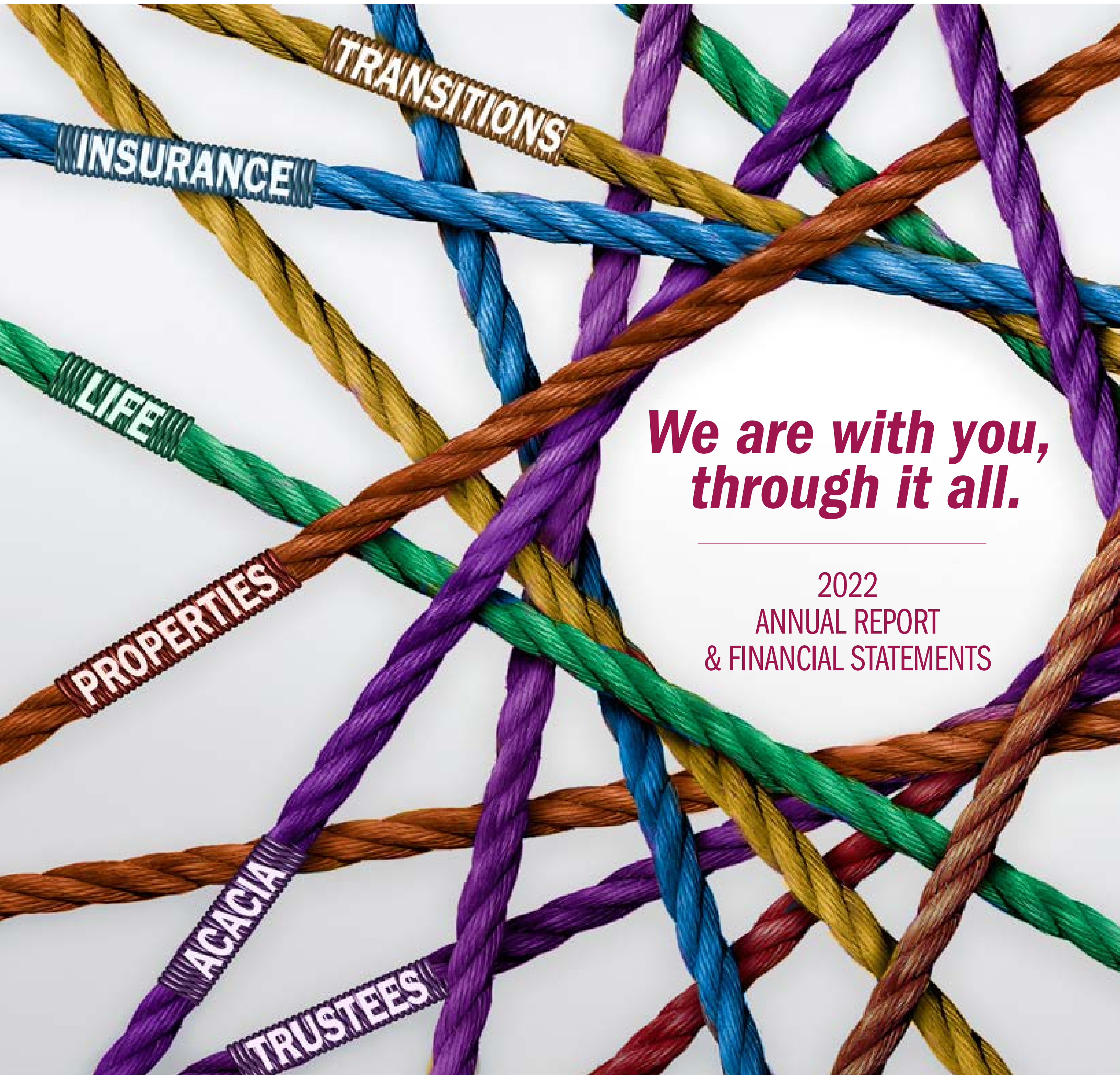
enterprise
GROUP
Your Advantage



We are with you, through it all.

2022
ANNUAL REPORT
& FINANCIAL STATEMENTS

enterprise TRUSTEES

enterprise PROPERTIES

enterprise LIFE

enterprise FUNERAL SERVICES

enterprise INSURANCE

Acacia Health Insurance

enterprise GROUP

Your Advantage

Vision

In all our markets, our pedigree will be recognized, our strength respected, our expertise valued and our solutions sought by all who desire an advantage in life.

Mission

We provide all who come into contact with us their desired advantage because...

we are the best at what we do!

Values

- Friendliness
- Trust
- Reliability
- Excellence
- Professionalism

Table of Contents

Notice of Annual General Meeting

NOTICE IS HEREBY GIVEN THAT the thirteenth Annual General Meeting of Enterprise Group PLC will be held and streamed live from the Company's Head Office at Advantage Place, Mayor Road, Ridge West, Accra on 27th June, 2023 at 10.30a.m for the following purposes:

ORDINARY BUSINESS

1. To receive the Financial Statements of the Company together with the Reports of the Directors and the Auditor thereon for the year ended 31st December, 2022.
2. To declare a final dividend.
3. To re-elect the following retiring Directors:
   a. Martin Eson-Benjamin
   b. Keli Gadzekpo
4. To authorize the Directors to fix the remuneration of the Auditor.

DATED THIS 15th DAY OF MAY, 2023

BY ORDER OF THE BOARD OF DIRECTORS
SADIA CHINERY-HESSE (MRS.)
COMPANY SECRETARY

NOTE:

1. *A member entitled to attend and vote at the Meeting may appoint a proxy to attend via online participation or in-person and vote on his/her behalf. Such a proxy need not be a member of the Company.*
2. *The appointment of a proxy will not prevent a member from attending and voting at the Meeting via online participation or in-person. Where a member attends the Meeting himself or herself, the proxy appointment shall be deemed revoked.*
3. *A copy of the Proxy Form can be downloaded from https://www.eglagm.com/ and may be completed and sent via email to registrars@nthc.com.gh or deposited with the Company's Registrars: NTHC LTD, 18 Gamel Abdul Nasser Avenue, Accra or P. O. Box KIA 9563, Airport Accra as soon as possible and in any event not less than 48 hours before the time appointed for the Meeting.*
4. *The 2022 Audited Financial Statements can be viewed by visiting https://www.eglagm.com/.*
5. *Shareholders are encouraged to send in any questions in advance of the Meeting by emailing them to egl.agm@enterprisegroup.com.gh. Answers to the questions will be provided at the Meeting.*
6. *Online accessing and voting at the AGM*
   A unique token number will be sent by email and/or SMS from 6th June, 2023 to shareholders who wish to attend virtually. Shareholders who do not receive this token should contact NTHC LTD on registrars@nthc.com.gh or call (+233) 0593105735 or (+233) 0509980337 anytime from the said date but before the date of the Meeting.

   To gain online access to the Meeting, shareholders must visit https://www.eglagm.com/ and input their unique token number on 27th June, 2023. Online access to the Meeting will start from 9.30am. For shareholders who do not submit proxy forms to NTHC LTD prior to the meeting, they may vote electronically during the Meeting using their unique token number.

   Further assistance on accessing the meeting online and voting electronically can be found on https://www.eglagm.com/.

   For further information please contact

   NTHC LTD
   18 Gamel Abdul Nasser Avenue
   Accra
   Tel: (+233) 0593105735 or (+233) 0509980337
   Email: registrars@nthc.com.gh

Five Year Financial Summary

(All amounts are expressed in thousands of Ghana cedis)

	2022	2021	2020	2019	2018
Group net Income	1,602,239	1,166,263	847,747	714,088	607,167
Group net Investment Income	451,166	245,015	141,662	128,008	114,478
Group net Insurance Premium	1,017,375	838,697	651,386	535,870	453,430
Group net Benefits & Claims	507,016	644,324	374,630	325,346	283,573
Group operating expenses	324,369	246,409	190,846	163,798	147,546
Group profit before tax	281,083	153,070	175,514	135,790	96,639
Group profit after tax	222,568	122,852	146,729	117,225	87,949
Group total equity and reserves	1,031,722	834,395	764,386	666,895	576,553
Group total assets	2,422,385	2,163,317	1,745,508	1,499,116	1,349,344
Number of shares	**170,892,825**	**170,892,825**	**170,892,825**	**170,892,825**	**170,892,825**
Earnings per share (GH¢)	0.851	0.396	0.476	0.466	0.303
Dividend per share (GH¢)	0.074	0.074	0.062	0.054	0.045
Return on assets (%)	9.71	6.29	9.04	8.23	7.38
Return on equity (%)	18.10	10.49	13.76	15.12	11.15
Share price (Market) (GH¢)	3.20	2.79	1.40	1.65	2.24
Price earnings ratio	3.76	7.05	2.94	4.00	7.40

Corporate Information

Board of Directors	Trevor Trefgarne - *Chairman* Keli Gadzekpo - *Chief Executive Officer* Daniel Larbi-Tieku - *Deputy Group Chief Executive Officer* Michael Tyson - *Group Chief Finance Officer* Fiifi Kwakye Angela Ofori-Atta Martin Eson-Benjamin Douglas Lacey
Company Secretary	Sadia Chinery – Hesse Enterprise Group Plc Advantage Place, Mayor Road, Ridge West PMB 150 GPO Accra, Ghana
Independent Auditor	PricewaterhouseCoopers Chartered Accountants PwC Tower A4 Rangoon Lane, Cantonments City PMB CT 42, Cantonments Accra, Ghana
Solicitors	Sam Okudzeto & Associates Otswe Close Osu- Ako Adjei Behind Lowe Lintas, F-122 Accra, Ghana
Registered Office	Advantage Place Mayor Road, Ridge West, Accra PMB 150, GPO Accra, Ghana
Registrar	NTHC LTD Gamel Abdul Nasser Avenue P. O. Box KIA 9563 Airport Accra, Ghana
Bankers	Absa Bank Ghana Limited Guaranty Trust Bank (Ghana) Limited Standard Chartered Bank PLC

Chairman's Review

Introduction

The world started 2022 with hope of recovery from the COVID pandemic which had been such a disruption of our social and business lives. Expectations of global recovery were high, with many nations having managed to reduce the impact of the pandemic as economic activities began to return to pre-pandemic levels. However, the world was hit by renewed geopolitical uncertainty when Russia invaded Ukraine in February 2022. The conflict brought on food supply concerns, energy price hikes, and increased inflation amid an increasing interest rate environment. Ghana, of course, has not been isolated from the effects of global economic pressures including those brought on by these disruptions caused by the conflict in Ukraine.

Despite the difficulties presented by the global and local situations, your company consistently focused on innovations that go to make our engagement with customers simpler and increase digital transformation to improve comfort and convenience for the customer. Considerable investments in terms of time and other resources were channelled to the building of the foundation of our Nigeria business which we believe has great potential for the future growth of our Group.

Trevor Trefgarne, *Chairman, Enterprise Group Plc*

Operating Environment

Globally, economic activities in 2022 were affected by the Russia - Ukraine conflict and the extended COVID impact in China. These have resulted in supply chain pressures, increased energy prices, elevated inflation which resulted in policy rates hikes in many parts of the globe. The World GDP growth is estimated to be 3% down from the initial 5.4% forecasted. Ghana's economy had growth prospects at the start of 2022 with GDP growth estimated at 5.2%. However, the development in the world economy had a significant knock on effect on the domestic economic environment which was characterised by soaring inflationary pressures, sharp depreciation of the cedi, tightening of monetary policy by the Bank of Ghana all exacerbated by the fallout from the Russia - Ukraine conflict. Inadequate revenue generation and debt sustainability has also become a challenge for the Ghanaian economy. This led to some rating agencies downgrading Ghana with its attendant exclusion from new issues on the international credit market. The estimated outturn for GDP is 3.3% from an earlier forecast of 5.2%. Inflation peaked at the end of December at 54.1% rising from 13.9% in January 2022, on account of high food, fuel, transport and utility costs, sharp currency depreciation and increasing global commodity prices amplified by the Russia – Ukraine war. Bank of Ghana increased its policy rates from 15% in Jan 2022 to 27% by the end of 2022 as one of its interventions to curb the rising inflation.

As shareholders are aware, the Ghana Government in these circumstances requested support from the International Monetary Fund (IMF). By the close of December, Government had reached a staff level agreement with the IMF for an extended credit facility of about $3billion. As part of the assessment leading to this agreement it was established that Ghana's total outstanding debt was unsustainable. This has led the government to making proposals to restructure both its domestic and international debt. The Domestic Debt Exchange Programme (DDEP) proposed eligible domestic bond holders to offer their current bonds for a new set of bonds structured from 2023 to 2038 at an average coupon rate of 9%. This closed in February 2023. It is our expectation that when the IMF programmes concludes, it will gradually help to restore fiscal discipline and stability to the economy to help restore investor confidence and support renewed growth. While these proposals involve financial cost to many holders, which in respect of your company amounts to GH¢64.8 million referred to elsewhere, your Board accepted the proposals as being the preferable course of action.

Chairman's Review *(continued)*

Operating Results'

2022 saw the Group's net income reached GH¢1.602billion this represents 37.4% growth over 2021. The growth was driven by a 21% increase in net earned premium in addition to the positive currency impact on investment properties valuation coupled with other revenue growth from our pensions, funeral and properties businesses. Profit after tax for 2022 stood at GH¢223million on account of the fair value gains on investment properties resulting from currency movement. Profit after tax was however impacted adversely by a GH¢329million impairment of government bonds as required by the international accounting standards resulting from the discounted cashflow of the new bonds to be issued under DDEP compared to the carrying value of the old bonds. The general cost increases experienced in the year also impacted our expenses negatively. Our operating companies Enterprise Life, Enterprise Insurance, Enterprise Trustees, Enterprise Funeral Services, and Acacia have all retained their market positions in their respective industries notwithstanding the difficult operating conditions.

Strategic Plan

Management keeps making progress with the implementation of our five-year strategic plan which enters its penultimate year in 2023. The six pillars of People, Consumer, Synergies, Innovation, New Markets and Digital Transformation remain relevant even in current times. However, with the changing operating environment, we intend to initiate new tactics that will enable us to achieve the key elements of our strategic plan. Focus will be to deepen our relationship with our customers through the deployment of systems that will make our engagement more purposeful, seamless, and beneficial to them whiles expanding our customer footprints across the various segments of our businesses.

Shareholder Value and Dividend

Performance of the Ghana Stock Exchange in 2022 was weak. The composite index of the GSE suffered a 12.38% decline resulting in a total market capitalisation of GH¢64.5billion. The decline reflected the challenges encountered in the larger economy during the year as investors tried to cash out to cut their losses. Despite the decline in the composite index of the GSE, Enterprise Group's stock price saw an increase of 14.6% from the GH¢2.79 at the beginning of the year to GH¢3.20 per share by year end.

Notwithstanding the present economic conditions your board is pleased to recommend a first and Final dividend of GH¢0.0744 per share for 2022, which is the same as that paid in respect of the previous year.

Our Future

The uncertainties and complexities faced by the global economy persist coupled with the challenges posed by the domestic economic conditions and the DDEP. Liquidity which was squeezed on the market due to the announcement of the DDEP may well ease when the new government bonds start trading on the secondary market. While interest rates have started to decline, the future is difficult to predict. Ghana has come through similar crises in the past with renewed growth and stability. We are committed to the long-term value creation for the benefit of all our stakeholders through staying focused on our plans with the support of our major shareholders in Black Star Holdings Limited with whom we expect to continue to work evermore closely. While DDEP is painful short term for both some policy holders and shareholders, the main benefit for all long-term stakeholders will be greater financial stability with lower inflation and interest rates.

Shareholders may have seen announcement made to the Ghana Stock Exchange on 28th March 2023 regarding the appointment of Daniel Larbi-Tieku as Chief Executive Officer of Enterprise Group in place of Keli Gadzekpo, who, I'm delighted to say, is taking the position of Board Chairman in my place. Shareholders can be confident their Company's Board will be in good hands. Our new Group CEO, Dan Larbi-Tieku, is a talented and experienced leader who knows the Group inside out. He is therefore well-placed to steer our business forward with renewed vigour.

Final Thoughts

I would like to end by expressing my personal appreciation to our management teams and staff for their continuous commitment to the vision and brand of Enterprise. To the directors, I owe you a debt of gratitude for your immense support and valuable contributions to the growth and development of our businesses. The confidence we have enjoyed from our shareholders and stakeholders we do not take for granted and we will work for the greater good of the business. Value creation through innovation to serve our customers better remains our long-term goal.

We are also sad to inform shareholders of the passing of the Managing Director of Enterprise Insurance LTD, Ms Ernestina Abeh on 24th February. She has been a stalwart of the General Insurance business during her 31 years with the company and an outstanding leader who reinvigorated that entity during her tenure as MD. She will be greatly missed.

Trevor Trefgarne

Chairman
Enterprise Group Plc

Board of Directors - Enterprise Group Plc

(From Left)

Micheal Tyson, *Group Chief Finance Officer*

Angela Ofori-Atta, *Director*

Keli Gadzekpo, *Group Chief Executive Officer*

Douglas Lacey, *Director*

Trevor Trefgarne, *Chairman*

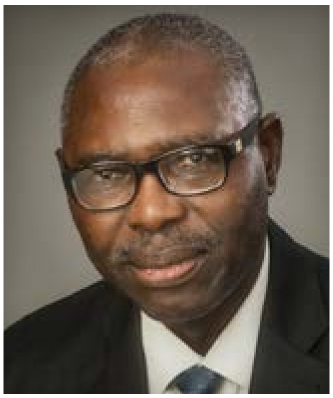
Martin Eson-Benjamin, *Director*

Daniel Larbi-Tieku, *Deputy Group Chief Executive Officer*

Sadia Chinery-Hesse, *Secretary*

Fiifi Kwakye, *Director*

Non-Executive Directors of Subsidiary Companies



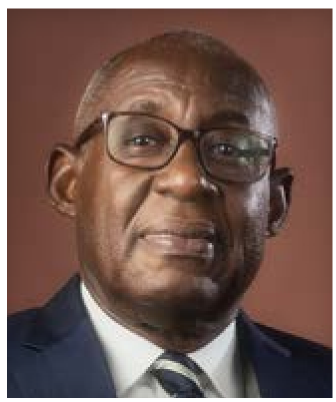
Francis Koranteng
Director - Insurance & Transitions

Comfort Ocran
Director - Insurance

Dr. Seth Attoh
Director - Transitions

Norman John Kelly
Director - Life & Trustees

Abed Botchway
Director - Trustees



Bernard A. Forson jnr.
Director - Life

Amina Oyagbola
Director - Life

Kenneth Asante
Director - Properties

Emmanuel Idun
Director - Properties

Cleland Cofie Bruce Jnr.
Director - Acacia & Life

Group Chief Executive Officer's Review

Keli Gadzekpo, *Group Chief Executive Officer, Enterprise Group Plc*

This is a great time of year for reflection, gratitude and setting our sights on the next year. 2022 was an interesting year that tested our resilience on many fronts, but it has been revealed that our teams are incredibly strong, agile and with the capacity to continuously deliver on their promise to all our stakeholders in difficult and challenging situations.

Amidst all challenges, we unveiled a few initiatives in the area of digitalization that will transform our businesses and support our long-term growth as a Group. These initiatives we believe will equip and enable our subsidiaries to stay ahead of their competition.

2022 Highlights

Ghana's economy grew 3.1% year-on-year in 2022, compared with a growth rate of 5.1% the previous year, according to the Ghana Statistical Services (GSS). The country's Gross Domestic Product grew by 3.7% year-on-year in the fourth quarter, compared with 2.9% in the previous quarter - its worst performance since the start of 2021. Growth for both the fourth quarter and the whole of 2022 was underpinned by services, mostly in the information and communication sub-sector. Sectoral data provided by GSS indicated that the services sector had the highest growth of 7.6%, followed by the Agriculture sector with a growth of 3.6%, while Industry had a contraction of 1.0% growth rate.

Inflation accelerated throughout the year reaching a more than two-decade high of 54.1% in December, but has since slowed, falling to 45% year-on-year in March 2023. High inflation and interest rates depressed private consumption and investment. Government demand was weakened by lack of access to capital markets and high debt service obligations. The Bank of Ghana (BOG) responded by increasing the monetary policy rate from 14.5% to 28 % over the year. However, these efforts were undermined by the Government's extensive use of its overdraft facility with BOG (estimated at 6.7% of GDP in 2022).

Overall, the balance of payments recorded a deficit of 5% of GDP, from a surplus of 1.9% in 2021. As a result, international reserves declined to $5.6 billion (2.5 months of import) in December 2022 from $9.1 billion (4.2 months of import) a year earlier. After remaining stable in 2021, the Cedi lost over 40 % of its value against the US dollar in 2022.

Fiscal pressures have remained high. Over the first half of 2022, the fiscal deficit reached 5.6% of GDP, well above the 3.9% target for the same period. Revenues underperformed, as the flagship e-levy was introduced late and faced major implementation challenges. As of end June 2022, public debt reached 78.3% of GDP and interest payments reached 54.4% of revenues over the first half of the year. In response to the macroeconomic imbalances, in July 2022, the Government began engagement with the International Monetary Fund (IMF) for an extended credit facilitate program.

Importantly, net income without fair value gains grew by 22.6% for the period under review. Investment income grew by 13.8% from GH¢249.17million to GH¢283.57million despite the negative returns on the equity market.

Currency depreciation and high inflation have driven up the cost of living, notably for food. This has put considerable strain on household incomes, particularly for the lower income earners who spend more than half of their incomes on food.

Group Chief Executive Officer's Review *(continued)*

Rural farmers have also been affected by increases in the prices of fertilizer and other inputs because Ghana imports 40% of its fertilizers from Russia which is now constrained by the Russia/Ukraine conflict, and compounded by the depreciation of the Cedi which has so far lost 24% against the dollar in 2022 (according to the Bank of Ghana data).

The fiscal deficit is projected to remain high in 2023, 9.2% of GDP. Gradual progress is expected with projected improvement in revenue and prudent expenditure management.

Stock Market Highlights

The Equities market closed the year with an increase in volume, value, and number of transactions. The volume of shares traded last year on the Ghana Stock Market increased to 1,335,262,647 in 2022 from 486,587,748 in 2021, representing an increase of 174.41%. The value of shares traded rose to 1,639,787,622.32 in 2022 from 533,270,293.38 in 2021, representing an increase of 207.50%. The level of trades reflected the reaction from the investor community to the economic conditions.

The number of transactions increased by 38.23% compared to the same period last year. Market capitalisation increased by 0.32% from GH¢ 64,495.20million at the end of December 2021 to GH¢ 64,507.32million at the end of December 2022. However, the Composite and Financial Stock Indexes returned negative 12.38% and 4.61% respectively. The performance of the financial stocks on the market had a negative impact on the values of our investments on the market.

The bond market closed the year with cumulative volume trade of 230.68 billion, representing an increase of 10.68% compared to the total volume trade of 208.57billion in the previous year. The total number of trades for the year increased by 58.30% from 346.803 trades in 2021 to 528.188 trades in 2022.

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Delivering on our financial ambitions

Amidst a volatile international environment, marked by the war in Ukraine, heightened geopolitical tensions, slowing global growth, inflation and higher interest rates in Ghana, Enterprise delivered resilient performance in 2022. The Group achieved a net income of GH¢1,602.24m, representing 37.4% bolstered by stronger results in our Life, General Insurance and Pensions businesses in addition to the positive currency effect on fair value gains from our Property business. Importantly, net income without fair value gains grew by 22.6% for the period under review. Investment income grew by 13.8% from GH¢249.17million to GH¢283.57million despite the negative returns on the equity market.

Total expenses went up by 30.40% over the prior year driven largely by a 32.94% growth in claims and benefits and impairment of Government bonds on shareholder investments of GH¢64.8 million.

Profit for the year was GH¢222.67million compared to GH¢122.85 million in 2021 with net cash generated from operating activities improving by 4.53% from GH¢428.86million in 2021 to GH¢448.29million in 2022.

The Group delivered an increase in its total assets by 11.98% from GH¢2,163.32 million in 2021 to GH¢2,422.39million in 2022 despite the impairment of its investment assets by GH¢328.85million.

Based on our 2022 financial metrics, we are well on track to achieve our 2020-2024 financial ambitions contained in our 5-year strategy of delivering GH¢2billion net income by 2024. I am also pleased to report that we also increased the Embedded value (EV) of Enterprise Life Ghana from GH¢731.3 million to GH¢771.8 million in 2022. EV measures the net worth of the business looking at the present value of the future profits and considering the net assets and the cost of capital.

As a result of our overall performance, I am pleased that the Board is recommending a first and final dividend of GH¢0.0744 per share for the year 2022. This is the same as the total cash dividend paid in 2021 and reflects the Board's determination to create value for our shareholders despite the difficulties encountered in the economy. The solvency position for all our subsidiaries remains ahead of regulatory requirements after the payment of dividends.

Nigeria Operations

2022 marked our second full year's operations in Nigeria. Performance at the end of the year, even though short of our targets, gave us hope for positive fortunes in the years ahead of us. The year focused more on entrenching our distribution model in the market while allowing for the localisation of some aspects of the model.

As a startup, we were focused on getting the fundamentals right. Key amongst them is manpower, productivity, new business generation, product mix and premium collection. All these have direct impact on premium revenue. We ended the year with 86 Life planners (sales agents) representing 40% of our target whose productivity was 3.3. Total new business incepted for 2022 was 3,797 policies with an average premium income of 13,215.

Group Chief Executive Officer's Review *(continued)*

The learnings from 2022 have provided us with additional insights into recruitment, retention of Life Planners and other avenues for premium collection. These should serve as the additional impetus for improved performance in 2023.

Gambia Operations

Our Gambia Life business continued to dominate the Insurance market with 21% market share of Gross premium at the end of 2022 from a market share of 19% in 2021. While Enterprise Life Gambia grew its Gross premium by 19% in 2022, the average industry growth was 7%. We continued to drive our corporate business agenda in 2022 with an improved contribution of 9.4% of total premium compared to 6.9% in 2021. Our expansion into other commercial towns around Banjul continued in 2022 with the setting up of one additional sales team in Brikama.

Giving back to our communities

The Group has chosen to align all Corporate Social Investment (CSI) activities with Sustainable Development Goals (SDGs) # 3, #4 and #10, which speak to Good health and wellbeing, quality education and reduced inequalities, respectively. Consequently, our focus areas for CSI were under Health, Financial Literacy and Support for underprivileged children as follows:

Health

The Group refurbished the Sanguah Male Ward block of Ankaful Psychiatric hospital to the tune of GH¢2m. The refurbishment covered renovation works, fittings and furnishing of the male ward, a conference room, a nurses' station, pantry, dining hall, treatment room, provision room and washrooms.

In addition, Enterprise provided seed funding of GH¢1m for the construction of a Children's Cancer Center in Korle-Bu Teaching Hospital. Other donations included GH¢30,000 for the Appiatse Fire Victims Fund and GH¢ 30,000 to help finance the humanitarian activities of the Rotary Club.

Financial Literacy

In line with SDG# 4, the Company continued the financial literacy project started with Bishop Mix JHS in 2019. The project involves education in basic financial principles targeted at the children and parents of the school. Teaching is administered on site by staff of Enterprise Group. In 2020 and 2021, the Group augmented this program with complete re-building and furnishing two storey JHS block to the tune of over GH¢2.5m. In addition to this project, the Company helped promote quality education with a GH¢52,000 donation to furnish the library of the College of Health Science, University of Ghana.

Underprivileged Children

Activity in this area was mainly with regards to a GH¢10,000 donation to assist Nana Saka Nkansah School Complex provide support for about 100 children and the provision of vocational training tools such as sewing machines valued at GH¢10,000 to help abused orphans in the Social Welfare Vocational Training Institute in Cape Coast.

Creating Value through Synergies

Creating value through synergies is a key pillar in our five-year strategy. Synergies is a critical tool in our path to growth as Group, which we use to build capacity of our people, set the right standards, share best practices, and align processes and systems across our subsidiaries. Major activities undertaken in the year in synergies include:

- Piloting of a customer engagement platform that helps improve the wellness of our clients by providing information on finance, health, and mindfulness. We expect that when the platform is deployed fully to the market it will enable us to deepen our relationship with clients and create better value for business.
- Refurbishment of the Enterprise Markets, a one stop shop for all our clients in Takoradi and Tamale.
- Improvement in our Contact Center in resolving client's issues, which has seen abandoned calls reduced by 30%
- Creation of an innovation framework to foster the culture of innovation around our people, products, processes, and services.
- Continuous training and equipping our people in Risk Management, and Business Continuity.

Technology Solutions

In 2022 we built on our previous years' efforts to further increase operational efficiencies and employee productivity. We also executed initiatives to increase the ease and convenience with which customers interact with the Enterprise brand.

The Advantage Mobile App, our flagship digital customer touchpoint, was markedly improved with various value-adding functionalities directly in response to customer feedback. 2022 saw over 15% increase in usage of this touch point by Enterprise customers. 2022 also saw significant growth in new business and policy renewals through digital channels. Across Enterprise Group, core systems were enhanced as various businesses seized opportunities to offer new products and services to customers and to drive further internal efficiencies.

Group Chief Executive Officer's Review *(continued)*

In our bid to enhance our information security set up, Enterprise Group commenced processes to gain ISO27001 certification. Incremental gains have been made in data analytics as business intelligence applications have been deployed by the various businesses to increase their use of analytics to support business decisions. The Enterprise Master Customer Database, which provides a single view of each Enterprise customer, also benefited from improvements as part of the Customer Engagement drive (Advantage Points). Across the Group, various leaders underwent Digital Transformation training to improve organizational capacity for thriving in the increasing digital era.

Fostering Employee Engagement

Strong human capital management is critical to any company's success. To build an even stronger workforce and create an optimal employee experience, we continued to invest in training and development, deepening staff engagement and strengthening succession planning, to ensure leadership continuity and a good system of knowledge transfer.

We are committed to fair employment and have also enhanced efforts to improve the overall well-being of employees, including both physical and mental health. The Enterprise Employee Assistance Programme (EAP) continued to provide psycho-social support to all employees through wellness seminars, interactions with a Clinical Psychologist, as well as facilitating flexible work environment through a robust remote work framework.

To help employees cope with the impact of rising prices of goods and services in 2022, we made some interventions to support our staff.

Our people drive everything we do and we are committed to making efforts to provide our workforce with a best-in-class, inclusive work environment to deliver their full potential. To keep our commitments to our clients, we also recognize that talent acquisition and retention are essential to our success. In 2022, our workforce achieved an average of more than 24 hours of training per person, higher than our target of 20 hours.

We continued with key talent development initiatives for our people at all levels, with thirteen (13) Officers successfully completing the Advantage Talent Programme, a developmental programme for lower level staff. In addition, eighteen (18) middle management staff embarked on a Senior Management Accelerator programme geared towards enhancing their leadership capacities and competencies; and five (5) senior management staff undertook the Executive Leadership Development Programme (Inspire!) to optimize their leadership potential.

Internal mobility was also used in building the capacity of our workforce and transfer of skills among operating companies with some employees being assigned to Gambia and Nigeria in 2022.

2023 Outlook

Growth is expected to slow further to 1.6 % in 2023 and remain muted in 2024, before returning to its potential, according to the World Bank. This will result from rising consumer prices and the tightening of the fiscal regime which will weigh on private consumption and investment as Government spending will be stretched. In the shorter term, disposable income will be challenged, due to the cumulative effects of increases in electricity and water tariffs, rising food prices and an increase in VAT rate.

The strain on the banking sector is likely to protract due to the impact of a Domestic Debt Exchange (DDE) concluded in February 2023. Implementation of the DDE will impact Ghana's financial sector due to the heavy exposure of banks, insurance companies and pension funds to Government debt as it is estimated that 42.1% of Government domestic debt is held by these entities.

The main risks to the outlook include further intensification of macroeconomic vulnerabilities, such as the unexpected materialization of contingent liabilities in the energy and financial sectors, un-anchoring of inflationary expectations, delays in reaching agreement with external creditors on external debt restructuring and delays in concluding the IMF program under preparation. Debt sustainability could be threatened by insufficient access to financing, large interest rate increases, and further currency deprecation. Sizable domestic debt rollover needs will put pressure on the already elevated domestic interest rates. Accommodating these large needs may crowd out private sector investment and test the limits of the domestic financial sector's appetite for sovereign debts.

Our vision for 2023 and beyond

The outlook for the future remains uncertain and potentially unstable. We believe that, in turbulent times like this, our businesses are being called upon to work even harder to deliver peace of mind to our cherished customers and value to our shareholders.

Group Chief Executive Officer's Review *(continued)*

With these in view, our vision for 2023 is executing our strategy and goals of being a great place to work, a trusted partner to our clients, and a firm where owners want to invest their time and capital. These are the fundamental goals enshrined in our 5-year strategic plan. Our priorities for the year include:

- Investing in our staff through the enhancement of career training and development opportunities.
- Deepening engagement with our customers through our Customer Relationship Management (CRM) platform.
- Entrenching the culture of innovation using our framework developed.
- Effective liquidity management to ensure business sustainability.
- Enhancement of the Enterprise Advantage App for maximum customer experience.
- Adopting and complying with the new International Financial Reporting Standards (IFRS) 17 requirement for all our insurance businesses.

Chair Succession

On behalf of Enterprise Group's management team and our staff, I would like to thank Mr. Trevor Trefgarne for his significant contribution to Enterprise over the past 25 years. Trevor has been an insightful and highly engaged Chair through many milestone events for Enterprise and I also express my appreciation for the steadfast support he has given to me since I became the Group CEO. He steps down as Chair of Enterprise Group Board but will remain as a Board member and continue to contribute to the growth of our much-cherished Group.

Exiting as Group CEO

Nine years in the seat as Group CEO came so fast, I still do not believe it has been 9 years. I have really enjoyed working for this great Group of ours and would like to thank all who made my tenure a success. While I continue to support the business in my new role as Board Chair, I solicit similar support for my successor Mr. Daniel Larbi-Tieku. He is a true "thoroughbred" and will hold and uplift the flame to consolidate on the gains made so far.

In Conclusion,

Whilst the global and local economic outlook is a cause for great concern, I remain cautiously optimistic about the prospects for growth in our economy. I take comfort in the unwavering commitment of Ghanaian businesses, social partners, and society at large to see us through these challenging times. At Enterprise, we remain committed to playing our part in shaping a better future for our country and our people.

I would like to thank everyone who supported us throughout this eventful year. I am grateful to our clients for entrusting us with their business, to our Board for providing invaluable guidance and to our shareholders for subscribing to our vision. Our employees have shown incredible commitment and dedication in delivering successful outcomes across all our operating countries during these tumultuous times and have made many sacrifices, for which I am truly grateful. I look forward to the New Year and the future together. May you be blessed with the best gifts from the Almighty to have a fantastic year ahead. May the upcoming year bring many opportunities for growth and prosperity.

2023 is an important year for Enterprise Group as we execute the next stage of the Company's transformation and growth to be a leading regional operator in our "cradle to grave" mantra, providing solutions for the benefit of our cherished customers. We will continue to work together with all stakeholders to create a sustainable future together.

Thank You

Keli Gadzekpo
Group Chief Executive Officer
Enterprise Group Plc

Enterprise Insurance LTD Report

Akosua Ansah-Antwi, *Acting Managing Director, Enterprise Insurance LTD*

Introduction

The year 2022 was another good one for Enterprise Insurance despite the numerous economic challenges experienced by economies across the world. Unfortunately, just as we were recovering from the impact of Covid-19 on our business, the onset of the Russian-Ukraine war had significant effects on global economies. We had to operate in a difficult economic environment, where inflation increased to 54.1% by year-end, causing disposable incomes to dwindle and making it hard for households to make ends meet. The depreciation of the cedi against major currencies and increases in fuel prices also drove up the prices of goods and services, including spare parts. Nevertheless, our business continued to deliver positive financial performance. We are proud to announce that we maintained our position as the top-performing company in the non-life industry, with a market share of 14.02%, for the third year in a row.

Business Review

We are currently on track to deliver our 5-year strategy which ends in December 2024 with the year 2022 marking the third year in that strategic journey. At the start of the year we launched our Motor Insurance Promotion to take advantage of the seasonal rise in motor insurances during the period. Customers were offered promotional rewards at both the renewal and on boarding stage. The motor promotion was successful resulting in increased policy counts and premium values compared to the previous year. We also conducted Home Insurance activations in various gated communities within Accra and Tema. In addition to increasing sales, these activations afforded us the opportunity to educate customers and residents on the need for Home & Content Insurance. We continued the second phase of the Transact & Win Promotion which resulted in an increase in our online transactions for the personal insurance products.

Towards the end of the year, in a bid to improve customer experience, we relocated two of our branches from Labadi & Spintex to our ultra-modern branches at Cantonments & East Legon respectively. We continued to enhance the productivity of our distribution team & sales agents by continuing with the second edition of our annual Sales Conference and Agency Awards ceremony to motivate all stakeholders to give their best.

After pioneering the Same Day Claims payment service in the insurance industry in May 2018, we introduced it in Kumasi in July 2022, to ensure that our clients there received convenience as well as an exceptional service experience.

These activations afforded us the opportunity to educate customers and residents on the need for Home & Content Insurance. We continued the second phase of the Transact & Win Promotion which resulted in an increase in our online transactions for the personal insurance products.

Corporate Awards

In 2022 our business performance was also recognized by various reputable institutions:

- The Global Credit Rating (GCR) Agency of South Africa revised our rating upwards from AA+ to AAA category, which is the ultimate rating. This means we have the financial strength to honour our claims payment obligations.

Enterprise Insurance LTD Report *(continued)*

- General Insurance Company of the year at the CIIG Awards
- Innovative Product of the year (3rd Party Amplified) at the CIIG Awards
- Brand of the year (General Insurance) at the Ghana Brand Awards
- Insurance Company of the year 2021- Ghana Accountancy & Finance Awards
- Ghana Club 100- Ranked 57 in the 19th edition.
- Insurance Company of the year 2021- Ghana Business Awards
- CIMG Hall of Fame- Retained for 2021

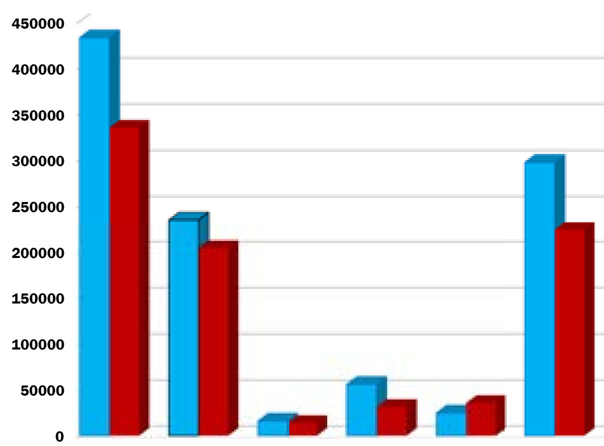
Corporate Social Responsibility Initiatives

- April 2022: Provided free medical screening in partnership with Pleasant Medical Center, Tema
- April 2022: Partnered with Insurance Man-Road Safety education in commercial Buses.
- November 2022: Supported Zonta Club of Accra to advocate for ending gender-based violence.
- June and December 2022: Donated mobility aids to accident victims in partnership with the Accident Victims Support Foundation (AVSF)

The items donated were distributed to seven hospitals across Ghana.

Company Key Performance Indicators

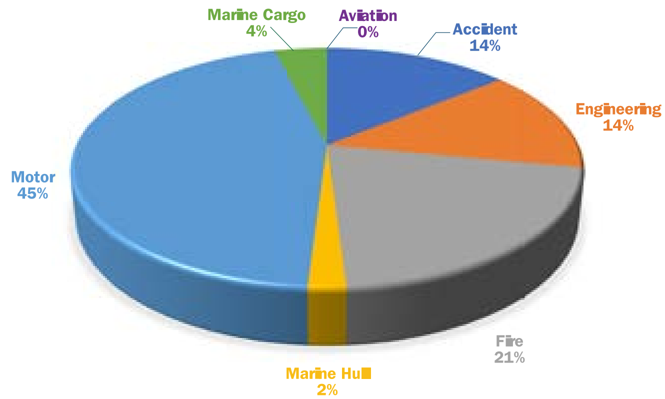
2022 KPI's



	True Gross Premium	Net Premium	Underwriting Profit	Income from Investment	Profit after Taxation	Net Income
DECEMBER'22 ACTUAL	432,382	234,710	15,943	55,710	24,690	297,448
DECEMBER'21 ACTUAL	335,170	203,451	13,790	31,325	35,601	223,559

Gross Premium: The growth in gross premium of 29% was largely driven by the three traditional portfolios; Motor, Fire and Accident which contributed 79% of total Gross premium.

GROSS PREMIUM CONTRIBUTION BY LOB



Net Premium: The growth in Net premium was largely driven by two key portfolios, Motor and Accident contributing 77% & 13% respectively to the Net premium. However, the Net premium recorded a low growth rate compared to the Gross premium. The motor portfolio which is the main driver of the net premium, grew by 15%.

Claims Incurred: The increase in claims of 20% was due to the increase in the net movement in IBNR valuation, rising inflation and weakening local currency. The net pure claims increased by 28% over prior year.

Operating Expenses: The increase in operating expenses was in line with our business growth agenda. Significant provisions for reinsurance balances and the acquisition of an Actuarial software for IFRS17 implimentation.

Impairment charge on Financial Asset

In view of the Domestic Debt Exchange Programme (DDEP) and in line with IFRS 9, an impairment provision of GH¢40.3million was booked on the income statement. This resulted in a reduction in our profits before tax by GH¢40.3million.

Underwriting Profit: The combined ratio was 93% resulting in an underwriting margin of 7% giving us a 16% growth in our underwriting profit over the prior year.

New business: Our improved engagement with our Partners and various intermediaries resulted in new business accounting for about 35% of gross premium. New Business grew by 34.83% over prior period.

Investment Income: The efficient cash flow management coupled with high interest rates during the year, resulted in the growth of investment income by 76%. We also took into account the impact of the government DDEP on investment income.

Enterprise Insurance LTD Report *(continued)*

Profit after Tax: Despite the positive underwriting results, impressive performance of our investment income and other income, the Profit after tax declined by 31% from prior year mainly because of the recognition of the impairment charge on financial assets as a result of the DDEP.

Our People

Our staff (the TrueBlue team) demonstrated a "can- do- spirit" throughout the year. They braced all odds to deliver these impressive results we see today. They consistently showed resilience, focus and dedication to our business strategy for the year. As a testament to our commitment towards employee development and welfare, we have implemented initiatives that seek to promote their growth and wellbeing. Notably, we enhanced the "Sunshine Series," a monthly online capacity-building program initiated in 2020 to strengthen the team's technical proficiency. Additionally, we organized various team bonding activities to promote a healthy work-life balance and prevent burnout.

Outlook for 2023

The Domestic Debt exchange program (DDEP) introduced by the Government of Ghana brought a level of uncertainty for businesses and individual Bondholders. Our overall profitability is largely driven by investment income which supports the underwriting results. With the anticipated reduction in coupons to be received in 2023 and the subsequent years, we have no choice but to ensure that we continue to deliver technical profit for our shareholders.

I wish to assure all, that our commitment to grow profitably still stands. A few years ago, we committed to return underwriting profit year after year; we have been on course to deliver that and will ensure that our capital adequacy ratio remains within healthy ranges.

In the penultimate year of our 5-year Strategy, our plans and initiatives to achieve our strategic ambitions are still very relevant and will not change. We will be using insights from clients' feedback and research to develop products and deliver legendary customer services to our clients. We will continue to win together with all our partners and intermediaries.

Concluding Remarks

I would like to express my sincere appreciation to all our partners, brokers, and agents for their unwavering support and dedication to our vision. Together, we have weathered the economic challenges of the past year and achieved great success.

Our remarkable TrueBlue team has been instrumental in implementing our Big Shift Agenda for Exponential Growth, and I am confident that their "can do spirit" will continue to propel us towards achieving our ambitions for 2023 and exceeding the expectations of our shareholders.

To our loyal customers, I would like to extend my heartfelt gratitude for choosing to do business with us. Your trust and confidence in our company has been a driving force behind our growth and success.

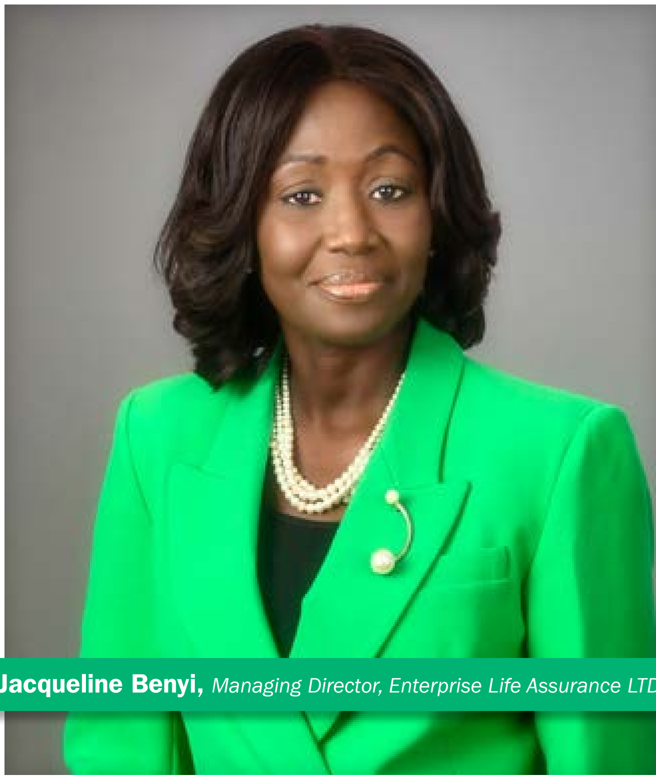
I cannot express enough appreciation for the incredible support and guidance provided by our Board of Directors. Their unwavering commitment and dedication to the company's vision have been instrumental in our success story.

Finally, I wish to acknowledge the immense contribution of our late Managing Director Ms Ernestina Abeh, whose vision and leadership steered us towards the attainment of these remarkable results. May her soul rest in peace.

As we look towards the future, our business is on course to achieve our aspiration of becoming a Great First Choice Partner. We remain committed to growing profitably and delivering value for our stakeholders. I have no doubt that we will accomplish even more remarkable success in the years ahead.

Akosua Ansah-Antwi
Acting Managing Director
Enterprise Insurance LTD

Enterprise Life Assurance LTD Report



Jacqueline Benyi, *Managing Director, Enterprise Life Assurance LTD*

Introduction

Over the last three (3) years business has focused on enhancing and renewing the core fundamentals of our retail business and for 2022 the spotlight was kept there. The Strategic direction was on fixing the manpower retention challenges that had negatively impacted prior year, generating new business, deployment of technology to support the sales process, and overall driving growth from all our core channels.

In the second half of the year, the tightening business and economic environment with the attendant hyper inflationary conditions had a major impact on business results and costs. On the regulatory front, no significant changes in the environment were implemented, though we saw some key movements in the industry, with the merger of Phoenix Life and GUA life to form Impact Life Assurance. This merger, first of its kind, was a direct result of the new capital requirements that were announced in the prior year, and which necessitated that some smaller players merge their forces to satisfy the new regulatory regime.

Per our sacred promise, we honored our commitments to our policyholders by paying GH¢ 362 million in claims and benefits to our clients. This was a +30% rise over 2021. We continue to improve our claims handling and payment process to make the claims experience heartwarming and stress free for our clients.

The year also saw the official entry of Africa's Biggest insurer, The Sanlam Group into the Ghanaian insurance space, and trading under its own name and brand after having operated through the Saham Brand in the last few years.

Enterprise Life sustained its leadership of the Life Insurance Industry with 24% Market share, in a market of now 19 active players. The top 5 players control 78% of the market (compared to 76% in the prior year). No new entrant ascended into the Top 5, thus the composition of the top 5 players remain unchanged (Enterprise Life, SIC life, StarLife, Prudential Life, and Glico Life)

Our relentless search for excellence led us to win the following awards in the year:

- Ghana Re cedant Awards – 1st Runner up
- CIIG Awards- Best company in employee development
- CIMG Awards – Best Life insurance company (second year running)
- Ghana Club 100 awards – 43rd in overall rankings
- Customer service Leader – Insurance sector (5th Customer service awards)

Working closely with our customers to achieve our objective of providing solutions that meet needs, we introduced the Smart Plan policies (Funeral and Investment linked Plans). These life solutions are tailored to meet the needs of low-income earners especially within the formal sector.

To fulfil our promise of giving a true advantage to our esteemed customers and with their continuous feedback we also finalized the enhancement of two (2) of our major retail solutions (FFP Unlimited and Educare). These will be relaunched in 2023.

Once again, our premium collection rate saw an improvement from 90% to 92%. Our prior investments in this space have helped us increase our collection rate by 2% per annum over the past 4 years.

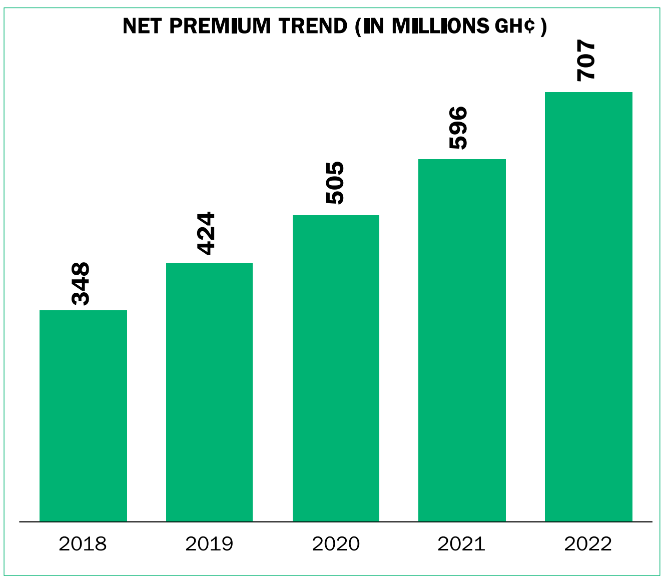
Enterprise Life Assurance LTD Report *(continued)*

Our relentless effort to drive business efficiency and effectiveness through investments in technological interventions continue to yield good returns. Over the period, the digital utilization/ adoption rate of our clients, for service requests, improved from 57% in the prior year to 60% in 2022. More also we launched the Sales IQ platform, a sales management portal that provides a complete view of our sales force activities geared at improving new business productivity.

Financial performance

Creation of value for all stakeholders remains our primary objective.
Our Gross Premiums grew by +19% (vs. +17% in the prior year) to GH¢ 722 million.
Profit Before Tax increased from GH¢ 96 million in the prior year to GH¢ 104 million, and increase of +8%.

Premium Income



A total of GH¢ 722 million was generated in gross premium in 2022, a growth of +19%.
Retail business contributed 91% of the total premium (compared to 90% in 2021). This segment grew by +21% (same growth rate as in the prior year).

The performance of the Individual life segment was on account of the improved collection rate, a Higher Average Premium Income (API) for new businesses generated, and improved persistency rates. New business cases (retail) grew by +23% from 78,000 cases in the prior year to 96,000 cases in 2022.

The share of Group business on the other hand grew by a modest +5%, though this is quite significant when compared to the -13% decline in the prior year. The growth was powered by our special market segment which grew by +55%, and Corporate Risk which grew by +17%.

Credit life remains the biggest segment in the group business channel, contributing 55% of the channel revenues (though this has declined when compared to the 63% in 2021). The continuous decline in Bank credits from our partner banks resulted in lower premiums from the credit life segment.

Reinsurance costs increased by +45% from GH¢ 10.4million paid in 2021 to GH¢ 15.1 million in 2022. This is in line with our risk management and reinsurance policy.

From the foregoing, Net premium ended at GH¢707million, representing a growth of +19% over the prior year 2021.

Investment Income

Total net investment income and other income was GH¢ 246 million, a growth of +23%. This was on account of the increase in our investment portfolio and the related returns thereon. This figure excludes the impact of the impairment evaluation that was occasioned by the Government of Ghana's announcement of a technical default on its long term bonds. The announcement of the technical default was made in December 2022, thus necessitating the need to evaluate the Government bonds for impairment.

2022 was a challenging year for equity investments. The composite index of the GSE decreased by -12.38% compared to the +43.7% in 2021,

Consequently, our equity portfolio recorded a net loss of GH¢-9.8 million in the year (compared to the gain of GH¢ 36million in 2021). Equity investments now make up about 8.2% of our investment portfolio (a decline from 11% in the prior year).

As per our risk management policy, our investment portfolio is weighted significantly towards the long-dated government of Ghana securities. This approach adopted to secure policy holders' funds, remained the underlying principle for the funds.

Total Expenses

Excluding the life fund charges, a total of GH¢600million was spent on operating expenses. Total expenses grew by +30.4% in 2022.
Total operating expenses is made up of Management expenses, claims and benefits charges and Commissions and selling costs.

Management expenses grew by +37% (compared to +23% in the prior year). This significant increase was on account of the inflationary environment experienced in the second half of

Enterprise Life Assurance LTD Report *(continued)*

the year, which was also fueled by the depreciation of the cedi against the major foreign currencies.

The management expense ratio has thus increased from 15% in 2021 to 18% in the current year. The selling expenses ratio on the other hand, increased from 15.8% to 16.3%.

Benefits and Claims to Policy Holders

Per our sacred promise, we honored our commitments to our policyholders by paying GH¢ 362 million in claims and benefits to our clients. This was a +30% rise over 2021. We continue to improve our claims handling and payment process to make the claims experience heartwarming and stress free for our clients.

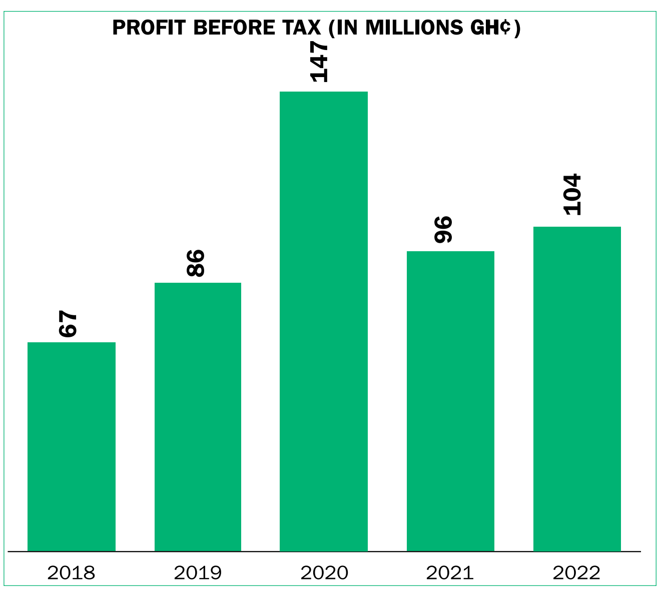
Benefits and Claims remains the largest spend item, representing 60% of total operating expenses. Benefits payment on our investment linked products remained the biggest source of claims, with 69% of all claims paid, (compared to 65% in the prior year).

Reserving for actuarial liability (Life fund charge)

A net total of GH¢ 36.2 million was reversed from the life fund in 2022. In comparison, a total of GH¢ 239 million was charged to the life fund in the prior year.
The significant reduction in the value reserved to life fund in 2022 was due to the impact of the impairment charge on our financial assets (the Government of Ghana bonds component of the Policyholders fund).

Profit before Tax

Profit before tax increased by +8% over prior year to GH¢ 104 million in the current year.



Total Assets

Total assets increased by a marginal +0.1% from GH¢ 1,271 million in the prior year to GH¢1,274 million in 2022.
This flat growth was largely as a result of the impairment of financial assets linked to the Domestic debt exchange programme.

On the other hand, our investments properties portfolio saw an increase by +63% from GH¢ 58 million in the prior year, to GH¢ 95 million at the end of 2022. This was largely impacted by valuation gains on our investment properties portfolio.

Value of New Business (VNB)

Value of new business increased from GH¢ 69.5 M to GH¢ 70.3 M, an increase of +1% over the prior year. This was largely influenced by the increase in the unit costs which is linked to the upward revision of long-term inflation forecasts and also the risk discount rate from 20% to 25%.

Embedded Value (EV)

The EV increased by approximately GH¢ 40.5m from GH¢ 731.3million in 2021 to GH¢ 771.8 million in 2022. EV measures the net worth of the business looking at the present value of the future profits and taking into account the net assets and the cost of capital.
The Net Asset grew by +8%, whilst the Value of in-force business increased by 3%, less a decrease in Cost of capital of 25%.

Business channels

- Our Business is run on seven (7) main channels. No new channel was added in the year 2022.
- The 2 main channels: Agency and Broker contributed 64% and 15% respectively (compared to 67% and 13% in the prior year).
- Bancassurance contributed 9% in 2022 (7% in 2021).
- The High Net Worth and Corporate Risk channels contributed 3% each.
- Credit life contribution has dropped to 5% (decline from 6% in the prior year).
- Our inclusive insurance division increased its share to 1.2%, from 1% in the prior year.

Enterprise Life Assurance LTD Report *(continued)*

Individual Life

Individual life products are sold through our Agency, Broker, Bancassurance and HNW channels.
This retail arm of our distribution remained core to our business. It contributed 90% of our Gross premiums. The product portfolio was enriched with the launch of the Smart Plan Product which targeted the lower income segment of the population.
In the year under review, we also experienced a growth in our Akwantupa Solution, which recorded a growth of +70% in new business cases over prior year following market activations done with our brand ambassador in the UK.

New business cases – Retail: total incepted cases increased by +23% to 96K cases, following the marginal decline (-3%) recorded in 2021. The improvement can be attributed to the result of our efforts to improve the quality of our manpower profile, improved supervision, as well as our investments in training and marketing.

Group and Corporate Business

Group and Corporate business experienced a rebound of +5% in the year, after recording a -11% decline in the prior year.

As in the previous year, the Corporate Risk side of our business made positive progress in signing on new businesses. The partnership agreements we signed with Insurope and Swiss life in the prior year has begun to bear some fruits albeit not yet significant.

We did not add any new bancassurance relationships in 2022 due to the suspension of the signing of new bancassurance relationships by the regulator.

The Inclusive Insurance segment is the fastest growing channel of the business. It contributed GH¢ 9 Million in premiums in 2022 (compared to GH¢ 5.8 Million in the prior year).
The growth rate in 2022 was +55%, and the average annual growth rate over the past 3 years is +37% per annum.

SUBSIDIARIES

Our two (2) subsidiaries, Enterprise Life Gambia and Enterprise Funeral Services, continue to make steady progress amidst a challenging business environment.

Enterprise Life Gambia

The Gambia subsidiary grew its net premium by +19% (compared to +24% in 2021). However, the business recorded a loss of GH¢385,000 from the profit of GH¢ 1.2 million recorded in the prior year. This decline was occasioned by a one-off exceptional charge in actuarial liability, because of changes in assumption basis.

New business inceptions were 6,252 cases in 2022, 17% less than the 7,533 cases incepted in 2021.

The Gambian market consist of 11 Insurance companies offering both Life and non-life products.

Though Enterprise Life is a 100% life business, it remains the combined Market leader with 21% (19% in the prior year) share of the total insurance sector (Life + Non-life)

Among the Life Practitioners, EL Gambia controls 84% of the market share (compared to 81% in the prior year).

Enterprise Funeral Services (Transitions)

The year was a challenging one for our funeral services business. The business grew its Net income by +8.4% from GH¢ 15.8 million to GH¢ 17.1 million.

The assurance product that was reintroduced into the market continue to record steady growth in file size. Claims from policyholders however did not make significant contribution to core revenue.
In effect, the main channel that contributed to revenue growth was walk-in clients.

Caskets sales, hearse and mortuary services were the key driver of core revenue.

In 2021, The business recorded its first ever Profit, with a PBT of GH¢ 2.4 Million. This trend has continued in 2022, though with a much reduced PBT of GH¢ 1.0 Million.

The decline in profits was largely as a result of a 30% increase in operating expenses driven by inflationary pressures, as well as impairment loss on Government of Ghana bonds.

Enterprise Life Assurance LTD Report *(continued)*

Our People

The business pays particular attention to its people, by investing in quality human capital and creating the conditions that will strengthen and sustain the resilience of our people to perform at their optimum. The business continues to invest substantial amounts in the training and development of our greatest asset at all levels. This was demonstrated with the restructuring and expansion of our training academy and the roll out of certification programs for staff over the period under review.

Investment in our people will remain central to our activities, as without the right people with the right training and capacity we will not be able to achieve our future set goals.

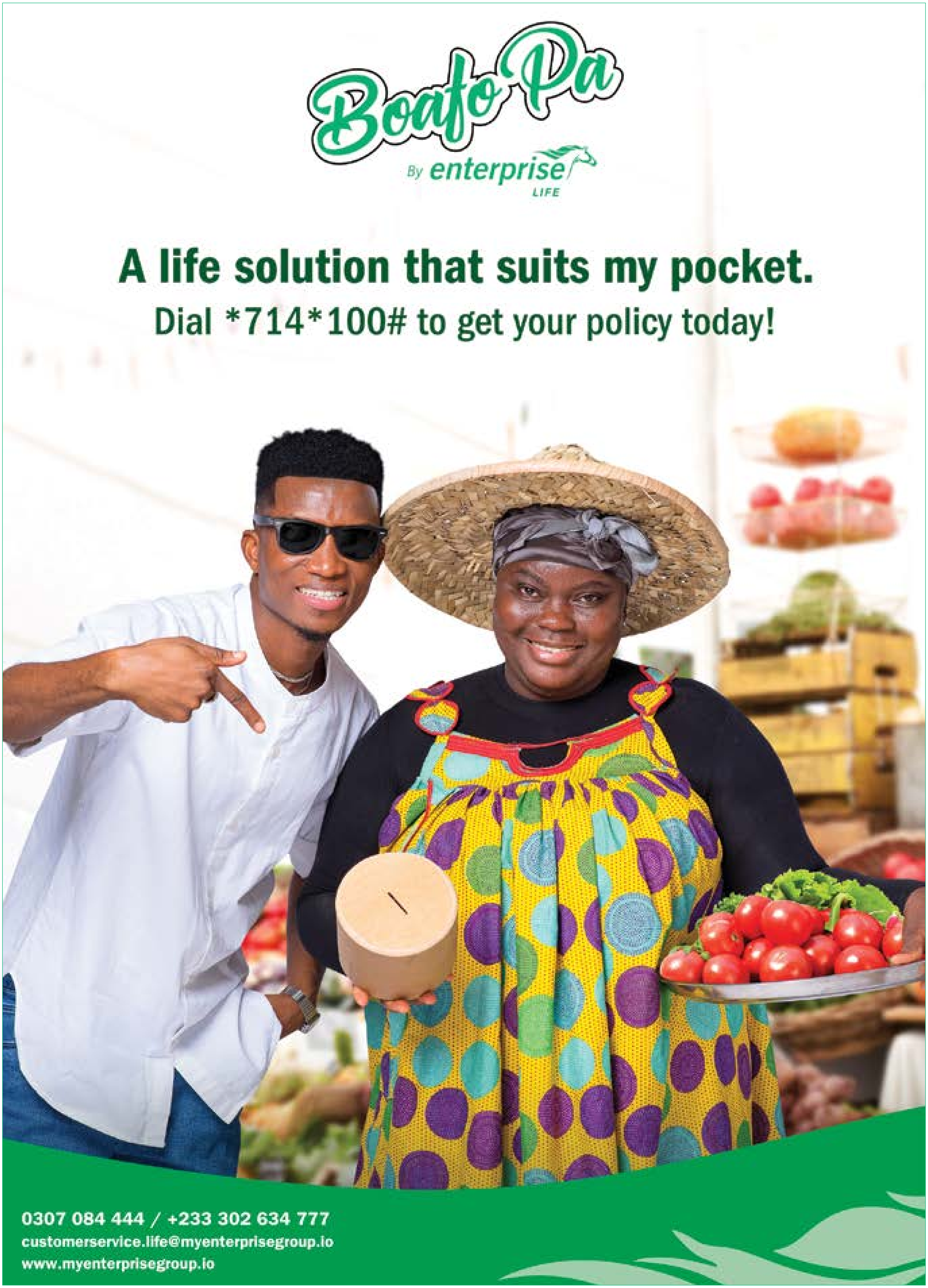
2023 – Looking forward

The key thrust for 2023 will be, to continue to pursue excellence, and grow our business in a challenging and fast changing economic and business environment whilst paying significant attention to our customers needs.

Our priorities for 2023 are distilled into the following key points:

- Retail Business growth and consolidation
- Digital expansion to expand our channel offerings
- Engagement of existing clients for value
- Expansion of the inclusive Insurance channel (informal sector) to take advantage of our first mover advantage position.

Jacqueline Benyi
Managing Director
Enterprise Life Assurance LTD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Dial *714*100# to get your policy today!
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Enterprise Trustees LTD Report

Joseph Ampofo, *Managing Director, Enterprise Trustees LTD*

Introduction

Distinguished Shareholders, Board of Directors, Cherished Clients, Ladies and Gentlemen, it is my utmost delight to update you on the progress of Enterprise Trustees in the year we Celebrated 10 Years of providing quality Pensions Administrative Services to the people of Ghana.

The performance of economies across the globe exacerbated in 2022 as influenced by high inflation, supply chain tension and the Russian-Ukraine war. Ghana is no exception as its fiscal position deteriorated due to persistent revenue shortfalls and high levels of external debt that exposed the economy to possibility of sovereign default. Notwithstanding the challenges, our schemes provided net returns between 17% to 21.5% for members during the year under review.

A Significant Milestone

On the occasion of our 10th Anniversary Celebration held on the theme – Celebrating 10 Years of Trust Partnering to Secure Your future", the business sought to mark the milestone in an impactful manner through our services, product offering and retirement awareness creation.

Significant among these was the introduction of the Enterprise Bonus Offer, launch of Purple Drawdown Plan and a Retirement Planning Fair.

A provident fund incentive called the Enterprise Bonus Offer, offered Employers who registered their Provident Fund in 2022, a waiver in all service provider fees except the National Pensions Regulatory Authority (NPRA) fees. The fees were then paid as a bonus onto the pension account of their members at the end of year.

At the launch of our 10th Anniversary, we also introduced a post-retirement solution – Purple Drawdown for members who go on retirement to help manage their lump sum payouts. Members who go on retirement can keep their funds in the Purple Drawdown account and select how often they drawdown on the fund either monthly, quarterly, bi-annual or annually. The main objective of this product is to offer financial income security to our members in their retirement in terms of liquidity and returns.

> At the end of December 2022, we paid out GH¢130.8million in lump sum retirement benefits to One Thousand One Hundred and Ninety-Nine scheme members. As a Corporate Trustee, our continuous pledge to members is to pay out their benefits in a timely manner.

To increase awareness and offer a holistic approach to Retirement Planning, Enterprise Trustees held the first retirement planning fair in Ghana. The fair brought together retirement planning experts, health experts, pension-backed mortgage service providers, dieticians, fitness coaches real estate companies, Life and General Insurance companies among many others. This provided the opportunity for participants to interact with various stakeholders who play a pivotal role in retirement planning.

Enterprise Trustees LTD Report *(continued)*

Our online audience was not left out in the celebrations. We engaged audience on Facebook and Instagram in a competition dubbed ‘Love Games with Pensions’ on Valentines where people wrote poems to their loved ones using pension related words. This was intended to demystify the concept of pensions and make it more relatable. Five people were selected and given various prizes for their participation.

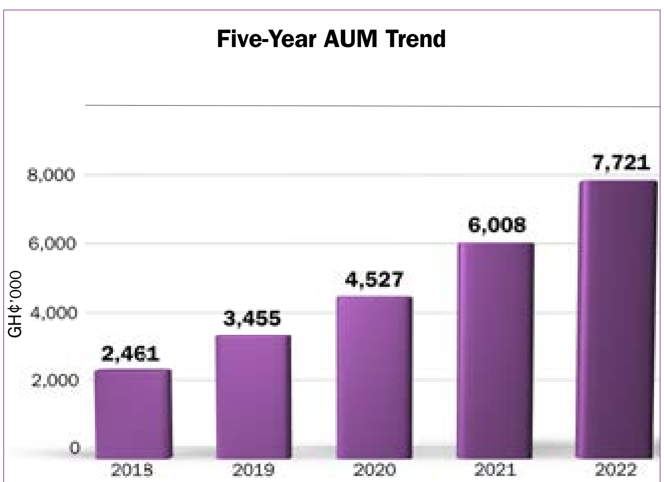
Cheers to celebrating 10 years of Accountability and Trust,

Financial Performance

Key Financial Data	2022 GH¢'000	2021 GH¢'000	Change
Fee income	56,761	43,996	29.0%
Expenses	43,399	21,109	105.6%
Profit before tax	22,255	28,832	-22.8%
Total assets	62,205	53,493	16.3%
Shareholders Fund	47,251	42,542	11.1%
Assets Under Management	7,721,724	6,008,366	28.5%
Scheme Membership	732,936	664,498	10.3%

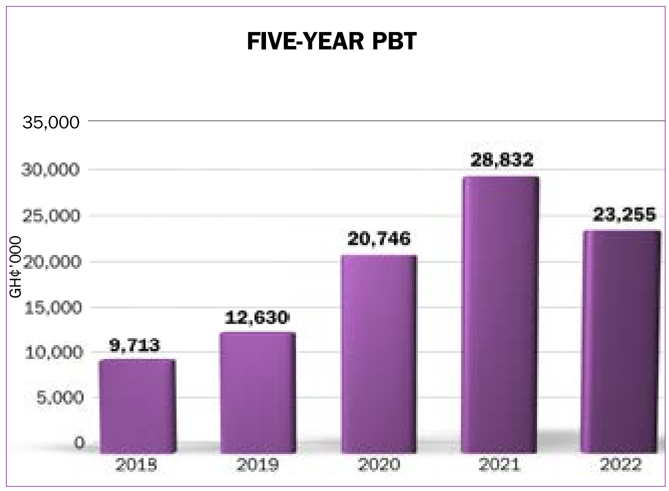
Enterprise Trustees LTD Report *(continued)*

The company's financial performance improved in the year 2022 notwithstanding the challenging financial environment. The supply-chain challenges caused largely by the war between Russia and Ukraine and soaring government debt affected significantly the economy of Ghana. The Total Assets of the company as of 31 December 2022 was GH¢62 million which represented 16.3% growth over the 2021 figure of GH¢53.5 million. Non-current assets registered a growth of about 21.6% over the 2021 figure which was due to increased investment in government bonds and deferred tax assets. The growth in total assets of the business was financed mainly from fee income generated from core operations. Fee income which was the main driver of the financial performance recorded a growth of 29%, from GH¢44 million in 2021 to GH¢57 million in 2022. This was because of growth in the Schemes Assets under Management (AUM) which increased from GH¢6.0 billion in January 2022 to GH¢7.7billion in December 2022 representing 28% growth rate. The AUM of GH¢7.7billion excluded Temporary Pension Fund Assets (TPFA) of about GH¢529million under the Health Sector Scheme which is pending allocation as we are yet to confirm member data received in terms of its accuracy to enable us to allocate to the members. Consequently, the business did not earn fee income on this TPFA asset. The trend in AUM is depicted in the graph below:



The seven Master Trust Schemes made a significant contribution to the Fee Income. It is noteworthy that as we celebrated the 10th anniversary of the successful running of the schemes, we paid significant benefits to our esteemed members amounting to about GH¢130million. As a growing business, we continue to invest in the key strategic focus areas of the business to sustain growth and profitability.

During the year under review, we continued to invest in our people via training and wellbeing programs as well as calibrating our approach to the retail pensions sector via technology which we termed the 4As and lifestyle. The 4As represent auto enroll, auto-deduct, auto-allocate and auto-benefit payments. Management expenses grew by 106% from GH¢21.1 million to GH¢43.4 million during the period. The main cost drivers in management expenses were impairment of Government bonds under the Domestic Debt Exchange Program (DDEP) and the interest expense on finance lease which increased our operating expense by about GH¢16 million. The profit before tax for the year was GH¢22.25m representing about 22.82% decline over the 2021 figure of GH¢28.83m. The trend for the past five years is depicted in the graph below:



Shareholders fund grew by 11% from GH¢42.5million to GH¢47.2million in 2022

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Corporate Governance

The Scheme Board and its sub-committees held quarterly meetings to review the affairs of the Schemes in accordance with section 38 of the National Pensions Act, 2008 (Act 766). During the year under review, the Board subjected itself to review by a consulting firm. The results of the review are incorporated into the strategy of the scheme for 2023 to improve board level performance.

The total trustees serving on our 7 master Trust Schemes remained same, with the exception of one exit from the Enterprise Tier 2 Occupational Pension Scheme (ET2OPS).

Enterprise Trustees LTD Report *(continued)*

Trustees participated in in-house training session on alternative assets Investment Regulatory Environment

The National Pensions Regulatory Authority (NPRA) continues to focus on intensifying compliance, good governance and increased pension awareness in the informal sector.

The regulator carried their prosecutorial powers to prosecute defaulting Tier 2 contributors which in effect led to the retrieval of GH¢11million from the defaulting employers.

On education, key activities held include an outreach program in Oti Region to create awareness of pensions.

Again, the NPRA held a consultative meeting with the Chamber of Corporate Trustees to collaborate in the area of mobilization, sensitization and education to facilitate the growth and sustainability of the Pensions industry in Ghana.
2022 also saw the introduction of Ghana Card as a requirement on member bio data.

The Regulator also issued revised investment guidelines for implementation by Industry players.

Retirement Benefit Payout

At the end of December 2022, we paid out GH¢130.8million in lump sum retirement benefits to One Thousand One Hundred and Ninety-Nine scheme members. As a Corporate Trustee, our continuous pledge to members is to pay out their benefits in a timely manner.

Mobile Van Service - 'Pensions Express'

We augmented the operations of our mobile van service - Pensions Express, with two additional vehicles. This ensured increased engagement with our members across the country. At the end of December 2022, the Pensions Express team had visited 100 facilities with a total of 3,594 members participating in activities.

Our People

I cannot over-emphasize the integral role staff play in our success as a company through their hard work, dedication and commitment to the business. Our staff were not left out of the anniversary celebrations; we held a family day out for our staff and their families to bond with each other and have fun.

Picking learnings from the Covid-19 and the post Covid era, we continue to implement agile working mode with staff alternating between working in the office and working from home.

To crown our efforts, I'm pleased to report that the company received recognition through the following awards with the year;

- 27th Position - Ghana Club 100 Awards
- Corporate Pension Trustee of the Year – CIMG Awards
- Pension CEO of the Year (Joseph Ampofo) - Ghana CEO Summit
- Pension CEO of the Year (Joseph Ampofo) – Ghana Accountancy and Finance Awards
- Corporate Trustee of the Year at the Ashanti Financial Excellence Awards.

Looking Ahead

As we look forward to 2023, our key focus is distilled into three main areas;

1. Improving data integrity through strengthening the Know Your Client (KYC) drive to enhance business analytics.
2. New business growth by offering cutting-edge innovative solutions to all workers both in the formal and informal sector whilst delivering exceptional customer experience.
3. Enhanced communication to our members to improve overall customer experience.

In 2023, our marketing theme is focused on Providing long-term financial security for all. We are confident about what the future holds for us and together we will deliver to delight our stakeholders.

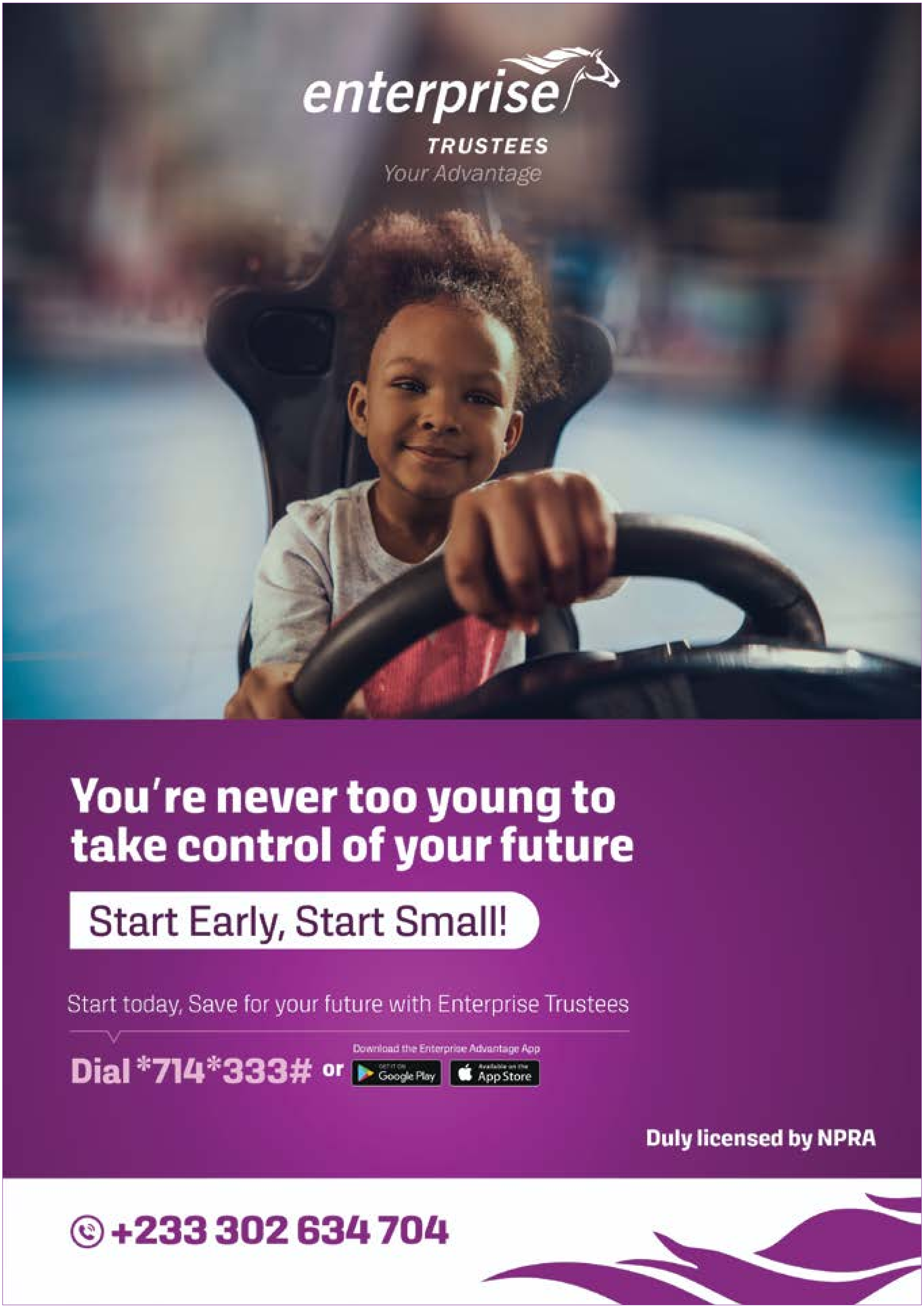
To conclude, I wish to express my immense appreciation to the Board of Directors, Scheme Board and Management for their continued support.

Special thanks to our Regulator – The National Pensions Regulatory Authority for providing a conducive atmosphere for us to operate in. I also thank our various fund managers and custodians for their support throughout the year.

To our cherished clients, we celebrate you for your loyalty and support for our business and always challenging us to do better.

To our staff, thank you for all your great sacrifices to ensure we meet the targets set before us.

Joseph Ampofo
Managing Director
Enterprise Trustees LTD



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Enterprise Properties LTD Report

Kwadwo Nini Owusu, *General Manager, Enterprise Properties LTD*

The year 2022 has been one laden with incredible economic complexities. Amid the nascent recovery from the effects of the COVID-19 pandemic, another major unprecedented shock arose from Russia's invasion of Ukraine further worsening the volatility of world economies. Domestically, the year under review, marked one of the most tumultuous years within the past decade characterized by increasing month on month inflation [registering a year end inflation of 54.1%], an accelerated depreciation of the Ghanaian Cedi to the United States dollar which saw a more than 30% loss in notional value to the dollar and a national voluntary debt exchange program on government bonds that suggests losses on pensions, collective schemes, corporate and individual investments making it challenging for business operations.

Throughout 2022, our attention was focused on providing value for our clients and stakeholders we serve. It was a year where we continued to focus on adding more value by increasing asset values and enhancing on our living and working spaces for our consumers, shareholders, and communities despite the rigorous operating environment.

Despite the economic headwinds, we are proud of achieving our target for rental income. The outcome reflects the strength of our team and our constant commitment to providing exceptional value for customers, enriching consumer experiences and our long-term strategic objectives.

We thank our team for their abundant hard work and increased employee engagement levels, they have indeed been the extra factor that sustained the business throughout the year. Successes on the customer service and a constant innovative culture of improving service delivery are also a noteworthy mention.

As developing countries expanded, and international travel proliferated, we experienced an influx of expatriates and tourists, boosting demand in the residential sector as the diaspora sought holiday homes in Ghana.

Sector Overview

The year was marked by a general stagnation in the real estate market much akin to the direction of the declining GDP growth, with rentals plateauing and pace of leasing decelerating more so in the office sub-sector compared to residential sector. However, the building industry and the real estate subsector therein contributed positively to the country's economy with approximately 15% contribution to GDP in 2022.

Sale transactions for commercial real estate has been skewed towards land transactions against completed grade A assets and there has been a marked drop in investor activities seeking returns in the Ghanaian real estate market as the rates of interest in the developed markets continue to rise and investment funds flow into seemingly safer havens.

However, with a lack of grade A facility management [FM] services in Ghana, we witnessed a growing number of local companies gradually developing competencies to provide FM services, a niche within the real estate value chain that we anticipate has tremendous potential for growth.

In the medium term, the industry is expected to be more moderated and regulated following the establishment of a Real Estate Regulatory Council (REAC).

Enterprise Properties LTD Report *(continued)*

Real Estate Market Trends - The Office Market

In the grade A office subsector where the majority of our activities take place, vacancy rates increased with a general 5-10% loss of tenants as most corporate organizations adopted hybrid working strategies. Advantage Place was no exception as it ceded approximately 2% of occupied spaces. The severity was most evident when rental rates for other grade A offices in the corridor of Advantage Place dropped to as low as $20 per square meter with no significant improvement in lets. At a 35% decrease from 2021, this marked the lowest recorded rental rate over the years. Lease inducement mechanisms such as rent concessions, and rent-free periods were no longer sweeteners as tenants continue to push below breakeven rental points of grade A assets.

In Advantage Place we successfully renegotiated and renewed 90% of our expiring leases. Unfortunately, we were unable to finalize any of our key pipeline deals before the end of the year. and consequently, missed out of our occupancy target of 85%.

However, we remain positive on the back of our pipeline that our efforts plus our revised marketing initiatives will culminate in an increase in occupancy in 2023.

Real Estate Market Trends – The Residential Subsector

The residential subsector experienced relatively more stability. As developing countries expanded, and international travel proliferated, we experienced an influx of expatriates and tourists, boosting demand in the residential sector as the diaspora sought holiday homes in Ghana. The sector continues to experience a shift in supply patterns, with developments expanding away from city centers to the suburbs primarily due to affordability considerations, but also due to the relative gain in indoor and outdoor space.

Trends from the year indicate a shift to tenant – dictated developments as developers are incentivizing rental and sales with additional amenities to attract tenants, leaving tenants with better value for money assets.

Similarly, we made improvements within our residential units in our portfolio in line with market demand which propelled us in achieving 100% occupancy in all our units.

Internal Operations – Construction Projects

On capital projects delivery, we executed 25 projects ranging from branch facelifts, renovations and construction of satellite offices and back-office support areas. As at the end of the year, 99% of all projects had been executed and notable among these were:

I. The Nzulezu School and Library Project – Phase One (1)
II. Fit Out Works for East Legon and Cantonments Offices for EIC.
III. Expansion of Arranging room for Transitions
IV. Fit Out Works for Tamale Mini Market
V. Fit Out Works for new Enterprise Life Office.

Furthermore, as part of our corporate social responsibility agenda to improve living conditions in society, we completed the refurbishment of the Sangmuah Male Ward at Ankaful Psychiatric Hospital, the construction of a 4-block building housing 6 wards, 2 nurse stations, a treatment room, 2 sets of disability washrooms, a treatment area, eatery and conference room just to name a few amenities in the upgraded ward.

Internal Operations – Client Engagement & Satisfaction

We continued to improve our ongoing physical assessment of all our locations in 2022. This comprised nationwide visits to all our touchpoints. This also gave us some facetime and aided us better appreciate the needs of the occupants in our locations. We continued measuring our customers' experiences within our spaces and improved our Customer Satisfaction Index [CSAT] score. The combined scores from the two surveys were positive, exceeding the benchmark score of 75% to 76% as of the- end of the year.

Delivering optimum client and end user satisfaction remained a key focus and to improve our understanding of our customer needs and gauge the levels of service quality needed to crystallize our strategy.

2022 Financial Performance

Our performance for the year was adequate. The team's efforts enabled us to meet our rental income target in the year under review, key financial performance highlights include:

- Consolidated revenue for the year increased by 26% to GH¢22.3 million (2021: GH¢16.4 million). This increase was attributable to the retention of key tenants, efficient rent collection strategies and a boost from gains on foreign currency translations.

Enterprise Properties LTD Report *(continued)*

- Our operating profits, excluding the effects of revaluation gains from investment properties decreased from GH¢5.2million to - GH¢12.2million loss, a -335% drop. This was on the back of high forex losses made during the repayment of the Standard Chartered Bank [SCB] loan.
- Full prepayment of US$15.0million SCB loan acquired in 2016 to construct Advantage Place.

Outlook for 2023

For 2022, the Ghanaian operating environment proved difficult. The emergence of new real estate regulations provided an indication of how the industry will be expected to evolve. These new regulations aim to improve transparency in real estate transactions, generate revenue for the government, and certify players in the industry for the years ahead.

We are acutely aware of the evolving trends in our industry. The introduction of work-from-home opportunities among other industry changes has taught us the strategies we must employ to thrive in this industry.

We remain confident that our strategy will provide our stakeholders with excellent long-term returns as we focus on improving the Enterprise Properties customer experience by improving the quality of our services. Increasing revenue is critical, and we have the needed industry expertise to explore and generate additional revenue from alternative sources.

Our team is still a priority; we intend to build capacity and cultivate an inspired, motivated, and trusted team in 2023 and beyond.

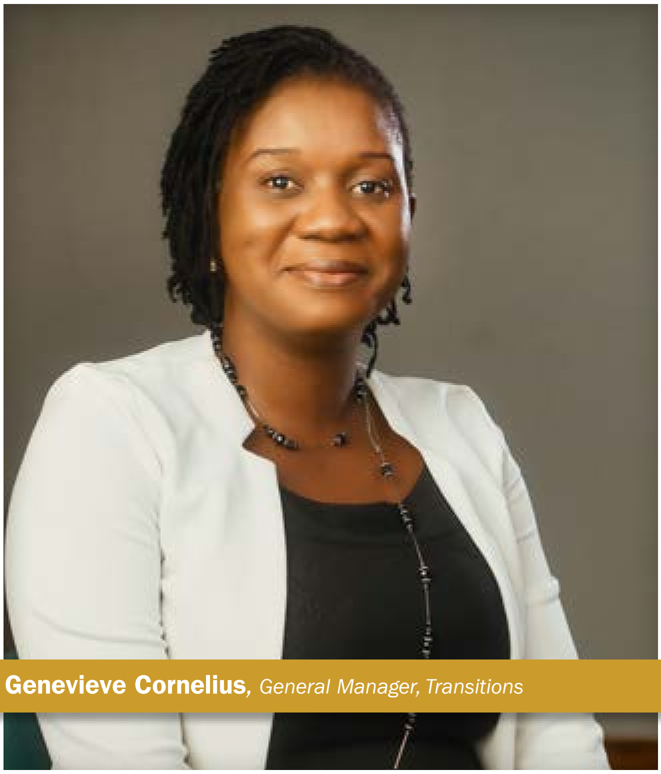
Close

We are convinced that irrespective of the trying conditions in our industry and the economy as a whole we are poised to face any test in 2023. Our learnings and wins over the years have geared the team with more confidence. Motivated by our theme, consolidating our gains for future growth, we intend to break into a new frontier of excellence in the new year. We would like to thank everyone at EPL once more. While there is still much work to be done in 2023, we know where we are going and what we want to accomplish.

Thank you

Kwadwo Nini Owusu
General Manager
Enterprise Properties LTD

Transitions Report



Genevieve Cornelius, *General Manager, Transitions*

Introduction

Per Enterprise Group's 5-year strategy journey commencing 2020, 2022 was the third year for Transitions. The strategic objective of transitions was to 'Achieve and Maintain Exponential Profitable Growth'. Having achieved profitability in 2021, the business maintained the profitable journey even in 2022 despite the difficult operating environment. Profit level in 2022 however declined compared to 2021.

When covid 19 reached the shores of Ghana, it did not only put the health of the citizens at risk but also the financial stability of the general economy and the business environment. The funeral industry was hit by restrictions imposed by government to contain the virus. This shifted consumer demands in the way funeral products and services were served. Duration of funeral services were limited to an hour or two with total ban on reception activities. In response to the changes imposed by covid-19, the funeral industry started an agenda to influence and promote a culture of short funeral services that allowed multiple services in a day with a single resource (hearse, chapel, etc.). This proved very successful and enabled Transitions optimize the use of its resources.

In March 2022, the government of Ghana announced the lifting of some major restrictions on funeral activities. The market responded quickly to the announcement, impacting significantly on the demands from customers. The gains made through changes in consumer behavior during the period of restriction were wiped away. Customers started demanding for longer periods, burial and reception services which were restricted during the covid times. Gradually, funeral activities returned to almost pre-covid times except that the customers today expect more enhancement compared to the pre-covid services.

After six years of operations, Transitions has succeeded in influencing public perception of funerals and made it an attractive commercial venture.
Today, many individuals and businesses are investing in the industry.

Operating environment

The Ghanaian economy that was once growing at an impressive rate during the pre-covid period was impacted by fiscal slippage induced by covid-19 and the Russia-Ukraine war. The country went through difficult period in 2022 culminating into the decision of government requesting for IMF support. Year-end inflation was above 54%, the cedi recorded one of its worse performances in a long while, interest rates reached levels that made it impossible for businesses to borrow to expand. By December 2022, the government announced a Domestic Debt Exchange Programme (DDEP) as one of the means to bring Ghana's debt-to-GDP ratio to sustainable levels in order to receive approval for IMF extended credit facility. The cost of operations skyrocketed, making the cost of service to customers very expensive. Consumer purchasing power was also severally impaired leading to changes in consumer choices that affected volume of services recorded during the year.

Transitions Report *(continued)*

Financial highlights

The overall performance of the business during the period saw a subdued growth.

I. Revenue:

The company core revenue grew by 9% over prior year (2021). The growth was driven by caskets sales, hearse and mortuary services coupled with price reviews to contain the increases in input cost. The main channel that contributed to revenue growth was walk-in. The assurance product that was reintroduced into the market continue to record steady growth in file size.

II. Total expense:

Cost of sales: The cost of sales during the year was contained through effective planning. The cost of imported products was insulated from the depreciating currency through internal measures taken by management in quarter one of 2022. Cost of sales grew by 1% over prior year despite sales growing by 9%.

General operating expense increased by 30% over prior year. This was mainly driven by inflationary pressures. The main drives of operating expense were occupying cost, fuel, personnel costs.

Impairment loss: The business made impairment provision of GH¢0.375m against the Government of Ghana bond that were affected by the DDEP.

III. Net profit

Net profit before tax declined by 59% compared to prior year. The decline was attributable to operating cost growth.

Market Analysis

A key development in the industry was formation of the regulator, Mortuary and Funeral Facilities Agency, MoFFA based on the Health Institutions and Facilities Act, 2011 (Act 829). The regulator has commenced its regulatory functions by enforcing registration of mortuary practitioners in the industry.

Prior to Transitions' entry into the Ghanaian market, funeral services were not offered in a well-structured commercial manner. There were few private funeral homes but were not very visible to the public. After six years of operations, Transitions has succeeded in influencing public perception of funerals and made it an attractive commercial venture. Today, many individuals and businesses are investing in the industry. Hearse service, mortuary service and caskets sales have attracted the most investment in the funeral value chain. Some funeral homes have partnered life insurance companies to offer funeral assurance product to the market.

Products and Service

Transitions continue to offer the market most convenient products and services to address the funeral needs of bereaved families. The business has invested so much in its people to deliver innovative and tailor-made products and services to its cherished customers.
With partnership with key businesses and organizations, Transitions offer the consumer the best. Below are some of the partnership packages.

- Advantage package for customers of any subsidiary of Enterprise Group
- Absa Package for customers of Absa bank Ghana. The package contains discount offers for banca assurance and non-banca assurance customers of Absa bank Ghana.

At Transitions, we offer everything funeral, and these include:

- Mortuary care services
- Hearse services
- Caskets (local and foreign)
- Chapel and reception facilities
- Repatriation services (inbound and outbound)
- Fresh flowers
- Pallbearer services
- Funeral arranger services at no cost
- Digital solutions (live streaming, digital payment solutions, e-commerce platform etc.)

2023 in perspective

Although the coming year is predicted to be one of the most challenging in recent time, the business has repositioned itself to meet the customers at the point of their needs. Our theme for 2023 is 'Transitioning Transitions' into a more customer focused and market oriented business which aligns to the strategy of Enterprise Group. The cherished customers of Transitions should expect more solutions that meet the exigencies of the time.

The business will continue to create the best value for its customers and to establish itself as a strong force to reckon within the industry.

Genevieve Cornelius
General Manager
Transitions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50%
Discount
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Enterprise Life Assurance Company (Nigeria) Limited Report

We increased our physical branches to three (Ikoyi, Ilupeju and Lekki) ensuring that we get closer to our customers. We intensified our Paypoint strategy to drive our new business and premium collection efforts

Funmilayo Omo, *Managing Director,*
Enterprise Life Assurance Company (Nigeria) Limited

Introduction

The year 2022 was the second year of our operations in Nigeria. The theme for 2022 was resetting the 3-year plan for effective and accelerated growth. The 3-year plan was premised on assumptions gathered from the Nigerian market either by engaging market players, consultants, and other interest groups. These assumptions formed the basis of positioning Enterprise Life model in the Nigerian market. It is worth noting that, even though the assumptions reflect largely conditions prevailing in the Nigerian market, the application and execution have brought to bear certain key learnings. The past two (2) years has afforded Management the opportunity to first understand the Life model, relate the model to the nuances in the Nigeria market, and afforded us the opportunity to reset, refocus and reposition in a way that delivers on the core mandate.

Although 2022 started with a plethora of positive expectations due to the post Covid recovery, the year brought unexpected global economic disruption amidst existing economic challenges such as rising inflation rates. Specifically, the Russia-Ukraine war and its attendant supply chain disruptions led to a spike in oil prices rising above $100/barrel which put an upward pressure on inflation; hence, Global central banks responded to multi-inflation data with a barrage of interest rate hikes and tightening monetary policies to curb the elevated inflation.
2022 was challenging due to global macroeconomic and geopolitical challenges which inhibited growth and profitability across industries – including the looming threat of global recession. In Nigeria inflation reached a 17-year high of 21.5% in November before moderating slightly to 21.3% in December, bringing the average for the year to 18.8% and putting pressure on disposal income.

Operating Landscape

The outlook for the Life Insurance Industry remained positive for 2022. A strong middle class with growing incomes and new tastes have boosted the demand for Life Insurance. The low market penetration rate of below 1% points to a potential for continued strong growth in the market.

The industry has been subjected to regular regulatory changes moving towards international standards by introducing a Risk Based Supervision framework.

2022 Focus

We increased our physical branches to three (Ikoyi, Ilupeju and Lekki) ensuring that we get closer to our customers. We intensified our Paypoint strategy to drive our new business and premium collection efforts. We increased the number of sales teams to thirteen and increased our Branch managers to five. We implemented and operationalized the Training Academy with dedicated two resource officers.

Enterprise Life Assurance Company (Nigeria) Limited Report *(continued)*

We simplified our back-office processes and continued with our digitalization efforts. We successfully activated our paypoint strategy with initial 2 institutions.

Financial Performance

Despite the challenging macro-economic environment that confronted operators in the Nigerian insurance industry the company grew its Gross Written Premium by 199% from NGN136m in 2021 to NGN406m in 2022. Investment Income for 2022 was NGN510m at the same level as 2021 this is after we had made significant withdrawals from Shareholders fund which was applied into the business. Our claims ratio for 2022 was 3% we ensured we paid all legitimate claims within 48 hours.

General and administrative expenses increased by 19% fixed overheads such as depreciation, occupancy cost and people cost were the main drivers of operating expenses. The impact of inflationary pressures contributed to the increase in operating expenses. These costs are expected to be absorbed as we aggressively grow our topline in the subsequent years.

We recorded a loss of NGN1.15 billion, an increase of 23% over prior period. This loss arose from high initial start-up cost associated with the stage of our business.

We continued to make significant investments in our people, brand, technology, and processes for shared prosperity in the future.

Our value of new which measures the profitability of new business generated was NGN28.4m

2023 Outlook And Priorities

Notwithstanding the turbulent macroeconomic climate, the management team remain focused on delivering on our strategy to drive long-term value creation.

In line with our vision, we are poised and committed to make 2023 a defining moment to put the business on a sustainable growth trajectory. Our priorities for 2023 are very clear; it is hinged on aggressive new business (both retail and corporate), an efficient premium collection, coupled with suitable structures and systems for disciplined execution. Whilst at this, we will embed a culture of high performance and accountability, a customer centric mindset blended to create significant value for our stakeholders, including our regulators, people, partners, and shareholders.
We recognize the role technology can play in our distribution mix and we intend to unlock the efficiencies through the use of Advantage connect as a strategic initiative aimed at making a far-reaching impact on our distribution performance.

2023 will mark the first year of the implementation of a complex accounting standard for Insurance contract IFRS 17. Fundamental to this is ensuring a compliance culture to meet the requirements of the new standard and a zero-tolerance for any regulatory infraction.

Conclusion

We depend on your continued support as we pool our experience and talents to propel our company to an enviable height. We are committed to creating long-term value of all our stakeholders.

We sincerely thank our cherished customers for choosing us as their Life assurance partner. We remain committed to continually delight you and provide you with the peace of mind we promised. Our sincere appreciation to our incredibly talented staff for your doggedness and commitment which continually spurs us to deliver excellent customer experience.

Funmilayo Omo
Managing Director
Enterprise Life Assurance Company (Nigeria) Limited

Acacia Health Insurance LTD Report

Dan Vincent Armooh, Dr. *Managing Director, Acacia Health Insurance LTD*

Introduction

On behalf of the management team of Acacia Health, I am honored once again to present this report covering the performance and updates on business operations of the company for the year 2022 to you our distinguished Shareholders.

Acacia started the year in optimism as 2022 marked the beginning of our pursuit of a medium-term growth agenda aimed at increasing our number of lives under management from 30,000 to 60,000. Among the key targets for year was to enroll an additional 5000 new lives to our existing portfolio of about 32,000 lives, with the financial results being a commensurate increase in net written premiums, while keeping our claims ratios within manageable limits.

Acacia stayed the course posting a very good first quarter performance until the cedi started succumbing to increasing inflationary pressures. For AHI, this trend unfortunately began at a time when majority of our clients had signed off their annual renewal contracts based on already agreed premiums.

In addition, a training needs assessment was also completed for all staff in 2022. The year was also filled with activities aimed at fast tracking the integration of all AHI staff into the Enterprise culture. This included conversations with various MDs of the other OpCos dubbed the "Enterprise Ethos series".

The difficulties with the currency depreciation that ensued, resulted in a lot of turbulence in the Private Health Insurance Industry. From having to endure arbitrary price increases by our service providers through to demands for upfront payment for services, Acacia had to navigate these choppy waters without varying its promise of providing a high level of uninterrupted access to health care services to all our clients – an industry hallmark set and kept by us. Notwithstanding our high claims experience for the year, Acacia maintained its brand promises to all its clients.

On the operational front we completed a wide area network (WAN) integration that enabled us to digitize our client's engagement experience. To oil our distribution channels, we also re-engaged to deepen our business level relationships with our brokers. As part of our plans to enter into the retail, we commissioned market research into the retail market, findings of which has served as a basis for our retail market entry strategy. Efforts were also made at the acquisition of a fit-for-purpose core software to drive this retail agenda. It is hoped that the software acquisition process will be completed in 2023 to enable the company go to market with its retail offerings.

To improve staff motivation and enhance staff productivity, a remuneration rationalization exercise was also implemented in the year. The aim was to bring staff at par to the other operating companies within the Group. In this regard, there was the introduction of incentives like clothing allowances for staff and long service awards to deserving employees. This Human resource retention strategy improved staff morale and helped the quick adaptation and assimilation of the Enterprise culture and ideals. These actions have set the company up for growth in the coming years.

Acacia Health Insurance LTD Report *(continued)*

Regulatory Environment

No changes have been witnessed on the regulatory front as the National Health Insurance Authority (NHIA) continues to regulate of the Private Health Insurance Industry in accordance to Act 852 (NHIA 2012). The authority registers and offers licenses to two types of Private Health Insurance Schemes – Private Mutual Health Insurance Scheme (PMHIS) and a Private commercial Health Insurance Scheme (PCHIS). Acacia is a licensed PCHIS that has operated in Ghana since 2013.

At the close of the year, there were thirteen licensed Private Commercial Health Insurance Schemes and One licensed Private Mutual Health Insurance Scheme operating in Ghana. Two new schemes – Dosh Health Insurance, and GAB Health Insurance were licensed during the year. Despite the addition of these two new PCHISs, the general focus of the industry has not changed as all players provide health insurance products and solutions targeted at the corporate market. A very small fraction of retail products exists.

Business Overview

a. *People Issues*

Acacia closed 2022 with a total staff strength of forty three. Among the significant achievements in our people management strategy was the full on-boarding of an HR Business Partner, the dissemination of new job roles in alignment to the Enterprise Group organizational structure and the acceptance of continuous employment by all the staff.

In addition, a training needs assessment was also completed for staff in 2022. The year was also filled with activities aimed at fast tracking the integration of AHI staff into the Enterprise culture. This included conversations with various MDs of the other subsidiaries dubbed the “Enterprise Ethos series”. These sessions helped staff to be acquainted with the operations of the other subsidiaries as well as to better have a feel of the Enterprise culture through these shared experiences by those who have lived and led the culture at their companies.

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b. *Target Market and business portfolio.*

The PHIS market keeps growing steadily. At the close of 2022, PHIS companies had a total of about 370,000 lives under management. Acacia has approximately 10.9% of the market size. At the close of year 2022, Acacia served a total of 36,122 lives from 262 companies across various sectors of the economy.

In terms of growth this represents the net addition of 3,697 new lives to our 2021 business portfolio of 32,425 lives. Our current membership portfolio is made up of 88% premium-paying members and 12% third-party administration clients

Type of Insurance Client	Total Lives covered	Percentage
Premium-Paying Clients	31,748	87.9%
Third Party Administered Plans	4,374	12.1%
Total	36,122	100%

c. *Product Options*

Acacia’s product offering groupings did not see any changes in the year under review . Two main types of health insurance products still remain on offer.

i. A premium-based health insurance product – with 5 benefit options namely.

- **a. Lifecare** – This is our low budget OPD-only plan tailored for the needs of the small-scale sector companies who want to offer some health cover for their employees.
- **b. Unicare** – our basic OPD and IPD plan offers cover to the common health issues faced by members, with limits to surgical, dental, and optical benefits. This plan offers access to care from about 90% of our accredited service provider network.
- **c. Premiercare** – Our third level benefits plan offers access to 95% of our service providers with very competitive traditional benefits as well as handsome optical and dental covers.
- **d. Supercare** – The Acacia Supercare plan affords a wide HSP network access with very generous OPD and IPD benefits limits.
- **e. Supercare Plus** – Our topmost benefits plan offers access to 100% of our accredited service providers with unending outpatient and in-patient benefits.

Each of these products are tailored for the needs of a specific segment of the corporate market.

Acacia Health Insurance LTD Report *(continued)*

ii.Non-premium based or Third-Party Administration Plan – where we manage the health plans of other corporate entities. In 2022, our TPA plans accounted for 12% of the total lives under management.

Corporate Awards

Acacia continues to make a significant impact in the Private Health Insurance Sector in Ghana. Among the top recognitions and awards conferred on the company as a credit to its industry leadership roles were;

1. Membership of Ghana Club 100 – Ranked No 58 (Topmost ranked Private Health Insurance Company)
2. Brand of the year 2022 – Ghana Insurance Awards
3. CEO of the Year 2022 – Ghana CEO's Summit
4. Health Insurance Provider of the Year 2022 – Ghana Pharma Awards

Performance

Net Written Premium

Our net earned premium for the period was GH¢71.8million. This represents an increase 33% above the 2021 net insurance premium of GH¢54.1million .

Claims Incurred

The total claims incurred for 2022 was GH¢63.1million in comparison to GH¢39.7million incurred in 2021. This was an increase 59% above the 2021 claims incurred. Though the number of individual service encounters decreased in 2022, the increase in claims cost was due to high inflation and increase petroleum prices which led to high service provider charges in 2022. Medical Inflation during the year was around 60% with some service providers increasing charges to as high as double their 2021 rates.

Management Expense

Total management expense for 2022 was GH¢18.8million which was 25% above our management expense in 2021. This increase was because of remuneration and other incentives rationalization process undertaken at Acacia. The purpose of this exercise was to bring AHI aligned to the Enterprise Group to improve staff motivation, increase staff retention and ultimately to enhance sustained productivity.

New Business Income

In terms of new business, Acacia enrolled 6,370 new lives in 2022. These lives contributed about GH¢17.7million in premium incomes.

Underwriting Profit

An underwriting loss of GH¢9.97million was made for the year 2022. This was a direct result of the increased claims and utilization expense in 2022 attributable to the high exchange rate and increased cost of fuel that led to a general increase in service charges from our Health care Service Providers.

Investment Income

Investment income for the year was GH¢5.5million compared to the GH¢4.4million earned in 2021. This represented a 25% increase in investment income, a direct result of fair gains on property revaluation.

Profit Before Tax

For the year under review, Acacia's profit before tax was GH¢3.2million, a reduction of 60% in comparison to the 2021 performance of GH¢8.0million. The decline in profit was due mainly to cost increases and impairment provision of GH¢3.7million.

Outlook for 2023

Despite all the uncertainties that 2023 brings, Acacia is poised to pursue a growth agenda in line with its 3-year medium term strategy that began in 2022. Fundamental to this strategy is the deployment of the right digital tools to pursue growth in the retail market. We will deploy a new core software aimed at improving operational efficiency as well to drive the retail agenda. Findings from the retail market research will guide our market entry principles as we venture into this new market. In addition, Acacia will pursue a synergistic business relationship with the other OpCos geared towards launching embedded products and taking advantage of other cross-selling opportunities. We will also provide telemedicine and a Pharmacy Benefits Manager (PBM) services through partnerships with third party businesses.

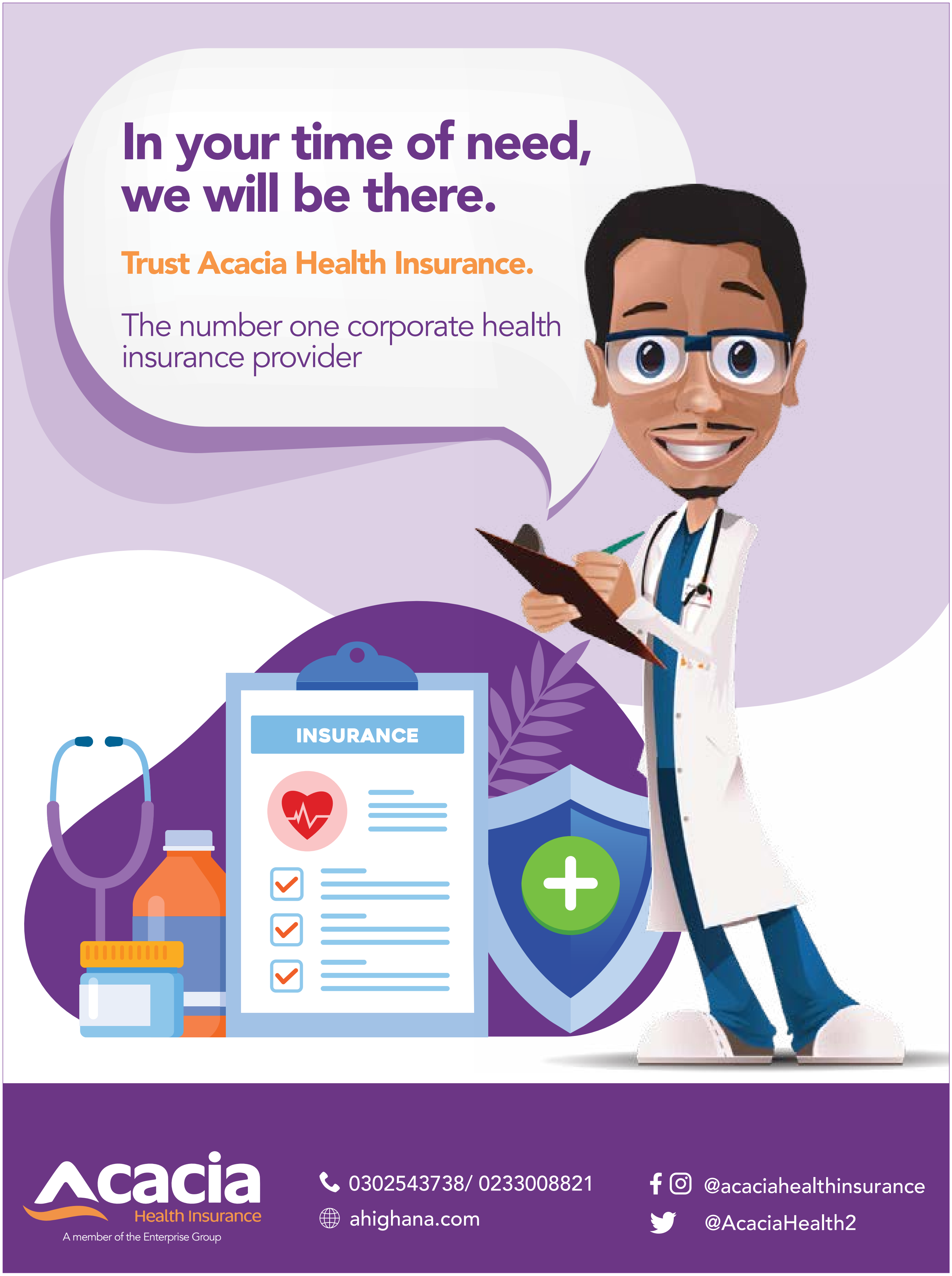
In addition to growing our topline with a review of our premium and product portfolios, efforts will be put into managing our claims ratios using innovative approaches including clinical audits and other fraud reduction methods.

Acacia Health Insurance LTD Report *(continued)*

Concluding remarks

Together with the Management team, we acknowledge the support from the EGL leadership especially in rolling out the performance-based remuneration and incentives packages to staff of AHI in alignment to the Group. Although we anticipate an uncertain 2023 as Ghana goes through its current economic challenges, we are optimistic of our abilities to surmount the challenges and post good returns for our efforts.

Dan Vincent Armooh, Dr
Managing Director
Acacia Health Insurance LTD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Enterprise Life Gambia's Review

Fatoumata Baldeh, *Country Manager,*
Enterprise Life Assurance Company (Gambia) Limited

Despite the challenges of Inflation which grew from an average of 7.38% in 2021 to 13.37% by end of 2022, the year was closed strongly with a registered Gross Premium of GMD115M, a decent growth of 19% from 2021

Performance Overview

In 2022, we set out to consolidate our gains by maintaining a steady growth rate as we worked towards meeting the companies 5-year strategic goals by December 2024. During the past year, we paid particular attention to our Corporate Business, Our People, and also invested in branch presence including Branding.

Despite the challenges of Inflation which grew from an average of 7.38% in 2021 to 13.37% by end of 2022, the year was closed strongly with a registered Gross Premium of GMD115M, a decent growth of 19% from 2021.

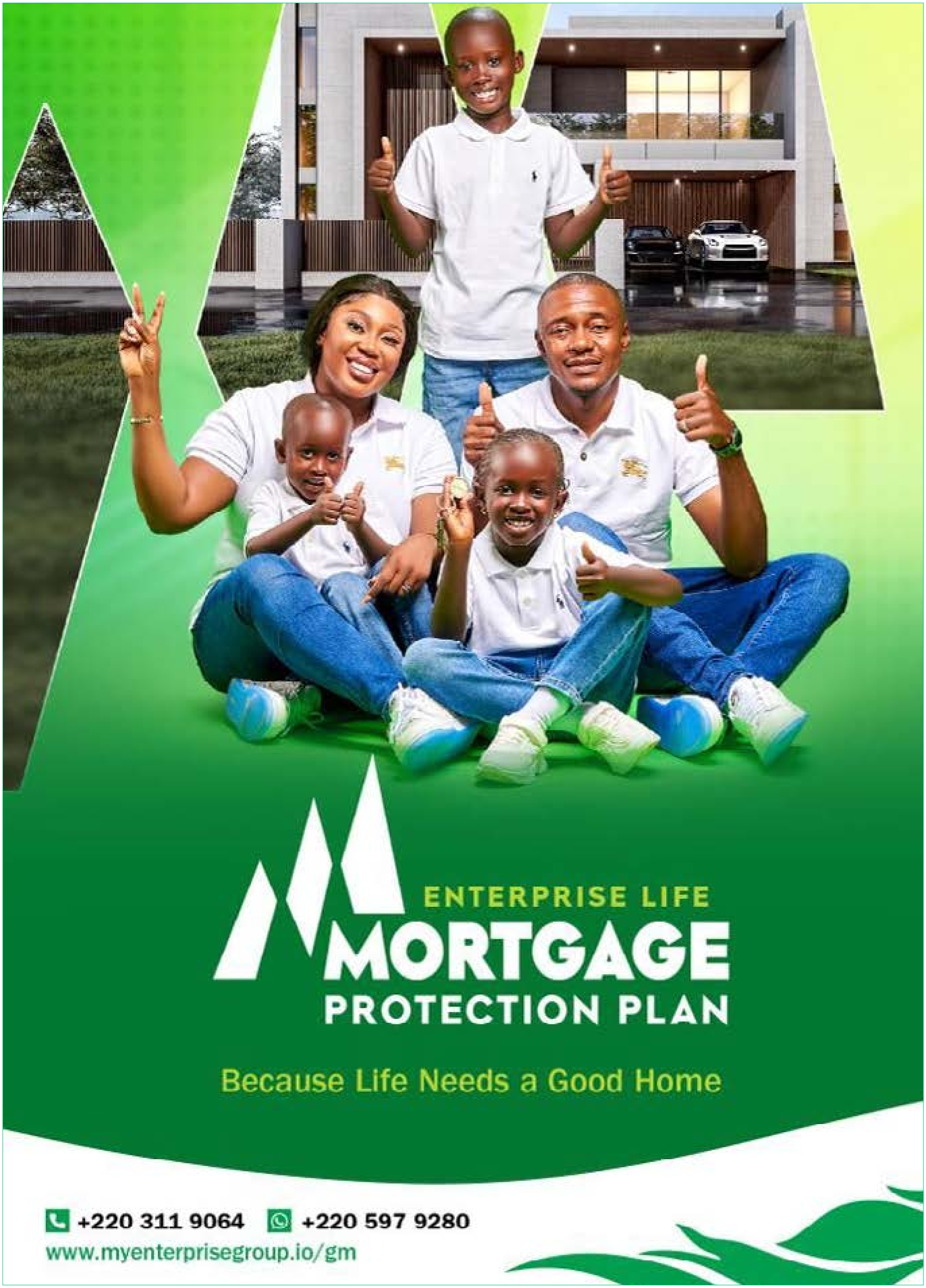
Low purchasing power due to high cost of living triggered higher than anticipated claims as clients naturally fell back on their savings. Claims & Surrenders averaged about GMD4m on a monthly basis in 2022.

On the corporate business front, the business benefited from signing two new Group Life Businesses with major commercial banks whilst the credit life insurance scheme with Banks also continued to gather momentum as the beneficiaries grew more accustomed to its benefits and mechanics. As a result of the focus placed on our Corporate Business, its Income line grew by GMD4.1M, a 63% growth from the previous year.

The retail business also grew decently as the file size grew by 10% to 22,607. The Average Premium Income also grew by 2% to GMD417 as we continue to reap the benefits of increasing our minimum premium from GMD256 to GMD306 in 2021. The growth in our retail business was also driven by decision to set up an additional sales Team in a bid to increase our sales force. The relocation and standard branding of our Brikama branch in the populated West Coast Region also boosted client confidence whilst also making us much more accessible to our clientele.

The strong performance in 2022 ensured that we continued to dominate the market both in terms of Gross Premium Income and also in Balance sheet Size. Our balance sheet size represents 22% of the whole Industry whilst the GMD115M gross premium achieved in 2022 represents 21% of the industry gross premium.

Fatoumata Baldeh
Country Manager
Enterprise Life Assurance Company (Gambia) Limited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Corporate Governance Statement

Introduction

The Boards of Directors of Enterprise Group PLC and its subsidiary companies (collectively referred as the "Group Boards") are committed to maintaining the highest standards of Corporate Governance. The Directors believe that full disclosure and transparency in the Group's operations are in the interests of good governance and contribute to the sustainability of the Group's long-term prosperity and accountability to its shareholders.

This Statement outlines the Group's Corporate Governance principles and practices, and details how it has applied those principles over the past year. As indicated in the Statement of Directors' Responsibilities and Notes to the Financial Statements, the Group adopts standard internationally recognised accounting practices and maintains sound internal controls which provide reassurance regarding the reliability of the Financial Statements.

The Board of Directors

The Group Boards and the Management team are collectively responsible for inculcating best Corporate Governance principles into the business and securing the long term success of the Group as a whole.

The Board of Enterprise Group currently has six Non-Executive Directors including the Chairman. Each Member is highly qualified and experienced in both managerial and his/her distinctive field of specialisation.

The roles of the Chairman and Group Chief Executive Officer are distinct and do not vest in the same person.

The Board holds at least four meetings each year to review performance of the business, provides clear strategic direction for the Group and ensures the achievement of agreed key deliverables. Members of Senior Management attend Board meetings by invitation. The Chairman provides leadership and guidance to the Board and facilities proper deliberation of all matters requiring the Directors' attention.

To ensure effective control and monitoring of the Group's business, the Board has four main committees namely: the Audit Committee, the Joint Human Resources and Nominations Committee, the Risk and Compliance Committee and the Strategy and Investments Committee.

Audit Committee

The Audit Committee's mandate is to review and report to the Board on the compliance, integrity and major judgmental aspects of the Company's published Financial Statements. It also reviews the scope and quality of external audits as well as the adequacy of internal controls and risk management, to eliminate the risk of failure to the Company's business objectives.

Members of the Committee are:

Fiifi Kwakye - *Chairman*
Trevor Trefgarne
Douglas Lacey

The Chairman of the Committee reports that the Committee met four times during 2022 to fulfil its duties as set out in its mandate.

Corporate Governance Statement *(continued)*

Joint Human Resources and Nominations Committee

The Joint Human Resource and Nominations Committee assists the Board in fulfilling its responsibilities with respect to issues pertaining to the Group's human capital. It determines Executive and Board remuneration after appropriate surveys and is additionally responsible for reviewing the Group Human Resources Policy to ensure that its implementation is in line with its stated objectives.

The Committee also reviews the composition of the Boards.

Members of the Committee are:

Prof. Angela Ofori- Atta - *Chairperson*
Trevor Trefgarne
Douglas Lacey

The heads of the subsidiary companies attend meetings of the Committee.

Risk and Compliance Committee

The Risk and Compliance Committee oversees the governance, monitoring and control of significant risks within the Group and compliance with all applicable statutory, regulatory internal policy requirements.

Members of the Committee are:

Mrs. Amina Oyagbola - *Chairperson*
Fiifi Kwakye
Francis Koranteng
Abed Botchway
Norman Kelly

The Chairperson of the Committee reports that the Committee met four times during 2022 to fulfil its duties as set out in its mandate.

Strategy and Investments Committee

The Strategy and Investments Committee provides strategic direction for the attainment of the Group's corporate vision and objectives through growth and development. It also identifies and prioritises investment opportunities to deliver the Group's targets.

The Directors of the Group entity are members of this Committee.

The Chairman of the Committee reports that the Committee met four times during 2022 to fulfil its duties as set out in its mandate.

The Group's Subsidiaries

The Group has six direct operating subsidiaries, namely:

- Enterprise Insurance LTD
- Enterprise Life Assurance LTD
- Enterprise Trustees LTD
- Enterprise Properties LTD
- Enterprise Life Assurance Company (Nigeria) Limited
- Acacia Health Insurance LTD

Other companies in the Group which are owned by Enterprise Life Assurance LTD are:

- Enterprise Funeral Services Ghana LTD, trading as "Transitions – The Funeral People"
- Enterprise Life Assurance Company (Gambia) Limited.

Each company has its own Board of Directors which formally meets at least four times each year.

The roles of Chairman and Managing Directors in the subsidiaries are separate and do not vest in the same person, with each Chairman being a Non-Executive Director.

To further strengthen controls and monitoring of the businesses, the Boards of Enterprise Life, Enterprise Insurance and Enterprise Trustees each has an Audit Committee. Enterprise Life and Enterprise Insurance each has a Strategy & Operations Committee and Enterprise Life also has an Investment Committee.

Corporate Social Investment Report

The Corporate Social Investment (CSI) initiative at Enterprise Group PLC is tailored towards strategic programmes aligned with three of the United Nations' Sustainable Development Goals (SDG) namely:

- **SDG #3 – Good health and wellbeing:** Supporting the achievement of universal health coverage and providing access to safe and effective medicines and vaccines for all.
- **SDG #4 - Quality Education:** Contributing to the development of well-educated individuals to enhance the country's socio-economic position by citizens who are qualified, employable and can become contributors to the broader economy.
- **SDG #10 – Reduced Inequalities:** Reducing inequalities within the country and ensuring no one is left behind.

The activities carried out are therefore designed to impact the areas of **Health, Quality Education** and **Support for the Under-privileged.** For the year under review, several initiatives were embarked upon by the Group in support of this drive.

Health – SDG#3

Refurbishment of Ankaful Male Block

In line with the Group's objective of promoting good health and wellbeing (SDG #3,) the Company refurbished the male block of the Ankaful Psychiatric Hospital, which provides services for over 18,000 patients every year.

The project cost about GH¢2,000,000 and covered renovation works and furnishing of five wards, a conference room, a nurses' station, pantry, dining hall, treatment room, provision room and washrooms.

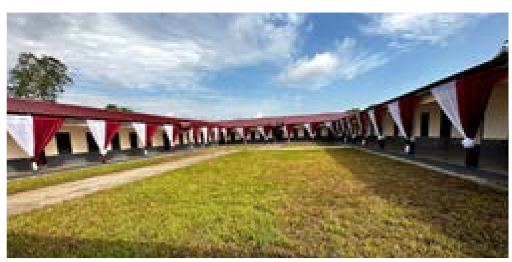
Funding of Children's Cancer Center in Korle Bu in collaboration with Lifeline for Childhood Cancer Ghana

In collaboration with Lifeline for Childhood Cancer Ghana (LCCG), a non-profit organization, Enterprise Group supported efforts in improving universal health care and facilitating children's access to the necessary medication and treatment for cancer. This involved the provision of seed funding of GH¢1m for the construction of a Children's Cancer Center at the Korle-Bu Teaching Hospital. Upon completion, the three-story building will house a 40-bed unit and include offices for medical and support staff as well as holding and counselling areas for relatives of sick children.

Quality Education – SDG # 4

Financial Literacy Program by Enterprise Group

Enterprise's commitment to quality education as defined in the Sustainable Development Goals (SDG #4) is demonstrated through the Group's Financial Literacy drive instituted in 2020. Through the Advantage Talent Program, a management development program to advance employees' leadership competencies, a series of financial literacy sessions were facilitated by employees of the Group for Students, Pupils and Parents of Bishop Mixed Junior High School in Accra. The literacy program seeks to inculcate basic financial principles in the children and improve the financial management abilities for the parents to aid in securing a better future for their children.



Corporate Social Investment Report *(continued)*

Refurbishment of UGCHS (University of Ghana, College of Health Science) Library
To enhance learning facilities at the University of Ghana, the Group refurbished the College of Health Science's library at a total cost of GH¢52,000.

Support for Under-Privileged - (SDG #10)

SDG #10 is focused on reducing inequalities. Enterprise Group chooses to carry out that mandate by supporting the under-privileged whenever possible, by reducing inequalities in income generation and mitigating social exclusion. In line with this, the Group responded to the call from some institutions to carry out specific projects.

Beneficiaries of these philanthropic activities include the following;

Chavah Foundation
Enterprise Group through Chavah Foundation donated vocational materials worth GH¢10,500 in the form of sewing machines, hand dryers, blenders, cooking utensils etc. to the Social Welfare Girls Vocational Training Institute in Cape Coast, a school is dedicated to equipping abused orphans with vocational skills. In line with our bid to tackle SDG#4 and SDG#10, this intervention aimed to help improve skill sets as well as create an advantage for girls who find themselves economically disadvantaged.

Fund for Appiatse Explosion Victims
The Group responded to a national appeal by supporting the victims of the Appiatse explosion by donating relief items worth GH¢30,000 to the affected communities.

Donation to Nana Nkansah School Complex and Orphanage
Enterprise Group further supported the Nana Nkansah School Complex and Orphanage, an orphanage based in Mampong in the Ashanti Region, with food items and toiletries to cater for over 100 children.

Donation to Rotary
The Company donated GH¢30,000 to support the activities of The Rotary Club. Rotary Club is an internationally recognized organization, known in Ghana for its projects to improve water and sanitation, fight disease, support education and grow local economies, all of which align with the three SDGs Enterprise strives to support.

Conclusion

The above footprints of the Group's Corporate Social Investments reflect its believe in the importance of undertaking private initiatives for public good. The Group will continue to align its CSI efforts with its business drivers to ensure the sustainability of such projects now and into the future.

Report of the Directors

The directors present their report and the audited financial statements of Enterprise Group Plc (the "Company") and its subsidiaries (together the "Group") for the year ended 31 December 2022.

Directors' responsibility statement

The directors are responsible for the preparation of separate and consolidated financial statements that give a true and fair view of Enterprise Group Plc, comprising the statements of financial position as at 31 December 2022, and the statements of comprehensive income, changes in equity and cash flows for the year then ended, and the notes to the financial statements which include a summary of significant accounting policies and other explanatory notes, in accordance with International Financial Reporting Standards and in the manner required by the Companies Act, 2019 (Act 992). In addition, the directors are responsible for the preparation of the report of the directors.

The directors are also responsible for such internal controls as they determine are necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error, and for maintaining adequate accounting records and an effective system of risk management. The directors are satisfied with the adequacy of the internal controls.

The directors have made an assessment of the ability of the Company and its subsidiaries (together referred to as "the Group") to continue as going concern and have no reason to believe that the businesses will not be going concern in the year ahead.

Principal activities

The Company and its subsidiaries are registered to carry on the business of investments, life, non-life and health insurance underwriting, pensions funds management, provision of funeral services and real estate development and management. There was no change in the nature of business of the Company and its subsidiaries during the year.

Objectives of the Group

The objective of the Group is as stated in its Mission Statement, namely, to give all who come into contact with it their desired advantage because they are the best at what they do.

Subsidiaries of the Company

The Company directly or indirectly owns the following subsidiaries as at 31 December 2022:

Company	Country of incorporation	Nature of business
Enterprise Life Assurance LTD	Ghana	Underwriting life insurance policies
Enterprise Insurance LTD	Ghana	Underwriting non-life insurance
Enterprise Trustees LTD	Ghana	Pension funds management
Enterprise Properties LTD	Ghana	Real estate development and management
Enterprise Funeral Services Ghana LTD (Trading as 'Transitions – The Funeral People")	Ghana	Provision of funeral services
Enterprise Life Assurance Company (Gambia) Limited	The Gambia	Underwriting life insurance policies
Seventh Avenue Properties LTD	Ghana	Real estate development and management
Enterprise Life Assurance Company (Nigeria) Limited	Nigeria	Underwriting life insurance policies
Acacia Health Insurance LTD	Ghana	Underwriting health insurance policies

Report of the Directors *(continued)*

Five-year financial highlights

The five-year financial highlight is shown on page 4.

Financial statements

The financial results of the Company and the Group for the years ended 31 December 2022 and 31 December 2021 are set out on page 63 of these financial statements.

The directors recommend payment of a dividend of GH¢ 0.074 (2021: GH¢ 0.074) per share. The directors consider the state of the Company's and Group's affairs to be satisfactory.

Particulars of entries in the Interests Register during the financial year

No director had any interests in contracts or proposed contracts with the Group during the year ended 31 December 2022, hence there were no entries recorded in the Interests Register as required by section 194 (6), 195 (1)(a) and 196 of the Companies Act, 2019 (Act 992).

Related party transactions

Information regarding directors' interests in ordinary shares of the Company is disclosed in the shareholder information section of the annual report and their remuneration is disclosed in Note 37 to the financial statements. No director has any other interest in any shares or loan stock of any Group company except as stated. Related party transactions and balances are also disclosed in Note 12 to the financial statements.

Corporate social responsibility and code of ethics

A total of GH¢ 2,256,109 and GH¢ 4,743 (2021: GH¢ 2,465,261 and GH¢ 2,116,706) was spent under the Group and Company's social responsibility programme with key focus on education, health, financial inclusion and others respectively. An extract of the Group Code of Ethics can be found on the Group's website www.enterprisegroup.com.gh.

Profile of Board of Directors who held office during the year ended 31 December 2022

	Qualification	Outside board and management position
Non-executive		
Trevor Trefgarne Member - Strategy & Investments, Audit and Joint HR & Nominations Committees Attended all 4 Board meetings	Graduate of Cranfield School of Management	Enterprise Life Assurance LTD; Enterprise Insurance LTD and Enterprise Properties LTD.
Martin Eson-Benjamin Member Strategy & Investments Committee Attended 2 out of 4 Board meetings Lead Independent Director	B.Sc. Administration, University of Ghana	CFAO Ltd; Enterprise Insurance LTD and Millennium Development Authority.
Prof. Angela Ofori-Atta Member Strategy & Investments Committee, Chair Joint HR & Nominations Committee Attended 2 out of 4 Board meetings	BSc, MA, PhD: Psychology	Databank Financial Services Ltd; Databank Asset Management Services Ltd; Enterprise Funeral Services Ghana LTD and Grace Strategic Ventures Ltd.

Report of the Directors *(continued)*

Fiifi Kwakye Member - Strategy & Investments Committee, Chair Audit Committee Attended all 4 Board meetings Independent Non-Executive Director.	B.Sc. Accounting, MSc. Finance & Accounting, ICA Ghana, Chartered Institute of Taxation Ghana, Member of Institute of Internal Auditors Ghana.	Afina Asset Management Company Ltd; Phlox Services Ltd; Enterprise Trustees LTD and Enterprise Life Assurance LTD.
Douglas Lacey Member - Strategy & Investments, Audit and Joint HR & Nominations Committees Attended all 4 Board meetings	B,Com; Master's Degree in Business Leadership, FCII (UK)	Enterprise Insurance LTD; Enterprise Properties LTD and Grace Strategic Ventures Ltd
Executive		
Keli Gadzekpo Chair Strategy & Investments Committee Attended all 4 Board meetings	B.Sc. Accounting., CPA, MA Public Admin	Ventures and Acquisitions Ltd, Family Ventures and Offices Ltd; Databank Asset Management; Ecolodge Mole Operating Company Limited; Enterprise Properties LTD; Enterprise Life Assurance LTD; Enterprise Funeral Services Ghana LTD; Seventh Avenue Properties LTD; Enterprise Insurance LTD; Databank Epack Investment Fund LTD; Databank Financial Services LTD; Bank of Ghana; Electricity Company of Ghana Ltd and Grace Strategic Ventures LTD; Acacia Health Insurance LTD; Roberts and Sons Optical Limited and Phyto-Riker (GIHOC) Pharmaceuticals Limited
Daniel Larbi-Tieku Member Strategy & Investments Committee Attended all 4 Board meetings.	B. Sc. Accounting, FCCA, MSc Finance, FCA.	Enterprise Funeral Services Ghana LTD; Prudential Bank Ghana LTD; and Acacia Health Insurance LTD.
Michael Tyson Member Strategy & Investments Committee Attended all 4 Board meetings	ACMA, CGMA M.Sc. Strategic Business Management	Acacia Health Insurance LTD and Enterprise Trustees LTD.

Trends that may affect future performance

The trends that may affect future performance are covered in the strategy and risk profile of the business.

Material foreseeable risks

The Group Risk and Compliance Committee ensures that the material risks facing the business are addressed with adequate mitigation measures.

Biographical information of directors

Age category	Number of directors
41 – 60 years	3
Above 60 years	5

Report of the Directors *(continued)*

Role of the Board

The directors are responsible for the long-term success of the Group, determining its strategic direction and reviewing operating, financial and risk performance. There is a formal schedule of matters reserved for the Board of Directors, including approval of the Group's annual business plan, the Group's strategy, acquisitions, disposals and capital expenditure projects above certain thresholds, all guarantees, treasury policies, the financial statements, the Group's dividend policy, transactions involving the issue or purchase of Company shares, borrowing powers, appointments to the Board, alterations to the memorandum and articles of association, legal actions brought by or against the Group, and the scope of delegations to Board committees, subsidiary boards and the management committee. Responsibility for the development of policy and strategy and operational management is delegated to the executive directors and a management committee, which as at the date of this report includes the executive directors and senior managers.

Internal control systems

The directors have overall responsibility for the Group's internal control systems and annually reviews their effectiveness, including a review of financial, operational, compliance and risk management controls. The implementation and maintenance of the risk management and internal control systems are the responsibility of the executive directors and other senior management. The systems are designed to manage rather than eliminate the risk of failure to achieve business objectives and to provide reasonable, but not absolute, assurance against material misstatement or loss. The directors have reviewed the effectiveness of the internal control systems, including controls related to financial, operational and reputational risks identified by the Group as at the reporting date and no significant failings or weaknesses were identified during this review.

Directors' performance evaluation

The performance and effectiveness of the Board of Directors, its Committees and individual directors is evaluated on a periodic basis. The evaluation is conducted by an external facilitator and the results are shared with all members of the Board. Overall, it was noted that the Board of Directors and its Committees were operating in an effective manner and performing satisfactorily, with no major issues identified.

Conflicts of interest

The Group has established appropriate conflicts authorisation procedures, whereby actual or potential conflicts are regularly reviewed and authorisations sought as appropriate. During the year, no such conflicts arose and no such authorisations were sought.

Board balance and independence

The composition of the Board of directors and its Committees is regularly reviewed to ensure that the balance and mix of skills, independence, knowledge and experience is maintained. The Board will continue with ongoing work regarding its composition in line with the Securities and Exchange Commission's Corporate Governance Code for Listed Companies.

Capacity building of directors to discharge their duties

On appointment to the Board, directors are provided with full, formal and tailored programmes of induction, to enable them gain in-depth knowledge about the Group's business, the risks and challenges faced, the economic knowledge and the legal and regulatory environment in which the Group operates. Programmes of strategic and other reviews, together with the other training programmes provided during the year, ensure that directors continually update their skills, knowledge and familiarity with the Group's businesses. This further provides insights about the industry and other developments to enable them to effectively fulfil their role on the Board and Committees of the Board.

Report of the Directors *(continued)*

Audit fees
The audit fee for the year is GH¢ 1,949,563 and GH¢ 199,568 for the Group and Company respectively.

Auditor
The auditor, PricewaterhouseCoopers, has expressed willingness to continue in office in accordance with section 139(5) of the Companies Act, 2019 (Act 992).

Approval of the report of the directors
The report of the directors of Enterprise Group Plc was approved by the Board of Directors on 24 March 2023 and signed on their behalf by:

Name of Director: Keli Gadzekpo

Signature:

Name of Director: Michael Tyson

Signature:

Independent Auditor's Report

to the Members of Enterprise Group Plc

REPORT ON THE AUDIT OF THE FINANCIAL STATEMENTS

Our opinion

In our opinion, the accompanying financial statements give a true and fair view of the financial position of Enterprise Group Plc (the "Company") and its subsidiaries (together the "Group") as at 31 December 2022, and of the financial performance and the cash flows of the Company standing alone and the Group for the year then ended in accordance with International Financial Reporting Standards and in the manner required by the Companies Act, 2019 (Act 992).

What we have audited

We have audited the financial statements of Enterprise Group Plc and its subsidiaries for the year ended 31 December 2022.

The financial statements comprise:

- the separate and consolidated statements of financial position as at 31 December 2022;
- the separate and consolidated statements of comprehensive income for the year then ended;
- the consolidated statement of changes in equity for the year then ended;
- the separate statement of changes in equity for the year then ended;
- the separate and consolidated statements of cash flows for the year then ended; and
- the notes to the separate and consolidated financial statements, which include a summary of significant accounting policies.

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 financial statements section of our report.
We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Independence

We are independent of the Group in accordance with the International Code of Ethics for Professional Accountants (including International Independence Standards) (the Code) issued by the International Ethics Standards Board for Accountants and the independence requirements of section 143 of the Companies Act, 2019 (Act 992) that are relevant to our audit of the separate and consolidated financial statements. We have fulfilled our other ethical responsibilities in accordance with the Code.

Key audit matters

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

Independent Auditor's Report

to the Members of Enterprise Group Plc *(continued)*

Key audit matters *(continued)*

Key audit matter 1	How our audit addressed the key audit matter
Valuation of Life Fund and incurred but not reported provision (IBNR)	

	The Group GH¢'000
Life Fund	896,691
Incurred but not reported provision	41,404

The estimation of life fund and incurred but not reported provision involves significant degree of judgement due to the level of subjectivity inherent in the estimation of the effect of uncertain or unknown future events and the resulting potential exposure to losses.

The valuation of the Life Fund and the incurred but not reported (IBNR) is carried out by independent actuaries engaged by the Group.

For the IBNR provision, estimates have to be made for the expected ultimate cost of all future payments in respect of incurred claims at the reporting date. These include IBNR claims. The gross ultimate paid claims is estimated using the Basic Chain Ladder, Bornhuetter-Ferguson, Loss Ratio and Cape Cod estimation techniques. Underlying these methods are explicit or implicit assumptions relating to the expected settlement amount and settlement patterns of claims. The main assumption is that claims settlement patterns in the past will remain the same in future.

For the Life Fund, assumptions that are considered as most significant in carrying the actuarial estimation of the insurance contract liabilities include mortality and morbidity, valuation interest rate, update take-up rate, lapse rate, renewal expenses, investment return rate and expense inflation rate.

This is considered a key audit matter for the consolidated financial statements.

Notes 3.1 and 5.1 set out the critical estimates and judgement exercised in calculating insurance contract liabilities. The actuarial liabilities of life assurance policies is disclosed in note 18 while the IBNR is disclosed in note 20 to the financial statements.

How our audit addressed the key audit matter

We obtained an understanding of, and evaluated controls in place over the underwriting of policies and claims process and tested selected controls.

We obtained the actuarial valuation reports from management and assessed the competence, independence and objectivity of management's independent actuarial experts.

We assessed the integrity of extracted data by comparing data inputs used in carrying the estimation of insurance contract liabilities to data recorded in the financial accounting systems.

We evaluated whether the Group's actuarial methodologies and assumptions were reasonable and consistent with prior periods.

We evaluated the reasonableness of assumptions applied in management's projections by comparing with our own expectations based on our industry knowledge and the Group's historical claims pattern.

We assessed the reasonableness of assumptions in respect of mortality and morbidity, valuation interest rate, update take-up rate, lapse rate, investment return rate and expense inflation rate by comparing to independent sources.

We assessed the basis for renewal expenses assumptions and ascertained its reasonableness by comparing percentage of renewal expenses to actual data on gross premium and expenses.

We checked the appropriateness of relevant disclosures in the financial statements.

Independent Auditor's Report
to the Members of Enterprise Group Plc *(continued)*

Key audit matters *(continued)*

<table>
<tr><th>Key audit matter 2</th><th>How our audit addressed the key audit matter</th></tr>
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Impairment of debt investment securities

<table>
<tr><th></th><th>The Company GH¢'000</th><th>The Group GH¢'000</th></tr>
<tr><td>Gross amount</td><td>15,281</td><td>1,699,350</td></tr>
<tr><td>Impairment allowance</td><td>2,689</td><td>328,851</td></tr>
</table>

The Government of Ghana announced a voluntary Domestic Debt Exchange Programme (DDEP) which sought to exchange existing eligible domestic notes and bonds. The impairment for investment securities is material to the financial statements in terms of magnitude and level of subjective judgement applied by management.

Management segmented the securities into a portfolio of instruments eligible for Ghana's Domestic Debt Exchange Programme (DDEP) and those instruments that are not eligible for the Programme.

The key areas of significant management judgement within the impairment calculation include:
- Evaluation of significant increase in credit risk and definition of default and credit impaired assets focusing on both the qualitative and quantitative criteria used by the Group.
- Incorporation of macro-economic inputs and forward-looking information into the impairment model;
- Input assumptions (discount rate and estimated timing and amount of forecasted cashflows) applied to estimate the Probability of default (PD), Exposure at default and Loss given default.

This is considered a key audit matter for the separate and consolidated financial statements.

The accounting policies, critical estimates and judgements used in the calculation of impairment are set out in notes 2.9, 3.2.2, 11 and 36.
</td><td>
We obtained an understanding of the DDEP based on the Exchange Memorandum issued by the Government of Ghana.

We assessed the appropriateness of management's segmentation of the portfolio of instruments eligible for the DDEP and those that are not.

We tested the appropriateness of the staging of the investment securities by independently assessing management's criteria for significant increase in credit risk and definition of default.

We evaluated the appropriateness of forward-looking macro-economic inputs included in the impairment by comparing to independent industry data.

We assessed the assumptions relating to discount rate, estimated timing and amount of forecasted cashflows applied within the PD, EAD and LGD.

We tested the mathematical accuracy of the impairment calculation on investment securities.

We assessed the appropriateness of the impairment related disclosures for investment securities in the financial statements in accordance with IFRS 9.
</td></tr>
</table>

Independent Auditor's Report

to the Members of Enterprise Group Plc *(continued)*

Other information

The directors are responsible for the other information. The other information comprises Corporate Information, Five-year Financial Summary, Report of the Directors, Shareholder Information and Certificate of Solvency in respect of Life Business but does not include the separate and consolidated financial statements and our auditor's report thereon, which we obtained prior to the date of this auditor's report, and the Chairman's Review, Group Chief Executive Officer's Review, Enterprise Insurance LTD Report, Enterprise Life Assurance LTD Report, Enterprise Trustees LTD Report, Enterprise Properties LTD Report, Transitions Report, Enterprise Life Assurance Company (Nigeria) Limited Report, Acacia Health Insurance LTD Report, Enterprise Life Gambia's Review, Corporate Governance Statement and Corporate Social Investment Report which are expected to be made available to us after that date.

Our opinion on the separate and 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 separate and consolidated financial statements, our responsibility is to read the other information identified above and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit, or otherwise appears 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.

When we read The Chairman's Review, Group Chief Executive Officer's Review, Enterprise Insurance LTD Report, Enterprise Life Assurance LTD Report, Enterprise Trustees LTD Report, Enterprise Properties LTD Report, Transitions Report, Enterprise Life Assurance Company (Nigeria) Limited Report, Acacia Health Insurance LTD Report, Enterprise Life Gambia's Review, Corporate Governance Statement and Corporate Social Investment Report, if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance.

Responsibilities of the directors for the financial statements

The directors are responsible for the preparation of financial statements that give a true and fair view in accordance with International Financial Reporting Standards and in the manner required by the Companies Act, 2019 (Act 992), and for such internal control as the directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the separate and consolidated financial statements, the directors are responsible for assessing the Company and 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 Company and/or the Group or to cease operations, or have no realistic alternative but to do so.

The directors are responsible for overseeing the Group's financial reporting process.

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the separate and 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 separate and consolidated financial statements.

Independent Auditor's Report

to the Members of Enterprise Group Plc *(continued)*

Auditor's responsibilities for the audit of the financial statements *(continued)*

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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control;
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control;
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors;
- Conclude on the appropriateness of the directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the separate and 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;
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation; and
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the separate and consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion;

We communicate with the directors 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 provide the directors with a statement that we have complied with relevant ethical requirements regarding independence, and have communicated with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, actions taken to eliminate threats or safeguards applied.

From the matters communicated with the directors, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe 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.

Independent Auditor's Report

to the Members of Enterprise Group Plc *(continued)*

REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS

The Companies Act, 2019 (Act 992) requires that in carrying out our audit we consider and report on the following matters. We confirm that:

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

ii. in our opinion proper books of account have been kept by the Company, so far as appears from our examination of those books; and

iii. the Group's statement of financial position and the Group's statement of comprehensive income are in agreement with the books of account.

The engagement partner on the audit resulting in this independent auditor's report is Richard Ansong (ICAG/P/1539).

PricewaterhouseCoopers

PricewaterhouseCoopers (ICAG/F/2023/028)
Chartered Accountants
Accra, Ghana
28 April 2023

pwc

Separate and Consolidated Statements of Financial Position

(All amounts are in thousands of Ghana cedis)

		The Company As at 31 December		The Group As at 31 December	
Assets	**Note**	**2022**	2021	**2022**	2021
Deferred tax assets	6	**-**	-	**7,498**	13,102
Investment in subsidiaries	7	**317,033**	317,033	**-**	-
Investment properties	8	**-**	-	**471,621**	300,934
Property and equipment	9	**11,041**	14,411	**89,841**	78,209
Intangible assets	10	**-**	-	**75**	85
Investment securities	11	**15,435**	18,500	**1,477,191**	1,411,303
Related party loan	12	**15,461**	-	**-**	-
Inventories	13	**-**	-	**1,477**	947
Trade and other receivables	14	**-**	37	**70,659**	60,168
Prepayments	15	**928**	-	**6,157**	3,490
Deferred commission expense	16	**-**	-	**27,717**	20,390
Due from re-insurers	17	**-**	-	**9,792**	11,782
Due from related party	12	**131,819**	131,832	**-**	-
National fiscal stabilisation levy assets	18	**-**	-	**3,786**	2,016
Current tax assets	19	**-**	-	**4,525**	1,382
Cash and bank balances	20	**56,125**	32,075	**252,046**	259,509
Total assets		**547,842**	513,888	**2,422,385**	2,163,317
Equity					
Stated capital	21	**258,886**	258,886	**258,886**	258,886
Deposit for shares	21	**-**	-	**996**	996
Retained earnings	21	**241,466**	204,667	**403,923**	297,017
Foreign currency translation reserve	21	**-**	-	**17,072**	(9,734)
Contingency reserve	21	**-**	-	**110,938**	87,873
Statutory reserve	21	**-**	-	**12,007**	9,201
Equity attributable to owners		**500,352**	463,553	**803,822**	644,239
Non-controlling interest	22	**-**	-	**227,900**	190,156
Total equity		**500,352**	463,553	**1,031,722**	834,395
Liabilities					
Life fund	23	**-**	-	**896,691**	921,023
Deferred tax liabilities	6	**-**	-	**17,751**	3,326
Lease liabilities	24	**12,488**	13,703	**17,143**	13,323
Borrowings	25	**-**	-	**511**	26,123
Unearned premiums reserve	26	**-**	-	**110,434**	90,380
Outstanding claims	27	**-**	-	**87,827**	61,197
Trade and other payables	28	**10,402**	12,032	**161,927**	129,081
Deferred commission income	29	**-**	-	**19,993**	11,629
Due to re-insurers	17	**-**	-	**15,058**	18,028
Due to related parties	12	**21,933**	21,933	**52,668**	47,420
National fiscal stabilisation levy liabilities	18	**-**	-	**-**	296
Current tax liabilities	19	**2,667**	2,667	**10,660**	7,096
Total liabilities		**47,490**	50,335	**1,390,663**	1,328,922
Total equity and liabilities		**547,842**	513,888	**2,422,385**	2,163,317

The notes on pages 68 to 138 form an integral part of these financial statements.

The financial statements on pages 62 to 138 were approved by the Board of Directors on 24 March 2023 and signed on their behalf:

Name of Director: Keli Gadzekpo

Signature:

Name of Director: Michael Tyson

Signature:

Separate and Consolidated Statements of Comprehensive Income

(All amounts are in thousands of Ghana cedis)

		The Company Year ended 31 December		The Group Year ended 31 December	
	Note	2022	2021	2022	2021
Investment income	30	75,292	69,163	283,567	249,172
Fair value gain on valuation of investment properties	8	-	-	171,982	790
Investment expenses	40	-	-	(4,383)	(4,947)
Net investment income		75,292	69,163	451,166	245,015
Gross insurance premium	31	-	-	1,250,558	1,002,666
Insurance premium ceded to reinsurers	31	-	-	(213,129)	(142,210)
Net insurance premium		-	-	1,037,429	860,456
Change in unearned premium	26	-	-	(20,054)	(21,759)
Net earned premium revenue		-	-	1,017,375	838,697
Other revenue	32	-	-	84,382	66,696
Other income	33	12,747	1,492	49,316	15,855
		12,747	1,492	133,698	82,551
Net income		88,039	70,655	1,602,239	1,166,263
Insurance benefits and claims	34	-	-	(535,174)	(402,563)
Change in life fund liability	23	-	-	28,158	(241,761)
Net benefits and claims		-	-	(507,016)	(644,324)
Finance costs	35	(13,928)	(2,132)	(27,777)	(5,864)
Impairment charge	36	(2,689)	(11,850)	(328,851)	(2,581)
Operating expenses	37	(21,909)	(23,483)	(324,369)	(246,409)
Commission expense	38	-	-	(178,966)	(146,966)
Commission income	39	-	-	45,823	32,951
Net expenses		(38,526)	(37,465)	(1,321,156)	(1,013,193)
Profit before tax		49,513	33,190	281,083	153,070
National fiscal stabilisation levy	18	-	-	(7,049)	(7,328)
Income tax expense	19	-	-	(51,466)	(22,890)
Profit for the year		49,513	33,190	222,568	122,852
Other comprehensive income					
Items that may be reclassified to profit or loss:					
Foreign operations - translation difference		-	-	26,808	(2,812)
Total comprehensive income for the year		49,513	33,190	249,376	120,040
Profit attributable to:					
Owners of Enterprise Group Plc		49,513	33,190	145,491	67,612
Non-controlling interest		-	-	77,077	55,240
		49,513	33,190	222,568	122,852
Total comprehensive income attributable to:					
Owners of Enterprise Group Plc		49,513	33,190	172,297	63,547
Non-controlling interest		-	-	77,079	56,493
		49,513	33,190	249,376	120,040
Earnings per share					
Basic (GH¢ per share)		0.290	0.194	0.851	0.396
Diluted (GH¢ per share)		0.290	0.194	0.851	0.396

The notes on pages 68 to 138 form an integral part of these financial statements

Consolidated Statement of Changes in Equity

All amounts are in thousands of Ghana cedis)

The Group **Year ended 31 December 2022**	Stated capital	Deposit for shares	Retained earnings	Foreign currency translation reserve	Contingency reserve	Statutory reserves	Non controlling interest	Total Equity
Balance at 1 January 2022	258,886	996	297,017	(9,734)	87,873	9,201	190,156	**834,395**
Profit for the year	-	-	145,491	-	-	-	77,077	**222,568**
Currency translation difference	-	-	-	26,806	-	-	2	**26,808**
Total comprehensive income	**-**	**-**	**145,491**	**26,806**	**-**	**-**	**77,079**	**249,376**
Statutory transfers								
Transfer to statutory reserve	-	-	(2,806)	-	-	2,806	-	**-**
Transfer to contingency reserve	-	-	(23,065)	-	23,065	-	-	**-**
	-	-	(25,871)	-	23,065	2,806	-	**-**
Transactions with owners of the Company								
- Dividends to non-controlling interest - ELAC	-	-		-	-	-	(34,000)	**(34,000)**
- Dividends to non-controlling interest – ETL	-	-		-	-	-	(2,800)	**(2,800)**
- Dividends to non-controlling interest - EIC	-	-		-	-	-	(2,535)	**(2,535)**
Dividends declared by the Company	-	-	(12,714)	-	-	-	-	**(12,714)**
Total transactions with owners of the Company	-	-	**(12,714)**	-	-	-	**(39,335)**	**(52,049)**
Balance at 31 December 2022	**258,886**	**996**	**403,923**	**17,072**	**110,938**	**12,007**	**227,900**	**1,031,722**

The notes on pages 68 to 138 form an integral part of these financial statements

Consolidated Statement of Changes in Equity (

All amounts are in thousands of Ghana cedis)

The Group Year ended 31 December 2021	Stated capital	Deposit for shares	Retained earnings	Foreign currency translation reserve	Contingency reserve	Statutory reserves	Non controlling interest	Total Equity
Balance at 1 January 2021	258,886	996	265,382	(5,669)	65,745	65,745	173,099	764,386
Profit for the year	-	-	67,612	-	-	-	55,240	122,852
Currency translation difference	-	-	-	(4,065)	-	-	1,253	(2,812)
Total comprehensive income	-	-	67,612	(4,065)	-	-	56,493	120,040
Statutory transfers								
Transfer to statutory reserve	-	-	(3,254)	-	-	3,254	-	-
Transfer to contingency reserve	-	-	(22,128)	-	22,128	-	-	-
	-	-	(25,382)	-	22,128	3,254	-	-
Transactions with owners of the Company								
Tax on transfer to stated capital	-	-	-	-	-	-	(184)	(184)
- Dividends to non-controlling interest - ELAC	-	-	-	-	-	-	(36,000)	(36,000)
- Dividends to non-controlling interest – ETL	-	-	-	-	-	-	(2,200)	(2,200)
- Dividends to non-controlling interest - EIC	-	-	-	-	-	-	(1,052)	(1,052)
Dividends declared by the Company	-	-	(10,595)	-	-	-	-	(10,595)
Total transactions with owners of the Company	-	-	(10,595)	-	-	-	(39,436)	(50,031)
Balance at 31 December 2021	258,886	996	297,017	(9,734)	87,873	9,201	190,156	834,395

The notes on pages 68 to 138 form an integral part of these financial statements

Separate Statement of Changes in Equity

(All amounts are in thousands of Ghana cedis)

The Company

Year ended 31 December 2022	**Stated capital**	**Retained earnings**	**Total Equity**
Balance at 1 January 2022	258,886	204,667	**463,553**
Profit for the year	-	49,513	**49,513**
Total comprehensive income	-	49,513	**49,513**
Transactions with owners of the Company			
Dividend declared by the Company	-	(12,714)	**(12,714))**
Total Transactions with owners of the Company	-	(12,714)	**(12,714)**
Balance at 31 December 2022	**258,886**	**241,466**	**500,352**
Year ended 31 December 2021			
Balance at 1 January 2021	258,886	182,072	440,958
Profit for the year	-	33,190	33,190
Total comprehensive income	-	33,190	33,190
Transactions with owners of the company			
Dividend declared by the Company	-	(10,595)	(10,595)
Total Transactions with owners of the company	-	(10,595)	(10,595)
Balance at 31 December 2021	258,886	204,667	463,553

The notes on pages 68 to 138 form an integral part of these financial statements

Separate and Consolidated Statements of Cash Flows

(All amounts are in thousands of Ghana cedis)

		The Company		The Group	
	Note	2022	2021	2022	2021
Cash flows from operating activities					
Cash generated from operations	41	**73,275**	61,303	**534,270**	464,447
Interest paid on lease liabilities	24	**(1,884)**	(1,199)	**(2,541)**	(1,333)
Interest paid on borrowings	25	**-**	-	**(43,299)**	(1,626)
Income tax paid	19	**-**	-	**(31,025)**	(23,538)
National fiscal stabilisation levy paid	18	**-**	-	**(9,115)**	(9,088)
Net cash generated from operating activities		**71,391**	60,104	**448,290**	428,862
Cash flows from investing activities					
Net acquisition of investment securities	7	**816**	(5,359)	**(404,081)**	(261,647)
Acquisition of investment property	8	**-**	-	**-**	(316)
**Acquisition of property and equipment	9	**(2,854)**	(803)	**(21,414)**	(15,312)
Proceeds from sale of property and equipment	9	**-**	68	**245**	334
Purchase of intangible assets	10	**-**	-	**(21)**	(84)
Net cash used in acquisition of shares in subsidiary		**-**	(42,000)	**-**	(27,821)
Net cash used in investing activities		**(2,038)**	(48,094)	**(425,271)**	(304,846)
Cash flows from financing activities					
Dividends paid to non-controlling interest	44	**-**	-	**(34,509)**	(50,534)
Dividends paid to equity shareholders	44	**(12,714)**	(10,595)	**(12,714)**	(10,595)
Loan disbursed to related party	12	**(21,882)**	-	**-**	-
Repayment of loan principal	25	**-**	-	**(2,320)**	(3,052)
Prepaid lease	24	**-**	-	**(4,006)**	-
Principal lease payments	24	**(10,707)**	(1,284)	**(1,565)**	(1,675)
Tax on transfer to stated capital		**-**	-	**-**	(184)
Net cash used in financing activities		**(45,303)**	(11,879)	**(55,114)**	(66,040)
Net increase/(decrease) in cash and bank balances		**24,050**	131	**(32,095)**	57,976
Cash and bank balances at beginning of year		**32,075**	31,944	**259,509**	204,407
Effects of exchange rate movements on translation of foreign operations		**-**	-	**24,632**	(2,874)
Cash and bank balances at end of year	20	**56,125**	32,075	**252,046**	259,509

**Acquisition of property and equipment excludes additions to right-of-use assets.

The notes on pages 68 to 138 form an integral part of these financial statements

Notes

1. Reporting entity

Enterprise Group Plc (the "Company") is a public limited liability company incorporated under the Companies Act, 2019 (Act 992) and domiciled in Ghana. The Company and its subsidiaries are registered to carry on the business of investments, life, non-life and health insurance underwriting, pensions funds management, provision of funeral services and real estate development and management. The registered office of the Company is Advantage, Place Mayor, Road Ridge West Accra.

The separate and consolidated financial statements comprise the financial statements of the Company standing alone and its subsidiaries (together the "Group") for the year ended 31 December 2022. The Company is listed on the Ghana Stock Exchange.

2. Summary of significant accounting policies

The significant accounting policies adopted by the Group in the preparation of these financial statements are set out below. These policies have been consistently applied to all years presented, unless otherwise stated.

2.1.1 Statement of compliance

The financial statements have been prepared in accordance with International Financial Reporting Standards (IFRS) and in the manner required by the Companies Act, 2019 (Act 992).

2.1.2 Basis of measurement

The financial statements have been prepared under the historical cost convention, except for investment properties and equity securities measured at fair value and the life fund and incurred but not reported claims (IBNR) which are determined by an actuarial valuation.

The Group presents its statements of financial position broadly in order of liquidity, in an increasing order of liquidity.

2.1.3 Use of estimates and judgement

The preparation of the financial statements in conformity with IFRS requires the use of certain critical accounting estimates. It also requires the directors to exercise judgement in the process of applying the Group's accounting policies. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the financial statements are disclosed in Note 5.

The financial statements have been prepared on the basis that the Company and its subsidiaries will continue to operate as a going concern.

2.1.4 New and amended standards adopted by the Group

The Group has applied the following standards and interpretations for the first time to financial reporting periods commencing on or after 1 January 2022.

Property, Plant and Equipment: Proceeds before Intended Use – Amendments to IAS 16

The amendment to IAS 16 Property, Plant and Equipment (PP&E) prohibits an entity from deducting from the cost of an item of PP&E any proceeds received from selling items produced while the entity is preparing the asset for its intended use. It also clarifies that an entity is 'testing whether the asset is functioning properly' when it assesses technical and physical performance of the asset. The financial performance of the asset is not relevant to this assessment. Entities must disclose separately the amounts of proceeds and costs relating to items produced that are not an output of the entity's ordinary activities.

Onerous Contracts – Cost of Fulfilling a Contract – Amendments to IAS 37

The amendment to IAS 37 clarifies that the direct costs of fulfilling a contract include both the incremental costs of fulfilling the contract and an allocation of other costs directly related to fulfilling contracts. Before recognising a separate provision for an onerous contract, the entity recognises any impairment loss that has occurred on assets used in fulfilling the contract.

Notes *(continued)*

2. Summary of significant accounting policies *(continued)*

2.1.4 New and amended standards adopted by the Group *(continued)*

Annual Improvements to IFRS Standards 2018-2020

The following improvements were finalised in May 2020:

- IFRS 9 Financial Instruments – clarifies which fees should be included in the 10% test for derecognition of financial liabilities.
- IFRS 16 Leases – amendment of illustrative example 13 to remove the illustration of payments from the lessor relating to leasehold improvements, to remove any confusion about the treatment of lease incentives.
- IFRS 1 First-time Adoption of International Financial Reporting Standards – allows entities that have measured their assets and liabilities at carrying amounts recorded in their parent's books to also measure any cumulative translation differences using the amounts reported by the parent. This amendment will also apply to associates and joint ventures that have taken the same IFRS 1 exemption.
- IAS 41 Agriculture – removal of the requirement for entities to exclude cash flows for taxation when measuring fair value under IAS 41. This amendment is intended to align with the requirement in the standard to discount cash flows on a post-tax basis.

Reference to the Conceptual Framework – Amendments to IFRS 3

Minor amendments were made to IFRS 3 Business Combinations to update the references to the Conceptual Framework for Financial Reporting and to add an exception for the recognition of liabilities and contingent liabilities within the scope of IAS 37 Provisions, Contingent Liabilities and Contingent Assets and Interpretation 21 Levies. The amendments also confirm that contingent assets should not be recognised at the acquisition date.

2.1.5 New standards and interpretations not yet adopted by the Group

Certain new accounting standards and interpretations have been published that are not mandatory for 31 December 2022 reporting periods and have not been early adopted by the Group

IFRS 17 Insurance Contracts

IFRS 17 was issued in May 2017 as replacement for IFRS 4 Insurance Contracts. It requires a current measurement model where estimates are remeasured in each reporting period. Contracts are measured using the building blocks of:

- discounted probability-weighted cash flows;
- an explicit risk adjustment; and
- a contractual service margin (CSM) representing the unearned profit of the contract which is recognised as revenue over the coverage period.

The standard allows a choice between recognising changes in discount rates either in the statement of profit or loss or directly in other comprehensive income. The choice is likely to reflect how insurers account for their financial assets under IFRS 9. An optional, simplified premium allocation approach is permitted for the liability for the remaining coverage for short duration contracts, which are often written by non-life insurers.

Classification of Liabilities as Current or Non-current – Amendments to IAS 1

The narrow-scope amendments to IAS 1 Presentation of Financial Statements clarify that liabilities are classified as either current or non-current, depending on the rights that exist at the end of the reporting period. Classification is unaffected by the entity's expectations or events after the reporting date (e.g. the receipt of a waver or a breach of covenant). The amendments also clarify what IAS 1 means when it refers to the 'settlement' of a liability. The amendments could affect the classification of liabilities, particularly for entities that previously considered management's intentions to determine classification and for some liabilities that can be converted into equity. They must be applied retrospectively in accordance with the normal requirements in IAS 8 Accounting Policies, Changes in Accounting Estimates and Errors.

Notes *(continued)*

2. Summary of significant accounting policies *(continued)*

2.1.5 New standards and interpretations not yet adopted by the Group *(continued)*

Disclosure of Accounting Policies – Amendments to IAS 1 and IFRS Practice Statement 2

The IASB amended IAS 1 to require entities to disclose their material rather than their significant accounting policies. The amendments define what is 'material accounting policy information' and explain how to identify when accounting policy information is material. They further clarify that immaterial accounting policy information does not need to be disclosed. If it is disclosed, it should not obscure material accounting information. To support this amendment, the IASB also amended IFRS Practice Statement 2 Making Materiality Judgements to provide guidance on how to apply the concept of materiality to accounting policy disclosures.

Definition of Accounting Estimates – Amendments to IAS 8

The amendment to IAS 8 Accounting Policies, Changes in Accounting Estimates and Errors clarifies how companies should distinguish changes in accounting policies from changes in accounting estimates. The distinction is important, because changes in accounting estimates are applied prospectively to future transactions and other future events, whereas changes in accounting policies are generally applied retrospectively to past transactions and other past events as well as the current period.

Deferred Tax related to Assets and Liabilities arising from a Single Transaction – Amendments to IAS 12

The amendments to IAS 12 Income Taxes require companies to recognise deferred tax on transactions that, on initial recognition, give rise to equal amounts of taxable and deductible temporary differences. They will typically apply to transactions such as leases of lessees and decommissioning obligations, and will require the recognition of additional deferred tax assets and liabilities. The amendment should be applied to transactions that occur on or after the beginning of the earliest comparative period presented. In addition, entities should recognise deferred tax assets (to the extent that it is probable that they can be utilised) and deferred tax liabilities at the beginning of the earliest comparative period for all deductible and taxable temporary differences associated with:

- right-of-use assets and lease liabilities, and
- decommissioning, restoration and similar liabilities, and the corresponding amounts recognised as part of the cost of the related assets.

The cumulative effect of recognising these adjustments is recognised in retained earnings, or another component of equity, as appropriate. IAS 12 did not previously address how to account for the tax effects of on-balance sheet leases and similar transactions and various approaches were considered acceptable. This amendment is effective on 1 January 2023. Some entities may have already accounted for such transactions consistent with the new requirements. These entities will not be affected by the amendments.

Sale or contribution of assets between an investor and its associate or joint venture – Amendments to IFRS 10 and IAS 28

The IASB has made limited scope amendments to IFRS 10 Consolidated Financial Statements and IAS 28 Investments in Associates and Joint Ventures. The amendments clarify the accounting treatment for sales or contribution of assets between an investor and their associates or joint ventures. They confirm that the accounting treatment depends on whether the non-monetary assets sold or contributed to an associate or joint venture constitute a 'business' (as defined in IFRS 3 Business Combinations). Where the non-monetary assets constitute a business, the investor will recognise the full gain or loss on the sale or contribution of assets. If the assets do not meet the definition of a business, the gain or loss is recognised by the investor only to the extent of the other investor's interests in the associate or joint venture. The amendments apply prospectively.

Notes *(continued)*

2. Summary of significant accounting policies *(continued)*

2.2 Principles of consolidation and equity accounting

Business combinations

The Group applies the acquisition method to account for business combinations. The consideration transferred for the acquisition of a subsidiary is the fair value of the assets transferred, the liabilities incurred to the former owners of the acquiree and the equity interests issued by the Group. The consideration transferred includes the fair value of any asset or liability resulting from a contingent consideration arrangement and any pre-existing equity interest in the subsidiary. Identifiable assets acquired and liabilities and contingent liabilities assumed in a business combination are measured initially at their fair values at the acquisition date.

The Group recognises any non-controlling interest in the acquiree on an acquisition by acquisition basis, either at fair value or at the non-controlling interest's proportionate share of the recognised amounts of acquiree's identifiable net assets. Acquisition related costs are expensed as incurred.

The excess of the:

- consideration transferred,
- amount of any non-controlling interest in the acquired entity, and
- acquisition-date fair value of any previous equity interest in the acquired entity

over the fair value of the net identifiable assets acquired is recorded as goodwill. If those amounts are less than the fair value of the net identifiable assets of the business acquired, the difference is recognised directly in profit or loss as a bargain purchase.

Where settlement of any part of cash consideration is deferred, the amounts payable in the future are discounted to their present value as at the date of exchange. The discount rate used is the Company's incremental borrowing rate, being the rate at which a similar borrowing could be obtained from an independent financier under comparable terms and conditions.

If the business combination is achieved in stages, the acquisition date carrying value of the acquirer's previously held equity interest in the acquiree is re-measured to fair value at the acquisition date; any gains or losses arising from such re-measurement are recognised in profit or loss.

Any contingent consideration to be transferred by the Group is recognised at fair value at the acquisition date. Subsequent changes to the fair value of the contingent consideration that is deemed to be an asset or liability is recognised in accordance with IFRS 9 either in profit or loss or as a change to other comprehensive income. Contingent consideration that is classified as equity is not re measured, and its subsequent settlement is accounted for within equity.

Subsidiaries

Subsidiaries are all entities (including structured entities) over which the Group has control. The Group controls an entity 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 over the entity. Subsidiaries are fully consolidated from the date on which control is transferred to the Group. Consolidation ceases when control ceases.

Inter-company transactions, balances and unrealised gains on transactions between group companies are eliminated. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the transferred asset. Accounting policies of subsidiaries have been changed where necessary to ensure consistency with the policies adopted by the Group.

Non-controlling interests in the results and equity of subsidiaries are shown separately in the consolidated statement of profit or loss, statement of comprehensive income, statement of changes in equity and balance sheet respectively.

Notes *(continued)*

2. Summary of significant accounting policies *(continued)*

2.2 Principles of consolidation and equity accounting *(continued)*

Associates

Associates are all entities over which the Group has significant influence but not control or joint control. This is generally the case where the Group holds between 20% and 50% of the voting rights. Investments in associates are accounted for using the equity method of accounting, after initially being recognised at cost.

Equity method

Under the equity method of accounting, the investments are initially recognised at cost and adjusted thereafter to recognise the Group's share of the post-acquisition profits or losses of the investee in profit or loss, and the Group's share of movements in other comprehensive income of the investee in other comprehensive income. Dividends received or receivable from associates and joint ventures are recognised as a reduction in the carrying amount of the investment.

When the Group's share of losses in an equity-accounted investment equals or exceeds its interest in the entity, including any other unsecured long-term receivables, the Group does not recognise further losses, unless it has incurred obligations or made payments on behalf of the other entity.

Unrealised gains on transactions between the Group and its associates and joint ventures are eliminated to the extent of the Group's interest in these entities. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the asset transferred.

The carrying amount of equity-accounted investments is tested for impairment in accordance with the policy described in note 2.8.

Changes in ownership interests

The Group treats transactions with non-controlling interests that do not result in a loss of control as transactions with equity owners of the Group. A change in ownership interest results in an adjustment between the carrying amounts of the controlling and non-controlling interests to reflect their relative interests in the subsidiary. Any difference between the amount of the adjustment to non-controlling interests and any consideration paid or received is recognised in a separate reserve within equity attributable to owners.

When the Group ceases to consolidate or equity account for an investment because of a loss of control, joint control or significant influence, any retained interest in the entity is remeasured to its fair value, with the change in carrying amount recognised in profit or loss. This fair value becomes the initial carrying amount for the purposes of subsequently accounting for the retained interest as an associate, joint venture or financial asset. In addition, any amounts previously recognised in other comprehensive income in respect of that entity are accounted for as if the Group had directly disposed of the related assets or liabilities. This may mean that amounts previously recognised in other comprehensive income are reclassified to profit or loss.

Separate financial statements

In the separate financial statements, investments in subsidiaries are accounted for at cost less impairment. Cost is adjusted to reflect changes in consideration arising from contingent consideration amendments. Cost also includes direct attributable costs of investment.

Notes *(continued)*

2. Summary of significant accounting policies *(continued)*

2.3 Foreign Currency translation

Functional and presentation currency

Items included in the financial statements are measured using the currency of the primary economic environment in which the entity operates ('the functional currency'). The separate and consolidated financial statements are presented in Ghana cedi (GH¢), which is Company's functional and presentation currency.

Transactions and balances

Foreign currency transactions are translated into the functional currency using the exchange rates at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation of monetary assets and liabilities denominated in foreign currencies at year end exchange rates are generally recognised in "other income/ expense" in profit or loss.

Non-monetary items that are measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value was determined. Translation differences on assets and liabilities carried at fair value are reported as part of the fair value gain or loss. Non-monetary items that are measured in terms of historical cost in a foreign currency are translated at exchange rates ruling at the dates of initial recognition.

Foreign operations

The results and financial position of foreign operations that have a functional currency different from the presentation currency are translated into the presentation currency as follows:

- assets and liabilities for each balance sheet presented are translated at the closing rate at the date of that statement of financial position;
- income and expenses for each statement of profit or loss and statement of comprehensive income are translated at average exchange rates (unless this is not a reasonable approximation of the cumulative effect of the rates prevailing on the transaction dates, in which case income and expenses are translated at the dates of the transactions); and
- all resulting exchange differences are recognised in other comprehensive income.

On consolidation, exchange differences arising from the translation of any net investment in foreign entities, and of borrowings and other financial instruments designated as hedges of such investments, are recognised in other comprehensive income. When a foreign operation is sold or any borrowings forming part of the net investment are repaid, the associated exchange differences are reclassified to profit or loss, as part of the gain or loss on sale.

Goodwill and fair value adjustments arising on the acquisition of a foreign operation are treated as assets and liabilities of the foreign operation and translated at the closing rate.

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Notes *(continued)*

2. Summary of significant accounting policies *(continued)*

2.4 Property and equipment

Recognition and measurement

Property and equipment are measured at historical cost less accumulated depreciation and any accumulated impairment losses. Historical cost includes expenditure that is directly attributable to the acquisition of the items. Cost of an item of property and equipment includes its purchase price and any direct attributable costs. Cost includes the cost of replacing part of an existing property and equipment at the time that cost is incurred if the recognition criteria are met; and excludes the costs of day-to-day servicing of an item of property and equipment.

Subsequent expenditure

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.

The carrying amount of those parts that are replaced is derecognised. All other repairs and maintenance costs are charged to profit or loss during the period in which they are incurred.

Depreciation

The Group uses the straight-line method in depreciating its assets. The depreciation method, residual values and useful lives are reviewed at each reporting date and adjusted if appropriate.

Building	2.5% - 4%
Motor vehicles	25%
Furniture and fittings	12.5% - 25%
Office equipment	20% - 25%

Land is not depreciated.

Derecognition

Property and equipment are derecognised upon disposal or when no future economic benefits are expected to flow to the Group from either their use or disposal. Gains and losses on disposals are determined by comparing proceeds with carrying amount and are included in the income statement.

Capital work in progress

Property and equipment under construction is stated at initial cost and depreciated from the date the asset is made available for use over its estimated useful life. Assets are transferred from capital work in progress to an appropriate category of property and equipment when commissioned and ready for its intended use.

2.5 Intangible assets

Recognition and measurement
Intangible assets comprise computer software licenses. Software acquired by the Group is measured at cost less accumulated amortisation and any accumulated impairment losses.

Notes *(continued)*

2. **Summary of significant accounting policies** *(continued)*

2.5 Intangible assets *(continued)*

Subsequent expenditure

Subsequent expenditure on software is capitalised only when it increases future economic benefits embodied in the specific asset to which it relates and cost can be reliably measured. All other expenditure is expensed as incurred.

Amortisation

Software is amortised on a straight-line basis and recognised in profit or loss over its estimated useful life, from the date that it is available for use. The estimated useful life of software license for the current and comparative periods is three years.

Amortisation methods, useful lives and residual values are reviewed at each reporting date and adjusted if appropriate.

Derecognition

Intangible assets are derecognised upon disposal or when no future economic benefits are expected to flow to the Group from either their use or disposal.

2.6 Investment Property

Recognition and measurement

Property that is held for long term rental yields or for capital appreciation or both, is classified as investment property. Investment property also includes property that is being constructed or developed for future use as investment property. Investment property is measured initially at its cost, including related transaction costs and where applicable borrowing costs.

Subsequent measurement

After initial recognition, investment property is carried at fair value. Investment property under construction is measured at fair value if the fair value is considered to be reliably determinable. Investment properties under construction for which the fair value cannot be determined reliably, but for which the Group expects that the fair value of the property will be reliably determinable when construction is completed, are measured at cost less impairment until the fair value becomes reliably determinable or construction is completed – whichever is earlier.

Valuations are performed as of the financial position date by professional valuers who hold recognised and relevant professional qualifications and have recent experience in the location and category of the investment property being valued. These valuations form the basis for the carrying amounts in the financial statements. Investment property that is being redeveloped for continuing use as investment property or for which the market has become less active continues to be measured at fair value. It may sometimes be difficult to determine reliably the fair value of the investment property under construction.

In order to evaluate whether the fair value of an investment property under construction can be determined reliably, management considers the following factors, among others:

- the provisions of the construction contract;
- the stage of completion;
- the level of reliability of cash inflows after completion;
- the development risk specific to the property;
- past experience with similar constructions; and
- status of construction permits.

Notes *(continued)*

2. Summary of significant accounting policies *(continued)*

2.6 Investment Property *(continued)*

Subsequent measurement (continued)

Subsequent expenditure is capitalised to the asset's carrying amount only when it is probable that future economic benefits associated with the expenditure will flow to the Group and the cost of the item can be measured reliably. All other repairs and maintenance costs are expensed when incurred. When part of an investment property is replaced, the carrying amount of the replaced part is derecognised.

The fair value of investment property does not reflect future capital expenditure that will improve or enhance the property and does not reflect the related future benefits from this future expenditure other than those a rational market participant would take into account when determining the value of the property. Changes in fair values are recognised as a separate line item in profit or loss. Investment properties are derecognised when they have been disposed.

Derecognition

Where the Group disposes of a property at fair value in an arm's length transaction, the carrying value immediately prior to the sale is adjusted to the transaction price, and the adjustment is recorded in profit or loss within net gain from fair value adjustment on investment property.

Reclassification to property and equipment

If an investment property becomes owner occupied, it is reclassified as property and equipment. Its fair value at the date of reclassification becomes its cost for subsequent accounting purposes. If an item of owner-occupied property becomes an investment property because its use has changed, any difference resulting between the carrying amount and the fair value of this item at the date of transfer is treated in the same way as a revaluation under IAS 16. Any resulting increase in the carrying amount of the property is recognised in profit or loss to the extent that it reverses a previous impairment loss.

Dual-use property

Properties that are partly held to earn rentals and partly held for own-use activities such as administrative purposes or supply of services are considered dual-use properties. This would result in the portion held for rental being investment property and the other portion as property and equipment if these portions could be sold separately or leased out separately under a finance lease. Otherwise, the entire property is classified as investment property only if an insignificant portion of the property is held for own-use activities. The Group considers an own-use portion below 25% of the measure to be insignificant.

Leasing arrangements

The investment properties are leased to tenants under operating leases with rentals payable quarterly, semi-annually or annually. Lease payments for some contracts include inflationary increases, but there are no other variable lease payments that depend on an index or rate. Where considered necessary to reduce credit risk, the Group may obtain bank guarantees for the term of the lease.

Although the Group is exposed to changes in the residual value at the end of the current leases, the Group typically enters into new operating leases and therefore will not immediately realise any reduction in residual value at the end of these leases. Expectations about the future residual values are reflected in the fair value of the properties.

Notes *(continued)*

2. Summary of significant accounting policies *(continued)*

2.7 Leases

At inception of a contract, the Group assesses whether a contract is, or contains, a lease. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

Group acting as the lessee

Assets and liabilities arising from a lease are initially measured on a present value basis. Lease liabilities include the net present value of the following lease payments:

- fixed payments (including in-substance fixed payments), less any lease incentives receivable;
- variable lease payments that are based on an index or a rate, initially measured using the index or rate as at the commencement date;
- amounts expected to be payable by the Group under residual value guarantees;
- the exercise price of a purchase option if the Group is reasonably certain to exercise that option; and
- payments of penalties for terminating the lease, if the lease term reflects the Group exercising that option.

Lease payments to be made under reasonably certain extension options are also included in the measurement of the liability. Lease payments are allocated between principal and finance cost. The finance cost is charged to profit or loss over the lease period so as to produce a constant periodic rate of interest on the remaining balance of the liability for each period. The finance cost is presented as an operating activity in the statement of cash flows.

Right-of-use assets are measured at cost comprising the following:

- the amount of the initial measurement of lease liability;
- any lease payments made at or before the commencement date less any lease incentives received;
- any initial direct costs; and
- restoration costs.

Right-of-use assets are generally depreciated over the shorter of the asset's useful life and the lease term on a straight-line basis. If the Group is reasonably certain to exercise a purchase option, the right-of- use asset is depreciated over the underlying asset's useful life.

The Group's leasing activities and how these are accounted for

The Group leases various offices branches and other premises under non-cancellable lease arrangements. Rental contracts are typically made for fixed periods of six months to eight years but may have extension options as described below.

Contracts may contain both lease and non-lease components. The Group allocates the consideration in the contract to the lease and non-lease components based on their relative stand-alone prices.

However, for leases of real estate for which the Group is a lessee, it has elected not to separate lease and non-lease components and instead accounts for these as a single lease component.

Lease terms are negotiated on an individual basis and contain a wide range of different terms and conditions. The lease agreements do not impose any covenants other than the security interests in the leased assets that are held by the lessor. Leased assets may not be used as security for borrowing purposes.

The lease payments are discounted using the interest rate implicit in the lease. If that rate cannot be readily determined, which is generally the case for leases in the Group, the lessee's incremental borrowing rate is used, being the rate that the individual lessee would have to pay to borrow the funds necessary to obtain an asset of similar value to the right-of-use asset in a similar economic environment with similar terms, security and conditions.

Notes *(continued)*

2. Summary of significant accounting policies *(continued)*

2.7 Leases *(continued)*

The Group's leasing activities and how these are accounted for (continued)
To determine the incremental borrowing rate, the Group:

- where possible, uses recent third-party financing received by the individual lessee as a starting point, adjusted to reflect changes in financing conditions since third-party financing was received; and
- makes adjustments specific to the lease, e.g. term, country, currency and security.

If a readily observable amortising loan rate is available to the individual lessee (through recent financing or market data) which has a similar payment profile to the lease, then the group entities use that rate as a starting point to determine the incremental borrowing rate.

The Group has elected not to recognise right-of-use assets and lease liabilities for leases of low- value assets and short-term leases. The Group recognises the lease payments associated with these leases as an expense on a straight-line basis over the lease term. Short-term leases are leases with a lease term of 12 months or less without a purchase option. Low-value assets comprise IT equipment and small items of office furniture.

Extension and termination options

Extension and termination options are included in a number of property and equipment leases across the Group.

These are used to maximise operational flexibility in terms of managing the assets used in the Group's operations. The majority of extension and termination options held are exercisable only by the Group and not by the respective lessor.

The Group presents right-of-use assets in 'property and equipment' and lease liabilities as a separate line item 0n the statement of financial position.

The Group acting as the lessor

At inception or on modification of a contract that contains a lease component, the Group allocates the consideration in the contract to each lease component on the basis of their relative stand-alone selling prices.

When the Group acts as a lessor, it determines at lease inception whether the lease is a finance lease or an operating lease.

To classify each lease, the Group makes an overall assessment of whether the lease transfers substantially all of the risks and rewards incidental to ownership of the underlying asset. If this is the case, then the lease is a finance lease; if not, then it is an operating lease. As part of this assessment, the Group considers certain indicators such as whether the lease is for the major part of the economic life of the asset.

The Group applies the derecognition and impairment requirements in IFRS 9 to the net investment in the lease. The Group further regularly reviews estimated unguaranteed residual values used in calculating the gross investment in the lease.

The rental income from operating leases is recognised under "other revenue" in the statement of comprehensive income.

Notes *(continued)*

2. Summary of significant accounting policies *(continued)*

2.8 Impairment of non-financial assets

The carrying amounts of the Group's non-financial assets (other than deferred tax assets, inventories, investment property) are reviewed at each reporting date to determine whether there is any indication of impairment. If any such indication exists, then the asset's recoverable amount is estimated. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount.

For impairment testing, assets are grouped together into the smallest group of assets that generates cash flows from continuing use that are largely independent of the cash flows of other assets or Cash Generating Units (CGUs).

The recoverable amount of an asset or CGU is the greater of its value in use and its fair value less costs to sell. Value in use is based on estimated future cash flows, discounted to their present value using a pre-tax discount rate that reflects current market assessments of time value of money and the risks specific to the asset or CGU.

An impairment loss is recognised if the carrying amount of an asset or CGU exceeds its recoverable amount.

The Group's corporate assets do not generate separate cash inflows and are used by more than one CGU. Corporate assets are allocated to CGUs on a reasonable and consistent basis and tested for impairment as part of the impairment testing of the CGUs to which the corporate assets are allocated.

Impairment losses are recognised in profit or loss. They are allocated to reduce the carrying amount of assets in the CGUs on a pro rata basis. Impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortisation, if no impairment loss had been recognised.

2.9 Financial assets and financial liabilities

Financial assets

(i) Classification

The Group classifies its financial assets in the following measurement categories:

- those to be measured subsequently at fair value (either through OCI or through profit or loss), and
- those to be measured at amortised cost.

For assets measured at fair value, gains and losses will either be recorded in profit or loss or OCI. For investments in equity instruments that are not held for trading, this will depend on whether the Group has made an irrevocable election at the time of initial recognition to account for the equity investment at fair value through other comprehensive income (FVOCI).

The Group reclassifies debt investments when and only when its business model for managing those assets changes.

(ii) Recognition and derecognition

Regular way purchases and sales of financial assets are recognised on trade date, being the date on which the Group commits to purchase or sell the asset. Financial assets are derecognised when the rights to receive cash flows from the financial assets have expired or have been transferred and the Group has transferred substantially all the risks and rewards of ownership.

Notes *(continued)*

2. Summary of significant accounting policies *(continued)*

2.9 Financial assets and financial liabilities *(continued)*

Financial assets *(continued)*

(iii) Measurement

At initial recognition, the Group measures a financial asset at its fair value plus, in the case of a financial asset not at fair value through profit or loss (FVPL), transaction costs that are directly attributable to the acquisition of the financial asset. Transaction costs of financial assets carried at FVPL are expensed in profit or loss.

Financial assets with embedded derivatives are considered in their entirety when determining whether their cash flows are solely payment of principal and interest.

Debt instruments

Subsequent measurement of debt instruments depends on the Group's business model for managing the asset and the cash flow characteristics of the asset. There are three measurement categories into which the Group classifies its debt instruments:

- Amortised cost: Assets that are held for collection of contractual cash flows, where those cash flows represent solely payments of principal and interest, are measured at amortised cost. Interest income from these financial assets is included in investment income using the effective interest rate method. Any gain or loss arising on derecognition is recognised directly in profit or loss and presented in other gains/(losses) together with foreign exchange gains and losses. Impairment losses are presented as separate line item in the statement of profit or loss.
- FVOCI: Assets that are held for collection of contractual cash flows and for selling the financial assets, where the assets' cash flows represent solely payments of principal and interest, are measured at FVOCI. Movements in the carrying amount are taken through OCI, except for the recognition of impairment gains or losses, interest income and foreign exchange gains and losses, which are recognised in profit or loss. When the financial asset is derecognised, the cumulative gain or loss previously recognised in OCI is reclassified from equity to profit or loss and recognised in other gains/(losses). Interest income from these financial assets is included in finance income using the effective interest rate method. Foreign exchange gains and losses are presented in other gains/(losses), and impairment expenses are presented as separate line item in the statement of profit or loss.
- FVPL: Assets that do not meet the criteria for amortised cost or FVOCI are measured at FVPL. A gain or loss on a debt investment that is subsequently measured at FVPL is recognised in profit or loss and presented net within other gains/(losses) in the period in which it arises.

Equity instruments

The Group subsequently measures all equity investments at fair value. Where the Group's management has elected to present fair value gains and losses on equity investments in OCI, there is no subsequent reclassification of fair value gains and losses to profit or loss following the derecognition of the investment. Dividends from such investments continue to be recognised in profit or loss as other income when the Group's right to receive payments is established.

Changes in the fair value of financial assets at FVPL are recognised in other gains/(losses) in the statement of profit or loss as applicable.

(iv) Impairment

The Group assesses on a forward-looking basis the expected credit losses associated with its debt instruments carried at amortised cost. For debt investments, the Group applies the general approach to determine the ECL.

For trade receivables, the Group applies the simplified approach permitted by IFRS 9, which requires expected lifetime losses to be recognised from initial recognition of the receivables. There is no impairment on trade receivables because the Group had no history of default and the directors did not identify any forward looking information which could materially impact the payment profile of the Group's customers.

Notes *(continued)*

2. Summary of significant accounting policies *(continued)*

2.9 Financial assets and financial liabilities *(continued)*

Financial assets *(continued)*

(iv) Impairment (continued)

The Group has three types of financial assets that are subject to the expected credit loss model:

- trade receivables for sales of goods and from the provision of services
- debt investments carried at amortised cost, and
- debt investments carried at FVOCI.

While cash and cash equivalents are also subject to the impairment requirements of IFRS 9, the identified impairment loss was immaterial.

The Group measures loss allowances at an amount equal to lifetime ECL, except in the following cases, for which the amount recognised is 12-month ECL:

- debt securities that are determined to have low credit risk at the reporting date; and
- other financial instruments (other than lease receivables) for which credit risk has not increased significantly since initial recognition.

The Group considers a debt investment security to have low credit risk when its credit risk rating is equivalent to the globally understood definition 'investment grade'. The Group does not apply the low credit risk exemption to any other financial instruments. The impairment identified on debt investments measured at amortised is considered immaterial and has not been recognised in the financial statements.

12-month ECL are the portion of lifetime ECL that result from default events on a financial instrument that are possible within 12 months after reporting date. Financial instruments for which 12-months ECL are recognised are referred to as 'Stage 1 financial instruments'. Financial instruments allocated to Stage 1 have not undergone a significant increase in credit risk since initial recognition and are not credit-impaired.

Lifetime ECL are the ECL that result from all possible default events over the expected life of the financial instruments or the maximum contractual period of exposure. Financial instruments for which lifetime ECL are recognised but that are not credit-impaired are referred to as 'Stage 2 financial instruments'. Financial instruments allocated to Stage 2 are those that have experienced a significant increase in credit risk since initial recognition but are not credit-impaired.

Financial instruments for which lifetime ECL are recognised and that are credit-impaired are referred to as 'Stage 3 financial instruments'.

Measurement of ECL

ECL are a probability-weighted estimate of credit losses. They are measured as follows;

- financial assets that are not credit-impaired at the reporting date : as the present value of all cash shortfalls (i.e. the difference between the cash flows due to the entity in accordance with the contract and the cash flows that the Group expects to receive);
- financial assets that are credit-impaired at the reporting date : the difference between the gross carrying amount and the present value of estimated future cash flows.

When discounting cash flows, the discount rate used is the original effective interest rate or an approximation thereof.

Notes *(continued)*

2. Summary of significant accounting policies *(continued)*

2.9 Financial assets and financial liabilities *(continued)*

Financial assets *(continued)*

(iv) Impairment (continued)

Significant increase in credit risk (SICR)

The Group considers a financial asset to have experienced a significant increase in credit risk when the remaining Lifetime PD at the reporting date has increased beyond a set threshold, compared to the residual Lifetime PD expected at the reporting date when the exposure was first recognised. Other qualitative criteria are considered in determining whether a financial asset has experienced a significant increase in credit risk.

A backstop is applied and the financial asset considered to have experienced a significant increase in credit risk if the borrower is more than 30 days past due on its contractual payments.

Credit-impaired financial assets

At each reporting date, the Group assesses whether financial assets measured at amortised cost are credit-impaired (referred to as 'Stage 3 financial assets'). A financial asset is credit-impaired when one or more events that have a detrimental impact on the estimated future cash flows of the financial asset have occurred.
Evidence that a financial asset is credit-impaired includes the following observable data:

- significant financial difficulty of the borrower or issuer;
- breach of contract such as default or past-due event;
- the restructuring of an amount due to the Group on terms that the Group would not otherwise consider;
- it is becoming probable that the borrower will enter bankruptcy or other financial reorganisation;
- the disappearance of an active market for a security because of financial difficulties.

A backstop is applied and the financial asset considered to credit-impaired if the borrower is more than 90 days past due on its contractual payments.

Trade receivables and contract assets

The Group applies the IFRS 9 simplified approach to measuring expected credit losses which uses a lifetime expected loss allowance for all trade receivables and contract assets.

To measure the expected credit losses, trade receivables and contract assets have been grouped based on shared credit risk characteristics and the days past due. The contract assets relate to unbilled work in progress and have substantially the same risk characteristics as the trade receivables for the same types of contracts. The Group has therefore concluded that the expected loss rates for trade receivables are a reasonable approximation of the loss rates for the contract assets.

The expected loss rates are based on the payment profiles of sales over a period of 36 months before 31 December 2022 or 1 January 2022 respectively and the corresponding historical credit losses experienced within this period. The historical loss rates are adjusted to reflect current and forward-looking information on macroeconomic factors affecting the ability of the customers to settle the receivables. The Group has identified the GDP and the exchange rate of the countries in which it sells its goods and services to be the most relevant factors, and accordingly adjusts the historical loss rates based on expected changes in these factors.

Presentation of loss allowances in the financial statements

Loss allowances for ECL on financial assets measured at amortised cost are presented as a deduction from the gross carrying amount of the assets. Loss allowances for ECL are presented as a separate line item- 'impairment loss on financial instruments'- in the statement of comprehensive income.

Notes *(continued)*

2. Summary of significant accounting policies *(continued)*

2.9 Financial assets and financial liabilities *(continued)*

Financial assets *(continued)*

Write-off

Financial assets are written off (either partially or in full) when there is no reasonable expectation of recovering a financial asset in its entirety or a portion thereof. This is generally the case when the Group determines that the borrower does not have assets or sources of income that could generate sufficient cash flows to repay the amounts subject to the write-offs. This assessment is carried out at an individual asset level.

Recoveries of amounts previously written off are recognised when cash is received and are included in 'impairment loss on financial instruments' in the statement of comprehensive income.

Financial assets that are fully written off could still be subject to enforcement activities in order to comply with the Group's procedures for recovery of amounts due.

Financial liabilities

Classification and subsequent measurement

Financial liabilities are classified as measured at amortised cost. They are subsequently measured at amortised cost using the effective interest method. Interest expense and foreign exchange gains are recognised in profit or loss. Any gain or loss on derecognition is recognised in profit or loss.

Derecognition

The Group derecognises a financial liability when its contractual obligations are discharged or cancelled or expire. The Group also derecognises a financial liability when its terms are modified and the cash flows of the modified liability are substantially different, in which case, a new financial liability based on the modified terms is recognised at fair value.

On derecognition of a financial liability, the differences between the carrying amount extinguished and the consideration paid (including any non-cash asset transferred or liabilities assumed) is recognised in profit or loss.

Offsetting

Financial assets and liabilities are offset and the net amount reported in the statement of financial position when and only when, the Group currently has a legally enforceable right to set off the amounts and it intends either to settle on a net basis, or to realise the assets and settle the liability simultaneously.

Income and expenses are presented on a net basis only when permitted under IFRS Standards, or for gains and losses arising from a group of similar transactions such as in the Group's trading activity.

2.10 Trade and other receivables

Trade receivables are amounts due from customers for goods sold or services performed in the ordinary course of business. They are generally due for settlement within 30 days and are therefore all classified as current. Trade receivables are recognised initially at the amount of consideration that is unconditional, unless they contain significant financing components, when they are recognised at fair value. The Group holds the trade receivables with the objective of collecting the contractual cash flows and therefore they are measured subsequently at amortised cost using the effective interest method.

Other receivables generally arise from transactions outside the usual operating activities of the Group. Interest may be charged at commercial rates where the terms of repayment exceed six months. Collateral is not normally obtained.

Notes *(continued)*

2. Summary of significant accounting policies *(continued)*

2.11 Trade and other payables

These amounts represent liabilities for goods and services provided to the Group prior to the end of the financial year which are unpaid. The amounts are unsecured and are usually paid within 30 days of recognition. Trade and other payables are presented as current liabilities unless payment is not due within 12 months after the reporting period. They are recognised

2.12 Cash and cash equivalents

Cash and cash equivalents per the statement of cash flow include cash on hand, bank balances held with banks and highly liquid financial assets with original maturities of three months or less from the date of acquisition that are subject to an insignificant risk of changes in their fair value, and are used by the Group in the management of its short term commitments. Cash and cash equivalents are carried at amortised cost in the statement of financial position.

2.13 Insurance contracts

Companies within the Group licensed to carry out insurance business undertake contracts to underwrite significant insurance risk. Insurance contracts are those contracts that transfer significant insurance risk. Such contracts may also transfer financial risk.

As a general guideline, the Group defines as significant insurance risk the possibility of having to pay benefits on the occurrence of an insured event that are at more than the benefits payable if the insured event did not occur.

(i) Recognition and measurement

The Group's insurance contracts are classified into life and non-life insurance contracts.

Non-life insurance contracts

Non-life insurance contracts are casualty and property insurance contracts. Casualty insurance contracts protect the contract holder against the risk of causing harm to third parties as a result of their legitimate activities. Damages covered include both contractual and non-contractual events.

The typical protection offered is designed for employers who become legally liable to pay compensation to injured employees (employers' liability) and for individual and business customers who become liable to pay compensation to a third party for bodily harm or property damage (public liability).

Property insurance contracts mainly compensate the contract holder for damage suffered to their properties or for the value of property lost. Contract holders who undertake commercial activities on their premises could also receive compensation for the loss of earnings caused by the inability to use the insured properties in their business activities (business interruption cover).

Gross non-life insurance written premiums comprise the total premiums receivable for the whole period of cover provided by contracts entered into during the reporting period. They are recognised on the date on which the policy commences. Premiums include any adjustments arising in the reporting period for premiums receivable in respect of business written in prior accounting periods.

Unearned premiums are those proportions of premiums written in a year that relate to periods of risk after the reporting date. Unearned premiums are calculated on a daily pro rata basis. The proportion attributable to subsequent periods is deferred as a provision for unearned premiums.

Non-Life insurance claims and loss adjustment expenses include all claims occurring during the year, whether reported or not, related internal and external claims handling costs that are directly related to the processing and settlement of claims, a reduction for the value of salvage and other recoveries, and any adjustments to claims outstanding from previous years.

Notes *(continued)*

2. Summary of significant accounting policies *(continued)*

2.13 Insurance contracts *(continued)*

(i) Recognition and measurement (continued)

Non-life insurance contracts (continued)

The Group does not discount its liabilities for unpaid claims other than for disability claims. Liabilities for unpaid claims are estimated using the input of assessments for individual cases reported to the Group and statistical analyses for the claims incurred but not reported, and to estimate the expected ultimate cost of more complex claims that may be affected by external factors (such as court decisions).

Non-life insurance commission expenses are paid on new insurance policies accepted during the period and renewals. Commission expense is recognised when incurred.

Contingency reserve is held for the full amount of contingency reserve for entities within the Group issuing non-life insurance contracts in Ghana as required by the regulatory authority in Ghana. Transfers to and from the contingency reserve are treated as appropriations of retained earnings.

Life Insurance contracts

Life insurance contracts insure events associated with human life (for example, death or survival) over a long duration.

Premiums are recognised as revenue when they become payable by the contract holder. Premiums are shown before deduction of commission.

The Group issues long term insurance contracts. These contracts insure events associated with human life (for example, death). The Group's life insurance contracts are divided into 'individual life insurance contracts' and 'group life insurance contracts'. Group life insurance contracts are usually taken to cover a group of persons whiles individual life contracts are taken to cover an individual.

Claims and other benefits are recorded as an expense when they are incurred. Gross benefits and claims for life insurance contracts and for investment contracts include the cost of all claims arising during the year, including: internal and external claims handling costs that are directly related to the processing and settlement of claims; and policyholder bonuses declared. Death claims and surrenders are recorded on the basis of notifications received. Maturities and annuity payments are recorded when due.

A liability for contractual benefits that are expected to be incurred in the future is recorded when the premiums are recognised. The liability is determined as the sum of the expected discounted value of the benefit payments and the future administration expenses that are directly related to the contract, less the expected discounted value of the theoretical premiums that would be required to meet the benefits and administration expenses based on the valuation assumptions used.

The liability is actuarially determined based on assumptions as to mortality, persistency, maintenance expenses and investment income that are established at the time the contract is issued. Premiums are recognised as revenue when they become payable by the contract holder. Premiums are shown before deduction of commission.

Where insurance contracts have a single premium or a limited number of premium payments due over a significantly shorter period than the period during which benefits are provided, the excess of the premiums payable over the valuation premiums is deferred and recognised as income in line with the decrease of unexpired insurance risk of the contracts in force or, for annuities in force, in line with the decrease of the amount of future benefits expected to be paid.

Notes *(continued)*

2. Summary of significant accounting policies *(continued)*

2.13 Insurance contracts *(continued)*

(ii) Reinsurance contracts held

The Group cedes insurance risk in the normal course of business for all of its businesses. Reinsurance assets represent balances due from reinsurance companies. Amounts recoverable from reinsurers are estimated in a manner consistent with the outstanding claims provision or settled claims associated with the reinsurer's policies and are in accordance with the related reinsurance contract.

Reinsurance assets are reviewed for impairment at each reporting date, or more frequently, when an indication of impairment arises during the reporting period. Impairment occurs when there is objective evidence as a result of an event that occurred after initial recognition of the reinsurance asset that the Group may not receive all outstanding amounts due under the terms of the contract and the event has a reliably measurable impact on the amounts that the Group will receive from the reinsurer. The impairment loss is recorded in the statement of profit or loss. These processes are described in Note 2.9.

Gains or losses on buying reinsurance are recognised in the statement of comprehensive income immediately at the date of purchase and are not amortised.

Ceded reinsurance arrangements do not relieve the Group from its obligations to policyholders. Contracts entered into by the Group with reinsurers under which the Group is compensated for losses on one or more contracts issued by the Group and that meet the classification requirements for insurance contracts are classified as reinsurance contracts held.

Insurance contracts entered into by the Group under which the contract holder is another insurer (inwards reinsurance) are included with insurance contracts. Contracts that do not meet these classifications are classified as financial assets.

The benefits to which the Group is entitled under its reinsurance contracts held are recognised as reinsurance assets. These assets consist of short-term balances due from reinsurers, as well as longer 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.

Reinsurance liabilities are primarily premiums payable for reinsurance contracts and are recognised as an expense when due.

Reinsurance claims are recognised when the related gross insurance claim is recognised according to the terms of the relevant contract.

If there is objective evidence that the reinsurance asset is impaired, the Group reduces the carrying amount of the reinsurance asset to its recoverable amount and recognises that impairment loss in profit or loss. The Group gathers the objective evidence that a reinsurance asset is impaired using the same process adopted for financial assets held at amortised cost. The impairment loss is calculated following the same method used for these financial assets.

(iii) Receivables and payables related to insurance contracts

Insurance payables are recognised when due and measured on initial recognition at fair value of the consideration received less directly attributable transaction costs. Subsequent to initial recognition, they are measured at amortised cost using the effective interest method.

Insurance receivables are recognised when due and measured on initial recognition at the fair value of the consideration receivable. Subsequent to initial recognition, insurance receivables are measured at amortised cost, using the effective interest method. The carrying value of insurance receivables is reviewed for impairment whenever events or circumstances indicate that the carrying amount may not be recoverable, with the impairment loss recorded in the statement of profit or loss. These processes are described in Note 2.9

Notes *(continued)*

2. Summary of significant accounting policies *(continued)*

2.13 Insurance contracts *(continued)*

(iii) Receivables and payables related to insurance contracts

Insurance receivables are derecognised when the derecognition criteria for financial assets, as described in Note 2.9, have been met.

Salvage and subrogation reimbursements

Some insurance contracts permit the Group to sell (usually damaged) property acquired in settling a claim (for example, salvage). The Group may also have the right to pursue third parties for payment of some or all costs (for example, subrogation).

Estimates of salvage recoveries are included as an allowance in the measurement of the insurance liability for claims, and salvage property is recognised in other assets when the liability is settled. The allowance is the amount that can reasonably be recovered from the disposal of the property.

(iv) Life insurance liability valuation basis and methodology

Policy liabilities for insurance contracts are determined using actuarial valuation principles and are reflected in the statement of financial position as "Life insurance contract liabilities" or "life fund".

Liabilities are valued as the present value of future cash flows discounted at the rate of return assumed on the assets backing the policyholder funds. Future cash flows are projected on a best estimate basis with an allowance for compulsory margins. Best estimate assumptions are required for future: investment returns; expenses; persistency; mortality and other factors that may impact on the financial position of the Group.

Demographic assumptions including mortality and persistency rates are derived directly from recent experience and are adjusted for anticipated future trends. Investigations are performed at least annually.

Future expenses are projected on a per policy basis where the per policy expense is derived from actual renewal expenses incurred during the last financial period. Renewal expenses are determined by removing acquisition costs and non-recurring expenses from the total expenses and adding an allowance for future one off costs which is derived from an analysis of historical one-off patterns.

For individual policies where benefits are linked to the return on an underlying investment portfolio, the liabilities are taken as the market values of the underlying investments, built up from the investment allocations made from the premiums paid, adjusted to allow for the discounted present value of the difference between expected future expenses and expected future charges.

All deficits or surplus arising from the valuation of the Group's life fund are recognised in profit or loss.

(v) Deferred commission expense and income

Commission expense and income that vary with and are related to securing insurance contracts and renewing existing contracts are capitalised. The deferred commission expense and income are subsequently amortised over the terms of the policies as premium is earned or incurred.

2.14 Income tax

Income tax expense comprise current and deferred tax. It is recognised in profit or loss except to the extent that it relates to a business combination, or items recognised directly in equity or OCI.

The Group has determined that interest and penalties related to income taxes do not meet the definition of income taxes, and therefore has accounted for them under IAS 37 Provisions, Contingent Liabilities and Contingent Assets and has recognised the related expenses in 'other expenses'.
ions, Contingent Liabilities and Contingent Assets and has recognised the related expenses in 'other expenses'

Notes *(continued)*

2. Summary of significant accounting policies *(continued)*

2.14 Income tax *(continued)*

Current tax

Current tax comprises the expected tax payable or receivable on the taxable income or loss for the year end and any adjustments to the tax payable or receivable in respect of previous years. The amount of current tax payable or receivable is the best estimate of the tax amount expected to be paid or received that reflects uncertainty related to income taxes, if any. It is measured using tax rates enacted or substantively enacted at the reporting date. Current tax also included any tax arising from dividends. Current tax assets and liabilities are offset only if certain criteria are met.

Deferred tax

Deferred tax is recognised in respect of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes.

Deferred tax is not recognised for:

- temporary differences on the initial recognition of assets or liabilities in transaction that is not a business combination and that affects neither accounting nor taxable profit or loss;
- temporary differences related to investments in subsidiaries to the extent that the Group is able to control the timing of the reversal of the temporary differences and its probable that they will not reverse in the foreseeable future; and
- temporary differences arising on initial recognition of goodwill.

Deferred tax assets are recognised for unused tax losses, unused tax credits and deductible temporary differences to the extent that it is probable that future taxable profits will be available against which they can be used. Future taxable profits are determined bases on the reversal of relevant taxable temporary differences. If the amount of taxable temporary differences is insufficient to recognise a deferred tax asset in full, then future taxable profits, adjusted for reversals of existing temporary differences, are considered, based on business plans for individual subsidiaries within the Group. Deferred tax are reviewed at each reporting date and are reduced to the extent that it is no longer probable that the related tax benefits will be realised; such reductions are reversed when the probability of future taxable profits improves.

Unrecognised deferred tax assets are reassessed at each reporting date and recognised to the extent that it has become probable that future taxable profits will be available against which they can be used.

Deferred tax is measured at the tax rates that are expected to be applied to temporary differences when they reverse, using tax rates enacted or substantively enacted at reporting date, and reflects uncertainty related to income taxes, if there is any.

The measurement of deferred tax reflects the tax consequence that would follow from the manner in which the Group expects, at the reporting date, to recover or settle the carrying amount of its assets and liabilities. For this purpose, the carrying amount of investment property measured at fair value is presumed to be recovered through sale, and the Group has not rebutted this presumption. Deferred tax assets and liabilities are offset only if certain criteria are met.

2.15 Share capital

Ordinary shares are classified as equity and presented as stated capital. All shares are issued at no par value. Incremental costs that are directly attributable to the issue of an equity instrument are deducted from the initial measurement of the equity instruments.

Notes *(continued)*

2. Summary of significant accounting policies *(continued)*

2.16 Provisions

Provisions are recognised when: the Group have a present legal or constructive obligation as a result of past events; it is probable that an outflow of resources will be required to settle the obligation; and the amount has been reliably estimated. Provisions are not recognised for future operating losses.

Provisions are measured at the present value of the expenditures expected to be required to settle the obligation using a pre tax rate that reflects current market assessments of the time value of money and the risks specific to the obligation. The increase in the provision due to passage of time is recognised as interest expense.

2.17 Earnings per share (EPS)

The Group presents basic and diluted EPS data for its ordinary shares. Basic EPS is calculated by dividing the profit or loss that is attributable to ordinary shareholders of the Group by the weighted - average number of ordinary shares outstanding during the period. Diluted EPS is determined by adjusting profit or loss attributable to ordinary shareholders and the weighted-average number of ordinary shares outstanding for the effects of all dilutive potential ordinary shares, which comprise share options granted to employees.2.18 Revenue

2.18 Revenue

Revenue comprises the fair value for services rendered. Revenue is recognised as set out below:

Premium income

The accounting policy in relation to revenue from insurance contracts is disclosed in Note 2.13.

Dividend income

Dividend income is recognised in profit or loss when the Group's right to receive payment is established.

Rental income

Rental income from investment property is recognised on a straight-line basis over the lease term. When the Group provides incentives to its tenants, the cost of incentives is recognised over the lease term, on a straight-line basis, as a reduction of rental income.

Revenue from investment property includes rental income, and service charges and management charges from properties.

Service charges and management charges from investment properties

Service and management charges are recognised in the accounting period in which the services are rendered. When the Group is acting as an agent, the commission rather than gross income is recorded as revenue.

Sale of goods and rendering of services

Revenue is measured based on the consideration specified in a contract with a customer. The Group recognises revenue when it has transferred control over a good or service to a customer.

The following table provides information about the nature and timing of the satisfaction of performance obligations in contracts with customers and the related revenue recognition policies.

Notes *(continued)*

2. Summary of significant accounting policies *(continued)*

2.18 Revenue *(continued)*

Sale of goods and rendering of services (continued)

Type of product or service	Nature and timing of the satisfaction of performance obligations	Revenue recognition policies.
Pension management fee	Invoices for pension management fees are issued when service has been rendered. Payments are received 30 days after the invoice is raised and revenue is recognised based on performance obligations being met.	Revenue is recognised over time as the services are provided. If the services under a single arrangement are rendered in different reporting periods, then the consideration is allocated based on their relative stand-alone selling prices.
Sale of caskets	Customers obtain control of caskets when the goods are delivered to and have been accepted at their premises. Payments for the sale of caskets are received in advance.	Revenue is recognised when goods have been delivered to the customers A receivable is recognised when the goods are delivered as this is the point in time that the consideration is unconditional because only the passage of time is required before the payment is due.
Funeral services	Invoices for funeral services are issued when service has been rendered. Payments are received in advance and revenue is recognised based on performance obligations being met.	Revenue is recognised over time as the services are provided. If the services under a single arrangement are rendered in different reporting periods, then the consideration is allocated based on their relative stand-alone selling prices.

2.19 Operating expenses

Operating expenses include expenses claim handling costs, product development, training costs, and marketing expenditure as well as all other non-commission related expenditure. Operating expenses are recognised when incurred. Operating expenses also include staff related costs, auditors and directors remuneration and other general administrative expense.

2.20 Commission expenses

Commission expenses are paid on new business accepted policies during the period and renewals. Commission expenses are recognised when incurred.

2.21 Policy holder benefits

Policyholder benefit payments in respect of insurance contracts are shown gross of reinsurance recoveries and recognised when claims are incurred.

2.22 Employee benefits

Short term employee benefits

Short term employee benefits are expensed as the related service is provided. A liability is recognised for the amount expected to be paid if the Company has a present legal or constructive obligation to pay this amount as a result of past service provided by the employee and the obligation can be estimated reliably.

Notes *(continued)*

2. Summary of significant accounting policies *(continued)*

2.22 Employee benefits *(continued)*

Defined contribution plans

Obligations for contributions to defined contribution plans are expensed as the related service is provided and recognised as personnel expenses in profit or loss. Prepaid contributions are recognised as an asset to the extent that a cash refund or reduction in future payments is available.

Social security contributions

The Group contributes to the defined contribution scheme (the Social Security Fund) on behalf of employees. The Group operates the two-tier pension scheme. Contributions by the Group to the mandatory tier one and tier two schemes are determined by law; currently the employer contributes 13% of employee's basic salary while employee contributes 5.5%. Out of the total contribution of 18.5%, the Group remits 13.5% to Social Security and National Insurance Trust towards the first- tier pension scheme and the remaining 5% to a privately managed scheme by Enterprise Trustees Limited under the mandatory second tier.

Provident fund

The Group contributes 9% or 11% of an employee's basic salary into a provident fund depending on the staff level. This is a defined contribution scheme under the management of an external fund manager appointed by the Trustees.

2.23 Inventories

Inventories are measured at the lower of cost and net realisable value. The cost of inventories is based on the first-in, first-out principle. In the case of manufactured inventories, cost includes of raw materials and an appropriate share of production overheads based on normal operating capacity.

2.24 Segment reporting

An operating segment is a component of the Group that engages in business activities from which it may earn revenues and incur expenses. It includes revenues and expenses relating to transactions with the Group's Chief Executive Officer (CEO) to make decisions about resources to be allocated to the segment and assess its performance, and for which discrete financial information is available.

Segment results that are reported to the Group's CEO include items that are directly attributable to a segment as well as those that can be allocated on a reasonable basis.

3. MANAGEMENT OF INSURANCE RISK AND FINANCIAL RISK

3.1 Insurance risk

Insurance contracts issued by companies within the Group carrying out insurance business transfers insurance risk. This section summarises these risks and the way the Group manages them.

(a) *Management of non-life insurance risk*

The risk under any one insurance contract is the possibility that the insured event occurs and the uncertainty of the amount of the resulting claim. By the very nature of an insurance contract, this risk is random and therefore unpredictable.

The Group underwrites risks that individuals, corporate or other entities wish to transfer to an insurer. Such risks may relate to property, accident, motor, liability, marine and other perils which may arise from an insured event. As such the Group is exposed to uncertainty surrounding the timing, frequency and severity of claims under insurance contracts. The principal risk is that the frequency and/or severity of claims are greater than expected.

Notes *(continued)*

3. MANAGEMENT OF INSURANCE RISK AND FINANCIAL RISK *(continued)*

3.1 Insurance risk *(continued)*

(a) Management of non-life insurance risk (continued)

Insurance events are by their nature random and the actual size and number of events in any one year may vary from those estimated and experienced in prior periods. The Group underwrites short term risks, that is, insurance under which claims are typically settled within one year of the occurrence of the events giving rise to the claims.

The product features of insurance contracts that have a material effect on the amount, timing and uncertainty of future cash flows arising from insurance contracts in the Group are described below;

(i) Property

Provides indemnity for loss or damage to immovable and movable property caused by perils such as fire, lightning, explosion, weather, water, earthquake and malicious damage. These contracts may also include business interruption policies which insure the loss of profits incurred by a business as a result of loss or damage to the insured property by these perils.

(ii) Accident

Provides indemnity for loss of or damage to mainly movable property for losses caused by crime, certain accidental damage such as damage to goods in transit or accidental damage to glass. Included under the accident classes are legal liabilities an insured may incur as a result of accidental damage to third party property or accidental death or injury to a third party caused by the insured.

Provides compensation arising out of the death, permanent or temporary total disability of the insured, the family of the insured or the employees of a business. This cover is restricted to certain accidents and does not provide the wider benefits available from the life assurance industry.

(iii) Motor

Provides indemnity for loss of or damage to the insured motor vehicle. The cover is normally on an all risks basis providing a wide scope of cover, however the insured may select restricted forms of cover such as fire and theft only. Legal liabilities arising out of the use or ownership of the motor vehicle following an accident for damage to third party property or death or injury to a third parties are also covered in this class.

(iv) Engineering

Provides indemnity for losses sustained through the use of machinery and equipment or the erection of buildings and structures. Risks covered by this type of contract include machinery breakdown, business interruption and loss or damage to plant and equipment.

(v) Marine

Provides indemnity for both cargo and hull classes of business. Cargo covers physical loss of or damage to cargo. Hull covers accidental loss or damage to commercial vessels.

Notes *(continued)*

3. MANAGEMENT OF INSURANCE RISK AND FINANCIAL RISK *(continued)*

3.1 Insurance risk *(continued)*

(b) Exposure to non-life insurance risk

The Group limits its exposure to insurance risk through setting clearly defined underwriting strategy and limits, application of appropriate risk assessment techniques, and centralised management of reinsurance.

The Group's underwriting strategy ensures diversification of insurance risk in terms of type and amount of risk covered, geographical location and type of industry covered. The strategy also aims to develop a sufficiently large population of risks to reduce the variability of the expected outcome. The underwriting strategy is detailed in underwriting authorities which set the limits for underwriters in terms of line size, class of business and industry to enforce appropriate risk selection within the portfolio.

The underwriting mandates are applicable to both internal and external underwriters and partners. Ongoing review and analysis of underwriting information enables the Group to monitor its risks and take timely corrective action.

The ability to adjust premiums allows the Group to mitigate the risk of underwriting losses by addressing adverse loss ratios in terms of different classes of business and different portfolio or the risk of fraudulent claims is reduced by internal controls embedded in claims-handling processes and specific techniques developed to proactively detect fraudulent claims.

(i) Underwriting and reinsurance operating procedures

The underwriting mandates are applicable to both internal and external underwriters and partners. Ongoing review and analysis of underwriting information enables the Group to monitor its risks and take timely corrective action. The ability to adjust premiums allows the Group to mitigate the risk of underwriting losses by addressing adverse loss ratios in terms of different classes of business and different portfolio or clients.

The main objective of the risk management outfit is to provide a policy framework that ensures that risk assumption and risk retention practice is in line with prudent risk/reward parameters set by the Group. Specifically, the department determines the risk retention policy of the Group, and this leads to the type and level of reinsurance placed for the year. Facultative and treaty reinsurance are undertaken for the purposes of cost efficiency, compliance with risk assumption criteria and security.

The objectives and responsibilities of the department are approved by the Board of Directors.

(ii) Reinsurance strategy

The Group obtains reinsurance cover to reduce risks from single events or accumulation of risk which could have a significant impact on earnings for the current year or the Group's capital. This cover is placed on the local and international reinsurance market. The Group's insurance risk and return position is tested against a wide range of reinsurance alternatives including viability of proportional and non-proportional alternatives.

(iii) Risk retention parameters

The Group is in the business of assuming that level of risk, which is deemed prudent in relation to the risk/reward and the Group's absolute capacity in terms of shareholders' funds and reserves.

Predetermined criteria are observed at all times other than where specific written permission has been obtained from the Board of Directors.

(iv) Treaty and Facultative placing process

The treaty-placing process is the responsibility of the underwriting and reinsurance departments.

Notes *(continued)*

3. MANAGEMENT OF INSURANCE RISK AND FINANCIAL RISK *(continued)*

3.1 Insurance risk *(continued)*

(c) Sources of uncertainty in the estimation of future claim payments

Insurance risks are unpredictable, and it is impossible to forecast with absolute certainty future claims payable under existing insurance contracts. As such reasonable provisions are made to adequately cater for all insurance obligations when they arise.

(i) Claims provision

The Group's outstanding claims provision include notified claims as well as incurred but not yet reported claims, and due to the short-term nature of the business, it is not considered necessary to discount any of the claims provision.

(ii) Notified claims

Claims provisions are based on previous claims experience, knowledge of events, terms and conditions of the relevant policies and interpretation of circumstances. Each notified claim is assessed on a separate case by case basis with regard to the specific circumstances, information available from the insured and the loss adjuster and past experience of similar claims. The Group employs staff experienced in claims handling and rigorously applies standardised policies and procedures around claims assessment. In addition, the Group utilises the services of specialised administrators to perform the claims assessment process for some of its business.

The ultimate cost of the reported claims may vary as a result of future developments or better information becoming available about the current circumstances. Estimates are reviewed regularly and updated if new information becomes available.

(iii) Claims incurred but not reported (IBNR)

The estimation of IBNR is generally subject to a greater degree of uncertainty than the estimation of the cost of settling claims already notified to the Group, where information about the claim event is available. IBNR claims may not be apparent to the insured until many years after the event that gave rise to the claims.

(iv) Unsettled claims

In estimating the liability for the cost of reported claims not yet paid, the Group considers any information available from loss adjusters and information on the cost of settling claims with similar characteristics in previous periods. Large claims are assessed on a case by case basis or projected separately in order to allow for the possible distortive effect of their development and incidence on the rest of the portfolio.

(d) Limiting exposure to insurance risk

Underwriting limits are in place to enforce appropriate risk selection criteria. For example, the Group has the right not to renew individual policies, it can impose deductibles and it has the right to reject the payment of fraudulent claims. Insurance contracts also entitles the Group to pursue third parties for the payment of some or all cost.

Notes *(continued)*

(All amounts are in thousands of Ghana cedis unless otherwise stated)

3. MANAGEMENT OF INSURANCE RISK AND FINANCIAL RISK *(continued)*

3.1 Insurance risk *(continued)*

(d) Limiting exposure to insurance risk (continued

Non-life insurance product types

The table below set out the gross premiums from received from the policy holders and the portion retained (ie. gross premium less premium ceded to reinsurers) by the non-life insurance companies within the Group.

Product Type		Premiums	
		2022	2021
Motor	Gross	**192,395**	168,418
	Net	**179,793**	161,318
Fire	Gross	**89,769**	74,581
	Net	**15,412**	13,335
Marine	Gross	**28,826**	14,784
	Net	**4,722**	2,860
General Accident	Gross	**60,757**	50,531
	Net	**30,801**	24,230
Engineering	Gross	**60,293**	26,780
	Net	**3,872**	1,645
Aviation	Gross	**342**	76
	Net	**110**	63
Total	**Gross**	**432,382**	335,170
	Net	**234,710**	203,451

Management of life insurance risk

The risk under any one life insurance contract is the possibility that the insured event occurs and the uncertainty of the amount of the resulting claim. By the very nature of a life insurance contract, this risk is random and therefore unpredictable.

For a portfolio of life insurance contracts where the theory of probability is applied to pricing and provisioning, the principal risk that the Group faces under its insurance contracts is that the actual claims and benefit payments exceed the carrying amount of the insurance liabilities. This could occur because the frequency or severity of claims and benefits are greater than estimated. Insurance events are random, and the actual number and amount of claims and benefits will vary from year to year from the level established using statistical techniques. The assumptions used in the insurance contracts are disclosed in Note 5.1.2.

Experience shows that the larger the portfolio of similar insurance contracts, the smaller the relative variability about the expected outcome will be. In addition, a more diversified portfolio is less likely to be affected by a change in any subset of the portfolio. The Group has developed its insurance underwriting strategy to diversify the type of insurance risks accepted and within each of these categories to achieve a sufficiently large population of risks to reduce the variability of the expected outcome. The concentration of life insurance risk before and after reinsurance by class in relation to the type of insurance risk acceptable in summarised in the following table which discloses the concentration of insurance liabilities by the maximum insured loss limit included in the terms of the policy. The amounts are the carrying amount of the insurance liabilities (gross of reinsurance) arising from insurance contracts.

Notes *(continued)*

(All amounts are in thousands of Ghana cedis unless otherwise stated)

3. MANAGEMENT OF INSURANCE RISK AND FINANCIAL RISK *(continued)*

3.1 Insurance risk *(continued)*

Management of life insurance risk (continued)

	2022		2021	
	Amount	**% of total premium**	Amount	% of total premium
Assured Education Plan	**231,251**	**32%**	213,489	32%
Assured Lifetime Needs Plan	**165,415**	**23%**	182,968	27%
Assured Funeral Plan	**242,309**	**34%**	179,078	27%
Assured Family Income Plan	**16,594**	**2%**	24,428	4%
Assured Lady Care	**2,503**	**0%**	728	0%
Group Life Plan	**19,636**	**3%**	18,458	3%
Credit Risk Plan	**35,560**	**5%**	43,894	7%
Micro Ensure Plan	**3,094**	**0%**	2,276	0%
Special Market Group Plan	**5,881**	**1%**	4,275	1%
	722,243		669,594	

Frequency and severity of claims

The frequency and severity of claims can be affected by several factors. Estimated inflation is also a significant factor due to the long period typically required to settle these cases. The Group manages these risks through its underwriting strategy, adequate reinsurance arrangements and proactive claims handling.

The underwriting strategy attempts to ensure that the underwritten risks are well diversified in terms of type and amount of risk, and industry. The amount and timing of claims within the Group are typically settled within a year.

Notes *(continued)*

3. MANAGEMENT OF INSURANCE RISK AND FINANCIAL RISK *(continued)*

3.2 Financial risk

Overview of financial risk management

The Group is exposed to a range of financial risks through its financial assets, reinsurance assets and insurance liabilities. In particular, the key financial risk is that in the long term its investment proceeds are not sufficient to fund the obligations arising from its insurance contracts.

The most important components of this financial risk are market risk (including foreign currency risk, interest rate risk and other price risk), liquidity risk and credit risk. These risks arise from open positions in interest rate, currency and equity products, all of which are exposed to general and specific market movements. The risks that the Group primarily faces due to the nature of its investments and liabilities are interest rate risk and equity price risk.

The Group manages financial risks via the Board Investment Committee ("BIC") which is mandated to achieve long term investment returns in excess of the Group's obligations under insurance contracts. The principal technique of the BIC is to match assets to the liabilities arising from insurance contracts by reference to the type of benefits payable to contract holders.

3.2.1 Market risk

Market risk is the risk that changes in market prices, such as interest rates, equity prices and foreign exchange rates will affect the Group's income or the value of its holdings of financial instruments. These risks arise from open positions in interest rate, currency and equity products, all of which are exposed to general and specific market movements. The risks that the Group primarily faces due to the nature of its investments and liabilities are interest rate risk and foreign currency risk. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimising the return.

Foreign exchange risk

The Group is exposed to foreign exchange risk arising from various currency exposures, primarily with respect to the United States dollars, the Pound Sterling, the Euro and the Naira. Foreign exchange risk arises from future commercial transactions and recognised assets and liabilities.

Foreign currency changes are monitored by the Board Investment Committee and holdings are adjusted when there is a deviation from the Group's investment policy. The Company's and the Group's exposure to foreign currency risk based on notional amounts at the year-end expressed in Ghana cedis was as follows:

The Group				
At 31 December 2021	**USD GH¢'000**	**GBP GH¢'000**	**EUR GH¢'000**	**NGN GH¢'000**
Financial assets:				
Bank balances	38,951	3,311	11,158	25,099
Due from reinsurers	3,193	316	254	-
Investment securities	-	-	-	74,042
Trade and other receivables	-	-	-	286
Total financial assets	**42,144**	**3,627**	**11,412**	**99,427**
Financial liabilities:				
Borrowings	511	-	-	511
Due to reinsurers	4,854	317	171	-
Lease liabilities	18,365	-	-	4,700
Other payables	-	-	-	6,189
Total financial liabilities	**23,730**	**317**	**171**	**11,400**
Net exposure	**18,414**	**3,310**	**11,241**	**88,027**

Notes *(continued)*

3. MANAGEMENT OF INSURANCE RISK AND FINANCIAL RISK *(continued)*

3.2 Financial risk *(continued)*

3.2.1 Market risk *(continued)*

Foreign exchange risk (continued)

The Group	USD	GBP	EUR	NGN
At 31 December 2021	GH¢'000	GH¢'000P	GH¢'000	GH¢'000
Financial assets:				
Bank balances	7,324	120	151	153,230
Due from reinsurers	1,435	53	70	-
Investment securities	-	-	-	3,844,108
Trade and other receivables	-	-	-	3,731,001
Total financial assets	8,759	173	221	7,728,339
Financial liabilities:				
Borrowings	(5,113)	-	-	-
Due to reinsurers	(2,224)	(191)	(27)	-
Lease liabilities	(804)	-	-	(27,519)
Other payables	-	-	-	(9,014)
Total financial liabilities	(8,141)	(191)	(27)	(36,533)
Net exposure	618	(18)	194	7,691,806

The Company	**2022**		2021	
	USD	GBP	USD	GBP
Financial assets:				
Bank balances	38,951	3,311	1,373	-
Total financial assets	**38,951**	**3,311**	1,373	-
Financial liabilities:				
Lease liabilities	18,365	-	2,491	-
Total financial liabilities	**18,365**	**-**	2,491	-
Net exposure	**20,586**	**3,311**	(1,118)	-

	Average rate		**Year-end rate**	
	2022	2021	**2022**	2021
USD 1	**10.8667**	6.0250	**11.0**	6.4500
GBP 1	**12.9958**	8.3994	**13.4937**	8.8023
EUR 1	**11.3833**	7.1978	**11.9482**	7.3989
NGN 1	**62.30**	69.94	**53.75**	70.84

Notes *(continued)*

(All amounts are in thousands of Ghana cedis unless otherwise stated)

3. MANAGEMENT OF INSURANCE RISK AND FINANCIAL RISK *(continued)*

3.2 Financial risk *(continued)*

3.2.1 Market risk *(continued)*

Foreign exchange risk (continued)

The following table shows the effect of a strengthening or weakening of the foreign currencies against the GH¢ on the Company and Group's profit or loss. This sensitivity analysis indicates the potential impact on profit or loss based on foreign currency exposures at 31 December. It does not represent actual or future gains or losses. The sensitivity analysis is based on the percentage difference between the highest daily exchange rate and the average exchange rate per currency recorded in the course of the respective financial year.

Sensitivity analysis – currency risk

At 31 December, if the Ghana cedi had strengthened or weakened against the foreign currencies with all variables held constant, the impact would have been as follows:

The Group	**2022**			2021		
	% Change	**Impact Profit or loss**	**Impact Equity**	% change	Impact Profit or loss	Impact Equity
USD	**±2%**	**±843**	**±779**	±2%	±21	±16
EUR	**±2%**	**±73**	**±66**	±2%	±49	±37
GBP	**±2%**	**±228**	**±502**	±2%	±18	±14
NGN	**±2%**	**±1,989**	**±502**	±2%	±2,590	±1,943

The Company	**2022**			2021		
	% Change	**Impact Profit or loss**	**Impact Equity**	% change	Impact Profit or loss	Impact Equity
USD	**±2%**	**± 283**	**± 283**	±2%	±19	±14
GBP	**±2%**	**-**	**-**	±2%	-	-

Interest rate risk

Fixed interest rate financial instruments carried at fair value expose the Group to fair value interest rate risk. The Group's fixed interest rate financial instruments are government securities and deposits with financial institutions. The Group regularly monitors financing options available to ensure optimum interest rates are obtained.

The interest rate profile of the Group's interest-bearing financial instruments as at the reporting date, is as follows:

	The Company		The Group	
	2022	2021	**2022**	2021
Variable-rate instruments	**-**	-	**511**	26,123
Borrowings	**-**	-	**511**	26,123

Notes *(continued)*

(All amounts are in thousands of Ghana cedis unless otherwise stated)

3. MANAGEMENT OF INSURANCE RISK AND FINANCIAL RISK *(continued)*

3.2 Financial risk *(continued)*

3.2.1 Market risk *(continued)*

Interest rate risk (continued)

Sensitivity analysis – interest rate risk

A reasonably possible change of 50 basis points in interest rates at the reporting date would have increased (decreased) equity and profit or loss by the amounts shown below. This analysis assumes that all other variables, particularly foreign currency exchange rates, remain constant.

The Group	**2022**		2021	
	Impact Profit or loss	**Equity**	Impact Profit or loss	Equity
Variable -rate instruments				
Borrowings	**±2.5**	**±2.5**	±131	±98

Price risk

The Group is exposed to equity securities price risk because of investments in quoted shares classified as fair value through profit or loss. The Group is not exposed to commodity price risk. To manage its price risk arising from investments in equity securities, the Group diversifies its portfolio.

Diversification of the portfolio is done in accordance with limits set by the Group. All listed investments held by the Group are traded on the Ghana Stock Exchange (GSE).

Sensitivity analysis –Equity price risk

At 31 December 2022, the Group and Company had listed equity security amounting to GH¢ 105 million and GH¢ 2.8 million respectively. If there was a 50 basis points increase or decrease in share prices of the Group and Company's listed equity instruments with all other variables held constant, the impact on profit or loss and equity would have been an increase or decrease of GH¢ 5.3 million and GH¢ 142,000 after tax respectively (2021: GH¢ 5.7 million and GH¢120,084).

Notes *(continued)*

(All amounts are in thousands of Ghana cedis unless otherwise stated)

3. MANAGEMENT OF INSURANCE RISK AND FINANCIAL RISK *(continued)*

3.2 Financial risk *(continued)*

3.2.2 Credit risk

Management of credit risk

Credit risk arises from the inability or unwillingness of counterparty to a financial instrument to discharge its contractual obligations.

The Group is exposed to credit risk in respect of the following:

- Receivables arising out of reinsurance arrangements;
- Due from related party
- Cash and bank balances
- Debt investment securities; and
- Trade and other receivables

The Group has no significant concentrations of credit risk. The Group structures the levels of credit risk it accepts by placing limits on its exposure to a single counterparty, or groups of counterparty, and to industry segments. Such risks are subject to an annual or more frequent review. Limits on the level of credit risk by category are approved periodically by the Board of Directors.

Reinsurance is used to manage insurance risk. This does not, however, discharge the Group's liability as primary insurer. If a reinsurer fails to pay a claim for any reason, the Group remains liable for the payment to the policyholder. The creditworthiness of reinsurers is considered on an annual basis by reviewing their financial strength prior to finalisation of any contract. The Group does not have a concentration of credit risk in respect of reinsurance as it deals with variety of reinsurers.

The exposure to individual counterparties is also managed by other mechanisms, such as the right of offset where counterparties are both debtors and creditors of the Group. Management information reported to the Group includes details of provisions for impairment on trade and other receivables and subsequent write offs. Internal Audit makes regular reviews to assess the degree of compliance with the procedures on credit. The Group is not exposed to credit risk from its insurance contract holders because in accordance with the regulator's directive, an insurer can only underwrite insurance risk when the premium is settled.

Exposure to financial institutions concerning deposits and similar transactions is monitored against approved limits. The Group manage credit risk associated with deposits with banks by transacting business with financial institutions licensed by the central banks of the respective jurisdictions in which the entities within the Group operate. Debt securities are instruments in the form of treasury bills and bonds issued by the Government in the respective jurisdictions in which the entities within the Group operate.

Below is the analysis of the Company and Group's maximum exposure to credit risk at year end.

	The Company		The Group	
	2022	2021	**2022**	2021
Debt investment securities	**15,281**	16,097	**1,699,350**	1,296,000
Less impairment	**(2,689)**	-	**(328,851)**	(731)
	12,592	16,097	**1,370,499**	1,295,269
Bank balances	**56,108**	32,051	**251,993**	259,247
Amount due from related party	**131,819**	131,832	**-**	-
Related party loan	**15,461**	-	**-**	-
Due from reinsurers	**-**	-	**9,792**	11,782
Trade and other receivables**	**-**	37	**69,156**	59,174
	215,980	180,017	**1,701,440**	1,625,472

**Trade and other receivables excludes statutory receivables and deferred reinsurance expense

Notes *(continued)*

(All amounts are in thousands of Ghana cedis unless otherwise stated)

3. MANAGEMENT OF INSURANCE RISK AND FINANCIAL RISK *(continued)*

3.2 Financial risk *(continued)*

3.2.2 Credit risk *(continued)*

Management of credit risk

Except for investment securities, none of the Company and the Group's financial assets were either past due or impaired at 31 December 2022 and 31 December 2021. The Company and the Group does not hold any collateral security.

The movement in the Company and the Group's impairment is set out below.

	The Company		The Group	
	2022	2021	**2022**	2021
At 1 January	**-**	-	**(731)**	-
Written off during the year	**-**	-	**731**	-
Charge for the year	**(2,689)**	-	**(328,851)**	(731)
At 31 December	**(2,689)**	-	**(328,851)**	(731)

The impairment set out above arose from the Government of Ghana's Domestic Debt Exchange Programme (DDEP).

On 5 December 2022, the Government of Ghana announced Ghana's Domestic Debt Programme (DDEP). The Programme invites eligible bondholders to voluntarily exchange eligible local currency bonds issued by the Government of Ghana, ESLA and Daakye bonds for a new series of bonds to be issued by the Government.

The Programme seeks to extend the tenures of the eligible securities and reduce their coupons to an effective rate of about 9%. The Government has also explained that there will be two distinct groups of bonds which will be exchanged as follows:

- Bonds maturing in 2023 replaced with 7 new bonds that matures from 2027 to 2033 inclusive; and
- All other bonds maturing after 2023 replaced with 12 new bonds that matures from 2027 to 2038 inclusive.

The Group assessed the bonds eligible for exchange under the DDEP as credit impaired under IFRS 9. As a result, the carrying amounts of the existing bonds were reduced to the fair value of the new bonds calculated as the present value of the cash flows using the original effective interest rate.

The difference between the fair value of the new instruments and the gross carrying amount of the original assets as at 31 December 2022 was recognised as impairment charge in the statement of comprehensive income.

Notes *(continued)*

(All amounts are in thousands of Ghana cedis unless otherwise stated)

3. MANAGEMENT OF INSURANCE RISK AND FINANCIAL RISK *(continued)*

3.2 Financial risk *(continued)*

3.2.3 Liquidity risk

Liquidity risk

Liquidity risk is the risk that the Group is unable to meet its obligations when they fall due as a result of policyholder benefit payments or cash requirements from contractual commitments. Such outflows would deplete available cash resources for operational, trading and investments activities. In extreme circumstances, lack of liquidity could result in reductions in the statement of financial position and sales of assets, or potentially an inability to fulfil policyholder commitments. The risk that the Group will be unable to do so is inherent in all insurance operations and can be affected by a range of institution specific and market wide events including, but not limited to, credit events, systemic shocks and natural disasters.

The Group's liquidity management process, is monitored by a separate team in finance, includes day to day funding, managed by monitoring future cash flows to ensure that requirements can be met, maintaining a portfolio of highly marketable assets that can easily be liquidated as protection against any unforeseen interruption to cash flow and monitoring the liquidity ratios of the statement of financial position against internal and regulatory requirements. Monitoring and reporting take the form of cash flow measurement and projections for the next month, as this is a key period for liquidity management. The starting point for those projections is an analysis of the contractual maturity of the financial liabilities and the expected collection date of the financial assets.

The table below presents the cash flows payable by the Company for managing liquidity risk by remaining contractual maturities at the reporting date. The amounts disclosed in the table are the contractual undiscounted cash flows:

	Contractual cash flows (undiscounted)				
The Company	**Carrying amount**	**Up to One year**	**One to Five years**	Above Five years	Total
31 December 2022					
**Trade and other payables	10,402	10,402	-	-	**10,402**
Due to related parties	21,933	21,933	-	-	**21,933**
Lease liabilities	12,488	4,696	24,443	9,482	**38,621**
	44,823	**37,031**	**24,443**	**9,482**	**70,956**
31 December 2021					
**Trade and other payables	12,032	12,032	-	-	12,032
Due to related parties	21,933	21,933	-	-	21,933
Lease liabilities	13,703	2,754	10,705	4,069	17,528
	47,668	36,719	10,705	4,069	51,493

Notes *(continued)*

(All amounts are in thousands of Ghana cedis unless otherwise stated)

3. MANAGEMENT OF INSURANCE RISK AND FINANCIAL RISK *(continued)*

3.2 Financial risk *(continued)*

3.2.3 ***Liquidity risk*** *(continued)*

		Contractual cash flows (undiscounted)			
The Group	**Carrying amount**	**Up to One year**	**One to Five years**	Above Five years	Total
31 December 2022					
Borrowings	511	511	-	-	**511**
**Trade and other payables	87,254	87,254	-	-	**87,254**
Due to re-insurers	15,058	15,058	-	-	**15,058**
Due to related parties	52,668	52,668	-	-	**52,668**
Lease liabilities	17,143	15,163	45,150	1,194	**61,507**
	172,634	**170,654**	**45,150**	**1,194**	**216,998**
31 December 2021					
Borrowings	26,123	20,835	8,488	-	29,323
**Trade and other payables	82,351	82,351	-	-	82,351
Due to re-insurers	18,028	18,028	-	-	18,028
Due to related parties	47,420	47,420	-	-	47,420
Lease liabilities	13,323	1,221	11,320	6,979	19,520
	187,245	169,855	19,808	6,979	196,642

** This amount excludes deferred income and premium received in advance.

3.3 ***Capital management***

The Group's objectives when managing capital are:

- To comply with the regulatory capital requirements where applicable;
- To safeguard the Group's ability to continue as a going concern, so that it can continue to provide returns for shareholders and benefits for other stakeholders; and
- To provide an adequate return to shareholders by pricing insurance and investment contracts commensurately with the level of risk.

The Group is subject to insurance solvency regulations in all territories in which it issues insurance, and where it has complied with all the local regulations. The Group has embedded in its framework the necessary monitoring to ensure continuous and full compliance with such regulations.

The Insurance Act, 2021 (Act 1061) requires life and non-life insurance companies incorporated in Ghana to hold the minimum level of paid-up capital of GH¢ 50 million and to maintain a solvency margin of 150%. Capital adequacy and solvency margin are monitored regularly by management employing techniques based on the guidelines developed by the National Insurance Commission for supervisory purposes. The required information is filed with the National Insurance Commission on quarterly basis.

Notes *(continued)*

(All amounts are in thousands of Ghana cedis unless otherwise stated)

3. MANAGEMENT OF INSURANCE RISK AND FINANCIAL RISK *(continued)*

3.3 Capital management *(continued)*

The paid up capital and capital adequacy ratio of the life insurance and non-life insurance companies within the Group based in Ghana was GH¢ 50 million and 286%, and GH¢ 50 million and 179% respectively as at the year end which was above the minimum regulatory requirement. The Group generally complied with all externally imposed capital requirements.

The minimum required capital (presented in the table below for each of the entities within the Group) is required to be maintained throughout the year.

Regulatory capital requirements

The table below summarises the minimum regulatory required capital and the actual capital held as at 31 December 2022. These figures are an aggregate number, being the sum of the statutory capital.

	Nature of activity	Regulatory capital held	Minimum regulatory capital requirement
Enterprise Insurance LTD	General Insurance	**GH¢ 50 million**	GH¢ 50 million
Enterprise Life Assurance LTD	Life Insurance	**GH¢ 50 million**	GH¢ 50 million
Enterprise Life Assurance Company (Gambia) Limited	Life Insurance	**GMD20 million**	GMD 20 million
Enterprise Trustees LTD	Pensions	**GH¢ 7.4 million**	GH¢ 1 million
Enterprise Life Assurance Company (Nigeria) Limited	Life Insurance	**NGN8 billion**	NGN8 billion
Acacia Health Insurance Limited	Health Insurance	**GH¢18.3million**	GH¢5 million

Notes *(continued)*

(All amounts are in thousands of Ghana cedis unless otherwise stated)

4. Accounting classifications and fair values

The following table shows the carrying amounts and fair value of financial assets and financial liabilities, including their levels in the fair value hierarchy. It does not include fair value information for financial assets and financial liabilities not measured at fair value if the carrying amount is a reasonable approximation of fair value.

The Company	Amortised cost	FVTPL	Total carrying amount	Fair value		
				Level 1	Level 2	Level 3
31 December 2022						
Financial assets measured at fair value:						
Equity investment securities	**-**	**2,843**	**2,843**	**2,840**	**3**	**-**
Financial assets not measured at fair value:						
Debt investment securities	**12,592**	**-**	**12,592**	**-**	**9,822**	**-**
Due from related parties	**131,819**	**-**	**131,819**	**-**	**-**	**131,819**
Related party loan	**15,461**	**-**	**15,461**	**-**	**-**	**15,461**
Cash and bank balances	**56,125**	**-**	**56,125**	**-**	**-**	**56,125**
	215,997	**-**	**215,997**	**-**	**9,822**	**203,405**
Financial liabilities not measured at fair value:						
Trade and other payables	**10,402**	**-**	**10,402**	**-**	**-**	**10,402**
Due to related parties	**21,933**	**-**	**21,933**	**-**	**-**	**21,933**
Lease liabilities	**12,488**	**-**	**12,488**	**-**	**-**	**12,488**
	44,823	**-**	**44,823**	**-**	**-**	**44,823**
31 December 2021						
Financial assets measured at fair value:						
Equity investment securities	-	2,403	2,403	2,400	3	-
Financial assets not measured at fair value:						
Debt investment securities	16,097	-	16,097	-	15,694	-
Due from related parties	131,382	-	131,382	-	-	131,382
Cash and bank balances	32,075	-	32,075	-	-	32,075
	179,554	-	179,554	-	15,694	163,457
Financial liabilities not measured at fair value:						
Trade and other payables	12,032	-	12,032	-	-	12,032
Due to related parties	21,933	-	21,933	-	-	21,933
Lease liabilities	13,703	-	13,703	-	-	13,703
	47,668	-	47,668	-	-	47,668

Notes *(continued)*

(All amounts are in thousands of Ghana cedis unless otherwise stated)

4. Accounting classifications and fair values *(continued)*

The Group	Amortised cost	FVTPL	Total carrying amount	Fair value Level 1	Fair value Level 2	Fair value Level 3
31 December 2022						
Financial assets measured at fair value:						
Equity investment securities	-	**106,692**	**106,692**	**104,825**	**1,867**	-
Financial assets not measured at fair value:						
Debt investment securities	**1,370,499**	-	**1,370,499**	-	**1,068,989**	-
Trade and other receivables	**69,156**		**69,156**		-	**69,156**
Due from re-insurers	**9,792**		**9,792**		-	**9,792**
Cash and bank balances	**252,046**	-	**252,046**	-	-	**252,046**
	1,701,493	-	**1,701,493**	-	**1,068,989**	**330,994**
Financial liabilities not measured at fair value:						
Trade and other payables	**87,254**	-	**87,254**	-	-	**87,254**
Due to related parties	**52,668**	-	**52,668**	-	-	**52,668**
Due to re-insurers	**15,058**	-	**15,058**	-	-	**15,058**
Lease liabilities	**17,143**	-	**17,143**	-	-	**17,143**
Borrowings	**511**	-	**511**	-	**511**	-
	172,634	-	**172,634**	-	**511**	**172,123**
31 December 2021						
Financial assets measured at fair value:						
Equity investment securities	-	116,034	116,034	114,167	1,867	-
Financial assets not measured at fair value:						
Debt investment securities	1,295,269	-	1,295,269	-	1,268,327	-
Trade and other receivables	59,174	-	59,174	-	-	59,174
Due from re-insurers	11,782	-	11,782	-	-	11,782
Cash and bank balances	259,509	-	259,509	-	-	259,509
	1,625,734	-	1,625,734	-	1,268,327	330,465
Financial liabilities not measured at fair value:						
Trade and other payables	82,351	-	82,351	-	-	82,351
Due to related parties	47,420	-	47,420	-	-	47,420
Due to re-insurers	18,028	-	18,028	-	-	18,028
Lease liabilities	13,323	-	13,323	-	-	13,323
Borrowings	26,123	-	26,123	-	27,184	-
	187,245	-	187,245	-	27,184	161,122

Valuation techniques used is the discounted cash flow model. Assumptions and inputs used in valuation techniques include risk

Notes *(continued)*

(All amounts are in thousands of Ghana cedis unless otherwise stated)

5. Critical accounting estimates and judgements

The Group makes estimates and assumptions concerning the future. Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. The resulting accounting estimates will, by definition, seldom equal the related actual results. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are addressed below:

Critical accounting estimates

5.1.1 Assumptions and estimates of life insurance contract holder liabilities (life fund)

The liabilities relating to insurance contracts are measured in accordance with the financial soundness valuation basis. The basis uses best estimate assumptions regarding future experience together with compulsory and discretionary margins for prudence and deferral of profit emergence. Assumptions used in the valuation basis are reviewed periodically and any changes in estimates are reflected in the income statement as they occur.

The process used to decide on best estimate assumptions is described below:

i) Mortality

Individual non-profit business: Mortality assumptions are based on internal investigations into mortality experience. Annual mortality investigations are carried out.

Allowance for worsening mortality as a result of AIDS has been made using a widely accepted AIDS and demographic model, calibrated to reflect the contract holder population being modelled.

ii) Morbidity

Morbidity and accident investigations are done annually.

iii) Persistency

Lapses and surrender assumptions are based on pricing and past experience. When appropriate, account is also taken of expected future trends. Experience is analysed by product type as well as policy duration.

iv) Expenses

The budgeted expense for 2021 is taken as an appropriate expense base. Provision for future renewal expenses starts at a level consistent with the budgeted experience for the 2021 financial year and allows for escalation at an assumed expense inflation. The allocation of total expenses between initial and renewal is based on a functional cost analysis for both grouped and individual business.

v) Investment returns

Market-related information is used to derive assumptions in respect of investment returns, discount rates used in calculating contract holder liabilities and renewal inflation.

Notes *(continued)*

(All amounts are in thousands of Ghana cedis unless otherwise stated)

5. Critical accounting estimates and judgements *(continued)*

Critical accounting estimates *(continued)*

5.1.1 Assumptions and estimates of life insurance contract holder liabilities (life fund) *(continued)*

Sensitivity analysis

The following table presents the sensitivity of the value of insurance liabilities disclosed in this note to movements in the assumptions used in the estimation of insurance liabilities.

Variable	Change in variable	Impact on profit and loss	
		2022	2021
Worsening in mortality	+1% p.a	**978**	1,872
Worsening of expense inflation	+1% p.a	**978**	7,169
Worsening of lapse rate	+10%	**711**	2,573

The above analyses are based on a change in an assumption while holding all other assumptions constant. In practice, this is unlikely to occur, and changes in some of the assumptions may be correlated for example, change in interest rate and change in market values; and change in lapses and future mortality.

5.1.2 The ultimate liability arising from claims made under non-life insurance contracts

There are several sources of uncertainty that need to be considered in the estimate of the liability that the Group will ultimately pay for such claims. The Group makes certain estimates and assumptions that affect the reported amounts of assets and liabilities in the financial statements.

Claims on insurance contracts are payable on a claims-occurrence basis. The Group is liable for all insured events that occurred during the term of the contract. Liability claims are settled over a period of time, and a larger element of the claims provision relates to incurred but not reported claims (IBNR).

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 adopt. The compensation paid on these contracts is the monetary awards granted for damages and bodily injury suffered by the insured.

The estimated cost of claims includes direct expenses to be incurred in settling claims, net of the expected subrogation value and other recoveries. The Group takes all reasonable steps to ensure that it has appropriate information regarding its claims exposures. However, given the uncertainty in establishing claims provisions, it is likely that the final outcome will prove to be different from the original liability established. The liability for these contracts comprises a provision for IBNR, a provision for reported claims not yet paid and a provision for unexpired risks at the end of the reporting period. The amount of claims is particularly sensitive to the level of court awards and to the development of legal precedent on matters of contract and tort. General insurance contracts are also subject to the emergence of new types of latent claims, but no allowance is included for this at the end of the reporting period.

In calculating the estimated cost of unpaid claims (both reported and not), the Group's estimation techniques are a combination of loss-ratio-based estimates (where the loss ratio is defined as the ratio between the ultimate cost of insurance claims and insurance premiums earned in a particular financial year in relation to such claims), and an estimate based upon actual claims experience using predetermined formulae where greater weight is given to actual claims experience as time passes.

The estimation of IBNR is generally subject to a greater degree of uncertainty than the estimation of the cost of settling claims already notified to the Group, where information about the claim event is available. IBNR claims may not be apparent to the insured until many years after the event that gave rise to the claims.

Notes *(continued)*

(All amounts are in thousands of Ghana cedis unless otherwise stated)

5. Critical accounting estimates and judgements *(continued)*

Critical accounting estimates *(continued)*

5.1.2 The ultimate liability arising from claims made under non-life insurance contracts

For casualty contracts, the IBNR proportion of the total liability is high and will typically display greater variations between initial estimates and final outcomes because of the greater degree. In estimating the liability for the cost of reported claims not yet paid, the Group considers any information available from loss adjusters and information on the cost of settling claims with similar characteristics in previous periods. Large claims are assessed on a case-by-case basis or projected separately in order to allow for the possible distortive effect of their development and incidence on the rest of the portfolio.

Where possible, the Group adopts multiple techniques to estimate the required level of provisions. This provides a greater understanding of the trends inherent in the experience being projected. The projections given by the various methodologies also assist in estimating the range of possible outcomes. The most appropriate estimation technique is selected taking into account the characteristics of the business class and extent of development of each accident year.

5.1.3 Investment property

The valuation was determined by a professional independent valuer principally based on sales price of comparable properties in close proximity and adjusted for size of the property. The inputs used in estimating the value of the Group's investment properties are not quoted on an active market and are classified under level 3 fair value hierarchy classification. The inputs include:

Future rental cash inflow	based on existing leases;
Discount factor	reflecting current market assessments of the uncertainty in the amount and timing of cash flows;
Estimated vacancy rates	based on current and expected future market conditions after expiry of any current lease
Expenses	including necessary investments to maintain functionality of the property for its expected useful life; and
Capitalisation rates	based on returns expected to be generated from the property.

5.1.4 Impairment of financial assets

The Group considers evidence of impairment for investment securities at both an individual asset and a collective level. In assessing impairment for investment securities that are within the scope of the Government of Ghana's Domestic Debt Exchange Programme, impairment is calculated as the difference between carrying value of the old investments and the fair value of new investments calculated as the present value of future cash flows using an appropriate discount rate. Management has applied a range of valuation assumptions to arrive at a proxy for an appropriate discount rate due to the current complexities in Ghana's bond market.

At 31 December, if the discount rate changed by 100 basis points, with all other variables held constant, post-tax profit for the year would have been GH¢41.9million lower/higher.

Notes *(continued)*

(All amounts are in thousands of Ghana cedis unless otherwise stated)

5. Critical accounting estimates and judgements *(continued)*

Critical judgments in applying the Group's accounting policies

5.2 Determination of whether a property is owner occupied or investment property

The Group has an ultra-modern office complex located in Accra, which it use partly as an investment property and partly for its own use. The different parts of the property cannot be sold separately. Only 2,113 square meters of the total floor space of 9,617 square meters is held for the Group's own use, the remaining floor space are available for rent to third parties. Management has therefore determined that this property may be treated in its entirety as an investment property as only an insignificant portion is held for its own use.

6. Deferred income tax

	The Company		The Group	
	2022	2021	**2022**	2021
At 1 January	**-**	-	**(9,776)**	(7,245)
Charged/(Credited) to profit or loss	**-**	-	**20,029**	(2,531)
At 31 December	**-**	-	**10,253**	(9,776)

Deferred income taxes are calculated on temporary differences using the liability method and using a principal tax rate of 25% (2021: 25%). Movement on deferred tax is shown below.

The Group	**At 1 January**	**Charged/ (credit) to profit or**	**At 31 December**
Year ended 31 December 2022			
Accelerated depreciation	(624)	795	**171**
Other deductible temporary difference	(9,152)	19,234	**10,082**
At 31 December	**(9,776)**	**20,029**	**10,253**
Year ended 31 December 2021			
Accelerated depreciation	170	(794)	(624)
Other deductible temporary difference	(7,415)	(1,737)	(9,152)
At 31 December	(7,245)	(2,531)	(9,776)

The above net deferred tax and liabilities are presented in the statement of financial position as follows:

The Group	**2022**	2021
Deferred tax assets	**(7,498)**	(13,102)
Deferred tax liabilities	**17,751**	3,326
	10,253	(9,776)

Notes *(continued)*

(All amounts are in thousands of Ghana cedis unless otherwise stated)

6. Deferred income tax *(continued)*

Unrecognised deferred tax assets

Deferred tax assets have been recognised in the Group entities to the extent that there are taxable profits against which they will be utilised. Deferred tax assets asset of GH¢ 14.1 million (2021: GH¢ 15.3 million) in respect of tax losses and other temporary differences on property and equipment and impairment have not been recognised for the Company because it is not probable that future taxable profit will be available against which the Company can use the benefits therefrom.

7. Investment in subsidiaries

	The Company	
	2022	2021
Enterprise Insurance LTD	**59,546**	59,546
Enterprise Life Assurance LTD	**82,711**	82,711
Enterprise Trustees LTD	**16,437**	16,437
Enterprise Properties LTD	**5,706**	5,706
Enterprise Life Assurance Company (Nigeria) Limited	**122,483**	122,483
Acacia Health Insurance LTD	**30,150**	30,150
	317,033	317,033

Name of subsidiary	Country of incorporation	Percentage interest held by the Company	
		2022	2021
Enterprise Insurance LTD	Ghana	**75%**	75%
Enterprise Life Assurance LTD	Ghana	**60%**	60%
Enterprise Trustees LTD	Ghana	**80%**	80%
Enterprise Properties LTD	Ghana	**70%**	70%
Enterprise Life Assurance Company (Nigeria) Limited	Nigeria	**100%**	100%
Acacia Health Insurance LTD	Ghana	**100%**	100%

The remaining shares for all the entities within the Group are held by Black Star Holdings Limited (non-controlling interest). All subsidiary undertakings are included in the consolidation. The proportion of the voting rights in the subsidiary undertakings held directly by the parent company do not differ from the proportion of ordinary shares held. None of the subsidiaries issued preference shares during the year ended 31 December 2022 (2021: Nil).

8. Investment properties

The Group	**2022**	2021
Balance at 1 January	**300,934**	288,519
Additions	**-**	11,625
Impairment**	**(1,295)**	-
Net gain on valuation of investment properties	**171,982**	790
- Change in fair value excluding exchange difference on valuation	**(46,301)**	(18,124)
– Exchange difference on valua	**218,283**	18,914
Balance at 31 December	**471,621**	300,934

**During the period, the Group impaired the value of 4 plots of its previously purchased Kaladan investment property, following repossession of the plots by the Lands Commission.

Notes *(continued)*

(All amounts are in thousands of Ghana cedis unless otherwise stated)

8. Investment properties *(continued)*

The fair values of the Group's investment properties were derived by an independent valuer using the sales prices of comparable properties in close proximity and adjusted for differences in key attributes such as property size. The most significant input into this valuation approach is rental income per square foot. As set out in note 5.1.3, the basis for fair value estimation of investment properties is considered as level 3 of the fair value hierarchy.

Investment property comprises a number of commercial properties that are leased to third parties. Each of the lease contains an initial non-cancellable period of 1 year, with annual rents indexed to the exchange rates. Subsequent renewals are negotiated with the lessee and historically the average renewal period is one year. No contingent rents are charged.

As of 31 December 2021, the Group's investment property, "The Advantage Place" was used as a collateral for a loan contracted by the Group from Standard Chartered Bank Plc. The loan was refinanced with an internal facility from the Company in 2022.

9. Property and equipment

The Company	**Motor vehicles**	**Equipment, fittings and furniture**	**Right-of- use asset (Building)**	**Total**
Year ended 31 December 2022				
Cost				
At 1 January	5,041	6,659	14,071	**25,771**
Additions	2,596	258	-	**2,854**
Lease remeasurement	-	-	(2,552)	**(2,552)**
Disposals	-	(5)	-	**(5)**
At 31 December	**7,637**	**6,912**	**11,519**	**26,068**
Accumulated depreciation				
At 1 January	2,931	3,982	4,447	**11,360**
Charge for the year	1,377	900	1,394	**3,671**
Disposal	-	(4)	-	**(4)**
At 31 December	**4,308**	**4,878**	**5,841**	**15,027**
Net book value at 31 December	**3,329**	**2,034**	**5,678**	**11,041**
Year ended 31 December 2021				
Cost:				
At 1 January	4,974	6,499	14,010	25,483
Additions	643	160	61	864
Disposals	(576)	-	-	(576)
At 31 December	5,041	6,659	14,071	25,771
Accumulated depreciation				
At 1 January	2,343	2,932	2,961	8,236
Charge for the year	1,164	1,050	1,486	3,700
Disposals	(576)	-	-	(576)
At 31 December	2,931	3,982	4,447	11,360
Net book value at 31 December	2,110	2,677	9,624	14,411

Notes *(continued)*

(All amounts are in thousands of Ghana cedis unless otherwise stated)

9. Property and equipment *(continued)*

The Group	Building and leasehold property	Motor vehicles	Equipment, fittings and furniture	Right-of-use asset (Building)	Capital work-in-progress	Total
Year ended 31 December 2022						
Cost:						
At 1 January	38,788	27,155	39,608	24,335	7,434	**137,320**
Additions	1,465	6,591	12,514	10,078	844	**31,492**
Remeasurement	-	-	-	(3,177)	-	**(3,177)**
Disposals	-	(1,235)	(3,124)	-	(6)	**(4,365)**
Effect of termination	-	-	-	(2,992)	-	**(2,992)**
Transfers	-	-	602	-	(602)	**-**
Exchange differences	-	995	995	1,368	117	**4,051**
At 31 December	**40,253**	**33,506**	**51,171**	**29,612**	**7,787**	**162,329**
Accumulated depreciation						
At 1 January	9,207	17,087	22,279	10,538	-	**59,111**
Charge for the year	2,343	6,722	5,984	1,932	-	**16,981**
Disposals	-	(1,236)	(3,038)	-	-	**(4,274)**
Termination	-	-	-	(552)	-	**(552)**
Exchange differences	-	459	389	374	-	**1,222**
At 31 December	**11,550**	**23,032**	**25,614**	**12,292**	**-**	**72,488**
Net book amount at 31 December	**28,703**	**10,474**	**25,557**	**17,320**	**7,787**	**89,841**
Year ended 31 December 2021						
Cost:						
At 1 January	33,906	22,647	35,467	22,513	5,350	119,883
Additions	4,882	6,685	4,251	2,649	4,350	22,817
Remeasurement	-	-	-	(797)	-	(797)
Disposals	-	(2,091)	(76)	-	(2,230)	(4,397)
Exchange differences	-	(86)	(34)	(30)	(36)	(186)
At 31 December	38,788	27,155	39,608	24,335	7,434	137,320
Accumulated depreciation						
At 1 January	6,314	12,890	18,222	7,076	-	44,502
Charge for the year	2,893	6,073	4,119	3,443	-	16,528
Disposals	-	(1,876)	(62)	-	-	(1,938)
Exchange differences	-	-	-	19	-	19
At 31 December	9,207	17,087	22,279	10,538	-	59,111
Net book amount at 31 December	29,581	10,068	17,329	13,797	7,434	78,209

There was no indication of impairment of property and equipment held by the Group and the Company at 31 December 2022 (2021: Nil). None of the property and equipment of the Group and the Company had been pledged as security for liabilities and there were no restrictions on the title of any Group's and the Company's property and equipment at the reporting date and at the end of the previous year.

Notes *(continued)*

(All amounts are in thousands of Ghana cedis unless otherwise stated)

9. Property and equipment *(continued)*

Disposal of property and equipment (excluding right-of-use assets)

	The Company		The Group	
	2022	2021	**2022**	2021
Cost	**5**	576	**4,365**	4,397
Accumulated depreciation	**(4)**	(576)	**(4,274)**	(1,938)
Carrying amount	**1**	-	**91**	2,459
Proceeds from disposal	**-**	(68)	**(245)**	(334)
Loss/(profit) on disposal	**1**	(68)	**(154)**	2,125

10. Intangible assets

The Group	**2022**	2021
Cost		
Balance at 1 January	**3,411**	3,324
Additions	**21**	84
Exchange difference	**4**	3
Balance at 31 December	**3,436**	3,411
Accumulated amortisation		
Balance at 1 January	**3,326**	3,212
Charge for the year	**31**	112
Exchange difference	**4**	2
Balance at 31 December	**3,361**	3,326
Carrying amounts At 31 December	**75**	85

All intangible assets are externally acquired computer software.

11. Investment securities

	The Company		The Group	
	2022	2021	**2022**	2021
Investment securities				
- Listed equity securities	**2,840**	2,400	**104,825**	114,167
- Unlisted equity securities	**3**	3	**1,867**	1,867
Total equity securities	**2,843**	2,403	**106,692**	116,034
Unlisted debt securities	**12,592**	16,097	**1,370,499**	1,295,269
Balance at 31 December	**15,435**	18,500	**1,477,191**	1,411,303

Notes *(continued)*

(All amounts are in thousands of Ghana cedis unless otherwise stated)

11. Investment securities *(continued)*

The movement in financial assets at fair value through profit or loss is summarised in the table below.

	The Company		The Group	
	2022	2021	**2022**	2021
Equity securities				
Balance at 1 January	**2,403**	1,799	**116,034**	76,114
Purchases of equity securities	**-**	-	**-**	3,165
Net gains/(loss) on equity securities	**440**	604	**(9,342)**	36,755
Balance at 31 December	**2,843**	2,403	**106,692**	116,034

The components of financial assets at amortised cost is summarised in the table below:

	The Company		The Group	
	2022	2021	**2022**	2021
Debt securities				
Fixed deposits	**-**	-	**74,288**	24,563
Treasury bills	**1,005**	16,097	**163,210**	441,414
Bonds	**14,276**	-	**1,461,852**	830,023
	15,281	16,097	**1,699,350**	1,296,000
Allowance for impairment	**(2,689)**	-	**(328,851)**	(731)
Balance at 31 December	**12,592**	16,097	**1,370,499**	1,295,269
Current	**1,005**	16,097	**51,155**	402,848
Non-current	**11,587**	-	**1,319,344**	892,421
	12,592	16,097	**1,370,499**	1,295,269

12. Related parties

The parent and ultimate parent company of Enterprise Group Plc (EGPLC) is Grace Strategic Ventures Limited and Structured Capital Limited respectively. The parent and ultimate parent are both incorporated in Ghana. The Company's shareholding in the other subsidiaries making up the Group is disclosed in Note 7.

Black Star Holding Limited is related to the Group through its common share holdings in Enterprise Life Assurance LTD, Enterprise Insurance LTD, Enterprise Trustees LTD and Enterprise Properties LTD.

Databank Financial Services Limited is related to the Group through common ultimate shareholder.

(i)Transactions with related companies

The following transactions were carried out with related parties:

The Company	**2022**	2021
Rental payments		
Enterprise Properties LTD	**1,086**	727
Seventh Avenue Properties LTD	**11,505**	1,757

Notes *(continued)*

(All amounts are in thousands of Ghana cedis unless otherwise stated)

12. Related parties *(continued)*

(i) *Transactions with related companies (continued)*

	2022	2021
Shared service costs		
Enterprise Insurance LTD	**4,848**	4,318
Enterprise Life Assurance LTD	**6,975**	7,218
Enterprise Properties LTD	**950**	459
Enterprise Trustees LTD	**2,366**	1,700
Enterprise Funeral Services Ghana LTD	**902**	189
Dividend income from related companies		
Enterprise Life Assurance LTD	**51,000**	54,000
Enterprise Trustees LTD	**11,200**	8,800
Enterprise Insurance LTD	**7,604**	3,707
Loan disbursed to related company		
Seventh Avenue Properties LTD	**21,882**	-
Interest income on related company loan		
Seventh Avenue Properties LTD	**7**	-
The Group		
Management fees charged by related company		
Databank	**2,958**	4,947
Dividend		
Enterprise Life Assurance LTD to Black Star Holdings Limited	**34,000**	36,000
Enterprise Trustees LTD to Black Star Holdings Limited	**2,800**	2,200
Enterprise Insurance LTD to Black Star Holdings Limited	**2,535**	1,052

(ii) *Year end balances arising from transactions with the related companies*

Amount due to related company	**The Company**		**The Group**	
	2022	2021	**2022**	2021
Black Star Holdings Limited	**21,933**	21,933	**52,668**	47,420
Amount due from related company				
Enterprise Properties LTD	**131,819**	131,832	**-**	-

The amounts due from and due to related companies are due within twelve months. The amount payable bear no interest. The amount due from related parties was not impaired at 31 December 2022 and 31 December 2021.

The amount due to and due from related companies are to be received or settled in cash.

Notes *(continued)*

(All amounts are in thousands of Ghana cedis unless otherwise stated)

12. Related parties *(continued)*

(ii) Year end balances arising from transactions with the related parties (continued)

Related party loan	**The Company**		**The Group**	
	2022	2021	**2022**	2021
At 1 January	**-**	-	**-**	-
Additions	**21,882**	-	**-**	-
Interest charged	**74**	-	**-**	-
Exchange loss	**(6,495)**	-	**-**	-
	15,461	-	**-**	-

In November 2022, the Company advanced a loan of US$1.4 million to Seventh Avenue Properties LTD, a subsidiary. The loan was used to settle amounts due to Seventh Avenue Properties LTD's parent company, Enterprise Properties LTD, that was used to finance the construction of Seventh Avenue Property LTD's investment property. The loan is repayable in 8 semi-annual repayments commencing 30 June 2023. The interest rate applicable is 5% per annum. The facility is unsecured.

Lease liabilities

The Company

	2022	2021
Enterprise Properties LTD	**5,335**	3,631
Seventh Avenue Properties LTD	**7,153**	10,072
	12,488	13,703

The lease liabilities for the Company emanates solely from non-cancellable lease arrangements with Enterprise Properties LTD and Seventh Avenue Properties LTD for three (3) properties. The unexpired lease term as at 31 December 2022 was 7 years. Lease payments are to be made bi-annually per the lease agreements.

Key management personnel	**The Company**		**The Group**	
	2022	2021	**2022**	2021
Salaries and other employment benefits	**15,485**	13,758	**31,460**	29,284
Employer's pension fund contribution	**1,768**	1,406	**4,683**	3,621
	17,253	15,164	**36,143**	32,905

Key management personnel comprise executive directors of the Company and the Group.

Notes *(continued)*

(All amounts are in thousands of Ghana cedis unless otherwise stated)

13. Inventories

The Group

	2022	2021
Trading stocks	**1,406**	903
Consumables	**71**	44
	1,477	947

Trading stocks relate to caskets and other funeral ornaments. Consumables relate to materials used to prepare units. During 2022, no inventory (2021: GH¢ 738,000) was recognised as an expense during the year and included in 'operating expenses' in the statement of comprehensive income.

14. Trade and other receivables

	The Company		**The Group**	
	2022	2021	**2022**	2021
Trade receivables	**-**		**22,074**	10,233
Staff loans	**-**	-	**3**	106
Deferred reinsurance cost	**-**	-	**1,503**	994
Other receivables	**-**	37	**47,079**	48,835
Balance at 31 December	**-**	37	**70,659**	60,168

The maximum amount of staff loans during the year did not exceed GH¢ 106,097 (2021:GH¢323,854). All trade and other receivables are current and their carrying values approximate their fair value due to their short-term nature.

15. Prepayment

	The Company		**The Group**	
	2022	2021	**2022**	2021
Prepaid expenses and supplier advance	**928**	-	**6,157**	3,490

The amount set out above are current and their carrying values approximate their fair value due to their short-term nature.

16. Deferred commission expense

The Group

	2022	2021
Balance at 1 January	**20,390**	13,832
Commission expense deferred	**7,327**	6,558
Balance at 31 December	**27,717**	20,390

The amount set out above are current and their carrying values approximate their fair value due to their short-term nature.

Notes *(continued)*

(All amounts are in thousands of Ghana cedis unless otherwise stated)

17. Reinsurance assets and liabilities

The Group

	2022	2021
Due from reinsurers	**10,797**	12,787
Impairment	**(1,005)**	(1,005)
Balance at 31 December	**9,792**	11,782

Due from reinsurers are receivable within twelve months. The carrying value of amount due from reinsurers approximates their fair value due to their short-term nature.

	2022	2021
Due to re-insurers	**15,058**	18,028

Due to re-insurers are payable within twelve months. The carrying value of amount due to reinsurers approximates their fair value due to their short-term nature.

18. National Fiscal Stabilisation levy

The Group	At 1 January	Charge for the year	Payments during the year	At 31 December
2022 Year of assessment				
Up to 2021	(1,720)	-	-	**(1,720)**
2022	**-**	7,049	(9,115)	**(2,066)**
	(1,720)	**7,049**	**(9,115)**	**(3,786)**
2021 Year of assessment				
Up to 2020	40	-	-	40
2021	-	7,328	(9,088)	(1,760)
	40	7,328	(9,088)	(1,720)

The above net National Fiscal Stabilisation assets and liabilities is presented in the statement of financial position as follows:

	2022	2021
National Fiscal Stabilisation levy assets	**(3,786)**	(2,016)
National Fiscal Stabilisation levy liabilities	**-**	296
	(3,786)	(1,720)

In accordance with the National Fiscal Stabilisation Act, 2013 (862), some specified companies and institutions including insurance companies are liable to pay a levy under the Act. The rate of the levy is 5% on the profit before tax of these companies. The Levy is not an allowable deduction for the purpose of ascertaining the chargeable income.

Notes *(continued)*

(All amounts are in thousands of Ghana cedis unless otherwise stated)

19. Income tax

(i) Income tax expense

	The Company		The Group	
	2022	2021	**2022**	2021
Current income tax		-	**31,437**	25,421
Deferred income tax expense/(credit) (Note 6)	**-**	-	**20,029**	(2,531)
	-	-	**51,466**	22,890

The tax on the profit before tax differs from the theoretical amount that would arise using the statutory income tax rate applicable to profits as follows:

	The Company		The Group	
	2022	2021	**2022**	2021
Profit before income tax	**49,513**	33,190	**281,262**	153,070
Tax charged at enacted tax rate at 25% (2021:25%)	**12,378**	8,298	**70,316**	38,268
Income exempt from tax	**(20,763)**	(16,256)	**(185,587)**	(113,387)
Effect of tax rate in foreign jurisdiction	**-**	-	**-**	8
Non-deductible expenses	**1,662**	4,986	**125,767**	88,402
Derecognition of previously recognised deductible	**-**	-	**4,904**	-
Tax on dividend	**-**	-	**858**	521
Tax losses utilized	**-**	-	**9,088**	-
Recognition of previously unrecognised tax losses	**-**	-	**(1,836)**	(1,472)
Derecognition of previously recognised tax losses	**-**	-	**-**	74
Tax losses for which deferred tax was not recognised	**6,723**	2,972	**32,898**	10,476
	-	-	**51,466**	22,890

(ii) Current tax (assets)/liabilities

The Company	**At 1 January**	**Charge for the year**	**Payments during the year**	**At 31 December**
Year ended 31 December 2022				
Year of assessment				
Up to 2021	2,667	-	-	**2,667**
2022	**-**	-	-	**-**
	2,667	-	-	**2,667**
Year ended 31 December 2021				
Year of assessment				
Up to 2020	2,667	-	-	2,667
2021	-	-	-	-
	2,667	-	-	2,667

Notes *(continued)*

(All amounts are in thousands of Ghana cedis unless otherwise stated)

19. Income tax *(continued)*

(iii) Current tax (assets)/liabilities

The Group	At 1 January	Charge for the year	Payments during the year	Translation difference	At 31 December
Year ended 31 December 2022					
Year of assessment					
Up to 2021	5,714	-	-	-	**5,714**
2022	-	31,437	(31,025)	9	**421**
	5,714	**31,437**	**(31,025)**	**9**	**6,135**
Year ended 31 December 2021	At 1 January	Charge for the year	Payments during the year	Translation difference	At 31 December
Year of assessment					
Up to 2020	3,493	-	-	-	3,493
2021	-	25,421	(23,538)	338	2,221
	3,493	**25,421**	**(23,538)**	**338**	**5,714**

The above net current tax and liabilities are presented in the statement of financial position as follows:

The Group	2022	2021
Current tax assets	**(4,525)**	(1,382)
Current tax liabilities	**10,660**	7,096
	6,135	5,714

20. Cash and bank balances

	The Company		The Group	
	2022	2021	**2022**	2021
Cash on hand	**17**	24	**53**	262
Bank balances	**56,108**	32,051	**251,993**	259,247
	56,125	32,075	**252,046**	259,509

In accordance with the National Fiscal Stabilisation Act, 2013 (862), some specified companies and institutions including insurance companies are liable to pay a levy under the Act. The rate of the levy is 5% on the profit before tax of these companies. The Levy is not an allowable deduction for the purpose of ascertaining the chargeable income.

21. Capital and reserves

Stated capital

The authorised shares of the Company are 200,000,000 (2021: 200,000,000) ordinary shares of no-par value. The issued ordinary shares at 31 December 2022 and 31 December 2021 is as follows:

	No. of shares		Proceeds	
	2022 '000	2021 '000	**2022 '000**	2021 '000
Balance at 1 January & 31 December	**170,893**	170,893	**258,886**	258,886

Notes *(continued)*

(All amounts are in thousands of Ghana cedis unless otherwise stated)

21. Capital and reserves *continued)*

Stated capital (continued)

There is no unpaid liability on any share and there are no calls or instalments unpaid. There are no treasury shares. The holders of ordinary shares are entitled to receive dividends as declared from time to time, and are entitled to one vote per share at meetings of the Company. All ordinary shares rank equally with regard to the Company's residual assets.

Deposits for shares

These represent additional capital contributed by Black Star Holding for additional shares of the Company. The amount will be transferred to stated capital upon completion of the required formalities at the Registrar General's Department. There was no movement in the account balance during the year ended 31 December 2022 and during the year ended 31 December 2021.

Retained earnings

The retained earnings account represents amounts available for distribution to the members of the Company subject to the requirements of the Companies Act, 2019 (Act 992). The movement in retained earnings during the year is shown in the statement of changes in equity in these financial statements.

Foreign currency translation reserve

Foreign currency translation reserve represents foreign exchange differences arising from the translation of the financial results of foreign operations to the Group's presentation currency. Movements in these reserves are shown in the statements of changes in equity in these financial statements.

Contingency reserves

Contingency reserves relates to funds sets aside on an annual basis as required by the respective Insurance Acts of the companies operating in the insurance industries. Movements in the contingency reserve are shown in the statement of changes in equity in these financial statements.

Statutory reserves

Statutory reserves is in respect to Enterprise Trustee LTD as prescribed by section 15 of the Occupational and Personal Pension Schemes (General) Regulations, 2011 (L.I. 1990). Transfers to and from this reserve are calculated as 15% of profit after tax and are treated as appropriations of retained earnings. Movements in the statutory reserves are shown in the statement of changes in equity in these financial statements.

22. Non-controlling interest

Total comprehensive income attributable to non-controlling interest

	2022	2021
Profit for the year	**77,077**	55,240
Foreign currency translation reserve	**2**	1,253
	77,079	56,493

Notes *(continued)*

(All amounts are in thousands of Ghana cedis unless otherwise stated)

22. Non-controlling interest *(continued)*

The total non-controlling interest for the year ended 31 December 2022 are set out below:

	2022	2021
Enterprise Life Assurance LTD	**113,107**	111,542
Enterprise Insurance LTD	**42,859**	39,221
Enterprise Trustees LTD	**9,450**	8,508
Enterprise Properties LTD	**62,484**	30,885
	227,900	190,156

The summarised financial information for each subsidiary that has non-controlling interests that are material to the Group before any intra group eliminations, are set out below.

Summarised statement of financial position

	Enterprise Insurance LTD		Enterprise Life Assurance LTD		Enterprise Properties LTD	
	2022	2021	**2022**	2021	**2022**	2021
Current						
Assets	**392,350**	338,714	**1,155,541**	1,182,598	**21,001**	16,698
Liabilities	**(243,593)**	(196,711)	**(84,490)**	(86,765)	**(188,094)**	(168,738)
Total current net assets/ (liabilities)	**148,757**	142,003	**1,071,051**	1,095,833	**(167,093)**	(152,040)
Non-current						
Assets	**45,631**	30,282	**140,443**	102,894	**435,223**	282,131
Liabilities	**(22,956)**	(15,405)	**(916,014)**	(919,867)	**(59,851)**	(27,143)
Total non-current net assets/(liabilities)	**22,675**	14,877	**(775,571)**	(816,973)	**375,372**	254,989
Net assets	**171,432**	156,880	**295,480**	278,860	**208,279**	102,949

Summarised statement of comprehensive income

	Enterprise Insurance LTD		Enterprise Life Assurance LTD		Enterprise Properties LTD	
	2022	2021	**2022**	2021	**2022**	2021
Net insurance premium revenue	**223,541**	203,451	**721,155**	607,233	**-**	-
Rental income	**-**	-	**1,776**	1,152	**22,300**	16,463
Profit before income tax and national fiscal stabilisation levy	**36,693**	50,243	**94,508**	97,729	**142,385**	17,988
Profit after income tax and national						
fiscal stabilisation levy	**24,690**	35,601	**88,909**	92,557	**105,331**	16,599
Other comprehensive income	**-**	-	**12,711**	3,132	**-**	-
Total comprehensive income	**24,690**	35,601	**101,620**	95,689	**105,331**	16,599

Notes *(continued)*

(All amounts are in thousands of Ghana cedis unless otherwise stated)

22. Non-controlling interest *continued)*

Summarised statement of cash flows

Cash flows from operating activities:	**Enterprise Insurance LTD**		**Enterprise Life Assurance LTD**		**Enterprise Properties LTD**	
	2022	2021	**2022**	2021	**2022**	2021
Net cash generated from operating activities	**75,360**	74,022	**77,440**	309,345	**23,882**	9,191
Net cash (used in)/generated from investing activities	**(30,537)**	(48,415)	**17,024**	(268,963)	**(69)**	(4,840)
Net cash used in financing activities	**(20,185)**	(7,370)	**(91,971)**	(92,205)	**(21,417)**	(4,678)
Net increase/(decrease) in cash and cash equivalents	**24,638**	18,237	**2,493**	(51,823)	**2,396**	(327)
Cash and cash equivalents at 1 January	**52,497**	34,260	**94,652**	146,203	**4,347**	2,428
Cash and cash equivalents at 31 December	**77,135**	52,497	**97,145**	94,380	**6,743**	2,101

The information above is the amount before inter-company eliminations.

23. Life Fund – Insurance Contract Liabilities

The Group	**2022**	2021
Balance at 1 January	**921,023**	677,916
Charge to income statement	**(28,158)**	241,761
Translation difference	**3,826**	1,346
Balance at 31 December	**896,691**	921,023

An independent actuary carried out the valuation of the Life Fund as at 31 December 2022 and 31 December 2021.

24. Leases

Leases as lessee

The Group leases a number of branches and office premises. The leases typically run for a period between two (2) to ten (10) years, with an option to renew the lease after the date. For some leases, payments are renegotiated every five (5) years to reflect market rentals. Some leases provide for additional rent payments that are based on changes in local price indices.

The Group also leases kiosks with contract terms of one to three years which are classified as low-value leases. The Group has elected not to recognise right-of-use assets and lease liabilities for these leases.

Notes *(continued)*

(All amounts are in thousands of Ghana cedis unless otherwise stated)

24. Leases *(continued)*

Leases as lessee *(continued)*

Information about leases for which the Group and Company is a lessee is presented below.

i. Right-of-use assets

The total non-controlling interest for the year ended 31 December 2022 are set out below:

	The Company		The Group	
	2022	2021	**2022**	2021
Balance at 1 January	**9,624**	11,049	**13,797**	15,437
Additions	**-**	61	**10,078**	2,649
Remeasurement	**(2,552)**	-	**(3,177)**	(797)
Terminations	**-**	-	**(2,440)**	-
Depreciation charge for the year	**(1,394)**	(1,486)	**(1,932)**	(3,443)
Translation difference	**-**	-	**994**	(49)
Balance at 31 December	**5,678**	9,624	**17,320**	13,797

ii. Amounts recognised in profit or loss

Interest on lease liabilities	**1,884**	1,199	**2,541**	1,333
Exchange loss on lease liabilities	**12,044**	934	**5,873**	643
Depreciation of right-of-use assets	**1,393**	1,487	**1,932**	2,190
Gain on termination of leases	**-**	-	**943**	-
Expenses relating to leases of low-value assets	**-**	-	**523**	211

The Group's total lease payments for the year ended 31 December 2022 includes an amount of GH¢ 4,006,000 which was prepaid for lease contracts and has been recognised as right-of-use assets.

iii. Extension options

Some leases of office premises contain extension options exercisable by the Group up to one year before the end of the non-cancellable contract period. Where practicable, the Group seeks to include extension options in new leases to provide operational flexibility. The extension options held are exercisable only by the Group and not by the lessors. The Group assesses at lease commencement due date whether it is reasonably certain to exercise the extension options. The Group reassesses whether it is reasonably certain to exercise the options if there is significant event or significant changes in circumstances within its control.

The Group has estimated that the potential future lease payments, should it exercise the extension options, would result in an increase in lease liability of GH¢ 61 million and GH¢ 38 million (GH¢7.2 million and GH¢ 2.9 million) for the Group and Company respectively.

Notes *(continued)*

(All amounts are in thousands of Ghana cedis unless otherwise stated)

24. Leases *(continued)*

Leases as lessee *(continued)*

Lease liabilities	The Company		The Group	
	2022	2021	**2022**	2021
Balance at 1 January	**13,703**	13,993	**13,323**	12,913
Additions	**-**	-	**6,072**	1,707
Modifications	**(2,552)**	-	**(2,848)**	(135)
Remeasurements	**-**	61	**(329)**	(136)
Interest expense	**1,884**	1,199	**2,541**	1,333
Terminations	**-**		**(3,383)**	
Interest payment	**(1,884)**	(1,199)	**(2,541)**	(1,333)
Lease payments	**(10,707)**	(1,284)	**(1,565)**	(1,675)
Foreign currency transactional loss	**12,044**	933	**5,229**	643
Translation difference	**-**	-	**644**	6
Balance at 31 December	**12,488**	13,703	**17,143**	13,323

Amounts recognised in the statement of cash flows

Principal lease payment	**10,707**	1,284	**1,565**	1,675
Interest payment	**1,884**	1,199	**2,541**	1,333
Prepaid lease	**-**	-	**4,006**	-

Prepaid leases shown above represents upfront lease payments and has been recognised as right-of-use assets.

The Company's lease arrangements that resulted in the lease liabilities recognised are with its subsidiaries i.e Enterprise Properties LTD and Seventh Avenue Properties LTD. The breakdown of lease liability due to each subsidiary has been disclosed in Note 12.

Analysis of lease liabilities into current and non-current

	The Company		The Group	
	2022	2021	**2022**	2021
Current	**941**	13,993	**13,323**	12,913
Non-current	**11,547**	-	**3,820**	6
Balance at 31 December	**12,488**	13,993	**17,143**	13,323

The maturity analysis of lease liabilities as at 31 December 2022 and 2021 is set out in Note 3.

Leases as lessor

Operating lease

The Group leases out its investment property. The Group has classified these leases as operating leases, because they do not transfer substantially all of the risks and rewards incidental to the ownership of the assets. Note 8 sets out information about the operating leases of investment property.

Rental income recognised by the Group during the year ended 31 December 2022 was GH¢ 11.7 million (2021: GH¢ 8.7 million).

Notes *(continued)*

(All amounts are in thousands of Ghana cedis unless otherwise stated)

25. Borrowings

The Group	2022	2021
Current	**511**	5,805
Non-current	**-**	20,318
Balance at 31 December	**511**	26,123

Movement in borrowings is as follows;

Balance at 1 January	**26,123**	26,912
Interest expense	**2,737**	1,719
Interest paid	**(43,299)**	(1,626)
Principal repayments	**(2,320)**	(3,052)
Exchange loss	**17,270**	2,170
Balance at 31 December	**511**	26,123

The Group had a US$4.5 million loan from Standard Chartered Bank Plc. The loan was expected to be repayable in 10 semi-annual repayments commencing six months after the utilization date under the facility. Interest payments was to be on the last day of each interest period which is 6 months after first draw down. The interest rate applicable was the aggregate of margin (6% per annum) and LIBOR. The loan was used to finance the construction of an investment property, "The Advantage Place". The loan was secured on the first ranking real estate mortgage over the buildings, improvements and land interest comprised in Advantage Place. Seventh Avenue Properties LTD and Enterprise Group Plc were the first and second guarantors, respectively. In 2022, the loan was refinanced with an internal facility from the Company. The outstanding balance as at 31 December 2022 relates to interest accrued.

26. Unearned premium reserve

The Group	2022	2021
Balance at 1 January	**90,380**	56,405
Assumed on Acacia purchase	**-**	12,216
Change in unearned premium reserve	**20,054**	21,759
Balance at 31 December	**110,434**	90,380

Unearned premium represents the portion of non-life insurance contracts premium written in periods up to the accounting date, which relate to the unexpired terms of policies in force at the reporting date.

Notes *(continued)*

(All amounts are in thousands of Ghana cedis unless otherwise stated)

27. Outstanding claims

The Group

	2022	2021
Balance at 1 January	**61,197**	46,045
Claims incurred	**206,008**	104,975
Claims paid	**(186,496)**	(98,727)
Change in incurred but not reported provision	**7,118**	8,904
Balance at 31 December	**87,827**	61,197

Outstanding claims is analysed as follows:

Gross outstanding claims	**74,091**	47,303
Reinsurance recoveries	**(27,668)**	(20,392)
Incurred but not reported provision	**41,404**	34,286
Balance at 31 December	**87,827**	61,197

Outstanding claims are due within twelve months. The carrying value of outstanding claims approximates their fair value.

Incurred but not reported provision

	2022	2021
Balance at 1 January	**34,286**	25,382
Incurred but not reported provision	**7,118**	8,904
Balance at 31 December	**41,404**	34,286

An independent actuary carried out the valuation of the incurred but not reported provision as at 31 December 2022 and 31 December 2021.

28. Trade and other payables

	The Company		**The Group**	
	2022	2021	**2022**	2021
Accrued expense and other payable	**10,402**	12,032	**161,927**	129,081

All trade and other payables are current and their carrying amounts approximate their fair value due to their short-term nature.

Notes *(continued)*

(All amounts are in thousands of Ghana cedis unless otherwise stated)

29. Deferred commission income

The Group

	2022	2021
Balance at 1 January	**11,629**	7,572
Commission income (released)/deferred	**8,364**	4,057
Balance at 31 December	**19,993**	11,629

30. Investment income

	The Company		**The Group**	
	2022	2021	**2022**	2021
Investment income on financial assets classified as Fair value through profit or loss:				
- Dividend income	**24**	114	**10,752**	6,632
- Net fair value gain/(loss) in equity securities	**439**	604	**(9,343)**	36,755
Dividend from subsidiaries	**69,803**	66,507	**-**	-
Interest on unlisted debt securities	**3,511**	644	**262,691**	193,936
Bank interest	**1,441**	1,294	**19,467**	11,849
Interest income on loan	**74**	-	**-**	-
	75,292	69,163	**283,567**	249,172

31. Net insurance premium

The Group	**2022**			2021		
	Gross premium	**Reinsurance ceded**	**Net premium**	Gross premium	Reinsurance ceded	Net premium
Non-life insurance:						
Motor	**192,395**	**(12,602)**	**179,793**	111,020	(7,100)	103,920
Fire	**89,769**	**(74,357)**	**15,412**	74,581	(61,246)	13,335
Marine	**28,826**	**(24,104)**	**4,722**	14,784	(11,924)	2,860
General Accident	**60,757**	**(29,956)**	**30,801**	50,531	(26,301)	24,230
Engineering	**60,293**	**(56,421)**	**3,872**	26,780	(25,135)	1,645
Health	**80,730**	**-**	**80,730**	57,398	-	57,398
Aviation	**342**	**(232)**	**110**	76	(13)	63
	513,112	**(197,672)**	**315,440**	335,170	(131,719)	203,451
Life insurance:						
Individual life	**674,810**	**(2,629)**	**672,181**	552,777	(755)	552,022
Group life	**64,735**	**(12,828)**	**51,907**	116,817	(9,736)	107,081
	739,545	**(15,457)**	**724,088**	669,594	(10,491)	659,103
Customer retention scheme	**(2,099)**	**-**	**(2,099)**	(2,098)	-	(2,098)
	737,446	**(15,457)**	**721,989**	667,496	(10,491)	657,005
	1,250,558	**(213,129)**	**1,037,429**	1,002,666	(142,210)	860,456

Notes *(continued)*

(All amounts are in thousands of Ghana cedis unless otherwise stated)

32. Other revenue

The Group

	2022	2021
Fee income from pension services	**56,761**	43,995
Funeral services income	**15,920**	13,977
Rental income on investment property	**11,701**	8,724
	84,382	66,696

Fee income from pension services and funeral service income are recognised at a point in time while rental income is recognised over time.

33. Other income

	The Company		**The Group**	
	2022	2021	**2022**	2021
Exchange gains	**12,748**	1,424	**38,959**	3,685
(Loss)/profit on disposal of property and equipment (Note 9)	**(1)**	68	**154**	(2,125)
Sundry income	**-**	-	**10,203**	14,295
	12,747	1,492	**49,316**	15,855

34. Insurance benefits and claims

The Group

	2022	2021
Non-life insurance:		
Gross claims incurred	**198,913**	135,086
Reinsurance recoveries	**(37,120)**	(24,117)
Incurred but not reported provision	**5,366**	9,530
	167,159	120,499
Life insurance:		
Policy surrenders, terminations and withdrawals	**185,784**	140,193
Funeral	**63,037**	38,969
Death claims	**94,814**	76,939
Individual life	**343,635**	256,101
Group benefits	**24,380**	25,963
	368,015	282,064
Total insurance benefits and claims	**535,174**	402,563

Notes *(continued)*

(All amounts are in thousands of Ghana cedis unless otherwise stated)

35. Finance costs

	The Company		The Group	
	2022	2021	**2022**	2021
Interest on borrowings (Note 25)	**-**	-	**2,737**	1,719
Interest on lease liabilities (Note 24)	**1,884**	1,199	**2,541**	1,333
Exchange loss on borrowings (Note 25)	**-**	-	**17,270**	2,170
Exchange loss on lease liabilities (Note 24)	**12,044**	933	**5,229**	643
	13,928	2,132	**27,777**	5,864

36. Impairment charge

Impairment on investment securities	**2,689**	-	**328,851**	731
Recoveries of previously impaired investment securities	**-**	-	**-**	(10,000)
Impairment of goodwill	**-**	11,850	**-**	11,850
	2,689	11,850	**328,851**	2,581

37. Operating expenses

Directors' emoluments	**10,241**	8,762	**12,403**	11,658
Auditor's remuneration	**200**	125	**1,996**	1,248
Depreciation and amortisation	**3,671**	3,700	**17,012**	16,640
Staff costs	**13,997**	16,203	**124,805**	108,598
Other operating expenses	**11,093**	8,576	**168,153**	108,265
Shared service cost charged to subsidiaries	**(17,293)**	(13,883)	**-**	-
	21,909	23,483	**324,369**	246,409

Staff costs include:				
Salaries and other short-term employment benefit	**10,530**	14,166	**107,374**	97,927
Employer's pension fund contribution	**2,609**	1,384	**14,227**	8,509
Other-long term employment benefits	**858**	653	**3,204**	2,162
	13,997	16,203	**124,805**	108,598

Staff cost for executive directors are included in director's emoluments.

Shared service cost charged to subsidiaries represent the portion of management expenses incurred by Enterprise Group Plc charged to the subsidiaries.

Notes *(continued)*

(All amounts are in thousands of Ghana cedis unless otherwise stated)

37. Operating expenses *(continued)*

The number of staff employed by the Company and the Group were as follows:

	The Company		The Group	
	2022	2021	**2022**	2021
Staff numbers	**34**	28	**606**	431

38. Commission expense

The Group

	2022	2021
Commission expense	**186,293**	153,524
Commission expense deferred	**(7,327)**	(6,558)
	178,966	146,966

39. Commission income

The Group

Commission income	**54,187**	37,008
Commission income deferred	**(8,364)**	(4,057)
	45,823	32,951

39. Statutory deposit

In accordance with the Insurance Act, 2021 (Act 1061), Enterprise Life Assurance LTD and Enterprise Insurance LTD, subsidiaries of the Company, are expected to have 10% of their minimum capital as statutory deposits which is not available for use in day-to-day operations of the business.

In accordance with section 7 of the Insurance Act, 2005 (Act 724) of Gambia, Enterprise Life Assurance Company Limited (Gambia), subsidiary of the Company, is expected to have GMD 300,000 as statutory deposits for each product the Company has. The Company has three products. This statutory deposit is not available for use in day to day.

In accordance with section 9 of the Insurance Act 2003, (Act 724) of Nigeria, Enterprise Life Assurance Company (Nigeria) Limited is expected to have 50% of their minimum capital as statutory deposits which is not available for use in day-to-day operations of the business.

The statutory deposits held as at 31 December for the various insurance entities is as below;

	Currency	**2022**	2021
Enterprise Life Assurance LTD	GH¢	**5,900**	5,539
Enterprise Insurance LTD	GH¢	**5,333**	1,844
Enterprise Life Assurance Company (Gambia) Limited	GMD	**887**	885
Enterprise Life Assurance Company (Nigeria) Limited	NAIRA	**800,000**	4,000,000
Acacia Health Insurance LTD	GH¢	**1,639**	1,416

These amounts have been included in investment securities in the financial statements.

Notes *(continued)*

(All amounts are in thousands of Ghana cedis unless otherwise stated)

40. Investment expense

	The Company		The Group	
	2022	2021	**2022**	2021
Investment management fees	**-**	-	**4,383**	4,947

41. Reconciliation of profit before tax to cash generated from operation

	The Company		The Group	
	2022	2021	**2022**	2021
Profit before tax	**49,513**	33,190	**281,083**	153,070
Depreciation and amortisation (Note 37)	**3,671**	3,700	**17,012**	16,640
Finance costs (Note 35)	**13,928**	2,132	**27,777**	5,864
Interest income in related party loan (Note 30)	**(74)**	-	**-**	-
Impairment of investment properties (Note 8)	**-**	-	**1,295**	-
Fair value gains on investment properties (Note 8)	**-**	-	**(171,982)**	(790)
Fair value (gains)/losses on investment securities (Note 11)	**(440)**	(604)	**9,342**	(36,755)
Exchange loss on related party loan (Note 12)	**6,495**	-	**-**	-
Impairment of goodwill	**-**	11,850	**-**	11,850
Impairment of investment securities (Note 11)	**2,689**	-	**328,851**	-
Loss/(profit) on sale of property and equipment (Note 9)	**1**	(68)	**(154)**	2,125
Gain on termination of leases	**-**	-	**(943)**	-
Changes in:				
Changes in life fund	**-**	-	**(24,332)**	243,107
Unearned premium	**-**	-	**20,054**	33,975
Outstanding claims	**-**	-	**26,630**	15,152
Deferred commission income	**-**	-	**8,364**	4,057
Amount due from re-insurers	**-**	-	**1,990**	9,360
Inventories	**-**	-	**(530)**	(496)
Trade and other receivables	**37**	(37)	**(10,491)**	(43,276)
Prepayments	**(928)**	366	**(2,667)**	(1,596)
Deferred commission expense	**-**	-	**(7,327)**	(6,558)
Amount due to related parties (excluding dividend payable)	**-**	-	**422**	(305)
Amount due from related parties	**13**	8,145	**-**	-
Trade and other payables	**(1,630)**	2,629	**32,846**	55,576
Amount due to re-insurers	**-**	-	**(2,970)**	3,447
Cash generated from operations	**73,275**	**61,303**	**534,270**	**464,447**

42. Segment information

Management has determined the operating segments based on the reports reviewed by the Board of Directors that are used to make strategic decisions. All operating segments meet the definition of reportable segments under IFRS 8. The Group is organised into seven operating segments. These segments are Non-life insurance business; Life assurance business; Health insurance; Pension administration; Real estate; Funeral services and Investments.

Notes *(continued)*

(All amounts are in thousands of Ghana cedis unless otherwise stated)

42. Segment information *(continued)*

Group	Non life insurance	Life assurance	Health insurance	Pension administration	Real estate	Funeral services	Investments	Elimination	Total
Year ended 31 December 2022									
Net premium earned - external	223,541	727,654	71,835	-	-	-	-	(5,655)	1,017,375
Interest income - external	55,710	207,145	5,481	8,886	931	-	75,292	(69,878)	283,567
Other revenue - external customers	-	-	-	56,761	22,300	16,742	-	(11,421)	84,382
Other revenue - related parties	-	-	-	-	-	-	-		-
Net investment and other income related	-	-	-	-	-	-	-		-
Net investment and other income - others	18,197	33,994	11,461	7	133,852	416	12,747	6,241	216,915
Net income	**297,448**	**968,793**	**88,777**	**65,654**	**157,083**	**17,158**	**88,039**	**(80,713)**	**1,602,239**
Change in life fund	-	28,158	-	-	-	-	-		28,158
Insurance benefits and claims	(104,105)	(368,015)	(63,054)	-	-	-	-		(535,174)
Net commission expense	(22,440)	(116,369)	-	-	-	-	-	5,666	(133,143)
Finance costs	(12,869)	(13,505)		(5,870)	(2,810)	(1,078)	(13,928)	22,283	(27,777)
Impairment release/ (charge) on financial assets	(40,288)	(270,783)	(3,742)	(10,974)	-	(375)	(2,689)		(328,851)
Depreciation and amortisation	(3,984)	(9,601)	(418)	(1,947)	(1,947)	(1,674)	(3,671)	6,230	(17,012)
Operating expenses	(77,068)	(141,858)	(18,336)	(24,608)	(9,942)	(13,053)	(18,239)	(4,253)	(307,357)
Profit before tax	**36,694**	**76,819**	**3,227**	**22,255**	**142,384**	**978**	**49,512**	**(50,787)**	**281,082**
National Fiscal Stabilisation Levy	(1,835)	(5,214)	-	-	-	-	-	-	(7,049)
Income tax expense	(10,168)	9	(312)	(3,547)	(37,054)	(394)	-	-	(51,466)
Profit after tax	**24,691**	**71,615**	**2,915**	**18,708**	**105,330**	**584**	**49,512**	**(50,787)**	**222,568**
Total assets	414,397	1,504,759	83,874	62,206	456,224	13,727	547,842	(660,644)	2,422,385
Total liabilities	242,963	988,987	45,881	14,956	247,945	20,130	47,490	(217,689)	1,390,663
Acquisition of property and equipment	4,238	18,638	131	1,269	69	626	2,855	(6,413)	21,414

Notes *(continued)*

(All amounts are in thousands of Ghana cedis unless otherwise stated)

42. Segment information *(continued)*

Group	Non life insurance	Life assurance	Health insurance	Pension administration	Real estate	Funeral services	Investments	Elimination	Total
Year ended 31 December 2021									
Net premium earned - external	184,504	609,193	54,095	-	-	-	-	(9,095)	838,697
Interest income – external	31,325	206,091	4,398	1,709	-	-	1,492	-	245,015
Other revenue - external customers	-	2,553	-	40,188	8,459	15,496	-	-	66,696
Other revenue - related parties	-	-	-	-	8,004	-	-	(8,004)	-
Net investment and other income related	-	-	-	-	-	-	66,507	(66,507)	-
Net investment and other income – others	7,729	1,003	1,460	8,044	12,782	294	2,656	(18,113)	15,855
Net income	223,558	818,840	59,953	49,941	29,245	15,790	70,655	(101,719)	1,166,263
Change in life fund	-	(241,761)	-	-	-	-	-	-	(241,761)
Insurance benefits and claims	(86,688)	(282,064)	(39,713)	-	-	-	-	5,902	(402,563)
Net commission expense	(19,360)	(94,655)	-	-	-	-	-	-	(114,015)
Finance costs	(2,601)	(3,001)	-	(1,100)	(1,719)	(1,171)	(2,133)	5,861	(5,864)
Impairment release/ (charge) on financial assets	-	9,269	-	-	-	-	(11,850)	-	(2,581)
Depreciation and amortisation	(4,109)	(9,223)	(457)	(1,894)	(163)	(1,610)	(3,701)	4,517	(16,640)
Operating expenses	(60,557)	(113,370)	(11,769)	(18,115)	(9,375)	(10,577)	(19,782)	13,776	(229,769)
Profit before tax	50,243	84,035	8,014	28,832	17,988	2,432	33,189	(71,663)	153,070
National Fiscal Stabilisation Levy	(2,514)	(4,814)	-	-	-	-	-	-	(7,328)
Income tax expense	(12,128)	(349)	(2,228)	(7,141)	(1,389)	(8)	-	353	(22,890)
Profit after tax	35,601	78,872	5,786	21,691	16,599	2,424	33,189	(71,310)	122,852
Total assets	368,996	1,369,820	64,069	53,493	298,830	12,967	513,888	(518,746)	2,163,317
Total liabilities	212,116	991,342	28,991	10,951	195,882	19,953	50,335	(180,648)	1,328,922
Acquisition of property and equipment	4,238	13,463	195	1,305	358	1,531	865	(1,787)	20,168

Notes *(continued)*

(All amounts are in thousands of Ghana cedis unless otherwise stated)

42. Segment information *(continued)*

Geographic Information

The geographic information analyses the Group's revenue and non-current assets by the Company's country of domicile. In presenting the geographic information below, segment revenue is based on the geographic location of customers and segment assets are based on the geographic location of the assets.

	2022			2021		
Country of domicile	**Ghana**	**The Gambia**	**Nigeria**	Ghana	The Gambia	Nigeria
External revenues	**1,658,229**	**10,454**	**13,468**	989,685	11,028	1,953
Non-current assets	**637,763**	**515**	**17,421**	103,774	20,731	18,123

*Includes property and equipment, intangible assets and investment property. These amounts are before consolidation adjustments

No single external customer accounts for 10% or more of the Group's revenue.

Company segment information

The segment information for the Company is the same as that represented under "Investments" segment for the Group operating segments disclosure.

43. Earnings per share

Basic earnings per share are calculated by dividing the profit attributable to equity holders of the company by the weighted average number of ordinary shares outstanding during the year.

	The Company		**The Group**	
	2022	2021	**2022**	2021
Profit attributable to equity holders of the company	**49,512**	33,190	**146,459**	67,612
Weighted average number of ordinary shares in issue	**170,893**	170,893	**170,893**	170,893
Basic earnings per share	**0.290**	0.194	**0.857**	0.396

Diluted earnings per share is calculated by adjusting the weighted average number of ordinary shares outstanding to assume conversion of all dilutive potential ordinary shares. There are no potential dilutive ordinary shares.

44. Dividend

(i) Dividend declared and paid to non-controlling interest

	The Group	
	2022	2021
At 1 January	**-**	11,282
Amount declared during the year	**39,335**	39,252
Amount paid	**(34,509)**	(50,534)
At 31 December	**4,826**	-

Notes *(continued)*

(All amounts are in thousands of Ghana cedis unless otherwise stated)

44. Dividend *(continued)*

(ii) Dividend declared by the Company and paid equity shareholders during the year

The Company	2022	2021
At 1 January	-	-
Amount declared during the year	**12,714**	10,595
Amount paid	**(12,714)**	(10,595)
At 31 December	**-**	-

45. Contingencies

There are certain lawsuits and claims pending against the Group which are being handled by external legal counsels. The contingent liabilities in respect of pending litigation and claims amounted to GH¢ 1,634,297 (2021: GH¢ 1,063,617) as at 31 December 2022. In the opinion of the directors, the Group's liabilities are not likely to be material.

There are no pending litigations against the Company as at 31 December 2022 and 31 December 2021.

46. Capital Commitments

There were no capital commitments for the Group and Company at 31 December 2022 (2021: Nil).

47. Dividend per share

Dividend proposed

The directors recommend the payment of dividend of GH¢ 0.074 per share for amounting to GH¢ 12.7 million (GH¢ 0.074 per share for amounting to GH¢ 12.7 million).

48. Subsequent events

On 7 February 2023, the Company and the Group exchanged GH¢ 11 million and GH¢ 1.3 billion respectively of Government of Ghana bonds for a series of new bonds with maturity dates commencing from 2027 to 2038, through Ghana's Domestic Debt Exchange Programme. The new bonds were settled on the 21 February 2023 and have been allotted to the respective companies on the Central Securities Depository.

Shareholder Information

(i) Directors' shareholding at 31 December 2022

Name	Number of shares
GADZEKPO, KELI	67,500
ESSON-BENJAMIN MARTIN	4,110
TYSON, MICHAEL	500

Category	Number of shareholdings	Total holding	% Holding
1 - 1000	1,753	596,296	0.35
1001 - 5000	984	2,449,184	1.43
5001 - 10000	349	2,459,119	1.44
10001 and Over	498	165,388,226	96.78
	3,584	170,892,825	100.00

(iii) List of top twenty (20) shareholders as at 31 December 2022

SHAREHOLDER	NO. OF SHARES	% HOLDINGS
GRACE STRATEGIC VENTURES LIMITED,	75,395,586	44.12
SCGN/SCB MAURITIUS RE AFRICA OPP. FUND LP.,	16,978,891	9.94
CLEARTIDE ASSET HOLDINGS LTD,	13,300,878	7.78
SOCIAL SECURITY AND NATIONAL INSURANCE TRUST,	8,292,318	4.85
VENTURES AND ACQUISITIONS LIMITED,	7,820,700	4.58
SCGN/'EPACK INVESTMENT FUND LIMITED TRANSACTION E I F L	3,887,255	2.27
MAXWELL, JANET SNOWDEN	2,967,500	1.74
ZBGC/CEDAR PROVIDENT FUND-ICAM,	2,413,948	1.41
ZBGC/CEDAR PENSION SCHEME-ICAM,	2,225,052	1.30
SCGN / NORTHERN TRUST CO. AVFC 6314B	2,075,032	1.21
SCGN MAURITIUS RE AFRICA OPPORTUNITY, CAYMAN LIMITED	1,495,645	0.88
SCGN/CITIBANK KUWAIT INV AUTHORITY	1,257,586	0.74
ZBGC/AXIS PENSION PLAN,	1,183,419	0.69
OTENG-GYASI, ANTHONY	1,000,500	0.59
SCGN/DATABANK BALANCED FUND LIMITED	916,005	0.54
HFCN/ EDC GHANA BALANCED FUND LIMITED	829,591	0.49
METLIFE CLASSIC A/C, STD NOMS TVL PTY/METLIFE GOLD PLAN FUND MICAC	657,115	0.38
ESTATE OF DR. P.K ANIM-ADDO,	625,000	0.37
EGH/ECG PENSION SCHEME TIER 3 PORT 1	624,632	0.37
DODOO, FRANCIS F.D	593,845	0.35
OTHERS	26,352,327	15.42
GRAND TOTAL	**170,892,825**	**100.00**

Certificate of Solvency in Respect of Life Business

I, G. T. Waugh, certify that the liabilities in respect of life policies of Enterprise Life Assurance LTD for the financial year ended 31 December 2022 do not exceed the amount of the life assurance fund as shown in the balance sheet.

The Company was financially sound on the statutory basis as at the valuation date, and in my opinion is likely to remain financially sound for the foreseeable future.

Embedded Value Analysis

Embedded Value (EV)

Margins in the reserving basis mean the net asset value of an insurance company does not necessarily provide a good indication of the company's value. The Embedded Value (EV) is intended to address this problem by placing a value on these margins. The EV is equal to:

- the adjusted net worth of the Company.
- plus the value of future profits from in-force business.
- less the cost of required capital.

The Net Asset Value (NAV) is defined as the excess value of all assets attributed to the business not required to back the liabilities.

The value of future profits from in-force business (VIF) is determined by projecting profits on the best estimate basis without margins, and discounting the results at the risk discount rate. The value derived is therefore the economic value of the margins in the reserves. A similar calculation is performed to determine the value of new business at the point of sale (VNB).

For the VIF and the VNB allowance is made for the cost of required capital (CoC). This represents the difference between the required capital and the discounted value of interest on the amount and the releases on an annual basis. The required capital has been set equal to the anticipated regulatory minimum capital when draft legislation is enacted.

The Embedded Value includes the value from business written up to the current date but does not take into account the value of future new business. An investor is likely to ascribe value to that future new business. While volumes and mix of business will vary in future years, a reference point for the value of future business is the value of business sold during the year which is shown in the results below.

Embedded Value Results

The embedded value has decreased by GH¢40.5 million over the past year to date, as shown in the table below

	2022	2021
	GH¢'000	GH¢'000
Net Asset Value	**301,500**	284,700
Value of in-force business	**494,812**	479,300
Cost of capital	**(24,510)**	(32,724)
Embedded value	**771,802**	731,276

Certificate of Solvency in Respect of Life Business *(continued)*

Embedded Value Analysis (continued)

Embedded Value Earnings

The embedded value earnings are shown in the table below

	2022	2021
	GH¢'000	GH¢'000
Change in EV (excluding dividends)	40,526	(43,963)
Dividends paid	85,000	90,000
Restatement of prior year NAV	(4,050)	(15,527)
Embedded Value Earnings	121,476	30,510

Analysis of Embedded Value Earnings

The analysis of embedded value earnings provides explanations and insights as to how and why the NAV and the VIF have changed over the reporting period. It also provides a check that the business is performing in line with expectations. A summary of the analysis is shown in the table below:

	VIF	COC	NAV	EV
	GH¢'000	GH¢'000	GH¢'000	GH¢'000
Roll forward to year end	113,900	(8,726)	40,372	145,546
Transfers to net worth	(120,080)	-	120,080	-
VNB	96,761	(4,617)	(21,846)	70,298
Experience profits	(29,602)	2,140	(19,799)	(47,261)
Economic Basis changes	(63,248)	-	1,379	(61,869)
Actuarial basis changes	17,782	19,417	(22,435)	14,764
Embedded Value earnings	(15,513)	8,214	97,750	121,476

Key Assumptions

The assumptions are set based on estimates of future experience. These are derived from analyses of past experience for mortality, persistency and expenses. Allowance is made for future investment return at 20.0% p.a. (2021: 15.0% p.a.) and inflation at 15% p.a. (2021: 10% p.a.). The risk discount rate is 25% p.a. (2021: 20% p.a.).

GTWaugh

G T Waugh MA FASSA
Statutory Actuary
31 March 2023

Enterprise Group Plc PROXY FORM

I/WE ....

.... being a member/ members of

Enterprise Group PLC hereby appoint ....

....* or failing him/her the Chairman of the Meeting as my/our proxy to vote on

my/our behalf at the Annual General Meeting of the Company to be held on 27th June, 2023 and at any adjournment thereof.
(Block Capitals Please)

The Annual General Meeting hereby resolves the following:

RESOLUTION – ORDINARY BUSINESS	FOR	AGAINST
1. To receive Financial Statements of the Company together with the Reports of the Directors and the Auditors thereon for the year ended December 31, 2022		
2. To declare a final dividend		
3. To re-elect the following retiring Directors: a. Martin Eson-Benjamin b. Keli Gadzekpo		
4. To authorize the Directors to fix the remuneration of the Auditors.		

Dated this……………….day of …………………………..……………………… 2023

Shareholder's Signature: …………………………………………………………………

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IMPORTANT: - Before sending the attached form, please tear off this part and retain it - see over. A member who is unable to attend the Meeting is allowed by law to vote by proxy through online participation or in-person. The attached form has been prepared to enable you to exercise your right to appoint a proxy. If you wish, you may insert in the blank space on the form the name of any person (whether a Member of the Company or not) who will attend the Meeting and vote on your behalf by online participation or in-person. However, to ensure that someone will be present at the Meeting to act as your proxy, the Chairman of the Meeting has been inserted as your proxy if the named person is unable to attend the Meeting. Please complete, sign and send the proxy form so that it reaches the address indicated in the Notice not later than 48 hours before the commencement time of the Meeting.

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The Registrar
NTHC LTD
Gamel Abdul Nasser Avenue
P.O.Box KIA 9563
Airport
Accra, Ghana

Third Fold Her

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ENTERPRISE GROUP PLC.

ANNUAL GENERAL MEETING

SHAREHOLDERS UPDATE CARD

I hereby mandate NTHC registrars to forward my dividends and correspondence to

Current Address: ....

Name of Bank: ....

Account No:

Account Holder's Name: ....

Tel: .... Email: .... Date: ....

Signature: .... Signature: ....
(For joint shareholders only)

(Kindly complete and return this section to:
NTHC REGISTRARS, Gamel Abdul Nasser Avenue, P. O. Box KIA 9563, Airport, Accra, Ghana.

enterprise GROUP

Your Advantage

Advantage Place
Mayor Road, Ridge West, Accra
PMB 150, GPO
Accra, Ghana