

ROYAL EXCHANGE PLC

**RESULTS AT A GLANCE
FOR THE PERIOD ENDED 30 SEPTEMBER 2019**

	30-Sep-19	30-Sep-18	%
EARNED INCOME	11,763,864	12,310,675	(4)
(LOSS)/PROFIT BEFORE TAX	(72,881)	163,510	(145)
(LOSS)/PROFIT AFTER TAX	(96,202)	111,187	(187)
SHARE CAPITAL	2,572,685	2,572,685	-
SHAREHOLDERS' FUND	4,975,685	5,099,339	(2)
EARNINGS PER SHARE (NAIRA) - BASIC	(2)	2	
STOCK EXCHANGE QUOTATION (NAIRA)	0.21	0.22	

Consolidated Statements of Financial Position
For the period ended 30th September 2019

<i>In thousands of Naira</i>	Note	Unaudited Group 30-Sep-19	Audited Group 31-Dec-18	Unaudited Company 30-Sep-19	Audited Company 31-Dec-18
ASSETS					
Cash and cash equivalents	5	8,098,417	15,896,872	321,103	344,674
Loans and advances to customers	6	1,038,455	900,852	-	-
Advances under finance lease	7	42,655	166,608	-	-
Investment securities:					
Measured at Fair Value Through Profit or Loss (FVPL)	8(a)	857,001	998,183	16,732	24,772
Measured at Fair Value Through Profit or Loss (FVOCI)	8(b)	2,318,539	2,649,802	-	-
Amortized Cost	8(c)	158,034	512,625	4,894	3,015
Investment in subsidiaries	9	-	-	10,989,990	10,989,990
Deposit for Investment in Subsidiaries	9.1	-	-	1,000,000	3,000,000
Trade receivables	10	468,136	499,382	-	-
Reinsurance assets	11	4,095,663	3,174,674	-	-
Deferred acquisition cost	12	636,670	261,631	-	-
Other receivables and prepayments	13	1,168,434	815,178	722,465	456,003
Investment in associates	14	213,295	213,295	-	-
Investment properties	15	5,998,300	5,998,300	-	-
Property and equipment	17	1,468,196	1,468,405	26,539	28,770
Intangible assets	18	9,582	15,020	-	-
Employees retirement benefit asset (Net)	19	283,850	283,850	-	-
Statutory deposits	20	555,000	555,000	-	-
Deferred tax assets	21	133,275	133,275	-	-
Assets classified as held for sale	16	973,639	973,639	-	-
Total assets		28,517,141	35,516,592	13,081,723	14,847,224
LIABILITIES					
Borrowings	29	5,536,175	8,865,661	5,685,798	8,984,800
Deferred Income	22	179,153	144,133	-	-
Trade payables	23	138,997	5,583,929	-	-
Other liabilities	24	2,309,083	1,870,375	3,253,509	667,778
Depositors' funds	25	1,759,388	1,567,480	-	-
Insurance contract Liabilities	26	12,477,130	11,018,012	-	-
Investment contract Liabilities	27	277,055	302,424	-	-
Current income tax liabilities	28(b)	498,052	698,816	303,363	303,576
Employees benefit liability	19(a)	30,239	30,239	512	512
Deferred tax liabilities	21	336,184	336,184	-	-
Total liabilities		23,541,456	30,417,253	9,243,182	9,956,666
EQUITY					
Share capital	30	2,572,685	2,572,685	2,572,685	2,572,685
Share premium	31	2,690,936	2,690,936	2,690,936	2,690,936
Contingency reserve	32	2,730,688	2,409,567	-	-
Treasury shares	33	(500,000)	(500,000)	-	-
Retained earnings	34	(3,111,614)	(2,733,019)	(1,427,633)	(375,617)

Consolidated Statement of Profit or Loss and Other Comprehensive Income
For the period ended 30th September 2019

<i>In thousands of Naira</i>	Note	Group Q3'19	Group 30-Sep-19 Y-T-D	Group Q3'18	Group 30-Sep-18	Company Q3'19	Company 30-Sep-19 Y-T-D	Company Q3'18	Company 30-Sep-18
Gross premium written:		2,422,184	12,697,675	2,396,993	13,037,770	-	-	-	-
Unearned premium		1,225,187	(1,648,097)	1,793,669	(1,856,494)	-	-	-	-
Gross premium income		3,647,371	11,049,577	4,190,661	11,181,276	-	-	-	-
Reinsurance expenses	36	(1,063,554)	(4,130,823)	(1,012,821)	(4,271,734)	-	-	-	-
Net premium income		2,583,817	6,918,754	3,177,840	6,909,542	-	-	-	-
Fees and commission income	37	108,871	337,435	198,956	668,664	-	-	-	-
Net underwriting income		2,692,688	7,256,189	3,376,796	7,578,206	-	-	-	-
Insurance claims and benefits incurred	38	(727,909)	(3,297,603)	(1,016,245)	(4,552,188)	-	-	-	-
Insurance claims and benefits incurred - recoverable from reinsurers	39	148,893	540,513	(325,638)	1,724,136	-	-	-	-
Net claims expenses		(579,016)	(2,757,090)	(1,341,883)	(2,828,052)	-	-	-	-
Changes in insurance contract liabilities		(27,425)	(27,425)	(12,741)	(29,631)	-	-	-	-
Underwriting expenses	40	(1,096,283)	(3,161,267)	(949,770)	(2,832,282)	-	-	-	-
Total underwriting expenses		(1,702,724)	(5,945,782)	(2,304,394)	(5,689,965)	-	-	-	-
Underwriting profit		989,964	1,310,407	1,072,402	1,888,241	-	-	-	-
Net Interest Income	41	58,013	(372,520)	54,242	26,147	(347,668)	(895,776)	(4,221)	(144,444)
Investment and other income	42	130,658	572,785	345,057	752,228	-	686	-	1,404
Net fair value gain or loss on financial assets	43	30,617	(77,097)	(170,132)	155,115	(3,379)	(8,040)	(5,367)	(122)
Charge/write-back of impairment allowance	44	(230,930)	(4,368)	(62,149)	(70,270)	-	-	-	-
ECL Impairment Allowance	44(a)	(121,329)	(11,390)	-	-	677	2,640	-	-
Other operating income	45	257,460	605,016	(53,510)	266,178	32,285	84,340	54,976	198,980
Foreign exchange gains/(losses)	46	1,860	1,860	-	-	-	-	-	-
Net Income		1,116,313	2,024,694	1,185,910	3,017,640	(318,086)	(816,149)	45,387	55,818
Management expenses	47	(710,815)	(2,097,575)	(1,051,011)	(2,854,130)	(47,994)	(229,393)	(87,426)	(309,325)
Total expenses		(710,815)	(2,097,575)	(1,051,011)	(2,854,130)	(47,994)	(229,393)	(87,426)	(309,325)
(Loss)/Profit before tax		405,498	(72,881)	134,899	163,510	(366,079)	(1,045,543)	(42,039)	(253,506)
Minimum tax	28(a)	(14)	(6,473)	(62)	(6,672)	(14)	(6,473)	(62)	(6,672)
Income taxes	28(a)	129,775	(16,848)	(43,105)	(45,651)	-	-	-	-
(Loss)/Profit after taxation		535,259	(96,202)	91,732	111,187	(366,093)	(1,052,016)	(42,101)	(260,178)
Other comprehensive income, net of tax									
<i>Items that will never be reclassified subsequently to profit or loss:</i>									
Revaluation surplus on PPE		-	-	-	-	-	-	-	-
Net actuarial gains/(losses) of defined benefit obligations		-	-	-	-	-	-	-	-
Tax effects on other comprehensive income		-	-	-	-	-	-	-	-
Share of returns in associates		-	-	-	-	-	-	-	-
Adjustments to gratuity reserves		-	-	-	-	-	-	-	-
<i>Items that are or may be reclassified subsequently to profit or loss:</i>									
Changes in fair value of FVOCI investments		-	-	-	-	-	-	-	-
Net amount reclassified to profit or loss		-	-	-	-	-	-	-	-
Total other comprehensive income, net of tax		-	-	-	-	-	-	-	-
Total comprehensive income for the period		535,259	(96,202)	91,732	111,187	(366,093)	(1,052,016)	(42,101)	(260,178)
Total comprehensive income attributable to shareholders									
Earnings per share - Basic and diluted (kobo)	48	10	(2)	2	2	(7)	(20)	(1)	(5)

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