



NIC HOLDINGS LIMITED

(Formerly National Insurance Corporation Limited)

PUBLICATION OF SUMMARY CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS OF NIC HOLDINGS LIMITED FOR THE YEAR ENDED 31 DECEMBER 2023

REPORT OF THE INDEPENDENT AUDITOR ON THE SUMMARY CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS TO THE MEMBERS OF NIC HOLDINGS LIMITED

Opinion

The summary consolidated and separate financial statements, which comprise the summary consolidated and separate statement of financial position as at 31 December 2023 and the summary consolidated and separate statement of comprehensive income, summary consolidated statement of changes in equity and summary consolidated and separate statement of cash flows for the year then ended (together "the summary consolidated and separate financial statements"), are derived from the audited consolidated and separate financial statements of NIC Holdings Limited for the year ended 31 December 2023. In our opinion, the accompanying summary consolidated

and separate financial statements are consistent, in all material respects, with the audited consolidated and separate financial statements as at year end 31 December 2023, in accordance with the Uganda Securities Exchange Rules, 2021.

Summary Consolidated and Separate Financial Statements

The summary consolidated and separate financial statements do not contain all the disclosures required by IFRS Accounting Standards as issued by the International Accounting Standards Board, the Insurance Act, 2017 Laws of Uganda and the Companies Act, CAP 106 Laws of Uganda. Reading the summary consolidated and separate financial statements and the auditor's report thereon, therefore, is not a substitute for reading the audited consolidated and separate financial statements and the auditor's report thereon. The summary consolidated and separate financial statements and the audited consolidated and

separate financial statements do not reflect the effects of events that occurred subsequent to the date of our report on the audited consolidated and separate financial statements.

The Audited Consolidated and Separate Financial Statements and Our Report Thereon

We expressed an unmodified audit opinion on the audited consolidated and separate financial statements in our report dated 17 September, 2024.

That report also includes;

- An emphasis of matter section which draws attention to Note 5(d)(i) of the consolidated financial statements which indicates that NIC Life Assurance Company Limited's Capital Adequacy Ratio (CAR) as at 31 December 2023 was 111% which is below the 200% threshold required by

the Capital Adequacy and Prudential Requirements, 2020.

- The report on other legal and regulatory requirements draws attention to Note5(d)(i) in respect of the CAR of the subsidiary entities.
- The communication of key audit matters. Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated and separate financial statements of the current period.

Directors' Responsibility for the Summary Consolidated and Separate Financial Statements

The directors are responsible for the preparation of the summary consolidated and separate financial statements in accordance with the Uganda Securities Exchange Listing Rules, 2021.

Auditor's Responsibility

Our responsibility is to express an opinion on whether the summary consolidated and separate financial statements are consistent, in all material respects, with the audited consolidated and separate financial statements based on our procedures, which were conducted in accordance with International Standard on Auditing (ISA) 810 (Revised), Engagements to Report on Summary Financial Statements.

KPMG

Certified Public Accountants

3rd Floor, Rwenzori Courts, Plot 28 & 4A, Nakasero Road
P.O. Box 3509, Kampala, Uganda

Date: 17th September, 2024

SUMMARY CONSOLIDATED AND SEPARATE STATEMENT OF FINANCIAL POSITION AS AT 31 DECEMBER 2023

	Group			Company	
	31 December, 2023 Ushs'000	Restated 31 December, 2022 Ushs'000	Restated 1 January, 2022 Ushs'000	31 December, 2023 Ushs'000	31 December, 2022 Ushs'000
ASSETS					
Cash and bank balances	2,468,364	1,133,233	608,195	11,214	2,248
Other receivables and prepayments	2,508,725	3,283,978	2,606,211	1,729,440	2,476,802
Reinsurance contract assets	843,886	90,896	679,539	-	-
Statutory deposits at amortised cost	1,207,865	1,301,428	1,209,287	-	-
Financial Assets:					
-At fair value through Profit or loss	2,571,831	3,201,687	2,782,855	-	-
-At fair value through other comprehensive income	6,259,772	6,318,913	5,502,620	-	-
-At amortized cost	11,505,384	23,740,800	9,776,662	-	-
Investment in subsidiaries	-	-	-	10,685,765	10,685,765
Investment properties	55,735,099	54,718,749	52,149,999	7,350,000	10,677,966
Property and equipment and right of use asset	13,403,939	12,517,001	11,493,525	-	-
Intangible assets	62,028	95,364	126,624	-	-
Total Assets	96,566,893	106,402,049	86,935,517	19,776,419	23,842,781
EQUITY					
Authorized					
3,000,000,000 ordinary shares of Ushs5 each.	15,000,000	15,000,000	10,000,000	15,000,000	15,000,000
Issued and fully paid shares	10,618,348	10,618,348	7,078,899	10,618,348	10,618,348
Share premium	67,417	67,417	3,606,866	67,417	67,417
Contingency reserve	-	6,868,957	5,923,930	-	-
Capital reserves	-	2,661,522	2,401,829	-	-
Other capital contribution	1,555,000	710,000	-	1,555,000	-
Retained earnings	27,388,404	22,316,022	18,895,221	(1,664,217)	(549,722)
Fair value reserve	100,968	10,866	566,544	-	-
Assets revaluation reserve	1,160,767	944,355	330,441	-	-
Shareholders equity	40,890,904	44,197,487	38,803,730	10,576,548	10,136,043
LIABILITIES					
Bank overdraft	517,173	-	-	-	-
Other payables and lease liabilities	21,310,951	23,754,465	20,286,189	2,763,985	1,919,254
Income tax payable	4,640,340	4,622,631	5,688,894	64,395	8,760
Insurance contract liabilities	15,055,835	13,293,459	11,731,124	-	-
Investment contract liabilities	4,768,589	5,124,518	5,466,329	-	-
Reinsurance contract liabilities	402,240	526,851	377,517	-	-
Dividend payable	1,349,104	593,992	596,364	1,349,104	593,992
Loans and borrowing	5,022,387	11,184,732	-	5,022,387	11,184,732
Deferred tax liabilities	2,609,370	3,103,914	3,985,370	-	-
Total liabilities	55,675,989	62,204,562	48,131,787	9,199,871	13,706,738
Total equity and liabilities	96,566,893	106,402,049	86,935,517	19,776,419	23,842,781

SUMMARY CONSOLIDATED AND SEPARATE STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 31 DECEMBER 2023

	Group		Company	
	31 December, 2023 Ushs'000	31 December, 2022 Ushs'000	31 December, 2023 Ushs'000	31 December, 2022 Ushs'000
Operating activities:				
Net cash flows generated from operating activities	(5,138,189)	2,061,746	2,706,852	(502,146)
Investing activities:				
Net cash flows from investing activities	13,006,310	(12,792,823)	3,205,729	(10,677,966)
Financial activities:				
Net cash flows from financing activities	(7,050,583)	11,261,409	(5,903,615)	11,182,360
Net increase in cash and cash equivalents	817,538	530,332	8,966	2,248
Movement in cash and cash equivalents:				
At start of the year	1,133,233	608,195	2,248	-
Net increase in cash and cash equivalents	817,538	530,332	8,966	2,248
Foreign exchange difference	420	(5,294)	-	-
At end of the year	1,951,191	1,133,233	11,214	2,248

The consolidated financial statements were approved by the Board of Directors on 16th September, 2024 and were signed on behalf of the Board by:


Bayo Folayan

Director


Dr. Alan Shonubi

Chairman

The above summary Consolidated and Separate Statement of Financial Position and summary Consolidated and Separate Statement of Comprehensive Income are derived from the Consolidated and Separate financial statements of NIC Holdings Limited for the year ended 31 December 2023 which were audited by KPMG Certified Public Accountants and received an unqualified opinion.

NOTICE OF THE 23RD ANNUAL GENERAL MEETING

NOTICE IS HEREBY GIVEN that the 23rd virtual Annual General Meeting of NIC Holdings Limited ("the Company") will be held on **Thursday, 17th October, 2024 at 2.00 pm prompt** to transact the following businesses:

vii) PROXY

- A Member of the Company entitled to attend and vote at the General Meeting is entitled to appoint a proxy to attend and vote instead of him/her. A proxy need not also be a Member. For the appointment to be valid, a completed proxy form must be deposited or emailed to the Company Secretary, NIC Holdings Limited, Plot 3 Pilkington Road, P. O. Box 7134, Kampala, Uganda (Email: eedu@nic.co.ug), not less than 48 hours before the time fixed for holding the meeting.
- The Proxy form and other documents for the AGM may be downloaded from the Company's website www.nic.co.ug.

viii) CLOSURE OF REGISTER OF MEMBERS

In accordance with Rule 36(2)(b) Uganda Securities Exchange Listing Rules, 2021 the Register of Members and Transfer Books of the

ORDINARY BUSINESS

- To lay before the members the financial statements for the year ended 31st December 2023 together with the reports of the Directors thereon.
- To re-elect or elect Directors in place of the Directors who shall be retiring.
- To ratify the appointment of Air Vice Marshal Walter Oguijofor (Rtd) and Mr. Kabir Tukur as Directors of the Company.
- To appoint/reappoint External Auditors of the Company for the year ending 31st December, 2024 and to authorize Directors to determine their remuneration

SUMMARY CONSOLIDATED STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31 DECEMBER 2023

	Share Capital Ushs'000	Share Premium Ushs'000	Capital Reserve Ushs'000	Retained Earnings Ushs'000	Fair Value Reserve Ushs'000	Revaluation Reserve Ushs'000	Contingency Reserve Ushs'000	Other capital contribution Ushs'000	Total Ushs'000
At 1 Jan 2023- restated	10,618,348	67,417	2,661,522	22,316,022	10,866	944,355	6,868,957	710,000	44,197,487
Loss for the Year	-	-	-	(2,378,957)	-	-	-	-	(2,378,957)
Other Comprehensive Income	-	-	-	-	134,632	216,412	-	-	351,044
Total comprehensive income	-	-	-	(2,378,957)	134,632	216,412	-	-	(2,027,913)
Fair value on Disposed shares	-	-	-	44,530	(44,530)	-	-	-	-
Dividend declared	-	-	-	(2,123,670)	-	-	-	-	(2,123,670)
Transfer- Capital reserves	-	-	(2,661,522)	2,661,522	-	-	-	-	-
Transfer- Contingency reserves	-	-	-	6,868,957	-	-	(6,868,957)	-	-
Deposit for shares	-	-	-	-	-	-	-	845,000	845,000
	-	-	(2,661,522)	7,451,339	(44,530)	-	(6,868,957)	845,000	(1,278,670)
At 31 Dec 2023	10,618,348	67,417	-	27,388,404	100,968	1,160,767	-	1,555,000	40,890,904

BUSINESS

- To approve the remuneration of Directors. Dated this 16th day of September, 2024

BY ORDER OF THE BOARD



ELIAS EDU, ESQ.

COMPANY SECRETARY

NOTES:

- The Board of Directors has approved that the 23rd Annual General Meeting of the Company shall be convened virtually in line with Article 33, Articles of Association of the Company.
- Any shareholder wishing to participate in the meeting should register for the Annual General Meeting (AGM) by dialing *284*31# (Uganda networks) and *483*816# (Kenya networks) on their mobile telephones and following the various prompts until they are registered to attend. To be registered for the AGM, shareholders may also send email to nicagm@image.co.ke. A shareholder/proxy will require the ID/Passport number which was used to purchase shares and/or their SCD Account number. A link to the registration portal shall also be emailed to every shareholder using the email addresses or sent by sms to the telephone numbers already registered in the database of the Company and/or

- its Registrars. For assistance, shareholders should call the following helplines (256 762 260 804/+256 758 336 660) between 9.00 am and 5.00pm EAT Monday to Friday or send email to nicagm@image.co.ke; eedu@nic.co.ug.
- Registration for the AGM opens on 23rd September, 2024 and will close on 15th October, 2024 at 5.00pm (Kampala time).
- All shareholders and proxies who have successfully registered to attend the AGM will be able to follow the meeting proceedings and participate using the live stream platform.
- By registering to attend the virtual AGM, shareholders consent to receive all messages about the meeting.
- Shareholders are encouraged to update their contact details on the register. For assistance in this regard, shareholders may contact the Company's share registrar, SCD Registrars on telephones:+256-312-370815/17/18 and /or email: registry@use.or.ug

- DIVIDEND**
The Board of Directors has not recommended dividend in the year ended 31st December, 2023.
- RIGHTS ISSUE**
At the 21st AGM held on 14th July, 2022 shareholders approved the resolution authorizing the directors to increase the Company's paid-up share capital from Ushs 10,618,347,885/- to any amount up to Ushs 30,226,191,025/-. However, the Rights Issue process, which effectively commenced in October, 2022 with the appointment of Messrs Crested Capital as lead transaction adviser, has not been concluded. A separate announcement on the Rights Issue process providing the timelines for completion will be issued in due course.

Company will be closed from 10th October, 2024 – 11th October, 2024 (both dates inclusive) to enable the Registrars update the records in preparation for the AGM.

xi) GENERAL INFORMATION

- The Notice of the AGM, annual report, and proxy form will be uploaded on the Company website, www.nic.co.ug. The reports will also be accessible via the live stream link or the USSD codes for the AGM.
- Before or during the meeting, shareholders will receive an SMS prompt with instructions on their registered mobile phone numbers, alerting them to propose and second resolutions.
- For general enquiries including any question regarding dividend payments, shareholders are please requested to call the Company Secretary on +256417119900 or send email to nic@nic.co.ug.
- Shareholders who have not done so, are advised to open Securities Central Depository (SCD) accounts through any registered stockbroker to fully participate in share transactions.