240 | 112,945 |
| | | 866,088 | 710,817 |
| MOVEMENT ON ANNUITY | | | |
| Opening Balance | | 8,057,381 | 5,966,676 |
| Payments to annuitants | | -668,341 | -838,045 |
| Increase on Annuity contract liabilities | | 2,113,763 | 2,928,750 |
| | | 9,502,804 | 8,057,381 |
| 12. INVESTMENT CONTRACT LIABILITIES | | JUNE 2018 N'000 | DECEMBER 2017 N'000 |
| Balance b/forward | | 2,530,003 | 1,903,273 |
| Deposit for the year | | 558,957 | 917,286 |
| Guarantee Interest attributable to the funds | | 39,148 | 159,152 |
| Withdrawal during the year | | 3,128,107 | 2,979,711 |
| Impact of discounting | | (277,633) | (419,716) |
| Closing Balance | | 2,850,475 | 2,529,995 |
| 13. TRADE PAYABLES | | YTD JUNE 2018 N'000 | YTD DECEMBER 2017 N'000 |
| Re-insurance payable | | 33,338 | 3,139 |
| Co-Insurance payable & Commission payable | | 3,336 | 3,651 |
| Co-Insurance payable | | 6,254 | 6,508 |
| | | 42,928 | 13,299 |
| 14. PAYABLES AND OTHER CHARGES | | YTD JUNE 2018 N'000 | YTD DECEMBER 2017 N'000 |
| Accruals | | 155,581 | 199,797 |
| PAYE & Pension payables | | 9,632 | 717 |
| Deposit premium | | 9,702 | 9,702 |
| Sundry creditors | | 461,434 | 302,005 |
| | | 636,349 | 512,222 |
| 15. RETIREMENT BENEFITS OBLIGATION | | 2018 N'000 | 2017 N'000 |
| Balance b/forward | | 45,773 | 31,305 |
| Payment during the period | | 4,517 | 19,211 |



| | | | |
|--|--|------------------|------------------|
| Payment during the period | | (187) | (7,776) |
| Closing Balance | | 50,103 | 45,773 |
| 16. Company Income Tax Payable | | 2018 | 2017 |
| | | N'000 | N'000 |
| Balance b/forward | | 22,912 | 13,132 |
| Addition during the year | | - | 32,553 |
| Payment during the period | | (22,912) | (23,072) |
| Closing Balance | | - | 22,912 |
| 17a. PREMIUM INCOME | | | |
| | | YTD | YTD |
| | | JUNE | DECEMBER |
| | | 2018 | 2017 |
| | | N'000 | N'000 |
| Gross Premium Written | | | |
| Group Life | | 817,734 | 934,369 |
| Retail | | 537,630 | 877,545 |
| Annuity | | 1,655,256 | 2,727,203 |
| | | 3,010,620 | 4,539,117 |
| Transfer to Investment Contract | | | |
| Group Life | | (60,501) | (112,520) |
| Retail | | (537,604) | (804,791) |
| Annuity | | - | - |
| | | 2,412,516 | 3,621,800 |
| Movement in unearned premium reserve | | (202,333) | (40,817) |
| | | 2,210,183 | 3,580,983 |
| 17b. PREMIUM INCOME | | | |
| | | JUNE | DECEMBER |
| | | 2018 | 2017 |
| | | N'000 | N'000 |
| | | ANNUITY | ANNUITY |
| Gross premium written during the year | | | |
| Group life premium | | 817,734 | 934,369 |
| Annuity | | 1,655,256 | 2,727,203 |
| Individual life premium | | 537,630 | 877,545 |
| Unbundling of Investment | | (558,930) | (917,318) |
| Provision for annuity funds | | 2,451,690 | 3,621,800 |
| Movement in unearned premium reserve | | (202,333) | (40,817) |
| | | 2,249,857 | 3,580,983 |
| 18. PREMIUM CEDED | | JUNE | DECEMBER |
| | | 2018 | 2017 |
| | | N'000 | N'000 |
| Re-insurance cost - Group Life | | 105,159 | 197,223 |
| Re-insurance cost - Individual Life | | 892 | 1,458 |
| Unexpired reinsurance premium | | - | - |
| | | 106,051 | 198,681 |
| 19. COMMISSION INCOME | | JUNE | DECEMBER |
| | | 2018 | 2017 |
| | | N'000 | N'000 |
| Commission Received During the year | | 34,184 | 46,357 |
| | | 34,184 | 46,357 |
| 20. RE-INSURANCE RECOVERIES | | JUNE | DECEMBER |
| | | 2018 | 2017 |
| | | N'000 | N'000 |
| RE-INSURANCE ASSETS RECOVERIES | | (2,248) | 68,111 |
| REINSURANCE RECOVERIES-G/L-INCOME | | 77,286 | 70,056 |
| | | 75,038 | 138,167 |



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| 21. GROSS BENEFITS AND CLAIMS | | JUNE 2018 N'000 | DECEMBER 2017 N'000 |
|--|--|--------------------------------|------------------------------------|
| Claims expense | | 220,623 | 570,249 |
| Movement in IBNR | | 155,240 | - |
| | | 375,865 | 570,249 |
| 21b Increase on annuity contract liabilities | | JUNE 2018 N'000 | DECEMBER 2017 N'000 |
| Transfer from Annuity contract liabilities | | 2,113,763 | 8,057,381 |
| | | 2,113,763 | 8,057,381 |
| 22. Underwriting Expense | | JUNE 2018 N'000 | DECEMBER 2017 N'000 |
| Commission and other related expenses | | 113,434 | 180,353 |
| Maintenance expense | | 1,868 | 9,246 |
| | | 145,302 | 189,601 |
| 23. Investment Income | | JUNE 2018 N'000 | DECEMBER 2017 N'000 |
| Rental Income | | 45,200 | 31,379 |
| Dividend income | | 10,045 | 105,564 |
| Interest income on financial assets | | 729,170 | 1,148,844 |
| | | 784,415 | 1,288,787 |
| 24. Other operating income | | JUNE 2018 N'000 | DECEMBER 2017 N'000 |
| Profit or loss on disposal of property plant and equipment | | (52) | 361 |
| Exchange Loss rate | | (5) | (28) |
| Penalty on life policy | | 5,539 | 15,170 |
| Annuity death benefit claim | | 9,680 | 60,150 |
| | | 15,181 | 75,952 |
| 25. Net trading loss on financial assets | | JUNE 2018 N'000 | DECEMBER 2017 N'000 |
| Changes in net trading income of FVTPL | | 23,325 | 67,986 |
| Net fair value gain/(loss) on annuity fund | | | 125,729 |
| Administrative charges on group life schemes | | 23,325 | 193,715 |
| 26. Impairment of financial assets | | JUNE 2018 N'000 | DECEMBER 2017 N'000 |
| Impairment/(write-back) on Trade receivables | | - | 2,014 |
| Impairment/(write-back) on other receivables | | - | (12,342) |
| Administrative charges on group life schemes | | - | (10,328) |
| 27. Fund revenue account (Annuity & Investment Contract Liabilities Fund) | | JUNE 2018 N'000 | DECEMBER 2017 N'000 |
| Investment Income | | 66,120 | 1,100,523 |
| Coupon Received | | 593,416 | 838,045 |
| Impact discounting | | (508,165) | (159,152) |
| | | 151,372 | 2,079,416 |
| 28. Administrative expenses | | JUNE 2018 N'000 | JUNE 2016 N'000 |
| Personnel expense | | 223,672 | 486,514 |
| Depreciation | | 24,774 | 56,063 |
| Auditor's remuneration | | 7,250 | 12,000 |
| Directors fees and allowances | | 21,231 | 43,579 |



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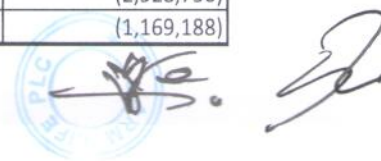
| | | | |
|---------------------------------|--|----------------|------------------|
| Professional expense | | 31,643 | 56,318 |
| Consultancy Fee | | 9,500 | - |
| Levy, subscription and fillings | | 33,446 | 32,958 |
| Repairs and maintenance | | 11,327 | 26,080 |
| Advertisement and branding | | 15,655 | 30,517 |
| Stationery and office expense | | 25,735 | 36,289 |
| Corporate gifts and souvenirs | | - | - |
| Agency expenses | | 6,795 | 66,287 |
| Rent Expenses | | 8,693 | 17,447 |
| service and bank charges | | 3,452 | 11,910 |
| Travel expense | | 12,032 | 9,813 |
| Outsourcing services | | 16,507 | 31,246 |
| insurance expenses | | 1,750 | 3,115 |
| internet service charge | | 1,806 | 9,387 |
| Management service fees | | - | - |
| Shares service | | 29,273 | 109,140 |
| Fund Manager fees | | 15,619 | 46,280 |
| Administrative expenses | | 9,347 | 83,915 |
| | | 512,506 | 1,169,188 |



APPENDIX I

ARM LIFE PLCResult of the company as at 30 June 2018
Financial Position Information

| | 30 JUNE | 31 DECEMBER |
|---|-------------------|-------------------|
| Assets | 2018 | 2017 |
| Cash and cash equivalents | 224,013 | 1,678,427 |
| Financial Assets | 15,061,965 | 11,733,915 |
| Trade receivables | 28,248 | 13,094 |
| Reinsurance assets | 483,001 | 303,234 |
| Deferred acquisition cost | 48,920 | 14,039 |
| Other receivables and prepayments | 170,579 | 105,420 |
| Investment properties | 2,006,000 | 2,006,000 |
| Deferred tax assets | - | - |
| Property Plant and equipment | 129,875 | 78,265 |
| Statutory deposit | 200,000 | 200,000 |
| TOTAL ASSETS | 18,352,600 | 16,132,394 |
| LIABILITIES | | |
| Insurance contract liabilities | 11,415,418 | 9,690,314 |
| Investment contract liabilities | 2,850,475 | 2,530,003 |
| Trade payables | 42,928 | 13,298 |
| Other payables | 636,349 | 512,255 |
| Retirement benefit obligation | 50,103 | 45,773 |
| Current income tax | - | 22,912 |
| Deferred Tax liabilities | 83,900 | 83,900 |
| TOTAL LIABILITIES | 15,079,173 | 12,898,455 |
| NET ASSET | 3,273,427 | 3,233,939 |
| CAPITAL AND RESERVES | | |
| Authorised Share Capital | | |
| Share capital | 4,786,960 | 3,857,115 |
| Share premium | 800,094 | 795,325 |
| Deposit for Shares | - | 967,000 |
| Contingency reserve | 328,612 | 328,612 |
| Fair Value reserve | 35,423 | 35,048 |
| Retained earnings | (3,133,967) | (3,587,626) |
| Current Year Profit/(Loss) | 71,475 | 453,658 |
| Revaluation Reserves | 384,828 | 384,806 |
| | 3,273,427 | 3,233,939 |
| STATEMENT OF COPREHENSIVE INCOME | | |
| GROSS PREMIUM WRITTEN | 3,010,620 | 4,539,117 |
| Gross premium income | 2,210,183 | 3,580,983 |
| Premium ceded to reinsurers | (106,051) | (198,681) |
| NET PREMIUM | 2,104,132 | 3,382,302 |
| Commission received | 34,184 | 46,357 |
| Investment & other operating income | 799,596 | 1,364,739 |
| Fair value gains/(losses) | 182,995 | 219,470 |
| Sundry Income | 23,325 | 193,715 |
| TOTAL INCOME | 3,144,232 | 5,206,583 |
| Claims paid and admitted | (300,827) | (432,082) |
| Acquisition Cost | (145,302) | (189,601) |
| Maintenance expenses | (2,113,763) | (2,928,750) |
| General Administrative and finance cost | (512,864) | (1,169,188) |



| | | |
|--|----------------|--------------------|
| | 71,476 | 486,962 |
| STATEMENT OF CASH FLOW INFORMATION | | |
| | 30 JUNE | 31 DECEMBER |
| | 2018 | 2017 |
| Net cash flow from Operating Activities | 1,265,332 | 1,891,191 |
| Net cash flow from Investment Activities | (2,687,360) | (2,376,112) |
| Net cash flow from Financing Activities | (32,386) | - |
| Cash and cash equivalent for the year | (1,454,414) | (484,922) |
| Cash and cash equivalents at the beginning | 1,678,427 | 2,163,349 |
| Cash and cash equivalent for the end | 224,013 | 1,678,427 |
| NOTE THE FOLLOWING INFORMATION | | |
| | 30 JUNE | 31 DECEMBER |
| | 2018 | 2017 |
| Liquity Ratio | | |
| Insurance fund/Total Assets | 62.20% | 60.07% |
| Cash and Bank balances/Total Assets | 1.22% | 10.40% |
| Current Ratio | 19.69 | 20.42 |
| Profitability Ratios | | |
| Pre tax Profit Margin | 3.23% | 13.18% |
| Return on total Assets | 0.39% | 2.93% |
| Return On Equity | 2.18% | 14.59% |
| Underwriting Expenses/Net Earnings | -121.66% | -104.97% |
| Management Expenses/Gross Earnings | -24.37% | -34.57% |
| Claims Incurred/Premium Received | -13.61% | -12.07% |
| Net premium margin | 95.20% | 94.45% |
| Non premium income/Gross eraning | 47.06% | 50.52% |
| Efficiency | | |
| Premium received to fixed assets | 1 | 1 4/7 |
| Asset Turnover | 8 1/3 | 4 1/2 |
| Underwriting expenses to total expenses | 5 | 3 |
| Claims Paid to Total Expenses | 10% | 9% |
| Management expenses to Total Expenses | 1/6 | 1/4 |
| Capital Structure | | |
| Equity/total assets | 17.84% | 20.05% |
| Fixed assets/Equity | 5/7 | 5/7 |

