ENTERPRISE GROUP PLC
ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2023

CONTENT

CORPORATE INFORMATION

BOARD OF DIRECTORS	Keli Gadzekpo - Chairman (Appointed 3 April 2023) Daniel Larbi-Tieku - Group Chief Executive Officer (Appointed 3 April 2023) Michael Tyson - Group Chief Finance Officer Trevor Trefgarne 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
SOLICITOR	Sam Okudzeto & Associates Otswe Close Osu - Ako Adjei Behind Lowe Lintas, F-122 Accra, Ghana
REGISTERED OFFICE	Advantage Place Mayor Road, Ridge West PMB 150 GPO Accra, Ghana
REGISTRAR	NTHC Gamel Abdul Nasser Avenue P. O. Box KIA 9563 Airport Accra, Ghana
BANKERS	Absa Bank Ghana LTD Guaranty Trust Bank (Ghana) LTD Standard Chartered Bank Ghana PLC

FIVE-YEAR FINANCIAL SUMMARY
(All amounts are in thousands of Ghana cedis)

	2023	2022 (Restated)	2021 (Restated)	2020	2019
Group net income	549,072	729,592	1,166,263	847,747	714,088
Group net investment income	330,595	451,166	245,015	141,662	128,008
Group insurance revenue	1,213,039	979,667	N/A	N/A	N/A
Group net insurance service results	75,297	144,728	N/A	N/A	N/A
Group operating expenses	248,013	198,962	246,409	190,846	163,798
Group profit before tax	273,177	174,002	153,070	175,514	135,790
Group profit after tax	193,139	115,487	122,852	146,729	117,225
Group total equity and reserves	1,424,405	1,304,737	1,217,048	764,386	666,895
Group total assets	3,039,992	2,491,417	2,205,574	1,745,508	1,499,116
Number of shares	170,892,825	170,892,825	170,892,825	170,892,825	170,892,825
Earnings per share (GH¢)	0.681	0.481	0.396	0.476	0.466
Dividend per share (GH¢)	0.097	0.074	0.074	0.062	0.054
Return on assets (%)	6.98	4.92	6.22	9.04	8.23
Return on equity (%)	11.09	8.49	7.72	13.76	15.12
Share price (Market) (GH¢)	2.39	3.20	2.79	1.40	1.65
Price earnings ratio	3.51	6.65	7.05	2.94	4.00

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 2023.

Directors' responsibility statement

The directors are responsible for the preparation of separate and consolidated financial statements that give a true and fair view of the Company, comprising the statements of financial position as at 31 December 2023, 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 material accounting policies and other explanatory notes, in accordance with International Financial Reporting Standards as issued by the International Accounting Standards Board ("IFRS Accounting Standards") with the IAS 29 directive issued by the Institute of Chartered Accountants, Ghana (ICAG) 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 Group to continue as a going concern and have no reason to believe that the businesses will not be a 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, which is "*to provide all who come into contact with us their desired ADVANTAGE because… we are the best at what we do!*"

Subsidiaries of the Company

The Company directly or indirectly owns the following subsidiaries as at 31 December 2023:

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 highlights are set out under the "Five-year financial highlights" section of this annual report.

Financial statements

The financial results of the Company and the Group for the years ended 31 December 2023 and 31 December 2022 are set out on page 16 of these financial statements.

The directors recommend payment of a dividend of GH¢ 0.097 per share for the year ended 31 December 2023 (2022: GH¢ 0.074). 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 2023, 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 36 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¢ 1,949,170 and GH¢ 11,580 (2022: GH¢ 2,256,109 and GH¢ 4,743) 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.myenterprisegroup.io

Profile of Board of Directors who held office during the year ended 31 December 2023

	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	N/A
Martin Eson-Benjamin Member - Strategy & Investments Committee Lead Independent Director Attended all 4 Board meetings	B.Sc. Administration, University of Ghana	CFAO LTD and Enterprise Insurance LTD
Prof. Angela Ofori-Atta Member - Strategy & Investments Committee, Chair - Joint HR & Nominations Committee Attended all 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)

Profile of Board of Directors who held office during the year ended 31 December 2023 (continued)

Fiifi Kwakye Member - Strategy & Investments Committee, Chair - Audit Committee Independent Non-Executive Director Attended all 4 Board meetings	B.Sc. Accounting, MSc. Finance & Accounting, ICA Ghana, Chartered Institute of Taxation Ghana, Member of Institute of Internal Auditors Ghana.	First National Bank 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; Ecolodge Mole Operating Company LTD; 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; Databank Foundation; Electricity Company of Ghana Ltd; Grace Strategic Ventures LTD; Acacia Health Insurance LTD; Roberts and Sons Optical LTD and Phyto-Riker (GIHOC) Pharmaceuticals LTD.
Daniel Larbi-Tieku Member - Strategy & Investments Committee Attended all 4 Board meetings	B. Sc. Accounting, FCCA, MSc Finance	Enterprise Life Assurance LTD; Enterprise Insurance LTD; Enterprise Funeral Services Ghana LTD; Enterprise Trustees LTD; Acacia Health Insurance LTD, Prudential Bank Ghana LTD and Enterprise Properties LTD.
Michael Tyson Member - Strategy & Investments Committee Attended all 4 Board meetings	ACMA, CGMA, M.Sc. Strategic Business Management, Certified Executive Coach	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, its strategy, acquisitions, disposals and capital expenditure projects above certain thresholds, all guarantees, treasury policies, the financial statements, dividend policy, transactions involving the issue of the Company's shares, borrowing powers, appointments to the Board, alterations to the Constitution, legal actions brought by or against the Group, and the scope of delegations to Board committees, subsidiary boards and management committees. 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 review 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 are evaluated on a periodic basis. The evaluation is conducted by an external facilitator and the results are shared with all members of the Board. The latest evaluation done found 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 Company for the year ended 31 December 2023 is GH¢ 333,374. The total audit fee for the Group for the year ended 31 December 2023 is GH¢ 2.47 million.

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 28 June 2024 and signed on their behalf by:

Name of Director: Martin Eson-Benjamin **Name of Director:** Michael Tyson

Signature: **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 2023, 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 as issued by the International Accounting Standards Board ("IFRS Accounting Standards") with the IAS 29 directive issued by the Institute of Chartered Accountants, Ghana (ICAG) 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 2023.

The financial statements comprise:
- the separate statement of financial position as at 31 December 2023;
- the consolidated statement of financial position as at 31 December 2023;
- 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, comprising a summary of material accounting policy information and other explanatory information.

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

Key audit matters (continued)

Key audit matter	How our audit addressed the key audit matter
Expected credit losses on debt investment securities	
The gross balance of investment securities held by the Company and the Group and their associated impairment allowance for the at 31 December 2023 is set out below.	We obtained an understanding of the DDEP based on the Exchange Memorandum issued by the Government of Ghana.

	The Company	The Group
	GH¢'000	GH¢'000
Gross debt investment securities	70,395	1,877,680
Impairment allowance	2,816	352,841

Key audit matter

The Company and the Group exchanged certain eligible domestic notes and bonds for new sets of instruments under a voluntary Domestic Debt Exchange Programme (the "DDEP") announced by the Government of Ghana.

The expected credit loss (ECL) 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 DDEP and those instruments that are not eligible for the DDEP.

The key areas of significant management judgement within the ECL 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 Company and the Group;

- Incorporation of macro-economic inputs and forward-looking information into the ECL model; and - Input assumptions applied to estimate the probability of default (PD), exposure at default (EAD) and loss given default (LGD).

The accounting policies, critical estimates and judgements and impairment charge are set out in notes 2.9, 3.2.2, 5.3, and 11 to the financial statements.

How our audit addressed the key audit matter

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 against the requirements of the IFRS Accounting Standards.

We evaluated the appropriateness of forward-looking economic expectations included in the ECL 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 for compliance with the requirements of IFRS 9.

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

We assessed the appropriateness of the ECL related disclosures for investment securities in the financial statements in accordance with IFRS 9.

Key audit matters (continued)

Key audit matter	How our audit addressed the key audit matter
Valuation of insurance contract liabilities	

	The Company	The Group
	GH¢'000	GH¢'000
Insurance contract liabilities	-	1,268,836

The Group adopted IFRS 17 - Insurance Contracts on 1 January 2023. The standard introduces new requirements for the recognition, measurement, presentation, and disclosure of insurance contracts.

In retrospectively applying IFRS 17, the Group has restated its insurance contract liability balances using the fully retrospective approach which is permitted under the standard.

In measuring the Group's insurance contract liabilities under IFRS 17, management applied the General Measurement Model ("GMM"), Variable Fee Approach (VFA) and the Premium Allocation Approach ("PAA") measurement models which requires significant degree of estimation and judgements.

The GMM requires insurance contract liabilities to be measured using discounted probability-weighted current estimates of future cash flows. This measurement requires management to take into consideration adjustment for non-financial risk and the contractual service margin (CSM) representing the future profit expected from fulfilling the contracts. These require management to make significant judgements and estimates in determining the discount rates, risk adjustments and estimates of future cashflows which can have a material impact on the valuation of insurance contracts.

The VFA is an alternative measurement model to the GMM for eligible products with direct participation features.

The PAA is applied to contracts with a duration of one year or less, or where it is a reasonable approximation of the GMM. Management exercised significant judgement in the determination of the eligibility of the PAA. The most significant assumptions made in the valuation of the liability for incurred claims are for future cash flow projections and risk adjustment for non-financial risk.

The accounting policies, critical estimates and judgements and impairment charge are set out in notes 2.13, 3.1, 5.1, and 23 to the financial statements.

How our audit addressed the key audit matter

We tailored our testing of the insurance contract liabilities with reference to the various portfolios of contracts and the various measurement models applied.

With the support of our actuarial experts we:

- assessed whether the Group's chosen accounting policies and methodologies were in compliance with IFRS 17 and that the nature and substance of the policies issued by the Group supported the policy elections made on transition.
- assessed the valuation methodology and assumptions for compliance against accepted actuarial techniques, guidelines issued by the insurance regulator, and approved Group accounting policy in accordance with IFRS 17.
- compared the future cashflows used in calculating the fulfillment cashflows with the Group's historical loss experience and net cashflows over the life of the insurance contract.
- assessed the appropriateness of the basis and the methodology used in determining the risk adjustment for non-financial risk and discount rates used in the calculation of the fulfilment cash flows.
- evaluated the appropriateness of the Contractual Service Margins (CSM) release pattern against the terms of insurance contracts.
- performed an eligibility test that focused on qualitative and quantitative assessment to assess the appropriateness of management's use of the PAA measurement model to value the liabilities of certain insurance contracts.
- reviewed the expense allocation results and confirmed that this was in line with the split of directly and not directly attributable expenses as required by IFRS 17.
- performed an independent analysis and re-computation of the liability for remaining claim ("LRC") balances of selected classes of business measured under the PAA model for comparison with those performed by management.
- assessed the appropriateness of the ORC, by tracing on a sample basis, the claims recorded to the relevant documentation which detailed the loss event.
- tested the data used in the valuation of the IBNR by comparing the data, on a sample basis, to the underlying system.

We reviewed the de-recognition of the balances relating to the legacy IFRS 4 insurance contracts and recognition of new IFRS 17 balances.

We checked the adequacy of the presentation and disclosure of insurance contract liabilities on the financial statements as well as the required disclosures in line with IFRS 17.

Other information

The directors are responsible for the other information. The other information comprises Corporate Information, Five-year Financial Summary, Report of the Directors, and Shareholder Information 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 Assurance Company (Gambia) Report, Corporate Governance Statement, Corporate Social Investment Report, and Environmental, Social and Governance 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 Assurance Company (Gambia) Report, Corporate Governance Statement, Corporate Social Investment Report, and Environmental, Social and Governance 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 IFRS Accounting Standards with the IAS 29 directive issued by the Institute of Chartered Accountants, Ghana (ICAG) 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.

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.

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/2024/028)
Chartered Accountants
Accra, Ghana
17 July 2024

pwc

SEPARATE STATEMENT OF FINANCIAL POSITION
(All amounts are in thousands of Ghana cedis)

	Note	As at 31 December 2023	2022
Assets			
Investment in subsidiaries	7	**317,033**	317,033
Property and equipment	9	**10,141**	11,041
Investment securities	11	**71,210**	15,435
Related party loan	12	**12,632**	15,461
Prepayments	15	**104**	928
Due from related party	12	**131,819**	131,819
Growth and sustainability levy assets	18	**193**	-
Cash and bank balances	20	**62,021**	56,125
Total assets		**605,153**	547,842
Equity			
Stated capital	21	**258,886**	258,886
Retained earnings	21	**282,857**	241,466
Total equity		**541,743**	500,352
Liabilities			
Lease liabilities	24	**12,482**	12,488
Trade and other payables	27	**26,328**	10,402
Due to related parties	12	**21,933**	21,933
Current tax liabilities	19	**2,667**	2,667
Total liabilities		**63,410**	47,490
Total equity and liabilities		**605,153**	547,842

The notes on pages 21 to 126 form an integral part of these financial statements.

The financial statements on pages 14 to 126 were approved by the Board of Directors on 28 June 2024 and signed on their behalf by:

Name of Director: Martin Eson-Benjamin **Name of Director:** Michael Tyson

Signature: **Signature:**

CONSOLIDATED STATEMENT OF FINANCIAL POSITION
(All amounts are in thousands of Ghana cedis)

	Notes	At 31 December 2023	At 31 December 2022 (Restated)	At 1 January 2022 (Restated)
Assets				
Deferred tax assets	6	**34,147**	7,498	13,102
Investment properties	8	**521,005**	471,621	300,934
Property and equipment	9	**90,377**	89,841	78,209
Intangible assets	10	**101**	75	85
Investment securities	11	**1,680,196**	1,477,191	1,411,303
Inventories	13	**1,451**	1,477	947
Trade and other receivables	14	**99,609**	70,659	60,168
Prepayments	15	**435**	6,157	3,490
Reinsurance contract assets	16	**159,451**	96,749	62,647
Due from re-insurers	17	**15,544**	9,792	11,782
Growth and sustainability levy assets	18	**4,844**	3,786	2,016
Current tax assets	19	**5,794**	4,525	1,382
Cash and bank balances	20	**427,038**	252,046	259,509
Total assets		**3,039,992**	2,491,417	2,205,574
Equity				
Stated capital	21	**258,886**	258,886	258,886
Deposit for shares	21	**-**	996	996
Retained earnings	21	**640,806**	571,665	527,996
Foreign currency translation reserve	21	**(7,878)**	14,490	(9,626)
Contingency reserve	21	**141,662**	110,938	87,873
Statutory reserve	21	**15,799**	12,007	9,201
Equity attributable to owners		**1,049,275**	968,982	875,326
Non-controlling interest	22	**375,130**	335,755	341,722
Total equity		**1,424,405**	1,304,737	1,217,048
Liabilities				
Insurance contract liabilities	23	**1,268,836**	907,216	742,654
Reinsurance contract liabilities	16	**1,092**	-	357
Investment contract liabilities	26	**7,506**	3,746	822
Deferred tax liabilities	6	**67,194**	17,751	3,326
Lease liabilities	24	**12,315**	17,143	13,323
Borrowings	25	**-**	511	26,123
Trade and other payables	27	**172,906**	161,927	129,081
Due to re-insurers	17	**14,100**	15,058	18,028
Due to related parties	12	**48,828**	52,668	47,420
Growth and sustainability levy liabilities	18	**1,288**	-	296
Current tax liabilities	19	**21,522**	10,660	7,096
Total liabilities		**1,615,587**	1,186,680	988,526
Total equity and liabilities		**3,039,992**	2,491,417	2,205,574

The notes on pages 21 to 126 form an integral part of these financial statements.

SEPARATE AND CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME

(All amounts are in thousands of Ghana cedis)

	Notes	Year ended 31 December The Company 2023	2022	Year ended 31 December The Group 2023	2022 (Restated)
Investment income	28	**81,555**	75,292	**288,376**	283,567
Fair value gain on valuation of investment properties	8	**-**	-	**47,669**	171,982
Investment expenses	39	**-**	-	**(5,450)**	(4,383)
Net investment income		**81,555**	75,292	**330,595**	451,166
Insurance revenue	29	**-**	-	**1,213,039**	979,667
Insurance service expense	30	**-**	-	**(806,792)**	(544,440)
Net expense from reinsurance contracts held	37	**-**	-	**(215,433)**	(173,923)
Insurance service result		**-**	-	**190,814**	261,304
Reinsurance income	31	**-**	-	**3,284**	3,320
Insurance service result after reinsurance		**-**	-	**194,098**	264,624
Net insurance finance expense	2.13	**-**	-	**(118,801)**	(119,896)
Net insurance service result		**-**	-	**75,297**	144,728
Other revenue	32	**-**	-	**112,049**	84,382
Other income	33	**4,261**	12,747	**31,131**	49,316
Net income		**85,816**	88,039	**549,072**	729,592
Finance costs	34	**(2,609)**	(13,928)	**(3,892)**	(27,777)
Impairment charge on investment securities	35	**(127)**	(2,689)	**(23,990)**	(328,851)
Operating expenses	36	**(27,941)**	(21,909)	**(248,013)**	(198,962)
Net expenses		**(30,677)**	(38,526)	**(275,895)**	(555,590)
Profit before tax		**55,139**	49,513	**273,177**	174,002
Growth and sustainability levy	18	**(1,034)**	-	**(13,613)**	(7,049)
Income tax expense	19	**-**	-	**(66,425)**	(51,466)
Profit for the year		**54,105**	49,513	**193,139**	115,487
Other comprehensive income					
Items that may be reclassified to profit or loss:					
Foreign operations - translation difference		**-**	-	**(21,606)**	24,251
Total comprehensive income for the year		**54,105**	49,513	**171,533**	139,738
Profit attributable to:					
Owners of Enterprise Group Plc		**54,105**	49,513	**116,371**	82,254
Non-controlling interest		**-**	-	**76,768**	33,233
		54,105	49,513	**193,139**	115,487
Total comprehensive income attributable to:					
Owners of Enterprise Group Plc		**54,105**	49,513	**94,003**	106,370
Non-controlling interest		**-**	-	**77,530**	33,368
		54,105	49,513	**171,533**	139,738
Earnings per share					
Basic (GH¢ per share)		**0.317**	0.290	**0.681**	0.481
Diluted (GH¢ per share)		**0.317**	0.290	**0.681**	0.481

The notes on pages 21 to 126 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 2023	**Stated capital**	**Deposit for shares**	**Retained earnings**	**Foreign currency translation reserve**	**Contingency reserve**	**Statutory reserve**	**Non-controlling interest**	**Total equity**
Balance at 1 January 2023	258,886	996	571,665	14,490	110,938	12,007	335,755	**1,304,737**
Profit for the year	-	-	116,371	-	-	-	76,768	**193,139**
Currency translation difference	-	-	-	(22,368)	-	-	762	**(21,606)**
Total comprehensive income	**-**	**-**	**116,371**	**(22,368)**	**-**	**-**	**77,530**	**171,533**
Statutory transfers:								
Transfer to statutory reserve	-	-	(3,792)	-	-	3,792	-	-
Transfer to contingency reserve	-	-	(30,724)	-	30,724	-	-	-
	-	**-**	**(34,516)**	**-**	**30,724**	**3,792**	**-**	**-**
Transactions with owners of the Company:								
Dividend from subsidiaries								
- Dividends to non-controlling interest - ELAC	-	-	-	-	-	-	(32,000)	**(32,000)**
- Dividends to non-controlling interest – ETL	-	-	-	-	-	-	(3,400)	**(3,400)**
- Dividends to non-controlling interest - EIC	-	-	-	-	-	-	(3,751)	**(3,751)**
Transfer from deposit for shares	-	(996)	-	-	-	-	996	-
Dividend declared by the Company	-	-	(12,714)	-	-	-	-	**(12,714)**
Total transactions with owners of the Company	**-**	**(996)**	**(12,714)**	**-**	**-**	**-**	**(38,155)**	**(51,865)**
Balance at 31 December 2023	**258,886**	**-**	**640,806**	**(7,878)**	**141,662**	**15,799**	**375,130**	**1,424,405**

The notes on pages 21 to 126 are 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 (Restated)

	Stated capital	Deposit for shares	Retained earnings	Foreign currency translation reserve	Contingency reserve	Statutory reserve	Non-controlling interest	Total equity
Balance at 1 January 2022 as previously stated	258,886	996	297,017	(9,734)	87,873	9,201	190,156	834,395
Adjustment on initial application of IFRS 17	-	-	230,979	108	-	-	151,566	382,653
Balance at 1 January 2022 Restated	258,886	996	527,996	(9,626)	87,873	9,201	341,722	1,217,048
Total comprehensive income								
Profit for the year	-	-	82,254	-	-	-	33,233	115,487
Currency translation difference	-	-	-	24,116	-	-	135	24,251
Total comprehensive income	-	-	82,254	24,116	-	-	33,368	139,738
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	571,665	14,490	110,938	12,007	335,755	1,304,737

The notes on pages 21 to 126 are 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 2023

	Stated capital	Retained earnings	Total equity
Balance at 1 January 2023	258,886	241,466	**500,352**
Profit for the year	-	54,105	**54,105**
Total comprehensive income	-	54,105	**54,105**
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 2023	**258,886**	**282,857**	**541,743**

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

The notes on pages 21 to 126 are an integral part of these financial statements.

SEPARATE AND CONSOLIDATED STATEMENTS OF CASH FLOWS
(All amounts are in thousands of Ghana cedis)

		Year ended 31 December		Year ended 31 December	
		The Company		The Group	
	Note	2023	2022	2023	2022
Cash flows from operating activities					(Restated)
Cash generated from operations	40	**73,849**	73,275	**508,618**	536,827
Interest paid on lease liabilities	24	**(417)**	(1,884)	**(1,033)**	(2,541)
Interest paid on borrowings	25	**-**	-	**(260)**	(43,299)
Interest received on related party loan	12	**761**	-	**-**	-
Income tax paid	19	**-**	-	**(34,046)**	(31,025)
Growth and sustainability levy paid	18	**(1,227)**	-	**(13,383)**	(9,115)
Net cash generated from operating activities		**72,966**	71,391	**459,896**	450,847
Cash flows from investing activities					
Net redemption/(acquisition) of investment securities (excluding with original maturities of 91 days)	11	**1,965**	816	**176,078**	(404,081)
Acquisition of investment property	8	**-**	-	**(1,715)**	-
Acquisition of property and equipment (excluding right-of-use assets)	9	**(3,515)**	(2,854)	**(20,777)**	(21,414)
Proceeds from sale of property and equipment	9	**1,014**	-	**1,484**	245
Proceeds from related party loan	12	**4,065**	-	**-**	-
Loan disbursed to related party	12	**-**	(21,882)	**-**	-
Purchase of intangible assets	10	**-**	-	**(64)**	(21)
Net cash used in investing activities		**3,529**	(23,920)	**155,006**	(425,271)
Cash flows from financing activities					
Dividends paid to non-controlling interest	43	**-**	-	**(43,977)**	(34,509)
Dividends paid to equity shareholders	43	**(12,714)**	(12,714)	**(12,714)**	(12,714)
Repayment of loan principal	25	**-**	-	**(254)**	(2,320)
Prepaid lease	24	**-**	-	**-**	(4,006)
Principal lease payments	24	**(806)**	(10,707)	**(5,806)**	(1,565)
Net cash used in financing activities		**(13,520)**	(23,421)	**(62,751)**	(55,114)
Net increase in cash and cash equivalents		**62,975**	24,050	**552,151**	(29,538)
Cash and cash equivalents at beginning of year		**56,125**	32,075	**252,046**	259,509
Effects of exchange rate movements on translation of foreign operations		**-**	-	**(14,522)**	22,075
Cash and cash equivalents at end of year		**119,100**	56,125	**789,675**	252,046

Cash and cash equivalents for the purpose of statements of cash flows comprise:

		The Company		The Group	
		2023	2022	2023	2022
Cash and bank balances	20	**62,021**	56,125	**427,038**	252,046
Investments securities with original maturities of 91 days	11	**57,079**	-	**362,637**	-
Cash and cash equivalents for cash flows purposes		**119,100**	56,125	**789,675**	252,046

The notes on pages 21 to 126 are 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 2023. The Company is listed on the Ghana Stock Exchange.

2. Summary of material accounting policies

The material 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 as issued by the International Accounting Standards Board ("IFRS Accounting Standards") with the IAS 29 directive issued by the Institute of Chartered Accountants, Ghana (ICAG) and in the manner required by the Companies Act, 2019 (Act 992).

The ICAG issued a directive in November 2023 to accountants in business and accountants in practice, together with an update in January 2024 on the application of IAS 29 in Ghana. The ICAG asserts in the directive that based on its analysis of the quantitative and qualitative indicators referred to in IAS 29, Ghana was not a hyperinflationary economy as of December 2023, therefore, IAS 29 will not be applicable for December 2023 financial reporting period. In compliance with the directive, the financial statements of the Group, including the comparative figures, have not been stated in terms of the measuring unit current at the end of the reporting period.

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 insurance contract liabilities which is 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 Accounting Standards 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 2023.

(i) IFRS 17 Insurance Contracts

The IASB issued IFRS 17, 'Insurance contracts', and thereby started a new epoch of accounting for insurers. Whereas the current standard, IFRS 4, allows insurers to use their local GAAP, IFRS 17 defines clear and consistent rules that will significantly increase the comparability of financial statements. For insurers, the transition to IFRS 17 will have an impact on financial statements and on key performance indicators.

NOTES (continued)

2. Summary of material accounting policies (continued)

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

(i) IFRS 17 Insurance Contracts (continued)

Under IFRS 17, the general model requires entities to measure an insurance contract at initial recognition at the total of the fulfilment cash flows (comprising the estimated future cash flows, an adjustment to reflect the time value of money and an explicit risk adjustment for non-financial risk) and the contractual service margin. The fulfilment cash flows are remeasured on a current basis each reporting period. The unearned profit (contractual service margin) is recognised over the coverage period.

Aside from this general model, the standard provides, as a simplification, the premium allocation approach. This simplified approach is applicable for certain types of contract, including those with a coverage period of one year or less.

For insurance contracts with direct participation features, the variable fee approach applies. The variable fee approach is a variation on the general model. When applying the variable fee approach, the entity's share of the fair value changes of the underlying items is included in the contractual service margin. As a consequence, the fair value changes are not recognised in profit or loss in the period in which they occur but over the remaining life of the contract.

The Group has initially applied IFRS 17, including any consequential amendments to other standards, from 1 January 2023. These standards have brought significant changes to the accounting for insurance contracts and financial instruments. As a result, the Group has restated certain comparative amounts and presented a third statement of financial position as at 1 January 2022. Note 48 discloses the impact of the transition to IFRS 17 on the Group's reported financial position and financial performance, including the transition approach used in the Group's financial statements as at 1 January 2022.

(ii) 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 International Accounting Standards Board ("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.

(iii) 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, but changes in accounting policies are generally applied retrospectively to past transactions and other past events as well as the current period.

(iv) 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.

NOTES (continued)

2. Summary of material accounting policies (continued)

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

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

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.

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 2023 reporting periods and have not been early adopted by the Group

(i) 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 expectations of the entity or events after the reporting date (e.g. the receipt of a waiver 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. These amendments are effective for periods beginning on or after 1 January 2024.

(ii) Lease Liability in a Sale and Leaseback – Amendments to IFRS 16

In September 2022, the IASB finalised narrow-scope amendments to the requirements for sale and leaseback transactions in IFRS 16 *Leases* which explain how an entity accounts for a sale and leaseback after the date of the transaction. The amendments specify that, in measuring the lease liability subsequent to the sale and leaseback, the seller-lessee determines 'lease payments' and 'revised lease payments' in a way that does not result in the seller-lessee recognising any amount of the gain or loss that relates to the right of use that it retains. This could particularly impact sale and leaseback transactions where the lease payments include variable payments that do not depend on an index or a rate. These amendments are effective for periods beginning on or after 1 January 2024.

(iii) Supplier finance arrangements – Amendments to IAS 7 and IFRS 7

The IASB has issued new disclosure requirements about supplier financing arrangements ('SFAs'), after feedback to an IFRS Interpretations Committee agenda decision highlighted that the information required by IAS 7 *Statement of Cash Flows* and IFRS 7 *Financial Instruments: Disclosures* falls short of meeting user information needs. The objective of the new disclosures is to provide information about SFAs that enables investors to assess the effects on an entity's liabilities, cash flows and the exposure to liquidity risk. The new disclosures include information about the following:

The terms and conditions of SFAs.
- The carrying amounts of financial liabilities that are part of SFAs and the line items in which those liabilities are presented.
- The carrying amount of the financial liabilities in (b) for which suppliers have already received payment from the finance providers.
- The range of payment due dates for both the financial liabilities that are part of SFAs, and comparable trade payables that are not part of such arrangements.
- Non-cash changes in the carrying amounts of financial liabilities in (b).
- Access to SFA facilities and concentration of liquidity risk with finance providers.

NOTES (continued)

2. Summary of material accounting policies (continued)

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

(iii) Supplier finance arrangements – Amendments to IAS 7 and IFRS 7 (continued)

The IASB has provided transitional relief by not requiring comparative information in the first year, and also not requiring disclosure of specified opening balances. Further, the required disclosures are only applicable for annual periods during the first year of application. Therefore, the earliest that the new disclosures will have to be provided is in annual financial reports for December 2024 year-ends, unless an entity has a financial year of less than 12 months. These amendments are effective for periods beginning on or after 1 January 2024.

(iv) 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.

In December 2015, the IASB decided to defer the application date of this amendment until such time as the IASB has finalised its research project on the equity method.

NOTES (continued)

2. Summary of material 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. Subsidia ries 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 material 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 material 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 profit or loss.

Foreign exchange gains and losses that relate to borrowings and lease liabilities are presented in the statement of profit or loss, within "finance costs"/"finance income" in profit or loss. All other foreign exchange gains and losses are presented in the statement of profit or loss on a net basis within "other income"/"other 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.

NOTES (continued)

2. Summary of material 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 material 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 material 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 material 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 material 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 on 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 material 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 material 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 the ir 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 exch ange 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 reclassificati on 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 and FVOCI For debt investments, the Group applies the general approach to determine the ECL.

NOTES (continued)

2. Summary of material accounting policies (continued)

2.9 Financial assets and financial liabilities (continued)

Financial assets (continued)

(iv) Impairment (continued)

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.

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 material 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 have been grouped based on shared credit risk characteristics and the days past due. 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 2023 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 material 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 Accounting 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 material 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 initially at their fair value and subsequently measured at amortised cost using the effective interest method.

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

The Group has subsidiaries which issue life, non-life and health insurance products.

The Group uses the General Measurement Model (GMM), the Variable Fee Approach (VFA) and where applicable the Premium Allocation Approach (PAA) for its products which have contract boundary is less than or equal to 12 months. When recognising insurance revenue, the PAA is broadly similar to the Group's previous accounting treatment under IFRS 4. However, when measuring liabilities for incurred claims, the Group now discounts cash flows and includes an explicit risk adjustment for non-financial risk.

2.13.1 Definition and classification

Insurance contracts are contracts under which the Group accepts significant insurance risk from a policyholder by agreeing to compensate the policyholder if a specified uncertain future event adversely affects the policyholder. In making this assessment, all substantive rights and obligations, including those arising from law or regulation, are considered on a contract-by-contract basis. The Group uses judgement to assess whether a contract transfers insurance risk (that is, if there is a scenario with commercial substance in which the Group has the possibility of a loss on a present value basis) and whether the accepted insurance risk is significant.

Contracts that have a legal form of insurance but do not transfer significant insurance risk and expose the Group to financial risk are classified as investment contracts, and they follow financial instruments accounting under IFRS 9.

Once a contract has been classified as an insurance contract, the classification remains unchanged for the remainder of its lifetime, even if the insurance risk reduces significantly during the coverage period, unless the terms of the contract are modified.

NOTES (continued)

2. Summary of material accounting policies (continued)

2.13 Insurance contracts (continued)

2.13.1 Definition and classification (continued)

In the normal course of business, the Group uses reinsurance to mitigate its risk exposures. A reinsurance contract transfers significant risk if it transfers substantially all of the insurance risk resulting from the insured portion of the underlying insurance contracts, even if it does not expose the reinsurer to the possibility of a significant loss.

All references to insurance contracts in these financial statements apply to insurance contracts issued and reinsurance contracts held.

Unit of account

The Group manages insurance contracts issued by product lines within an operating segment, where each product line includes contracts that are subject to similar risks. All insurance contracts within a product line represent a portfolio of contracts. Each portfolio is further disaggregated into groups of contracts that are issued within a calendar year (annual cohorts) and are:

- contracts that are onerous at initial recognition;
- contracts that at initial recognition have no significant possibility of becoming onerous subsequently; or
- a group of remaining contracts.

These groups represent the level of aggregation at which insurance contracts are initially recognised and measured. Such groups are not subsequently reconsidered.

For each portfolio of contracts, the Group determines the appropriate level at which reasonable and supportable information is available, to assess whether these contracts are onerous at initial recognition and whether non-onerous contracts have a significant possibility of becoming onerous. This level of granularity determines sets of contracts. The Group uses significant judgement to determine at what level of granularity the Group has reasonable and supportable information that is sufficient to conclude that all contracts within a set are sufficiently homogeneous and will be allocated to the same group without performing an individual contract assessment. Where no such information is identified, insurance contracts are allocated to a group on the basis of a contract-by-contract review.

For Life Risk and Savings product lines, sets of contracts usually correspond to policyholder pricing groups that the Group determined to have similar insurance risk and that are priced within the same insurance rate ranges. The Group monitors the profitability of contracts within portfolios and the likelihood of changes in insurance, financial and other exposures resulting in these contracts becoming onerous at the level of these pricing groups with no information available at a more granular level.

Portfolios of reinsurance contracts held are assessed for aggregation separately from portfolios of insurance contracts issued. Applying the grouping requirements to reinsurance contracts held, the Group aggregates reinsurance contracts held concluded within a calendar year (annual cohorts) into groups of:

- contracts for which there is a net gain at initial recognition, if any;
- contracts for which, at initial recognition, there is no significant possibility of a net gain arising subsequently; and
- remaining contracts in the portfolio, if any.

Reinsurance contracts held are assessed for aggregation requirements on an individual contract basis.

The Group tracks internal management information reflecting historical experiences of such contracts' performance. This information is used for setting pricing of these contracts such that they result in reinsurance contracts held in a net cost position without a significant possibility of a net gain arising subsequently.

NOTES (continued)

2. Summary of material accounting policies (continued)

2.13 Insurance contracts (continued)

2.13.1 Definition and classification (continued)

Before the Group accounts for an insurance contract based on the guidance in IFRS 17, it analyses whether the contract contains components that should be separated. IFRS 17 distinguishes three categories of components that have to be accounted for separately:

- cash flows relating to embedded derivatives that are required to be separated;
- cash flows relating to distinct investment components; and
- promises to transfer distinct goods or distinct services other than insurance contract services.

The Group applies IFRS 17 to all remaining components of the contract. The Group does not have any contracts that require further separation or combination of insurance contracts.

2.13.2 Recognition and measurement of insurance contracts

Initial recognition

Groups of insurance contracts issued are initially recognised from the earliest of the following:

- the beginning of the coverage period;
- the date when the first payment from the policyholder is due or actually received, if there is no due date; and
- when the Group determines that a group of contracts becomes onerous.

Insurance contracts acquired in a business combination within the scope of IFRS 3 or a portfolio transfer are accounted for as if they were entered into at the date of acquisition or transfer.

Reinsurance contracts held are recognised as follows:

- group of reinsurance contracts held that provide proportionate coverage (quota share reinsurance) is recognised at the later of:

  i. the beginning of the coverage period of the group; and
  ii. the initial recognition of any underlying insurance contract.

- all other groups of reinsurance contracts held are recognised from the beginning of the coverage period of the group of reinsurance contracts held;

unless the Group entered into the reinsurance contract held at or before the date when an onerous group of underlying contracts is recognised prior to the beginning of the coverage period of the group of reinsurance contracts held, in which case the reinsurance contract held is recognised at the same time as the group of underlying insurance contracts is recognised.

Only contracts that individually meet the recognition criteria by the end of the reporting period are included in the groups. When contracts meet the recognition criteria in the groups after the reporting date, they are added to the groups in the reporting period in which they meet the recognition criteria, subject to the annual cohorts restriction. Composition of the groups is not reassessed in subsequent periods.

Accounting for contract modification and derecognition

An insurance contract is derecognised when it is:

- extinguished (that is, when the obligation specified in the insurance contract expires or is discharged or cancelled); or
- the contract is modified and additional criteria discussed below are met.

NOTES (continued)

2. Summary of material accounting policies (continued)

2.13 Insurance contracts (continued)

2.13.2 Recognition and measurement of insurance contracts (continued)

When an insurance contract is modified by the Group as a result of an agreement with the counterparties or due to a change in regulations, the Group treats changes in cash flows caused by the modification as changes in estimates of the expected Fulfilment Cash Flows ("FCF"), unless the conditions for the derecognition of the original contract are met. The Group derecognises the original contract and recognises the modified contract as a new contract if any of the following conditions are present:

a. If the modified terms had been included in the contract at its inception:
   i. The modified contract would not have been within scope of IFRS 17;
   ii. The Group would have separated different components from the host contract, resulting in different reinsurance components to which IFRS 17 is applied;
   iii. The modified contract would have a different contract boundary;
   iv. The modified contract would have been in a different group

b. the original contract represents an insurance contract with direct participation features, but the modified contract no longer meets that definition, or vice versa; or

c. the original contract was accounted for under the PAA, but the modification means that the contract no longer meets the eligibility criteria for that approach.

When a new contract is required to be recognised as a result of modification and it is within the scope of IFRS 1 the new contract is recognised from the date of modification and is assessed for, amongst other things, contract classification, including the VFA eligibility, component separation requirements (and contract aggregation requirements.

When an insurance contract not accounted for under the PAA is derecognised from within a group of insurance contracts, the Group:

a. adjusts the FCF to eliminate the present value of future cash flows and risk adjustment for non-financial risk relating to the rights and obligations removed from the group;

b. adjusts the CSM (unless the decrease in the FCF is allocated to the loss component of the LRC of the group) in the following manner, depending on the reason for the derecognition:

   i. if the contract is extinguished, in the same amount as the adjustment to the FCF relating to future service;
   ii. if the contract is transferred to a third party, in the amount of the FCF adjustment in (a) less the premium charged by the third party; or
   iii. if the original contract is modified resulting in its derecognition, in the amount of the FCF adjustment in (1) adjusted for the premium that the Group would have charged if it had entered into a contract with equivalent terms as the new contract at the date of the contract modification, less any additional premium charged for the modification; when recognising the new contract in this case, the Group assumes such a hypothetical premium as actually received; and

c. adjusts the number of coverage units for the expected remaining insurance contract services, to reflect the number of coverage units removed.

NOTES (continued)

2. Summary of material accounting policies (continued)

2.13 Insurance contracts (continued)

2.13.2 Recognition and measurement of insurance contracts (continued)

When an insurance contract accounted for under the PAA is derecognised, adjustments to the FCF to remove related rights and obligations and account for the effect of the derecognition result in the following amounts being charged immediately to profit or loss:

- if the contract is extinguished, any net difference between the derecognised part of the Liability for Remaining Coverage (LRC) of the original contract and any other cash flows arising from extinguishment;
- if the contract is transferred to the third party, any net difference between the derecognised part of the LRC of the original contract and the premium charged by the third party;
- if the original contract is modified resulting in its derecognition, any net difference between the
- derecognised part of the LRC and the hypothetical premium the entity would have charged had it entered into a contract with equivalent terms as the new contract at the date of the contract modification, less any additional premium charged for the modification.

2.13.3 Measurement

2.13.3.1 Fulfilment of cash flows

Fulfilment cash flows within the contract boundary

The FCF are the current estimates of the future cash flows within the contract boundary of a group of contracts that the Group expects to collect from premiums and pay out for claims, benefits and expenses, adjusted to reflect the timing and the uncertainty of those amounts

The estimates of future cash flows:

- are based on a probability-weighted mean of the full range of possible outcomes;
- are determined from the perspective of the Group, provided that the estimates are consistent with observable market prices for market variables; and
- reflect conditions existing at the measurement date.

An explicit risk adjustment for non-financial risk is estimated separately from the other estimates. For contracts measured under the PAA, unless the contracts are onerous, the explicit risk adjustment for non-financial risk is only estimated for the measurement of the LIC.

The estimates of future cash flows are adjusted using the current discount rates to reflect the time value of money and the financial risks related to those cash flows, to the extent not included in the estimates of cash flows. The discount rates reflect the characteristics of the cash flows arising from the groups of insurance contracts, including timing, currency and liquidity of cash flows. The determination of the discount rate that reflects the characteristics of the cash flows and liquidity characteristics of the insurance contracts requires significant judgement and estimation.

The Group estimates certain FCF at the portfolio level or higher and then allocates such estimates to groups of contracts.

The Group uses consistent assumptions to measure the estimates of the present value of future cash flows for the group of reinsurance contracts held and such estimates for the groups of underlying insurance contracts.

NOTES (continued)

2. Summary of material accounting policies (continued)

2.13 Insurance contracts (continued)

2.13.3 Measurement (continued)

2.13.3.2 Contract boundary

The Group uses the concept of contract boundary to determine what cash flows should be considered in the measurement of groups of insurance contracts.

Cash flows are within the boundary of an insurance contract if they arise from the rights and obligations that exist during the period in which the policyholder is obligated to pay premiums or the Group has a substantive obligation to provide the policyholder with insurance contract services. A substantive obligation ends when:

- the Group has the practical ability to reprice the risks of the particular policyholder or change the level of benefits so that the price fully reflects those risks; or
- both of the following criteria are satisfied:
  - the Group has the practical ability to reprice the contract or a portfolio of contracts so that the price fully reflects the reassessed risk of that portfolio; and
  - the pricing of premiums up to the date when risks are reassessed does not reflect the risks related to periods beyond the reassessment date.

In assessing the practical ability to reprice, risks transferred from the policyholder to the Group, such as insurance risk and financial risk, are considered; other risks, such as lapse or surrender and expense risk, are not included.

Riders, representing add-on provisions to a basic insurance policy that provide additional benefits to the policyholder at additional cost, that are issued together with the main insurance contracts form part of a single insurance contract with all of the cash flows within its boundary.

Some insurance contracts issued by the Group provide policyholders with an option to buy an annuity on the initially issued policies' maturity. The Group assesses its practical ability to reprice such insurance contracts in their entirety to determine if annuity-related cash flows are within or outside the insurance contract boundary. As a result of this assessment, non-guaranteed annuity options are not measured by the Group until they are exercised.

Cash flows outside the insurance contracts boundary relate to future insurance contracts and are recognised when those contracts meet the recognition criteria.

For groups of reinsurance contracts held, cash flows are within the contract boundary if they arise from substantive rights and obligations of the Group that exist during the reporting period in which the Group is compelled to pay amounts to the reinsurer or in which the Group has a substantive right to receive insurance contract services from the reinsurer.

The Group's quota share life reinsurance agreements held have an unlimited duration but are cancellable for new underlying business with a one-year notice period by either party. Thus, the Group treats such reinsurance contracts as a series of annual contracts that cover underlying business issued within a year. Estimates of future cash flows arising from all underlying contracts issued and expected to be issued within the reinsurance contracts' one-year boundary are included in the measurement of the reinsurance contracts.

The excess of loss reinsurance contracts held provides coverage for claims incurred during an accident year. Thus, all cash flows arising from claims incurred and expected to be incurred in the accident year are included in the measurement of the reinsurance contracts held. Some of these contracts might include mandatory or voluntary reinstatement reinsurance premiums, which are guaranteed per the contractual arrangements and are thus within the respective reinsurance contracts' boundaries.

Cash flows that are not directly attributable to a portfolio of insurance contracts, such as some product development and training costs, are recognised in other operating expenses as incurred.

NOTES (continued)

2. Summary of material accounting policies (continued)

2.13 Insurance contracts (continued)

2.13.3 Measurement (continued)

2.13.3.3 Insurance acquisition costs

The Group defines acquisition cash flows as cash flows that arise from costs of selling, underwriting and starting a group of insurance contracts (issued or expected to be issued) and that are directly attributable to the portfolio of insurance contracts to which the group belongs.

Insurance acquisition cash flows are allocated to groups of insurance contracts on a systematic and rational basis. Insurance acquisition cash flows that are directly attributable to a group of insurance contracts are allocated:

i. to that group; and
ii. to groups that will include insurance contracts that are expected to arise from renewals of the insurance contracts in that group.

Insurance acquisition cash flows not directly attributable to a group of contracts but directly attrib utable to a portfolio of contracts are allocated to groups of contracts in the portfolio or expected to be in the portfolio.

Before a group of insurance contracts is recognised, the Group could pay (or recognise a liability, applying a standard other than IFRS 17) for directly attributable acquisition costs to originate them. Such balances are recognised as insurance acquisition cash flows assets within the carrying amount of insurance contracts issued and are subsequently derecognised (in full or to the extent that insurance contracts expected to be in the group have been recognised at that date) when respective groups of insurance contracts are recognised and the insurance acquisition cash flows are included in the group's measurement. The amounts allocat ed to groups of insurance contracts yet to be recognised are revised at each reporting date, to reflect any changes in assumptions that determine the inputs to the method of allocation used.

Insurance acquisition cash flows assets not yet allocated to a group are assessed for recoverability if facts and circumstances indicate that the assets might be impaired. Impairment losses reduce the carrying amount of these assets and are recognised in insurance service expenses. Previously recognised impairment loss es are reversed to the extent that the impairment conditions no longer exist or have improved.

2.13.3.4 Other pre-recognition cash flows within the contract boundary

Before a group of insurance contracts is recognised, the Group could recognise assets or liabilities for cash flows related to a group of insurance contracts other than insurance acquisition cash flows, either because of the occurrence of the cash flows or because of the requirements of another IFRS Accounting Standards. Cash flows are related to the group of insurance contracts if they would have been included in the FCF at initial recognition of the group if they had been paid or received after that date. Such assets or liabilities (referred to as 'other pre-recognition cash flows') are included in the carrying amount of the related portfolios of insurance contracts issued or in the carrying amount of the portfolios of reinsurance contracts held.

2.13.3.5 Risk adjustment for non-financial risk

The risk adjustment for non-financial risk is applied to the present value of the estimated future cash flows, and it reflects the compensation that the Group requires for bearing the uncertainty about the amount an d timing of the cash flows from non-financial risk as the Group fulfils insurance contracts.

For reinsurance contracts held, the risk adjustment for non-financial risk represents the amount of risk being transferred by the Group to the reinsurer.

NOTES (continued)

2. Summary of material accounting policies (continued)

2.13 Insurance contracts (continued)

2.13.3 Measurement (continued)

2.13.3.6 Initial and subsequent measurement

a) Groups of contracts measured under the PAA

The Group uses the PAA for measuring insurance contracts where:

- the coverage period of the contracts is one year or less; or
- the Group has determined that the LRC measured under the PAA for a group of reinsurance contracts would not differ materially from the LRC measured under the GMM.

Initial recognition

For insurance contracts issued, on initial recognition, the Group measures the LRC at

i. the amount of premiums received;
ii. less any acquisition cash flows paid; and
iii. any amounts arising from the derecognition of the insurance acquisition cash flows asset and
iv. the derecognition of any other relevant pre-recognition cash flows.

Subsequent measurement

The carrying amount of a group of insurance contracts issued at the end of each reporting period is the sum of:

- the LRC; and
- the LIC, comprising the FCF related to past service allocated to the group at the reporting date.

The carrying amount of a group of reinsurance contracts held at the end of each reporting period is the sum of:

- the remaining coverage; and
- the incurred claims, comprising the FCF related to past service allocated to the group at the reporting date.

At each of the subsequent reporting dates, the LRC is:

- increased for premiums received in the period, excluding amounts that relate to premium receivables included in the LIC;
- decreased for insurance acquisition cash flows paid in the period;
- decreased for the amounts of expected premium receipts recognised as insurance revenue for the services provided in the period; and
- increased for the amortisation of insurance acquisition cash flows in the period recognised as insurance service expenses.

For reinsurance contracts held, at each of the subsequent reporting dates, the remaining coverage is:

- increased for ceding premiums paid in the period;
- increased for broker fees paid in the period; and
- decreased for the expected amounts of ceding premiums and broker fees recognised as reinsurance expenses for the services received in the period.

The Group does not adjust the LRC for insurance contracts issued and the remaining coverage for reinsurance contracts held for the effect of the time value of money, because insurance premiums are due within the coverage period of contracts, which is one year or less.

The Group adjusts the remaining coverage for reinsurance contracts held for the effect of the risk of reinsurer's non-performance.

NOTES (continued)

2. Summary of material accounting policies (continued)

2.13 Insurance contracts (continued)

2.13.3 Measurement (continued)

2.13.3.6 Initial and subsequent measurement

a) Groups of contracts measured under the PAA (continued)

There are no investment components within insurance contracts issued that are measured under the PAA.

For contracts measured under the PAA, the LIC is measured similarly to the LIC's measurement under the GMM. Future cash flows are adjusted for the time value of money.

If facts and circumstances indicate that a group of insurance contracts measured under the PAA is onerous on initial recognition or becomes onerous subsequently, the Group increases the carrying amount of the LRC to the amounts of the FCF determined under the GMM with the amount of such an increase recognised in insurance service expenses, and a loss component is established for the amount of the loss recognised. Subsequently, the loss component is remeasured at each reporting date as the difference between the amounts of the FCF determined under the GMM relating to the future service and the carrying amount of the LRC without the loss component. Where applicable, resulting changes in the loss component are disaggregated between insurance service expenses and insurance finance income or expenses for the effect of the time value of money, financial risk and effect of changes therein.

When a loss is recognised on initial recognition of an onerous group of underlying insurance contracts or on addition of onerous underlying insurance contracts to that group, the carrying amount of the asset for remaining coverage for reinsurance contracts held measured under the PAA is increased by the amount of income recognised in profit or loss and a loss-recovery component is established or adjusted for the amount of income recognised. The referred income is calculated by multiplying the loss recognised on underlying insurance contracts by the percentage of claims on underlying insurance contracts that the Group expects to recover from the reinsurance contract held that are entered into before or at the same time as the loss is recognised on the underlying insurance contracts.

When underlying insurance contracts are included in the same group with insurance contracts issued that are not reinsured, the Group applies a systematic and rational method of allocation to determine the portion of losses that relates to underlying insurance contracts.

b) Groups of contracts not measured under the PAA

The Contractual Service Margin (CSM) is a component of the carrying amount of the asset or liability for a group of insurance contracts issued representing the unearned profit that the Group will recognise as it provides insurance contract services in the future.

At initial recognition, the CSM is an amount that results in no income or expenses unless a group of contracts is onerous or insurance revenue and insurance service expenses are recognised as in (d) below arising from:

a. the initial recognition of the FCF;
b. cash flows arising from the contracts in the group at that date;
c. the derecognition of any insurance acquisition cash flows asset; and
d. the derecognition of any other pre-recognition cash flows. Insurance revenue and insurance service expenses are recognised immediately for any such assets derecognised.

Initial recognition

When the above calculation results in a net outflow, the group of insurance contracts issued is onerous. A loss from onerous insurance contracts is recognised in profit or loss immediately, with no CSM recognised on the balance sheet on initial recognition, and a loss component is established in the amount of loss recognised (*refer to the "Onerous contracts – Loss component" section of the Group's accounting policy in this financial statements*).

NOTES (continued)

2. Summary of material accounting policies (continued)

2.13 Insurance contracts (continued)

2.13.3 Measurement (continued)

2.13.3.6 Initial and subsequent measurement (continued)

b) Groups of contracts not measured under the PAA (continued)

Initial recognition (continued)

For groups of reinsurance contracts held, any net gain or loss at initial recognition is recognised as the CSM unless the net cost of purchasing reinsurance relates to past events, in which case the Group recognises the net cost immediately in profit or loss. For reinsurance contracts held, the CSM represents a deferred gain or loss that the Group will recognise as a reinsurance expense as it receives insurance contract services from the reinsurer in the future and is calculated as the sum of:

a. the initial recognition of the FCF; and
b. cash flows arising from the contracts in the group at that date;
c. the amount derecognised at the date of initial recognition of any asset or liability previously recognised for cash flows related to the group of reinsurance contracts held (other pre-recognition cash flows); and
d. any income recognised in profit or loss when the Group recognises a loss on initial recognition of an onerous group of underlying insurance contracts or on addition of onerous underlying insurance contracts to that group.

A loss-recovery component is established or adjusted within the remaining coverage for reinsurance contracts held for the amount of income recognised in (d) above. This amount is calculated by multiplying the loss recognised on underlying insurance contracts by the percentage of claims on underlying insurance contracts that the Group expects to recover from the reinsurance contracts held that are entered into before or at the same time as the loss is recognised on the underlying insurance contracts.

When underlying insurance contracts are included in the same group with insurance contracts issued that are not reinsured, the Group applies a systematic and rational method of allocation to determine the portion of losses that relates to underlying insurance contracts.

For insurance contracts acquired in a portfolio transfer or a business combination within the scope of IFRS 3, at initial recognition, the CSM is an amount that results in no income or expenses arising from:

- the initial recognition of the FCF; and
- cash flows arising from the contracts in the group at that date, including the fair value of the groups of contracts acquired as at the acquisition date as a proxy of the premiums received.

No insurance contracts acquired were assessed as onerous at initial recognition. The Group did not acquire any reinsurance contracts held.

Subsequent measurement

The carrying amount at the end of each reporting period of a group of insurance contracts issued is the sum of:

a. the LRC, comprising:

   i. the FCF related to future service allocated to the group at that date; and
   ii. the CSM of the group at that date; and

b. the LIC, comprising the FCF related to past service allocated to the group at the reporting date.

NOTES (continued)

2. Summary of material accounting policies (continued)

2.13 Insurance contracts (continued)

2.13.3 Measurement (continued)

2.13.3.6 Initial and subsequent measurement (continued)

b) Groups of contracts not measured under the PAA (continued)

Subsequent measurement (continued)

The carrying amount at the end of each reporting period of a group of reinsurance contracts held is the sum of:

a. the remaining coverage, comprising:
   i. the FCF related to future service allocated to the group at that date; and
   ii. the CSM of the group at that date; and
b. the incurred claims, comprising the FCF related to past service allocated to the group at the reporting date.

Changes in fulfilment cash flows

The FCF are updated by the Group for current assumptions at the end of every reporting period, using the current estimates of the amount, timing and uncertainty of future cash flows and of discount rates.

The way in which the changes in estimates of the FCF are treated depends on which estimate is being updated:

- changes that relate to current or past service are recognised in profit or loss; and
- changes that relate to future service are recognised by adjusting the CSM or the loss component within the LRC as per the policy below.

For insurance contracts under the GMM, the following adjustments relate to future service and thus adjust the CSM:

a. experience adjustments – arising from premiums received in the period that relate to future service and related cash flows such as insurance acquisition cash flows and premium-based taxes;
b. changes in estimates of the present value of future cash flows in the LRC, except those described in the following paragraph;
c. differences between any investment component expected to become payable in the period and the actual investment component that becomes payable in the period, determined by comparing (i) the actual investment component that becomes payable in a period with (ii) the payment in the period that was expected at the start of the period plus any insurance finance income or expenses related to that expected payment before it becomes payable; and
d. changes in the risk adjustment for non-financial risk that relate to future service.

Adjustments (a), (b) and (d) above are measured using discount rates determined on initial recognition (the locked-in discount rates).

For insurance contracts under the GMM, the following adjustments do not adjust the CSM:

a. changes in the FCF for the effect of the time value of money and the effect of financial risk and changes thereof;
b. changes in the FCF relating to the LIC;
c. experience adjustments – arising from premiums received in the period that do not relate to future service and related cash flows, such as insurance acquisition cash flows and premium-based taxes; and
d. experience adjustments relating to insurance service expenses (excluding insurance acquisition cash flows).

NOTES (continued)

2. Summary of material accounting policies (continued)

2.13. Insurance contracts (continued)

2.13.3 Measurement (continued)

2.13.3.6 Initial and subsequent measurement (continued)

b) Groups of contracts not measured under the PAA (continued)

Changes in fulfilment cash flows (continued)

For insurance contracts under the VFA, the following adjustments relate to future service and thus adjust the CSM:

a. changes in the amount of the Group's share of the fair value of the underlying items; and
b. changes in the FCF that do not vary based on the returns of underlying items:

i. changes in the effect of the time value of money and financial risks including the effect of financial guarantees;
ii. experience adjustments arising from premiums received in the period that relate to future service and related cash flows, such as insurance acquisition cash flows and premium-based taxes;
iii. changes in estimates of the present value of future cash flows in the LRC, except those described in the following paragraph;
iv. differences between any investment component expected to become payable in the period and the actual investment component that becomes payable in the period, determined by comparing (i) the actual investment component that becomes payable in a period with (ii) the payment in the period that was expected at the start of the period plus any insurance finance income or expenses related to that expected payment before it becomes payable; and
v. changes in the risk adjustment for non-financial risk that relate to future service.

Adjustments (ii)-(v) are measured using the current discount rates.

For insurance contracts under the VFA, the following adjustments do not adjust the CSM:

a. changes in the obligation to pay the policyholder the amount equal to the fair value of the underlying items;
b. changes in the FCF that do not vary based on the returns of underlying items:

i. changes in the FCF relating to the LIC; and
ii. experience adjustments arising from premiums received in the period that do not relate to future service and related cash flows, such as insurance acquisition cash flows and premium-based taxes; and
iii. experience adjustments relating to insurance service expenses (excluding insurance acquisition cash flows).

The Group does not have any products with complex guarantees and does not use derivatives as economic hedges of the risks.

NOTES (continued)

2. Summary of material accounting policies (continued)

2.13 Insurance contracts (continued)

2.13.3 Measurement (continued)

2.13.3.6 Initial and subsequent measurement (continued)

b) Groups of contracts not measured under the PAA (continued)

Changes to the contractual service margin

For insurance contracts issued, at the end of each reporting period the carrying amount of the CSM is adjusted by the Group to reflect the effect of the following changes:

- The effect of any new contracts added to the group.
- For contracts measured under the GMM, interest accreted on the carrying amount of the CSM.
- Changes in the FCF relating to future service are recognised by adjusting the CSM. Changes in the FCF are recognised in the CSM to the extent that the CSM is available. When an increase in the FCF exceeds the carrying amount of the CSM, the CSM is reduced to zero, the excess is recognised in insurance service expenses and a loss component is recognised within the LRC. When the CSM is zero, changes in the FCF adjust the loss component within the LRC with correspondence to insurance service expenses. The excess of any decrease in the FCF over the loss component reduces the loss component to zero and reinstates the CSM.
- The effect of any currency exchange differences.
- The amount recognised as insurance revenue for insurance contract services provided during the period, determined after all other adjustments above.

For reinsurance contracts held, at the end of each reporting period, the carrying amount of the CSM is adjusted by the Group to reflect the effect of the following changes:

- The effect of any new contracts added to the group.
- Interest accreted on the carrying amount of the CSM.
- Income recognised in profit or loss when the entity recognises a loss on initial recognition of an onerous group of underlying insurance contracts or on addition of onerous underlying insurance contracts to that group. A loss-recovery component is established or adjusted within the remaining coverage for reinsurance contracts held for the amount of income recognised.
- Reversals of a loss-recovery component other than changes in the FCF of reinsurance contracts held.
- Changes in the FCF, to the extent that the change relates to future service, unless the change results from a change in FCF allocated to a group of underlying insurance contracts that does not adjust the CSM for the group of underlying insurance contracts.
- The effect of any currency exchange differences.
- The amount recognised in profit or loss for insurance contract services received during the period, determined after all other adjustments above.

Income referred to in bullet point 3 above is calculated by multiplying the loss recognised on underlying insurance contracts by the percentage of claims on underlying insurance contracts that the Group expects to recover from the reinsurance contract held that is entered into before or at the same time as the loss is recognised on the underlying insurance contracts.

For the purposes of bullet points 3 – 5 above, when underlying insurance contracts are included in the same group with insurance contracts issued that are not reinsured, the Group applies a systematic and rational method of allocation to determine the portion of losses that relates to underlying insurance contracts.

The Group does not have any reinsurance contracts held measured under the GMM with underlying contracts measured under the PAA.

NOTES (continued)

2. Summary of material accounting policies (continued)

2.13 Insurance contracts (continued)

2.13.3 Measurement (continued)

2.13.3.6 Initial and subsequent measurement (continued)

b) Groups of contracts not measured under the PAA (continued)

Changes to the contractual service margin (continued)

Interest accretion on the CSM

Under the GMM, interest is accreted on the CSM using discount rates determined at initial recognition that are applied to nominal cash flows that do not vary based on the returns of underlying items. If more contracts are added to the existing groups in the subsequent reporting periods, the Group revises these discount curves by calculating weighted-average discount curves over the period during which the contracts in the group are recognised. The weighted-average discount curves are determined by multiplying the new CSM added to the group and their corresponding discount curves over the total CSM.

Adjusting the CSM for changes in the FCF relating to future service

The CSM is adjusted for changes in the FCF, measured applying the discount rates as specified in the "Changes in fulfilment cash flows" section above.

Release of the CSM to profit or loss

The amount of the CSM recognised in profit or loss for insurance contract services in the period is determined by the allocation of the CSM remaining at the end of the reporting period over the current and remaining expected coverage period of the group of insurance contracts based on coverage units.

The coverage period is defined as a period during which the entity provides insurance contract services. Insurance contract services include coverage for an insured event (insurance coverage), the generation of an investment return for the policyholder, if applicable (investment-return service) for the contracts under the GMM, and the management of underlying items on behalf of the policyholder (investment-related service) for the contracts under the VFA.

The period of investment-return service or investment-related service ends at or before the date when all amounts due to current policyholders relating to those services have been paid. Investment-return services are provided only when an investment component exists in insurance contracts or the policyholder has a right to withdraw an amount, and the Group expects these amounts to include an investment return that is achieved by the Group by performing investment activities to generate that investment return.

For contracts issued, the Group determines the coverage period for the CSM recognition as follows:

a. for universal life insurance contracts, the coverage period corresponds to the insurance coverage which is the same as the period during which investment-return services are provided;
b. for direct participating contracts, insurance coverage period is within the period of investment-related services and, thus, the coverage period is determined by the period in which investment-related services are expected to be provided;
c. for term life insurance contracts acquired in the run-off period, no investment-return services are provided and, thus, the coverage period is determined by insurance coverage; for automobile insurance contracts acquired in the run-off period, management estimates the expected timeframe over which the ultimate cost of the claims is expected to be determined.

NOTES (continued)

2. Summary of material accounting policies (continued)

2.13 Insurance contracts (continued)

2.13.3 Measurement (continued)

2.13.3.6 Initial and subsequent measurement (continued)

b) Groups of contracts not measured under the PAA (continued)

Changes to the contractual service margin (continued)

Release of the CSM to profit or loss (continued)

The total number of coverage units in a group is the quantity of service provided by the contracts in the group over the expected coverage period. The coverage units are determined at each reporting period-end prospectively by considering:

- the quantity of benefits provided by contracts in the group;
- the expected coverage period of contracts in the group; and
- the likelihood of insured events occurring, only to the extent that they affect the expected coverage period of contracts in the group.

The Group uses the amount that it expects the policyholder to be able to validly claim in each period if an insured event occurs as the basis for the quantity of benefits with respect to insurance coverage

The Group determines coverage units as follows:

- for term life insurance contracts, coverage units are determined based on the policies' face values that are equal to the fixed death benefit amounts;
- for universal life and direct participating contracts, coverage units are determined based on the quantity of benefits provided by the fixed death benefit amounts and the policyholders' account values, weighted according to the expected present value of the future cash outflows for each service;

The Group reflects the time value of money in the allocation of the CSM to coverage units, using discount rates determined at initial recognition that are applied to nominal cash flows that do not vary based on the returns of underlying items.

For reinsurance contracts held, the CSM is released to profit or loss as insurance contract services are received from the reinsurer in the period.

Coverage units for the proportionate term life reinsurance contracts held are based on the insurance coverage provided by the reinsurer, and they are determined by the ceded policies' fixed face values, taking into account new business projected within the reinsurance contract boundary.

The coverage period for these contracts is determined based on the coverage period of all underlying contracts whose cash flows are included in the reinsurance contract boundary.

Onerous contracts – Loss component

When adjustments to the CSM exceed the amount of the CSM, the group of contracts becomes onerous and the Group recognises the excess in insurance service expenses, and it records the excess as a loss component of the LRC.

NOTES (continued)

2. Summary of material accounting policies (continued)

2.13 Insurance contracts (continued)

2.13.3 Measurement (continued)

2.13.3.6 Initial and subsequent measurement (continued)

b) Groups of contracts not measured under the PAA (continued)

Changes to the contractual service margin (continued)

Onerous contracts – Loss component (continued)

When a loss component exists, the Group allocates the following between the loss component and the remaining component of the LRC for the respective group of contracts, based on the ratio of the loss component to the FCF relating to the expected future cash outflows:

a) expected incurred claims and other directly attributable expenses for the period;
b) changes in the risk adjustment for non-financial risk for the risk expired; and
c) finance income (expenses) from insurance contracts issued.

The amounts of loss component allocation in (a) and (b) above reduce the respective components of insurance revenue and are reflected in insurance service expenses.
Decreases in the FCF relating to future service in subsequent periods reduce the remaining loss component and reinstate the CSM after the loss component is reduced to zero. Increases in the FCF relating to future service in subsequent periods increase the loss component.

Reinsurance contracts held – Loss-recovery component

A loss-recovery component is established or adjusted within the asset for remaining coverage for reinsurance contracts held for the amount of income recognised in profit or loss when the Group recognises a loss on initial recognition of an onerous group of underlying insurance contracts or on addition of onerous underlying insurance contracts to that group.

Subsequently, the loss-recovery component is adjusted to reflect changes in the loss component of an onerous group of underlying insurance contracts discussed in the "Onerous contracts – Loss component" section above. The loss-recovery component is further adjusted, if required, to ensure that it does not exceed the portion of the carrying amount of the loss component of the onerous group of underlying insurance contracts that the Group expects to recover from the group of reinsurance contracts held.

The loss-recovery component determines the amounts that are presented as a reduction of incurred claims recovery from reinsurance contracts held and are consequently excluded from the reinsurance expenses determination.

2.13.4 Amounts recognised in comprehensive income

Insurance service result from insurance contracts issued

Insurance revenue

As the Group provides insurance contract services under the group of insurance contracts, it reduces the LRC and recognises insurance revenue. The amount of insurance revenue recognised in the reporting period depicts the transfer of promised services at an amount that reflects the portion of consideration that the Group expects to be entitled to in exchange for those services.

NOTES (continued)

2. Summary of material accounting policies (continued)

2.14 Insurance contracts (continued)

2.13.4 Amount recognised in comprehensive income (continued)

Insurance service result from insurance contracts issued (continued)

For contracts not measured under the PAA, insurance revenue comprises the following:

- Amounts relating to the changes in the LRC:

  a. claims and other directly attributable expenses incurred in the period measured at the amounts expected at the beginning of the period, excluding:
     - amounts allocated to the loss component;
     - repayments of investment components and policyholder rights to withdraw an amount;
     - amounts of transaction-based taxes collected in a fiduciary capacity;
     - insurance acquisition expenses; and
     - amounts related to the risk adjustment for non-financial risk (see (b));

  b. changes in the risk adjustment for non-financial risk, excluding:
     - changes included in insurance finance income (expenses);
     - changes that relate to future coverage (which adjust the CSM); and
     - amounts allocated to the loss component;
  c. amounts of the CSM recognised for the services provided in the period;
  d. experience adjustments – arising from premiums received in the period other than those that relate to future service; and
  e. other amounts, including any other pre-recognition cash flows assets derecognised at the date of initial recognition.

- Insurance acquisition cash flows recovery is determined by allocating the portion of premiums related to the recovery of those cash flows on the basis of the passage of time over the expected coverage of a group of contracts.

For groups of insurance contracts measured under the PAA, the Group recognises insurance revenue based on the passage of time over the coverage period of a group of contracts.

Insurance service expenses

Insurance service expenses include the following:

- incurred claims and benefits, excluding investment components reduced by loss component allocations;
- other incurred directly attributable expenses, including amounts of any other pre-recognition cash
- flows assets (other than insurance acquisition cash flows) derecognised at the date of initial recognition;
- insurance acquisition cash flows amortisation;
- changes that relate to past service – changes in the FCF relating to the LIC; and
- changes that relate to future service – changes in the FCF that result in onerous contract losses or reversals of those losses; and
- insurance acquisition cash flows assets impairment, net of reversals.

For contracts not measured under the PAA, amortisation of insurance acquisition cash flows is reflected in insurance service expenses in the same amount as insurance acquisition cash flows recovery reflected within insurance revenue, as described above.

For contracts measured under the PAA, amortisation of insurance acquisition cash flows is based on the passage of time.
Other expenses not meeting the above categories are included in other operating expenses in the statement of profit or loss.

NOTES (continued)

2. Summary of material accounting policies (continued)

2.13 Insurance contracts (continued)

2.13.4 Amount recognised in comprehensive income (continued)

Insurance finance income or expenses

Insurance finance income or expenses comprise the change in the carrying amount of the group of insurance contracts arising from:

- the effect of the time value of money and changes in the time value of money; and
- the effect of financial risk and changes in financial risk.

For contracts measured under the GMM, the main amounts within insurance finance income or expenses are:

- interest accreted on the FCF and the CSM; and
- the effect of changes in interest rates and other financial assumptions.

For contracts measured under the PAA, the main amounts within insurance finance income or expenses are:

- interest accreted on the LIC; and
- the effect of changes in interest rates and other financial assumptions.

The Group disaggregates changes in the risk adjustment for non-financial risk between insurance service result and insurance finance income or expenses.

For all contracts, the Group includes all insurance finance income or expenses for the period in profit or loss (that is, the profit or loss option (the PL option) is applied.

Net income/(expenses) from reinsurance contracts held

The Group presents financial performance of groups of reinsurance contracts held on a net basis in net income/(expenses) from reinsurance contracts held, comprising the following amounts:

- reinsurance expenses;
- for groups of reinsurance contracts measured under the PAA, broker fees are included within reinsurance expenses;
- incurred claims recovery, excluding investment components reduced by loss-recovery component allocations;
- other incurred directly attributable expenses;

- changes that relate to past service – changes in the FCF relating to incurred claims recovery;
- effect of changes in the risk of reinsurers' non-performance; and
- amounts relating to accounting for onerous groups of underlying insurance contracts issued:
  i. income on initial recognition of onerous underlying contracts;
  ii. reinsurance contracts held under the GMM: reversals of a loss-recovery component other than changes in the FCF of reinsurance contracts held; and
  iii. reinsurance contracts held under the GMM: changes in the FCF of reinsurance contracts held from onerous underlying contracts.

Reinsurance expenses are recognised similarly to insurance revenue. The amount of reinsurance expenses recognised in the reporting period depicts the transfer of received insurance contract services at an amount that reflects the portion of ceding premiums that the Group expects to pay in exchange for those services. Additionally, for reinsurance contracts held measured under the PAA, broker fees are included in reinsurance expenses.

NOTES (continued)

2. Summary of material accounting policies (continued)

2.13 Insurance contracts (continued)

2.13.4 Amount recognised in comprehensive income (continued)

Net income/(expenses) from reinsurance contracts held (continued)

For contracts measured under the GMM, reinsurance expenses comprise the following amounts relating to the changes in the remaining coverage:

- claims and other directly attributable expenses recovery in the period, measured at the amounts expected to be incurred at the beginning of the period, excluding:
  - amounts allocated to the loss-recovery component;
  - repayments of investment components; and
  - amounts related to the risk adjustment for non-financial risk;
- changes in the risk adjustment for non-financial risk, excluding:
  - changes included in finance income (expenses) from reinsurance contracts held;
  - changes that relate to future coverage (which adjust the CSM); and
  - amounts allocated to the loss-recovery component;
- amounts of the CSM recognised for the services received in the period; and
- experience adjustments – arising from premiums paid in the period other than those that relate to future service.

For groups of reinsurance contracts held measured under the PAA, the Group recognises reinsurance expenses based on the passage of time over the coverage period of a group of contracts.

Ceding commissions that are not contingent on claims of the underlying contracts issued reduce ceding premiums and are accounted for as part of reinsurance expenses. Ceding commissions that are contingent on claims of the underlying contracts issued reduce incurred claims recovery.

2.13.5 Significant judgements and estimates in applying IFRS 17

In the process of applying the Group's accounting policies, management has made the following judgements, which have the most significant effect on the amounts recognised in the financial statements.

Areas of potential judgement	Factors considered and approach adopted
Unit of account Judgements in determining the level of aggregation for measurement of insurance contracts.	For all contracts assessed as profitable at initial recognition, judgement is applied when determining whether these contracts have no significant possibility of becoming onerous subsequently. For contracts measured using the PAA, judgement is required in identifying what facts and circumstances may indicate that a group of insurance contracts is onerous at initial recognition, or becomes so subsequently. The determination of whether laws or regulations constrain the Group's practical ability to set a different price or level of benefits for policyholders with different risk profiles so the Group may include such contracts in the same group.

NOTES (continued)

2 Summary of material accounting policies (continued)

2.13 Insurance contracts (continued)

2.13.5 Significant judgements and estimates in applying IFRS 17 (continued)

Recognition and derecognition	
Judgements in accounting for modifications to and derecognition of insurance contracts	Where insurance contracts are modified, judgement may be applied to determine whether the contract meets the derecognition criteria and is required to be measured as a new contract. In particular judgement is applied to determine whether: • The contract remains in scope of IFRS 17; • The Group would have recognised different components from the host contract;
Measurement	
Judgements in determining fulfilment cash flows.	Judgement is required to determine which cash flows within the contract boundary are directly related to the fulfilment of insurance contracts. Judgement is required to allocate insurance acquisition cash flows between current and expected future renewal business and, for those cash flows allocated to expected future renewals in determining the recoverability of these cash flows and identifying whether any impairment, or reversal of previous impairments, is required.
Judgements in determining the contract boundary.	Judgement may be applied to determine when the Group's substantive obligation to provide insurance contract services ends. In particular when the Group has the practical ability to reprice the risks of the policyholder and set a price that fully reflects those risks. The determination of whether laws, regulations or other factors constrain the Group's practical ability to set a different price for policyholders with different risk profiles and, if so, the impact of such constraints on the level of aggregation and determination of the contract boundary. For contracts that are priced at the portfolio level, judgement is applied to determine whether the Group has the ability to reassess the risks of the portfolio and set a price that fully reflects those risks. Judgement may be required in determining whether the pricing of premiums up to the date when risk is reassessed does not take account any risk that relate to periods after the reassessment date.

NOTES (continued)

2. Summary of material accounting policies (continued)

2.13 Insurance contracts (continued)

2.13.5 Significant judgements and estimates in applying IFRS 17 (continued)

Insurance revenue and reinsurance expenses – methods and assumptions used in the determination of the CSM to be recognised in profit or loss for the insurance contract services provided or received in the period. Areas of potential judgement are: (ii) the determination of the expected coverage period over which the CSM is allocated into profit or loss for the services provided or received, that is, the determination of: –expected insurance coverage period; – for contracts measured under the GMM, the expected period of investment-return services; – for contracts measured under the VFA, the expected period of investment-related services; (iii) the determination of the coverage units provided or received in the current period and expected to be provided in future periods, including the determination of the relative weighting of the benefits provided by insurance coverage and investment-return service (for insurance contracts measured under the GMM) or insurance coverage and investment-related service (for insurance contracts measured under the VFA); and (iv) factoring in the time value of money when determining the equal allocation of the CSM to the coverage units provided or received.	Judgement may be applied in the following aspects to determine the CSM amounts recognised in profit or loss; For universal life and direct participating contracts, coverage units are determined based on the quantity of benefits provided by the fixed death benefit amounts and the policyholders' account values, weighted according to the expected present value of the future cash outflows for each service. For universal life insurance contracts, the coverage period corresponds to the insurance coverage, which is the same as the period during which investment-return services are provided. For direct participating contracts, the insurance coverage period is within the period of investment-related services and, thus, the coverage period is determined by the period in which the investment-related services are expected to be provided For term life insurance contracts, no investment-return services are provided and, thus, the coverage period is determined by insurance coverage. For term life insurance contracts, coverage units are determined based on the policies' face values that are equal to the fixed death benefit amounts.

2.13.6 Estimates and assumptions

Estimates of future cash flows to fulfil insurance contracts

Included in the measurement of each group of contracts within the scope of IFRS 17 are all of the future cash flows within the boundary of each group of contracts. The estimates of these future cash flows are based on probability-weighted expected future cash flows. The Group estimates which cash flows are expected and the probability that they will occur as at the measurement date. In making these expectations, the Group uses information about past events, current conditions and forecasts of future conditions. The Group's estimate of future cash flows is the mean of a range of scenarios that reflect the full range of possible outcomes.

NOTES (continued)

2. Summary of material accounting policies (continued)

2.13 Insurance contracts (continued)

2.13.6 Estimates and assumptions. (continued)

Estimates of future cash flows to fulfil insurance contracts (continued)

Where estimates of expenses-related cash flows are determined at the portfolio level or higher, they are allocated to groups of contracts on a systematic basis, such as activity-based costing method. The Group has determined that this method results in a systematic and rational allocation. Similar methods are consistently applied to allocate expenses of a similar nature. Expenses of an administrative policy maintenance nature are allocated to groups of contracts based on the number of contracts in force within groups.

Acquisition cash flows are typically allocated to groups of contracts based on gross premiums written. This includes an allocation of acquisition cash flows among existing, as well as future, groups of insurance contracts issued.

Claims settlement-related expenses are allocated based on the number of claims expected for all groups, where such expenses are allocated based on claims costs.

The Group applies a bottom-up approach to deriving the discount rate for each group of reinsurance contracts. The Group determines the discount rates based on liquid risk-free yield curves, for the currency of each reinsurance contract within the group, which are adjusted to take into account the differences between the liquidity characteristics of the group of insurance contracts and the liquidity characteristics of risk-free financial investments.

The yield curves that have been used to discount estimates of future cash flows to fulfil reinsurance contracts are as follows:

Year ended 31 December 2023

Product	**Currency**	**1 year**	**2 years**	**3 years**	**5 years**	**10 years**	**25 years**
Insurance contracts	GH¢	20%	24.3%	22.8%	21.9%	21.5%	20.9%

Year ended 31 December 2022

Product	Currency	1 year	2 years	3 years	5 years	10 years	25 years
Insurance contracts	GH¢	20%	20%	20%	20%	20%	20%

The bottom-up approach was used to derive the discount rate for the cash flows that do not vary based on the returns on underlying items in the participating contracts (excluding investment contracts without DPF that are not within the scope of IFRS 17). Under this approach, the discount rate is determined as the risk-free yield, adjusted for differences in liquidity characteristics between the financial assets used to derive the risk-free yield and the relevant liability cash flows (known as an 'illiquidity premium'). The risk-free was derived using swap rates available in the market denominated in the same currency as the product being measured. When swap rates are not available, highly liquid sovereign bonds with a AAA credit rating were used. Management uses judgement to assess liquidity characteristics of the liability cash flows.

Investment assets returns

For Savings and Participating contracts (excluding investment contracts without DPF not within the scope of IFRS 17), assumptions about future underlying investment returns are made. Due to the measurement models applied and the nature of the products, particularly the determination of the discount rates used to discount future estimates of cash flows that vary with returns on underlying items, assumptions about future underlying investment returns do not impact contract measurement significantly. There are limited financial guarantees in these products. The liabilities associated with these guarantees are measured using a market-consistent stochastic model.

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

2. Summary of material accounting policies (continued)

2.13 Insurance contracts (continued)

2.13.7. Net insurance finance income/(expense) from insurance contracts

Year ended 31 December 2023

The Group

	Funeral	FIPP	Lifetime	Educare	Reinsur-ance	Marine and aviation	Bond	Enginee-ring	Fire	Motor	Accident	**Total**
Interest expense on last period PV for remaining coverage to profit or loss	(40,554)	(5,310)	18,768	55,456	-	-	-	-	-	-	-	**28,360**
Effect of change in discount rates on risk adjustment for remaining coverage to profit or loss	(4,084)	(291)	-	-	-	-	-	(53)	(120)	(547)	(579)	**(5,674)**
Interest accreted to the contractual service margin	54,244	8,934	-	-	-	1,029	50	99	725	6,038	3,988	**75,107**
Interest expense on risk adjustment for remaining coverage for variable fee	-	-	105	2,022	1,069	-	-	-	-	-	-	**3,196**
Difference in change in estimate on inception & last period discount rates for profit or loss	(7,678)	(2,067)	-	-	-	-	-	-	-	-	-	**(9,745)**
Difference in risk adjustment change in estimate measured at inception and last period discount rates profit or loss	4,084	291	-	-	-	-	-	-	-	-	-	**4,375**
Effect of change in discount rates on PV for remaining coverage profit or loss	9,898	2,692	-	-	-	-	-	-	-	-	-	**12,590**
Interest expense on risk adjustment for remaining coverage to profit or loss	9,501	875	50	166	-	-	-	-	-	-	-	**10,592**
Total	**25,411**	**5,124**	**18,923**	**57,644**	**1,069**	**1,029**	**50**	**46**	**605**	**5,491**	**3,409**	**118,801**

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

2. Summary of material accounting policies (continued)

2.13 Insurance contracts (continued)

2.13.7. Net insurance finance income/(expense) from insurance contracts (continued)

Year ended 31 December 2022 (Restated)

The Group

	Funeral	FIPP	Lifetime	Educare	Marine and aviation	Bond	Engineering	Fire	Motor	Accident	Total
Interest expense on last period PV for remaining coverage to profit or loss	(33,783)	(4,276)	10,269	39,778	-	-	-	-	-	-	11,988
Effect of change in discount rates on risk adjustment for remaining coverage to profit or loss	(5,548)	(421)	-	-	-	-	(60)	(55)	(340)	(404)	(6,828)
Interest accreted to the contractual service margin	39,695	4,815	-	-	497	55	769	730	4,566	3,242	54,369
Interest expense on risk adjustment for remaining coverage for variable fee	7,722	575	53	33	-	-	-	-	-	-	8,383
Difference in change in estimate on inception & last period discount rates for profit or loss	(249)	(896)	-	-	-	-	-	-	-	-	(1,145)
Difference in risk adjustment change in estimate measured at inception and last period discount rates profit or loss	5,012	431	-	-	-	-	-	-	-	-	5,443
Effect of change in discount rates on PV for remaining coverage profit or loss	39,870	5,106	276	(21)	-	-	-	-	-	-	45,231
Interest expense on risk adjustment for remaining coverage to profit or loss	238	(29)	1,525	721	-	-	-	-	-	-	2,455
Total	52,957	5,305	12,123	40,511	497	55	709	675	4,226	2,838	119,896

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

2. Summary of material accounting policies (continued)

2.13 Insurance contracts (continued)

2.13.8. Net expense on reinsurance contracts held

Year ended 31 December 2023

The Group	**Amounts relating to the changes in the remaining coverage**			**Contracts measured under the PAA**	**Total**
	Claims Recovered	Changes that relate to past service- adjustments to incurred claims	Movement in loss recovery component- adjustment to reinsurance CSM/ARC (PAA)		
Boafo pa	1	-	-	-	**1**
Corporate risk	(998)	1,242	-	(7,927)	**(7,683)**
Credit life	(747)	(279)	-	6,283	**5,257**
Micro ensure	(53)	33	-	(121)	**(141)**
Marine and aviation	(7,386)	14,012	273	(29,638)	**(22,739)**
Bond	(124)	593	-	(7,182)	**(6,713)**
Engineering	14,006	684	-	(42,233)	**(27,543)**
Fire	42,806	10,607	-	(91,675)	**(38,262)**
Motor	(30,655)	2,164	-	(69,939)	**(98,430)**
Accident	3,357	478	-	(21,912)	**(18,077)**
Corporate risk	2	4	-	(1,109)	**(1,103)**
Total	**20,209**	**29,538**	**273**	**(265,453)**	**(215,433)**

Year ended 31 December 2022 (

The Group	Amounts relating to the changes in the remaining coverage			Contracts measured under the PAA	Total
	Claims Recovered	Changes that relate to past service- adjustments to incurred claims	Movement in loss recovery component- adjustment to reinsurance CSM/ARC (PAA)		
Boafo pa	(639)	-	-	-	(639)
Corporate risk	3,417	650	(21)	(7,183)	(3,137)
Credit life	537	(3,495)	-	(5,135)	(8,093)
Micro ensure	150	40	-	(526)	(336)
Marine and aviation	3,898	6,090	(403)	(15,830)	(6,245)
Bond	(117)	92	-	(6,178)	(6,203)
Engineering	(7,144)	8,378	-	(28,863)	(27,629)
Fire	7,324	5,210	-	(51,587)	(39,053)
Motor	(23,760)	4,508	-	(44,241)	(63,493)
Accident	(10,468)	6,790	(7)	(13,458)	(17,143)
Corporate risk	5	-	-	(1,957)	(1,952)
Total	(26,797)	28,263	(431)	(174,958)	(173,923)

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

3. Summary of material accounting policies (continued)

2.13 Insurance contracts (continued)

2.13.9 Reconciliation of the liabilities for remaining coverage and liabilities for incurred claims

Year ended 31 December 2023

Contracts measured under PAA

The Group	Remaining Coverage Component		Incurred Claim Component	Total
	Excluding Loss Recovery Component	Loss Recovery Component		
Opening insurance contract liabilities	166,620	918	119,741	**287,279**
Opening insurance contract assets	(1,359)	-	284	**(1,075)**
Net insurance contract liabilities opening balance	**165,261**	**918**	**120,025**	**286,204**
Insurance revenue	(731,349)	-	-	**(731,349)**
Insurance service expenses	124,687	(477)	220,259	**344,469**
Incurred claims and other directly attributable expenses	-	(918)	270,445	**269,527**
Changes to liabilities for incurred claims	-	441	(50,186)	**(49,745)**
Amortisation of insurance acquisition cash flows	124,687	-	-	**124,687**
Insurance service result before reinsurance contracts held	**(606,662)**	**(477)**	**220,259**	**(386,880)**
Insurance finance expenses	-	-	118,801	**118,801**
Total changes in the statement of comprehensive income	**(606,662)**	**(477)**	**339,060**	**(268,079)**
Cash flows				
Premiums received	794,689	-	-	**794,689**
Claims and other expenses paid	-	-	(269,195)	**(269,195)**
Insurance acquisition cash flows	(132,481)	-	-	**(132,481)**
Total cash flows	**662,208**	**-**	**(269,195)**	**393,013**
Insurance contract liabilities closing balance	**220,807**	**441**	**189,890**	**411,138**
Net insurance contract liabilities closing balance	**220,807**	**441**	**189,890**	**411,138**

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

2. Summary of material accounting policies (continued)

2.13 Insurance contracts (continued)

2.13.9 Reconciliation of the liabilities for remaining coverage and liabilities for incurred claims (continued)

Year ended 31 December 2022 (Restated)

Contracts measured under PAA

The Group	Remaining Coverage Component		Incurred Claim Component	Total
	Excluding Loss Recovery Component	Loss Recovery Component		
Opening insurance contract liabilities	120,625	1,077	97,061	218,763
Opening insurance contract assets	(2,939)	-	3	(2,936)
Net insurance contract liabilities opening balance	117,686	1,077	97,064	215,827
Insurance revenue	(523,742)	-	-	(523,742)
Insurance service expenses	95,850	(159)	161,216	256,907
Incurred claims and other directly attributable expenses	-	(1,076)	189,572	188,496
Changes to liabilities for incurred claims	-	290	(28,356)	(28,066)
Losses on onerous contracts and reversal of those losses	-	627	-	627
Amortisation of insurance acquisition cash flows	95,850	-	-	95,850
Insurance service result before reinsurance contracts held	(427,892)	(159)	161,216	(266,835)
Insurance finance expenses	-	-	119,896	119,896
Total changes in the statement of comprehensive income	(427,892)	(159)	281,112	(146,939)
Cash flows:				
Premiums received	583,863	-	-	583,863
Claims and other expenses paid	-	-	(258,151)	(258,151)
Insurance acquisition cash flows	(108,396)	-	-	(108,396)
Total cash flows	475,467	-	(258,151)	217,316
Insurance contract liabilities closing balance	166,620	918	119,741	287,279
Closing insurance contract assets	(1,359)	-	284	(1,075)
Net insurance contract liabilities closing balance	165,261	918	120,025	286,204

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

2. Summary of material accounting policies (continued)

2.13 Insurance contracts (continued)

2.13.10 Reconciliation of the assets for remaining coverage and asset for incurred claims

Year ended 31 December 2023

Contracts measured under PAA

The Group	**Remaining Coverage Component**		**Incurred Claim Component**	**Total**
	Excluding Loss Recovery Component	Loss Recovery Component		
Opening reinsurance contract liabilities	-	-	-	**-**
Opening reinsurance contract assets	56,161	20	40,568	**96,749**
Net reinsurance contract assets opening balance	**56,161**	**20**	**40,568**	**96,749**
Allocation of reinsurance premiums	(265,452)	-	-	**(265,452)**
Amounts recoverable from reinsurers for incurred claims:	-	273	49,746	**50,019**
Amounts recoverable for incurred claims and other expenses	-	(19)	80,564	**80,545**
Changes to amounts recoverable for incurred claims	-	292	(30,818)	**(30,526)**
Net income or expense from reinsurance contracts held	**(265,452)**	**273**	**49,746**	**(215,433)**
Reinsurance finance income	-	-	3,284	**3,284**
Total changes in the statement of comprehensive income	**(265,452)**	**273**	**53,030**	**(212,149)**
Cash flows:				
Premiums paid	281,940	-	-	**281,940**
Amounts received	(57,712)	-	(46,067)	**(103,779)**
Total cash flows	**224,228**	**-**	**(46,067)**	**178,161**
Other movement	49,156	-	46,442	**95,598**
Net reinsurance contract assets closing balance	**64,093**	**293**	**93,973**	**158,359**
Closing reinsurance contract liabilities	(2,507)	-	1,415	**(1,092)**
Closing reinsurance contract assets	66,600	293	92,558	**159,451**
Net reinsurance contract assets closing balance	**64,093**	**293**	**93,973**	**158,359**

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

2. Summary of material accounting policies (continued)

2.14 Insurance contracts (continued)

2.13.10 Reconciliation of the assets for remaining coverage and asset for incurred claims (continued)

Year ended 31 December 2022 (Restated)

Contracts measured under PAA

The Group	Remaining Coverage Component: Excluding Loss Recovery Component	Remaining Coverage Component: Loss Recovery Component	Incurred Claim Component	Total
Opening reinsurance contract liabilities	(8,153)	21	7,775	(357)
Opening reinsurance contract assets	27,414	430	34,803	62,647
Net reinsurance contract assets opening balance	19,261	451	42,578	62,290
Allocation of reinsurance premiums	(174,958)	-	-	(174,958)
Amounts recoverable from reinsurers for incurred claims:	-	(431)	1,466	1,035
Amounts recoverable for incurred claims and other expenses	-	80	34,242	34,322
Changes to amounts recoverable for incurred claims	-	(511)	(32,776)	(33,287)
Net income or expense from reinsurance contracts held	(174,958)	(431)	1,466	(173,923)
Reinsurance finance income	-	-	3,320	3,320
Total changes in the statement of comprehensive income	(174,958)	(431)	4,786	(170,603)
Cash flows:				
Premiums paid	220,553	-	-	220,553
Amounts received	(46,857)	-	(25,988)	(72,845)
Total cash flows	173,696	-	(25,988)	147,708
Other movement	38,162	-	19,192	57,354
Net reinsurance contract assets closing balance	56,161	20	40,568	96,749
Closing reinsurance contract liabilities	-	-	-	-
Closing reinsurance contract assets	56,161	20	40,568	96,749
Net reinsurance contract assets closing balance	56,161	20	40,568	96,749

NOTES (continued)

2. Summary of material accounting policies (continued)

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'.

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 based 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 Stated 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 material 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

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

Insurance revenue

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 material 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 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 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 Group 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 material accounting policies (continued)

2.20 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 entities operating in Ghana contributes to the defined contribution scheme (the Social Security Fund) on behalf of employees. The Group entities in Ghana 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 LTD, a subsidiary of the Company, under the mandatory second tier.

Provident fund

The Group entities in Ghana 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 managed by Enterprise Trustees LTD, a subsidiary of the Company.

2.21 Deposit for shares

These represent monies deposited towards issue of additional ordinary shares of entities within the Group. It is classified as equity and presented in the statement of changes in equity.

2.22 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.

2.23 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.

NOTES (continued)

3. Management of insurance risk and financial risk (continued)

3.1 Insurance risk (continued)

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

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.

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 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) Claim liabilities arising from insurance contracts

The Group's best estimate provision for liabilities for incurred claims involves the assessment of outstanding claims reserves ("OCR or notified claims") and incurred but not reported claims (IBNR).

(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, which is included in the liabilities for incurred claims, 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 by the non-life insurance companies within the Group.

Product Type		2023	2022
Motor	Gross	**238,175**	192,395
	Net	**223,905**	179,793
Fire	Gross	**167,147**	89,769
	Net	**25,218**	15,412
Marine and Aviation	Gross	**41,364**	29,168
	Net	**5,454**	4,832
General Accident	Gross	**59,699**	50,468
	Net	**34,548**	29,462
Engineering	Gross	**51,171**	60,293
	Net	**4,160**	3,872
Agriculture	Gross	7	-
	Net	7	-
Bond	Gross	**9,716**	10,290
	Net	**1,801**	1,339
Total	**Gross**	**567,279**	432,383
	Net	**295,093**	234,710

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 2.13.5.

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)

	2023		2022	
	Amount	**% of total premium**	Amount	% of total premium
Assured Education Plan	**219,513**	**24.9%**	231,251	32%
Assured Lifetime Needs Plan	**183,956**	**20.8%**	165,415	23%
Assured Funeral Plan	**354,057**	**40.1%**	242,309	34%
Assured Family Income Plan	**30,404**	**3.4%**	16,594	2%
Assured Lady Care	**6,068**	**0.7%**	2,503	0%
Group Life Plan	**31,714**	**3.6%**	19,636	3%
Credit Risk Plan	**41,599**	**4.7%**	35,560	5%
Micro Ensure Plan	**3,225**	**0.4%**	3,094	0%
Special Market Group Plan	**12,160**	**1.4%**	5,881	1%
	882,696		722,243	

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

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 contract assets and insurance contract 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 2023	**GMD GH¢'000**	**USD GH¢'000**	**GBP GH¢'000**	**EUR GH¢'000**	**NGN GH¢'000**
Financial assets:					
Bank balances	2,115	139,503	3,139	23,388	1,818
Due from reinsurers	-	2,464	473	448	-
Investment securities	39,209	-	-	-	46,567
Trade and other receivables	126	-	-	-	331
Total financial assets	**41,450**	**141,967**	**3,612**	**23,836**	**48,716**
Financial liabilities:					
Due to reinsurers	-	3,142	370	829	-
Lease liabilities	1,314	58,917	-	-	1,583
Other payables	1,102	-	-	-	3,627
Total financial liabilities	**2,416**	**62,059**	**370**	**829**	**5,210**
Net exposure	**39,034**	**79,908**	**3,242**	**23,007**	**43,506**

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 Group

At 31 December 2022	GMD GH¢'000	USD GH¢'000	GBP GH¢'000	EUR GH¢'000	NGN GH¢'000
Financial assets:					
Bank balances	1,773	38,951	3,311	11,158	25,099
Due from reinsurers	-	3,193	316	254	-
Investment securities	26,320	-	-	-	74,042
Trade and other receivables	163	-	-	-	286
Total financial assets	28,256	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	765	-	-	-	6,189
Total financial liabilities	765	23,730	317	171	11,400
Net exposure	27,491	18,414	3,310	11,241	88,027

The Company

	2023		2022	
	USD	GBP	USD	GBP
Financial assets:				
Bank balances	26,335	-	38,951	3,311
Total financial assets	**26,335**	**-**	**38,951**	**3,311**
Financial liabilities:				
Lease liabilities	15,665	-	18,365	-
Total financial liabilities	**15,665**	**-**	**18,365**	**-**
Net exposure	**10,670**	**-**	**20,586**	**3,311**

	Average rate		**Year-end rate**	
	2023	2022	**2023**	2022
USD 1	**11.975**	10.8667	**12.03**	11.0
GBP 1	**14.450**	12.9958	**15.5355**	13.4937
EUR 1	**12.7667**	11.3833	**13.5518**	11.9482
NGN 1	**64.58**	62.30	**75.40**	53.75
GMD	**0.1579**	0.1264	**0.1786**	0.1373

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

	2023			2022		
	% Change	**Impact Profit or loss**	**Impact Equity**	% change	Impact Profit or loss	Impact Equity
USD	**±2%**	**±1,598**	**±1,199**	±2%	±843	±779
EUR	**±2%**	**±460**	**±345**	±2%	±73	±66
GBP	**±2%**	**±65**	**±49**	±2%	±228	±502
NGN	**±2%**	**±870**	**±653**	±2%	±1,989	±502
GMD	**±2%**	**±781**	**±586**	±2%	±550	±412

Company

	2023			2022		
	% Change	**Impact Profit or loss**	**Impact Equity**	% change	Impact Profit or loss	Impact Equity
USD	**±2%**	**±213**	**±160**	±2%	± 283	±283
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**	
	2023	2022	**2023**	2022
Variable rate instruments				
Borrowings	-	-	-	511
	-	-	-	511

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

At 31 December 2023, the Company had no external borrowings.

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 2023, the Group and Company had listed equity security amounting to GH¢ 154 million and GH¢ 3,627,939 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¢ 7.7 million and GH¢ 170,328 after tax respectively (2022: GH¢ 5.3 million and GH¢142,000).

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.

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 (continued)

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**	
	2023	2022	**2023**	2022
Net debt investment securities				
- Gross debt investment securities	**70,395**	15,281	**1,877,680**	1,699,350
- Less impairment	**(2,816)**	(2,689)	**(352,841)**	(328,851)
	67,579	12,592	**1,524,839**	1,370,499
Bank balances	**62,004**	56,108	**426,993**	251,993
Amount due from related party	**131,819**	131,819	**-**	-
Related party loan	**12,632**	15,461	**-**	-
Due from reinsurers				
- Gross amount due from reinsurers	**-**	-	**16,830**	10,797
- Less impairment	**-**	-	**1,286**	1,005
Net amount due from reinsurers	**-**	-	**15,544**	9,792
Trade and other receivables**	**-**	-	**97,543**	69,156
	274,034	215,980	**2,064,919**	1,701,440

**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 (continued)

Except for investment securities and amount due to reinsurers, none of the Company and the Group's financial assets were either past due or impaired at 31 December 2023 and 31 December 2022. The Company and the Group does not hold any collateral security.

The movement in the Company and the Group's impairment on debt investment securities is set out below.

	The Company		The Group	
	2023	2022	**2023**	2022
At 1 January	**(2,689)**	-	**(328,851)**	(731)
Written off during the year	**-**	-	**-**	731
Charge for the year	**(127)**	(2,689)	**(23,990)**	(328,851)
At 31 December	**(2,816)**	(2,689)	**(352,841)**	(328,851)

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.

On 21 February 2023, the Group exchanged GH¢1,284,963,148 of its existing securities for a new set of instruments through the Programme. On the exchange date, the Group compared the carrying amounts of the existing bonds 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 carrying amount and the fair value of the new bonds was recognised as a modification adjustment in the statement of comprehensive income. The movement in impairment allowance on investment securities is disclosed in above.

The movement in the Group's impairment on amount due from reinsurers is set out below.

	The Company		The Group	
	2023	2022	**2023**	2022
At 1 January	**-**	-	**(1,005)**	(1,005)
Charge for the year	**-**	-	**(281)**	-
At 31 December	**-**	-	**(1,286)**	(1,005)

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:

The Company		**Contractual cash flows (undiscounted)**			
	Carrying amount	**Up to One year**	**One to Five years**	**Above Five years**	**Total**
31 December 2023					
**Trade and other payables	26,328	26,328	-	-	**26,328**
Due to related parties	21,933	21,933	-	-	**21,933**
Lease liabilities	12,482	606	15,665	-	**16,271**
	60,743	**48,867**	**15,665**	**-**	**64,532**
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

**This amount excludes deferred income and premium received in advance.

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)

The Group	**Carrying amount**	**Up to one year**	**One to five years**	**Above five years**	**Total**
31 December 2023					
**Trade and other payables	113,419	113,419	-	-	**113,419**
Due to re-insurers	14,100	14,100	-	-	**14,100**
Due to related parties	48,828	48,828	-	-	**48,828**
Lease liabilities	12,315	13,769	38,215	2,995	**54,979**
	188,662	**190,116**	**38,215**	**2,995**	**231,326**
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

** 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 2023. 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	**GMD 32 million**	GMD 20 million
Enterprise Trustees LTD	Pensions	**GH¢ 7.4 million**	GH¢ 1 million
Enterprise Life Assurance Company (Nigeria) Limited	Life Insurance	**NGN 8 billion**	NGN 8 billion
Acacia Health Insurance LTD	Health Insurance	**GH¢ 18.3 million**	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 asset s 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**		
31 December 2023				**Level 1**	**Level 2**	**Level 3**
Financial assets measured at fair value:						
Equity investment securities	**-**	**3,631**	**3,631**	**3,628**	**3**	**-**
Financial assets not measured at fair value:						
Debt investment securities	**67,579**	**-**	**67,579**	**-**	**67,579**	**-**
Due from related parties	**131,819**	**-**	**131,819**	**-**	**-**	**131,819**
Related party loan	**12,632**	**-**	**12,632**	**-**	**-**	**12,632**
Cash and bank balances	**62,021**	**-**	**62,021**	**-**	**-**	**62,021**
	274,051	**-**	**274,051**	**-**	**67,579**	**206,472**
Financial liabilities not measured at fair value:						
Trade and other payables	**26,328**	**-**	**26,328**	**-**	**-**	**26,328**
Due to related parties	**21,933**	**-**	**21,933**	**-**	**-**	**21,933**
Lease liabilities	**12,482**	**-**	**12,482**	**-**	**-**	**12,482**
	60,743	**-**	**60,743**	**-**	**-**	**60,743**
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

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 2023						
Financial assets measured at fair value:						
Equity investment securities	-	155,357	155,357	153,844	1,513	-
Financial assets not measured at fair value:						
Debt investment securities	1,524,839	-	1,524,839	-	1,189,374	-
Trade and other receivables	97,543	-	97,543	-	-	97,543
Due from re-insurers	15,544	-	15,544	-	-	15,544
Cash and bank balances	427,038	-	427,038	-	-	427,038
	2,064,964	-	2,064,964	-	1,189,374	540,125
Financial liabilities not measured at fair value:						
Trade and other payables	113,419	-	113,419	-	-	113,419
Due to related parties	48,828	-	48,828	-	-	48,828
Due to re-insurers	14,100	-	14,100	-	-	14,100
Lease liabilities	12,315	-	12,315	-	-	12,315
	188,662	-	188,662	-	-	188,662
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

Valuation techniques used is the discounted cash flow model. Assumptions and inputs used in valuation techniques include risk-free and benchmark interest rates in estimating discount rates and annual coupon payments to be received.

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

4. Accounting classifications and fair values (continued)

Determination of fair value hierarchy

- Included in level 1 category are assets and liabilities that are measured by reference to unadjusted, quoted prices in an active market for identical assets and liabilities.

- Included in level 2 category are assets and liabilities measured using inputs other than quoted prices and quoted prices in an inactive market, included within level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices). For example, instruments measured using a valuation technique based on assumptions that are supported by prices from observable current market transactions are categorised as level 2.

- Assets and liabilities measured using inputs that are not based on observable market data are categorised as level 3.

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:

5.1 Valuation of insurance contract liabilities

IFRS 17 allows for three measurement models, being the GMM, VFA and PAA. Due to the types of contracts that the Group issues, the GMM, VFA and PAA measurement models are applicable. A number of significant judgements are required in applying the accounting requirements for measuring insurance liabilities under IFRS 17. The key judgements and assumptions applied in the valuation of insurance contract liabilities are set out in note 2.13.5.

5.2 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.

5.3 Impairment of debt investment securities

The Group considers evidence of impairment for debt investment securities at both an individual asset and a collective level. In assessing impairment for debt 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 debt investments and the fair value of new investments calculated as the present value of future cash flows using an appropriate discount rate.

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

5. Critical accounting estimates and judgements (continued)

5.3 Impairment of debt investment securities (continued)

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¢ 44.1 million lower/higher.

5.4 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	
	2023	2022	**2023**	2022
At 1 January	-	-	**10,253**	(9,776)
Charged to profit or loss	-	-	**22,794**	20,029
At 31 December	-	-	**33,047**	10,253

Deferred income taxes are calculated on temporary differences using the liability method and using a principal tax rate of 25% (2022: 25%). Movement on deferred tax is shown below.

The Group

Year ended 31 December 2023	**At 1 January**	**Charged to profit or Loss**	**At 31 December**
Accelerated depreciation	171	(1,219)	**(1,048)**
Other deductible temporary difference	10,082	24,013	**34,095**
At 31 December	**10,253**	**22,794**	**33,047**
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

The above net deferred tax and liabilities are presented in the statement of financial position as follows:

The Group

	2023	2022
Deferred tax assets	**(34,147)**	(7,498)
Deferred tax liabilities	**67,194**	17,751
	33,047	10,253

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¢ 17.2 million (2022: GH¢ 14.1 milion) 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	
	2023	2022
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**	
		2023	2022
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 2023 (2022: Nil).

8. Investment properties

The Group

	2023	2022
Balance at 1 January	**471,621**	300,934
Additions	**1,715**	-
Impairment**	**-**	(1,295)
Net gain on valuation of investment properties	**47,669**	171,982
- Change in fair value excluding exchange difference on valuation	**9,319**	(46,301)
- Exchange difference on valuation	**38,350**	218,283
Balance at 31 December	**521,005**	471,621

**During the year ended 31 December 2022, the Group impaired the value of 4 plots of its previously purchased Kaladan investment property, following repossession of the plots by the Lands Commissions.

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. 2, 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.

9. Property and equipment

The Company

Year ended 31 December 2023	**Motor vehicles**	**Equipment, fittings and furniture**	**Right-of-use asset (Building)**	**Total**
Cost:				
At 1 January	7,637	6,912	11,519	**26,068**
Additions	3,395	120	-	**3,515**
Disposal	(2,285)	(139)	-	**(2,424)**
Effect of lease termination	-	-	(1,383)	**(1,383)**
At 31 December	**8,747**	**6,893**	**10,136**	**25,776**
Accumulated depreciation:				
At 1 January	4,308	4,878	5,841	**15,027**
Charge for the year	1,741	712	1,003	**3,456**
Disposal	(1,715)	(139)	-	**(1,854)**
Effect of lease termination	-	-	(994)	**(994)**
At 31 December	**4,334**	**5,451**	**5,850**	**15,635**
Net book value at 31 December	**4,413**	**1,442**	**4,286**	**10,141**
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)
Disposal	-	(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
Disposals	-	(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

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

9. Property and equipment (continued)

The Group

Year ended 31December 2023	**Building and leasehold property**	**Motor vehicles**	**Equipment, furniture and fittings**	**Right-of-use asset (Building)**	**Capital work-in-progress**	**Total**
Cost:						
At 1 January	40,253	33,506	51,171	29,612	7,787	**162,329**
Additions	377	11,765	8,219	7,340	416	**28,117**
Remeasurement	-	-	-	(906)	-	**(906)**
Disposals	-	(3,536)	(255)	-	-	**(3,791)**
Effect of lease termination	-	-	-	(1,383)	-	**(1,383)**
Transfers	-	850	134	-	(984)	**-**
Exchange differences	-	(1,483)	(2,362)	(4,545)	(192)	**(8,582)**
At 31 December	**40,630**	**41,102**	**56,907**	**30,118**	**7,027**	**175,784**
Accumulated depreciation						
At 1 January	11,550	23,032	25,614	12,292	-	**72,488**
Charge for the year	2,475	8,142	7,220	1,543	-	**19,380**
Disposal	-	(2,957)	(239)	-	-	**(3,196)**
Effect of lease termination	-	-	-	(994)	-	**(994)**
Exchange differences	-	(710)	(484)	(1,077)	-	**(2,271)**
At 31 December	**14,025**	**27,507**	**32,111**	**11,764**	**-**	**85,407**
Net book amount at 31 December	**26,605**	**13,595**	**24,796**	**18,354**	**7,027**	**90,377**
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	1,571	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
Disposal	-	(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

There was no indication of impairment of property and equipment held by the Group and the Company at 31 December 2023 (2022: 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	
	2023	2022	**2023**	2022
Cost	**2,424**	5	**3,791**	4,365
Accumulated depreciation	**(1,854)**	(4)	**(3,196)**	(4,274)
Carrying amount	**570**	1	**595**	91
Proceeds from disposal	**(1,014)**	-	**(1,484)**	(245)
(Profit)/loss on disposal	**(444)**	1	**(889)**	(154)

10. Intangible assets

The Group

Cost	**2023**	2022
Balance at 1 January	**3,436**	3,411
Additions	**64**	21
Exchange difference	**-**	4
Balance at 31 December	**3,500**	3,436
Accumulated amortisation		
Balance at 1 January	**3,361**	3,326
Charge for the year	**38**	31
Exchange difference	**-**	4
Balance at 31 December	**3,399**	3,361
Carrying amounts At 31 December	**101**	75

All intangible assets are externally acquired computer software.

11. Investment securities

	The Company		The Group	
Investment securities				
- Listed equity securities	**3,628**	2,840	**153,844**	104,825
- Unlisted equity securities	**3**	3	**1,513**	1,867
Total equity securities	**3,631**	2,843	**155,357**	106,692
Unlisted debt securities	**67,579**	12,592	**1,524,839**	1,370,499
Balance at 31 December	**71,210**	15,435	**1,680,196**	1,477,191

The movement in financial assets at fair value through profit or loss is summarised in the table below.

	The Company		The Group	
	2023	2022	**2023**	2022
Equity securities				
Balance at 1 January	**2,843**	2,403	**106,692**	116,034
Purchases of equity securities	**-**	-	**5,370**	-
Net gain on equity securities	**788**	440	**43,295**	(9,342)
Balance at 31 December	**3,631**	2,843	**155,357**	106,692

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

11. Investment securities (continued)

The components of financial assets at amortised cost is summarised in the table below:

	The Company		The Group	
	2023	2022	**2023**	2022
Debt securities				
Fixed deposits	**57,079**	-	**341,754**	74,288
Treasury bills	**1,344**	1,005	**92,036**	163,210
Bonds	**11,972**	14,276	**1,443,890**	1,461,852
	70,395	15,281	**1,877,680**	1,699,350
Allowance for impairment	**(2,816)**	(2,689)	**(352,841)**	(328,851)
Balance at 31 December	**67,579**	12,592	**1,524,839**	1,370,499
Current	**58,423**	1,005	**433,790**	51,155
Non-current	**9,156**	11,587	**1,091,049**	1,319,344
	67,579	12,592	**1,524,839**	1,370,499

Investment securities classified above as “current” with original maturities of 91 days included as part of cash and cash equivalents for cash flow purposes is set out below.

Investments securities with original maturities of 91 days	**57,079**	-	**362,637**	-

12. Related parties

The parent and ultimate parent company of Enterprise Group Plc (EGPLC) is Grace Strategic Ventures LTD 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

	2023	2022
Rental payments		
Enterprise Properties LTD	**1,523**	1,086
Seventh Avenue Properties LTD	**-**	11,505

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

12. Related parties (continued)

(i) Transactions with related companies (continued)

The Company

	2023	2022
Shared service costs		
Enterprise Insurance LTD	**5,817**	4,848
Enterprise Life Assurance LTD	**8,370**	6,975
Enterprise Properties LTD	**1,140**	950
Enterprise Trustees LTD	**2,839**	2,366
Enterprise Funeral Services Ghana LTD	**1,504**	1,252
Acacia Health Insurance LTD	**1,083**	902
Dividend income from related companies		
Enterprise Life Assurance LTD	**48,000**	51,000
Enterprise Trustees LTD	**13,600**	11,200
Enterprise Insurance LTD	**11,251**	7,603
Loan disbursed to related company		
Seventh Avenue Properties LTD	**-**	21,882
Interest income on related company loan		
Seventh Avenue Properties LTD	**687**	7
Premiums on insurance policies purchased		
Enterprise Life Assurance LTD	**173**	167
Acacia Health Insurance LTD	**637**	254
Enterprise Insurance LTD	**461**	245

The Company's employee defined contribution schemes under tier-two and provident funds are managed by Enterprise Trustees LTD.

The Group

	2023	2022
Fund management fees charged by related company		
Databank Financial Services LTD	**2,573**	2,958
Dividend		
Enterprise Life Assurance LTD to Black Star Holdings Limited	**32,000**	34,000
Enterprise Trustees LTD to Black Star Holdings Limited	**3,400**	2,800
Enterprise Insurance LTD to Black Star Holdings Limited	**3,751**	2,535

(ii) Year end balances arising from transactions with the related companies

	The Company		**The Group**	
	2023	2022	**2023**	2022
Amount due to related company				
Black Star Holdings Limited	**21,933**	21,933	**48,828**	52,668
Amount due from related company				
Enterprise Properties LTD	**131,819**	131,819	**-**	-

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 2023 and 31 December 2022. 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	
	2023	2022	**2023**	2022
At 1 January	**15,461**	-	**-**	-
Additions	**-**	21,882	**-**	-
Interest charged	**687**	74	**-**	-
Principal repayment	**(4,065)**	-	**-**	-
Interest repayment	**(761)**	-	**-**	-
Exchange gain/(loss)	**1,310**	(6,495)	**-**	-
	12,632	15,461	**-**	-

In November 2022, the Company advanced a loan of US$1.4 million to Seventh Avenue Properties LTD, a subsidiary of Enterprise Properties LTD. 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	**2023**	2022
Enterprise Properties LTD	**3,702**	5,335
Seventh Avenue Properties LTD	**8,780**	7,153
	12,482	12,488

The lease liabilities for the Company emanates solely from non-cancellable lease arrangements with Enterprise Properties LTD and Seventh Avenue Properties LTD for two (2) properties. The unexpired lease term as at 31 December 2023 was 6 years. Lease payments are to be made bi-annually per the lease agreements.

Key management personnel

	The Company		The Group	
	2023	2022	**2023**	2022
Salaries and other employment benefits	**7,139**	7,557	**30,897**	23,532
Employer's pension fund contribution	**541**	801	**3,679**	3,716
	7,680	8,358	**34,576**	27,248

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	
	2023	2022
Trading stocks	**1,394**	1,406
Consumables	**57**	71
	1,451	1,477

Trading stocks relate to caskets and other funeral ornaments. Consumables relate to materials used to prepare units. During 2023, inventories sold (trading stock) and used (consumables) in rendering the funeral services amounted to GH¢ 2,943. This was included in 'operating expenses' in the statement of comprehensive income. (2022: GH¢ 2,145).

14. Trade and other receivables

The Group

	2023	2022
Trade receivables	**49,022**	22,074
Staff advances	**17**	3
Deferred reinsurance cost	**2,066**	1,503
Other receivables	**48,504**	47,079
Balance at 31 December	**99,609**	70,659

The maximum amount of staff advances during the year did not exceed GH¢ 16,602 (2022:GH¢106,097). 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	
	2023	2022	**2023**	2022
Prepaid expenses and supplier advance	**104**	928	**435**	6,157

The amount set out above are current and their carrying values approximate their fair value due to their short-term nature.

16. Reinsurance contract assets/(liabilities)

(i) Reinsurance contract assets

The Group

	2023	2022 (Restated)
Assets for remaining coverage	**66,893**	56,181
Assets for incurred claims	**92,558**	40,568
Balance at 31 December	**159,451**	96,749

The subsequent table to this note sets out the carrying amounts of portfolios of reinsurance contract assets at the reporting date per class of business.

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

16. Reinsurance contract assets/(liabilities) (continued)

(i) Reinsurance contract assets (continued)

The Group

31 December 2023	**Asset for incurred claims – PVFCF**	**Risk adjustment**	**Total asset for incurred claims**	**Total asset for remaining coverage**
Group life	10	-	10	36
Aviation and marine	8,706	609	9,315	4,119
Bond	142	15	157	2,647
Engineering	14,704	1,029	15,733	16,347
Fire	38,250	2,677	40,927	37,170
Motor	6,701	469	7,170	2,449
Accident	17,497	1,749	19,246	4,125
Total	**86,010**	**6,548**	**92,558**	**66,893**

31 December 2022 (Restated)	Asset for incurred claims – PVFCF	Risk adjustment	Total asset for incurred claims	Total asset for remaining coverage
Group life	6	-	6	19
Corporate life	1,239	-	1,239	369
Credit life	981	-	981	(1,199)
Micro ensure	32	-	32	2
Aviation and marine	8,859	620	9,479	4,391
Bond	148	15	163	4,332
Engineering	2,159	151	2,310	21,657
Fire	9,170	646	9,816	15,920
Motor	2,399	168	2,567	3,903
Accident	12,705	1,270	13,975	6,787
Total	37,698	2,870	40,568	56,181

(ii) Reinsurance contract liabilities

The Group

	2023	2022
Assets for remaining coverage	**(2,507)**	-
Assets for incurred claims	**1,415**	-
Balance at 31 December	**(1,092)**	-

31 December 2023	**Asset for incurred claims – PVFCF**	**Risk adjustment**	**Total asset for incurred claims**	**Total asset for remaining coverage**
Boafo pa	1	-	1	-
Corporate life	643	-	643	(2,977)
Credit life	770	-	770	470
Micro ensure	1	-	1	-
Total	**1,415**	**-**	**1,415**	**(2,507)**

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

17. Reinsurers balances

The Group

	2023	2022
Due from reinsurers	**16,830**	10,797
Impairment	**(1,286)**	(1,005)
Balance at 31 December	**15,544**	9,792

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.

	2023	2022
Due to re-insurers	**14,100**	15,058

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. Growth and sustainability levy

The Company	**At 1 January**	**Charge for the year**	**Payments during the year**	**At 31 December**
2023 Year of assessment				
Up to 2022	-	-	-	**-**
2023	-	1,034	(1,227)	**(193)**
	-	**1,034**	**(1,227)**	**(193)**

The Group	**At 1 January**	**Charge for the year**	**Payments during the year**	**At 31 December**
2023 Year of assessment				
Up to 2022	(3,786)	-	-	**(3,786)**
2023	-	13,613	(13,383)	**230**
	(3,786)	**13,613**	**(13,383)**	**(3,556)**
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)

The above net Growth and sustainability levy assets and liabilities is presented in the statement of financial position as follows:

	2023	2022
Growth and sustainability levy assets	**(4,844)**	(3,786)
Growth and sustainability levy liabilities	**1,288**	-
	(3,556)	(3,786)

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

18. Growth and sustainability levy (continued)

Effective 1 May 2023, the National Fiscal Stabilisation Levy Act, 2013 (Act 862) was replaced by the Growth and Sustainability Levy Act, 2023 (Act 1095). Act 1095 is assessed between 2.5% and 5% on the accounting profit before tax for companies within the Group registered in Ghana. The replaced act, Act 862 was assessed at 5% on the accounting profit before tax. Both levies are not tax deductible for the purpose of ascertaining the chargeable income of the Company and Group.

19. Income tax

(i) Income tax expense

	The Company		The Group	
	2023	2022	**2023**	2022
Current income tax	**-**	-	**43,631**	31,437
Deferred income tax expense (Note 6)	**-**	-	**22,794**	20,029
	-	-	**66,425**	51,466

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	
	2023	2022	**2023**	2022
Profit before income tax	**55,139**	49,513	**273,177**	174,002
Tax charged at enacted tax rate at 25% (2022: 25%)	**13,785**	12,378	**68,294**	43,500
Income exempt from tax	**(18,213)**	(20,763)	**(146,173)**	(151,652)
Effect of tax rate in foreign jurisdiction	**-**	-	**-**	-
Non-deductible expenses	**1,034**	1,662	**131,852**	126,706
Derecognition of previously recognised deductible temporary differences	**-**	-	**-**	4,904
Tax on dividend	**-**	-	**741**	858
Tax losses utilised	**-**	-	**3,169**	9,088
Recognition of previously unrecognised tax losses	**-**	-	**(12,903)**	(1,836)
Derecognition of previously recognised tax losses	**-**	-	**-**	-
Tax losses for which deferred tax was not recognised	**3,394**	6,723	**21,445**	19,898
	-	-	**66,425**	51,466

(ii) Current tax (assets)/liabilities

The Company

Year ended 31 December 2023	**At 1 January**	**Charge for the year**	**Payments during the year**	**At 31 December**
Year of assessment				
Up to 2022	2,667	-	-	**2,667**
2023	-	-	-	**-**
	2,667	**-**	**-**	**2,667**

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

19. Income tax (continued)

The Company

Year ended 31 December 2022

	At 1 January	Charge for the year	Payments during the year	At 31 December
Year of assessment				
Up to 2021	2,667	-	-	2,667
2022	-	-	-	-
	2,667	-	-	2,667

The Group

Year ended 31 December 2023

	At 1 January	**Charge for the year**	**Payments during the year**	**Translation difference**	**At 31 December**
Year of assessment					
Up to 2022	6,135	-	-	-	**6,135**
2023	-	43,631	(34,046)	8	**9,593**
	6,135	**43,631**	**(34,046)**	**8**	**15,728**

Year ended 31 December 2022

	At 1 January	Charge for the year	Payments during the year	Translation difference	At 31 December
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

The above net current tax and liabilities are presented in the statement of financial position as follows:

The Group

	2023	2022
Current tax assets	**(5,794)**	(4,525)
Current tax liabilities	**21,522**	10,660
	15,728	6,135

20. Cash and bank balances

	The Company		**The Group**	
	2023	2022	**2023**	2022
Cash on hand	**17**	17	**45**	53
Bank balances	**62,004**	56,108	**426,993**	251,993
	62,021	56,125	**427,038**	252,046

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

21. Capital and reserves

Stated capital

The authorised shares of the Company are 1,000,000,000 (2022: 1,000,000,000) ordinary shares of no-par value. The issued ordinary shares at 31 December 2023 and 31 December 2022 is as follows:

	No. of shares		Proceeds	
	2023	2022	**2023**	2022
	'000	'000		
Balance at 1 January & 31 December	**170,893**	170,893	**258,886**	258,886

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 monies deposited towards issue of ordinary shares within the Group.

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:

	2023	2022 (Restated)
Profit for the year	**76,768**	33,233
Foreign currency translation reserve	**762**	135
	77,530	33,368

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 2023 are set out below:

	2023	2022
Enterprise Life Assurance LTD	**232,770**	218,238
Enterprise Insurance LTD	**55,142**	45,583
Enterprise Trustees LTD	**12,102**	9,450
Enterprise Properties LTD	**75,116**	62,484
	375,130	335,755

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**	
	2023	2022 (Restated)	**2023**	2022 (Restated)	**2023**	2022
Current						
Assets	**281,985**	101,200	**459,839**	129,488	**33,487**	21,001
Liabilities	**(50,786)**	(67,031)	**(96,062)**	(79,409)	**(184,147)**	(188,094)
Total current net assets/(liabilities)	**231,199**	34,169	**363,777**	50,079	**(150,660)**	(167,093)
Non-current						
Assets	**338,006**	404,360	**1,139,011**	1,167,920	**479,990**	435,223
Liabilities	**(348,636)**	(256,200)	**(902,089)**	(660,025)	**(78,945)**	(59,851)
Total non-current net assets	**(10,630)**	148,160	**236,922**	507,985	**401,045**	375,372
Net assets	**220,569**	182,329	**600,699**	557,974	**250,385**	208,279

Summarised statement of comprehensive income

	Enterprise Insurance LTD		**Enterprise Life Assurance LTD**		**Enterprise Properties LTD**	
	2023	2022 (Restated)	**2023**	2022 Restated	**2023**	2022
Net insurance service result	**124,117**	96,585	**(51,731)**	63,167	**-**	-
Rental income	**-**	-	**-**	1,776	**39,165**	22,300
Profit/(loss) before income tax and growth and sustainability levy	**77,068**	36,281	**121,289**	(14,845)	**70,233**	142,385
Profit/(loss) after income tax and growth and sustainability levy	**53,242**	24,278	**114,424**	(20,444)	**42,106**	105,331
Other comprehensive income	**-**	-	**8,301**	12,711	**-**	-
Total comprehensive income/(loss)	**53,242**	24,278	**122,725**	(7,733)	**42,106**	105,331

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

22. Non-controlling interest (continued)

Summarised statement of cash flows

	Enterprise Insurance LTD		Enterprise Life Assurance LTD		Enterprise Properties LTD	
	2023	2022 (Restated)	**2023**	2022 (Restated)	**2023**	2022
Cash flows from operating activities:						
Net cash generated from operating activities	**67,261**	75,360	**330,511**	77,403	**10,671**	23,882
Net cash generated from/(used in) investing activities	**128,873**	(30,537)	**76,321**	17,101	**(205)**	(69)
Net cash used in financing activities	**(19,661)**	(20,185)	**(87,244)**	(91,971)	**(4,571)**	(21,417)
Net increase in cash and cash equivalents	**176,473**	24,638	**319,588**	2,533	**5,895**	2,396
Cash and cash equivalents at 1 January	**77,135**	52,497	**99,515**	94,612	**6,743**	4,347
Cash and cash equivalents at 31 December	**253,608**	77,135	**419,103**	97,145	**12,638**	6,743

The information above is the amount before inter-company eliminations.

23. Insurance contract liabilities

The Group

	2023	2022 (Restated)
Contracts measured under GMM and VFA measurement model	**857,698**	621,012
Contracts measured under PAA measurement model	**411,138**	286,204
	1,268,836	907,216

Contracts measured under GMM and VFA

The Group

31 December 2023	**Measurement Model**	**Best estimate liabilities (BEL)**	**Risk adjustment (RA)**	**Contractual service margin (CSM)**	**Total**
Funeral	GMM	(236,377)	52,206	393,315	**209,144**
FIPP	GMM	(21,710)	5,064	61,879	**45,233**
Lifetime needs	VFA	144,379	9,771	76,732	**230,882**
Edu care	VFA	320,268	4,964	49,879	**375,111**
Reinsurance	GMM	3,655	(261)	(6,066)	**(2,672)**
Total		**210,215**	**71,744**	**575,739**	**857,698**

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

23. Insurance contract liabilities (continued)

The Group

Contracts measured under PAA

31 December 2023	**Liabilities for incurred claims**	**Risk adjustment**	**Total liabilities for incurred claims**	**Total liabilities for remaining coverage**	**Total**
Group life	949	-	949	(25)	**924**
Alumni	541	-	541	-	**541**
Boafo pa	719	-	719	-	**719**
Church funeral	271	-	271	-	**271**
Corporate risk	4,077	-	4,077	6,361	**10,438**
Credit life	4,723	-	4,723	7,073	**11,796**
Micro ensure	479	-	479	1,368	**1,847**
Yiedie	422	-	422	-	**422**
Aviation and marine	12,743	892	13,635	5,813	**19,448**
Health	14,206	673	14,879	44,344	**59,223**
Bond	179	18	197	3,615	**3,812**
Engineering	16,915	1,184	18,099	20,634	**38,733**
Fire	40,057	2,804	42,861	48,279	**91,140**
Motor	50,523	3,537	54,060	70,116	**124,176**
Accident	30,889	3,089	33,978	13,670	**47,648**
Total	**177,693**	**12,197**	**189,890**	**221,248**	**411,138**

The Group

Contracts measured under GMM and VFA

31 December 2022 (Restated)	Measurement Model	Best estimate liabilities (BEL)	Risk adjustment (RA)	Contractual service margin (CSM)	Total
Funeral	GMM	(243,322)	43,993	329,006	129,677
FIPP	GMM	(26,290)	3,647	45,181	22,538
Lifetime needs	VFA	60,250	9,903	92,210	162,363
Edu care	VFA	264,705	4,598	38,507	307,810
Reinsurance	GMM	2,738	(196)	(3,918)	(1,376)
Total		58,081	61,945	500,986	621,012

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

23. Insurance contract liabilities (continued)

Contracts measured under PAA

31 December 2022 (Restated)	Liabilities for incurred claims	Risk adjustment	Total liabilities for incurred claims	Total liabilities for remaining coverage	Total
Group life	284	-	284	(1,359)	(1,075)
Alumni	148	-	148	624	772
Boafo pa	87	-	87	-	87
Church funeral	130	-	130	1,123	1,253
Corporate risk	2,570	-	2,570	3,110	5,680
Credit life	3,740	-	3,740	4,609	8,349
Micro ensure	145	-	145	446	591
Yiedie	178	-	178	-	178
Aviation and marine	11,258	788	12,046	5,544	17,590
Health	13,893	658	14,551	22,574	37,125
Bond	370	37	407	5,275	5,682
Engineering	2,956	207	3,163	25,661	28,824
Fire	15,236	1,067	16,303	23,290	39,593
Motor	40,279	2,820	43,099	59,593	102,692
Accident	21,067	2,107	23,174	15,689	38,863
Total	112,341	7,684	120,025	166,179	286,204

24. Leases

Leases as lessee

The Group leases a number of buildings including 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

Right-of-use assets relate to leased branch and office premises that are presented within property and equipment.

	The Company		The Group	
	2023	2022	**2023**	2022
Balance at 1 January	**5,678**	9,624	**17,320**	13,797
Additions	**-**	-	**7,340**	10,078
Remeasurement	**-**	(2,552)	**(906)**	(3,177)
Terminations	**(389)**	-	**(389)**	(2,440)
Depreciation charge for the year	**(1,003)**	(1,394)	**(1,543)**	(1,932)
Translation difference	**-**	-	**(3,468)**	994
Balance at 31 December	**4,286**	5,678	**18,354**	17,320

ii. Amounts recognised in profit or loss

	The Company 2023	The Company 2022	The Group 2023	The Group 2022
Interest on lease liabilities	**1,334**	1,884	**2,620**	2,541
Gain on termination of leases	**1,003**	-	**1,003**	943
Expenses relating to leases of low-value assets	**-**	-	**-**	523
Exchange loss on lease liabilities	**1,275**	12,044	**1,269**	5,873
Depreciation of right-of-use assets	**1,003**	1,393	**1,543**	1,932

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¢ 44 million and GH¢ 35 million (GH¢61 million and GH¢ 38 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	
	2023	2022	**2023**	2022
Balance at 1 January	**12,488**	13,703	**17,143**	13,323
Additions	**-**	-	**2,140**	6,072
Modifications	**-**	(2,552)	**(645)**	(2,848)
Remeasurements	**-**	-	**(446)**	(329)
Interest expense	**1,334**	1,884	**2,620**	2,541
Terminations	**(1,392)**	-	**(1,392)**	(3,383)
Interest payment	**(417)**	(1,884)	**(1,033)**	(2,541)
Lease payments	**(806)**	(10,707)	**(5,806)**	(1,565)
Foreign currency transactional loss	**1,275**	12,044	**1,269**	5,229
Translation difference	**-**	-	**(1,535)**	644
Balance at 31 December	**12,482**	12,488	**12,315**	17,143

Amounts recognised in the statement of cash flows

Principal lease payment	**806**	10,707	**5,806**	1,565
Interest payment	**417**	1,884	**1,033**	2,541
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	
	2023	2022	**2023**	2022
Current	**606**	941	**2,595**	13,323
Non-current	**11,876**	11,547	**9,720**	3,820
Balance at 31 December	**12,482**	12,488	**12,315**	17,143

The maturity analysis of lease liabilities as at 31 December 2023 and 2022 is set out in Note 3.2.3

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 2023 was GH¢ 21.2 million (2022: GH¢ 11.7 million).

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

25. Borrowings

The Group

	2023	2022
Current	-	511
Non-current	-	-
	-	511

Movement in borrowings is as follows;

	2023	2022
Balance at 1 January	511	26,123
Interest expense	3	2,737
Interest paid	(260)	(43,299)
Principal repayments	(254)	(2,320)
Exchange loss	-	17,270
Balance at 31 December	-	511

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 2023, the loan was refinanced with an internal facility from the Company. The final repayment was made in 2023 and relates to outstanding interest accrued.

26. Investment contract liabilities

The Group

	2023	2022
At 1 January	3,746	874
Deposits during the year	3,421	2,311
Interest credited to customers	34	29
Withdrawals during the year	(219)	(43)
Exchange difference	524	575
Balance at 31 December	7,506	3,746

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

27. Trade and other payables

	The Company		The Group	
	2023	2022	**2023**	2022
Accrued expense and other payables	**26,328**	10,402	**172,906**	161,927

All trade and other payables are current and their carrying amounts approximate their fair value due to their short-term nature.

28. Investment income

	The Company		The Group	
	2023	2022	**2023**	2022
Investment income on financial assets classified as Fair value through profit or loss:				
-Dividend income	**185**	24	**9,451**	10,752
-Net fair value gain/(loss) in equity securities	**788**	439	**43,285**	(9,343)
Dividend from subsidiaries	**72,851**	69,803	**-**	-
Interest on unlisted debt securities	**1,670**	3,511	**205,847**	262,691
Bank interest	**5,374**	1,441	**29,793**	19,467
Interest income on loan	**687**	74	**-**	-
	81,555	75,292	**288,376**	283,567

29. Insurance revenue

The insurance revenue of the Group can be analysed as shown below:

	The Group	
	2023	2022 (Restated)
Contracts measured under PAA	**731,349**	523,742
Contracts not measured under PAA (i.e., contracts measured under GMM and VFA)	**481,690**	455,925
	1,213,039	979,667

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

29. Insurance revenue (continued)

Contracts measured under PAA (continued)

	The Group	
	2023	2022 (Restated)
Alumni	**4,528**	224
Boafo pa	**4,379**	1,347
Church funeral	**2,627**	1,148
Corporate risk	**24,333**	16,434
Credit life	**39,247**	35,747
Micro ensure	**2,915**	3,660
Yiedie	**3,138**	2,505
Health	**109,369**	76,262
Group life	**6,527**	1,160
Agriculture	**1**	-
Marine and aviation	**41,027**	25,133
Bond	**11,862**	9,884
Engineering	**56,877**	38,413
Fire	**138,764**	83,682
Motor	**223,375**	184,193
Accident	**62,380**	43,950
Total	**731,349**	523,742

Contracts not measured under PAA (i.e., contracts measured under GMM and VFA)

Year ended 31 December 2023	Funeral	FIPP	Lifetime Needs	Edu care	**Total**
Amounts relating to the changes in the LRC	136,861	12,433	14,483	98,949	**262,726**
Expected incurred claims and other directly attributable expenses	44,810	7,261	21,356	30,058	**103,485**
Change in the risk adjustment for non-financial risk for the risk expired	14,197	1,866	2,328	1,989	**20,380**
CSM recognised for the services provided	59,803	15,742	9,765	9,789	**95,099**
Insurance revenue from contracts not measured under the PAA	**255,671**	**37,302**	**47,932**	**140,785**	**481,690**

Contracts not measured under PAA (i.e., contracts measured under GMM and VFA)

Year ended 31 December 2022 (Restated)	Funeral	FIPP	Lifetime Needs	Edu care	Total
Amounts relating to the changes in the LRC	69,017	3,588	10,670	203,473	286,748
Expected incurred claims and other directly attributable expenses	37,044	5,007	21,067	22,819	85,937
Change in the risk adjustment for non-financial risk for the risk expired	10,954	1,128	1,489	599	14,170
CSM recognised for the services provided	43,836	9,850	8,802	6,582	69,070
Insurance revenue from contracts not measured under the PAA	160,851	19,573	42,028	233,473	455,925

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

30. Insurance service expenses

	The Group	
	2023	2022 (Restated)
Incurred claims and insurance contracts expenses	**684,019**	449,037
Insurance contract acquisition cash flows	**122,773**	95,403
	806,792	544,440
Contracts measured under PAA	**344,469**	256,907
Contracts not measured under PAA (i.e., contracts measured under GMM and VFA)	**462,323**	287,533
	806,792	544,440

The tables below show an analysis of insurance service expenses recognised in the year

Contracts measured under PAA

Year ended 31 December 2023

	Incurred claims and other incurred insurance service expenses	Changes that relate to past service - adjustment to the LIC	Changes that relate to future service - losses on onerous groups of contracts and reversal of such losses	Insurance acquisition cash flows	**Total**
Alumni	4,268	(148)	-	905	**5,025**
Boafo pa	1,717	(87)	-	350	**1,980**
Church funeral	4,287	(130)	(628)	638	**4,167**
Corporate risk	19,045	(2,643)	-	7,408	**23,810**
Credit life	16,777	(3,699)	-	15,592	**28,670**
Group life	3,594	(10,655)		7,954	**893**
Micro ensure	2,601	(145)	-	1,266	**3,722**
Yiedie	2,633	(178)	-	810	**3,265**
Aviation and marine	11,937	(1,294)	151	4,596	**15,390**
Bond	74	567	-	2,225	**2,866**
Engineering	16,801	92	-	8,337	**25,230**
Fire	64,595	(10,662)	-	25,785	**79,718**
Motor	6,880	(3,861)	-	33,111	**36,130**
Accident	23,501	(3,697)	-	12,064	**31,868**
Health	91,735	(13,646)	-	3,646	**81,735**
Total	**270,445**	**(50,186)**	**(477)**	**124,687**	**344,469**

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

30. Insurance service expenses (continued)

Contracts not measured under PAA (i.e., contracts measured under GMM and VFA)

Year ended 31 December 2023	Funeral	FIPP	Lifetime Needs	Educare	**Total**
Actual claims	124,619	10,460	92,033	161,410	**388,522**
Actual management expenses	58,185	7,726	24,443	29,168	**119,522**
DAC release	18,225	4,594	7,885	9,724	**40,428**
Loss declared on new business at inception	2,190	517	275	6,116	**9,098**
Losses and reversal of losses	6,350	90	(54)	867	**7,253**
Release of claims and expenses incurred over the period	(218)	(181)	(81)	(99,916)	**(100,396)**
Expected release of risk adjustment over period for loss component	(32)	(23)	(13)	(123)	**(191)**
Acquisition expenses paid over the period (expected) for loss component	(391)	(107)	(53)	(1,362)	**(1,913)**
Total	**208,928**	**23,076**	**124,435**	**105,884**	**462,323**

Contracts measured under PAA

Year ended 31 December 2022 (Restated)

	Incurred claims and other incurred insurance service expenses	Changes that relate to past service - adjustment to the LIC	Changes that relate to future service - losses on onerous groups of contracts and reversal of such losses	Insurance acquisition cash flows	Total
Alumni	457	-	-	35	492
Boafo pa	606	(21)	-	142	727
Church funeral	3,795	(104)	628	216	4,535
Corporate risk	14,687	(2,103)	(63)	7,052	19,573
Credit life	15,358	(4,074)	-	15,513	26,797
Group life	1,372	1,157		7,944	10,473
Micro ensure	1,318	(126)	-	1,833	3,025
Yiedie	1,905	(99)	(4)	531	2,333
Aviation and marine	12,791	981	(422)	3,099	16,449
Bond	61	(127)	-	1,908	1,842
Engineering	3,742	(1,280)	-	4,982	7,444
Fire	25,072	(6,100)	-	16,070	35,042
Motor	26,492	(8,056)	-	26,242	44,678
Accident	14,530	(4,901)	(298)	8,225	17,556
Health	67,386	(3,503)	-	2,058	65,941
Total	189,572	(28,356)	(159)	95,850	256,907

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

30. Insurance service expenses (continued)

Year ended 31 December 2022 (Restated)

Contracts not measured under PAA

	Funeral	FIPP	Lifetime Needs	Educare	Total
Actual claims	100,720	8,460	81,454	145,699	336,333
Actual management expenses	68,887	4,665	22,700	31,711	127,963
DAC release	3,999	1,535	2,082	1,605	9,221
Loss declared on new business at inception	1,545	534	188	924	3,191
Losses and reversal of losses	(1,894)	(32)	(1,042)	604	(2,364)
Release of claims and expenses incurred over the period	(130)	(83)	(6)	(186,101)	(186,320)
Expected release of risk adjustment over period for loss component	(18)	(10)	(1)	(15)	(44)
Acquisition expenses paid over the period (expected) for loss component	(213)	(51)	(14)	(169)	(447)
Total	172,896	15,018	105,361	(5,742)	287,533

31. Reinsurance income

	The Group 2023	The Group 2022 (Restated)
Reinsurance income	**3,284**	3,320

32. Other revenue

The Group

	2023	2022
Fee income from pension services	**69,953**	56,761
Funeral services income	**20,912**	15,920
Rental income on investment properties	**21,184**	11,701
	112,049	84,382

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 2023	The Company 2022	The Group 2023	The Group 2022
Exchange gains	**2,814**	12,748	**13,503**	38,959
Profit/(loss) on disposal of property and equipment (Note 9)	**444**	(1)	**3,408**	154
Gain on termination of lease (Note 24)	**1,003**	-	**1,003**	-
Sundry income	**-**	-	**13,217**	10,203
	4,261	12,747	**31,131**	49,316

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

34. Finance costs

	The Company		The Group	
	2023	2022	**2023**	2022
Interest on borrowings (Note 25)	**-**	-	**3**	2,737
Interest on lease liabilities (Note 24)	**1,334**	1,884	**2,620**	2,541
Exchange loss on borrowings (Note 25)	**-**	-	**-**	17,270
Exchange loss on lease liabilities (Note 24)	**1,275**	12,044	**1,269**	5,229
	2,609	13,928	**3,892**	27,777

35. Impairment charge on investment securities

	The Company		The Group	
	2023	2022	**2023**	2022
Impairment on investment securities	**523**	2,689	**24,386**	328,851
Recoveries of previously impaired investment securities	**(396)**	-	**(396)**	-
	127	2,689	**23,990**	328,851

36. Operating expenses

	The Company		The Group	
	2023	2022	**2023**	2022
Directors' emoluments	**10,566**	10,241	**14,401**	14,034
Auditor's remuneration	**333**	200	**2,474**	1,996
Depreciation and amortisation	**3,456**	3,671	**19,418**	17,012
Staff costs	**19,835**	14,494	**118,893**	96,955
Other operating expenses	**14,504**	10,596	**92,827**	68,965
Shared service cost charged to subsidiaries	**(20,753)**	(17,293)	**-**	-
	27,941	21,909	**248,013**	198,962
Staff costs include:				
Salaries and other short-term employment benefit	**17,207**	12,644	**96,255**	80,287
Employer's pension fund contribution	**1,808**	1,489	**6,603**	5,150
Other-long term employment benefits	**820**	361	**16,035**	11,518
	19,835	14,494	**118,893**	96,955

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 as group-wide expense and charged to the subsidiaries of the Company.

The number of staff employed by the Company and the Group were as follows:

	The Company		The Group	
	2023	2022	**2023**	2022
Staff numbers	**35**	34	**828**	831

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

37. Net expenses on reinsurance contracts held

	The Group	
	2023	2022 (Restated)
Allocation of reinsurance premiums	**265,452**	174,958
Amounts recoverable from reinsurers for incurred claims	**(50,019)**	(1,035)
	215,433	173,923

38. 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, 2003 of Gambia, Enterprise Life Assurance Company Limited (Gambia), a subsidiary of Enterprise Life Assurance LTD and registered in the Gambia, 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 10 of the Insurance Act 2003, of Nigeria, Enterprise Life Assurance Company (Nigeria) Limited, a subsidiary of the Company, 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	**2023**	2022
Enterprise Life Assurance LTD	GH¢	**8,921**	5,900
Enterprise Insurance LTD	GH¢	**6,698**	5,333
Enterprise Life Assurance Company (Gambia) Limited	GMD	**843**	887
Enterprise Life Assurance Company (Nigeria) Limited	NAIRA	**800,000**	800,000
Acacia Health Insurance LTD	GH¢	**1,995**	1,639

These amounts have been included in investment securities in the financial statements.

39. Investment expense

	The Company		The Group	
	2023	2022	**2023**	2022
Investment management fees	**-**	-	**5,450**	4,383

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

40. Reconciliation of profit before tax to cash generated from operation

	The Company		The Group	
	2023	2022	**2023**	2022 (Restated)
Profit before tax	**55,139**	49,513	**273,177**	174,002
Depreciation and amortisation (Note 36)	**3,456**	3,671	**19,418**	17,012
Finance costs (Note 34)	**2,609**	13,928	**3,892**	27,777
Interest income in related party loan (Note 28)	**(687)**	(74)	**-**	-
Impairment of investment properties (Note 8)	**-**	-	**-**	1,295
Fair value gains on investment properties (Note 8)	**-**	-	**(47,669)**	(171,982)
Fair value (gains)/losses on investment securities (Note 11)	**(788)**	(440)	**(43,295)**	9,342
Exchange (gain)/loss on related party loan (Note 12)	**(1,310)**	6,495	**-**	-
Impairment of investment securities (Note 35)	**127**	2,689	**23,990**	328,851
Impairment of amount due from reinsurers	**-**	-	**281**	-
(Profit)/loss on sale of property and equipment (Note 9)	**(444)**	1	**(889)**	(154)
Gain on termination of leases (Note 24)	**(1,003)**	-	**(1,003)**	(943)
Changes in:				
Insurance contract liabilities	**-**	-	**361,620**	164,562
Reinsurance contract assets	**-**	-	**(62,702)**	(34,102)
Reinsurance contract liabilities	**-**	-	**1,092**	(357)
Investment contract liabilities	**-**	-	**3,760**	2,924
Amount due from re-insurers (excluding impairment charge)	**-**	-	**(6,033)**	1,990
Inventories	**-**	-	**26**	(530)
Trade and other receivables	**-**	37	**(28,950)**	(10,491)
Prepayments	**824**	(928)	**5,722**	(2,667)
Amount due to related parties	**-**	-	**(3,840)**	422
Amount due from related parties	**-**	13	**-**	-
Trade and other payables	**15,926**	(1,630)	**10,979**	32,846
Amount due to re-insurers	**-**	-	**(958)**	(2,970)
Cash generated from operations	**73,849**	73,275	**508,618**	536,827

41. 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)

41. Segment information (continued)

Group

Year ended 31 December 2023	Non-life insurance	Life assurance	Health insurance	Pension administration	Real estate	Funeral services	Investments	Elimination	Total
Net insurance service result	124,117	(76,454)	27,634	-	-	-	-	-	75,297
Interest income - external	41,568	227,072	5,306	6,413	-	-	81,555	(73,538)	288,376
Other revenue - external customers	-	-	-	69,953	39,165	21,814	-	(18,883)	112,049
Net investment and other income - others	14,163	7,315	5,744	935	45,045	483	4,261	(4,596)	73,350
Net income	**179,848**	**157,933**	**38,684**	**77,301**	**84,210**	**22,297**	**85,816**	**(97,017)**	**549,072**
Finance costs	(4,613)	(4,107)	-	(1,906)	(690)	(1,479)	(2,609)	11,512	(3,892)
Impairment (charge)/release on financial assets	(1,742)	(18,357)	(2,739)	(1,073)	-	48	(127)	-	(23,990)
Depreciation and amortisation	(6,234)	(12,113)	(440)	(1,942)	(264)	(1,664)	(3,456)	6,695	(19,418)
Operating expenses	(90,191)	(33,005)	(19,811)	(32,296)	(13,023)	(17,463)	(24,485)	1,679	(228,595)
Profit/(loss) before tax	**77,068**	**90,351**	**15,694**	**40,084**	**70,233**	**1,739**	**55,139**	**(77,131)**	**273,177**
Growth and sustainability levy	(3,853)	(6,078)	(588)	(752)	(1,308)	-	(1,034)	-	(13,613)
Income tax expense	(19,973)	(29)	(4,795)	(14,051)	(26,819)	(758)	-	-	(66,425)
Profit/(loss) after tax	**53,242**	**84,244**	**10,311**	**25,281**	**42,106**	**981**	**54,105**	**(77,131)**	**193,139**
Total assets	619,991	1,652,795	121,320	73,989	514,413	15,580	605,153	(563,249)	3,039,992
Total liabilities	399,422	1,000,191	72,862	18,457	264,028	21,002	63,410	(223,785)	1,615,587
Acquisition of property and equipment (excluding right-of-use assets)	2,935	11,457	689	1,834	22	325	3,515	-	20,777

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

41. Segment information (continued)

Group

Year ended 31 December 2022	Non-life insurance (Restated)	Life assurance (Restated)	Health Insurance (Restated)	Pension administration	Real estate	Funeral services	Investments	Elimination	Total
Net insurance service result	96,585	37,821	10,322	-			-	-	144,728
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
Net investment and other income – others	18,197	33,994	11,461	7	133,852	416	12,747	6,241	216,915
Net income	170,492	278,960	27,264	65,654	157,083	17,158	88,039	(75,058)	729,592
Finance costs	(12,869)	(13,505)	-	(5,870)	(2,810)	(1,078)	(13,928)	22,283	(27,777)
Impairment 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	(77,070)	(20,509)	(15,832)	(24,608)	(9,941)	(13,053)	(18,238)	(2,699)	(181,950)
Profit/(loss) before tax	36,281	(35,438)	7,272	22,255	142,385	978	49,513	(49,244)	174,002
Growth and sustainability levy	(1,835)	(5,214)	-	-	-	-	-	-	(7,049)
Income tax expense	(10,168)	9	(312)	(3,547)	(37,054)	(394)	-	-	(51,466)
Profit/(loss) after tax	24,278	(40,643)	6,960	18,708	105,331	584	49,513	(49,244)	115,487
Total assets	505,560	1,403,166	83,873	62,205	456,224	13,727	605,153	(638,491)	2,491,417
Total liabilities	323,231	737,645	45,726	14,954	247,945	20,130	63,410	(266,361)	1,186,680
Acquisition of property and equipment (excluding right-of-use assets)	4,238	18,638	132	1,269	69	626	2,854	(6,412)	21,414

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

41. 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.

	2023			2022 (Restated)		
Country of domicile	**Ghana**	**The Gambia**	**Nigeria**	Ghana	The Gambia	Nigeria
External revenues/net income	**663,056**	**427**	**(18,296)**	821,220	985	(18,376)
Non-current assets	**695,328**	**2,206**	**10,107**	637,763	515	17,421

*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.

42. 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**	
	2023	2022	**2023**	2022
Profit attributable to equity holders of the company	**54,105**	49,512	**116,371**	82,254
Weighted average number of ordinary shares in issue	**170,893**	170,893	**170,893**	170,893
Basic earnings per share	**0.317**	0.290	**0.681**	0.481

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.

43. Dividend payable

(i) Dividend declared and paid to non-controlling interest

	The Group	
	2023	2022
At 1 January	**4,826**	-
Amount declared during the year	**39,151**	39,335
Amount paid	**(43,977)**	(34,509)
At 31 December	**-**	4,826

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

43. Dividend payable (continued)

(ii) Dividend declared by the Company and paid equity shareholders during the year

The Company

	2023	2022
At 1 January	**-**	-
Amount declared during the year	**12,714**	12,714
Amount paid	**(12,714)**	(12,714)
At 31 December	**-**	-

44. 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¢ 1,869,297 (2022: GH¢ 1,634,297) as at 31 December 2023. 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 2023 and 31 December 2022.

45. Capital Commitments

There were no capital commitments for the Group and Company at 31 December 2022 (2022: Nil).

46. Proposed dividend per share

The directors recommend the payment of a final dividend of GH¢ 0.097 per share amounting to GH¢ 16.5 million for the year ended 31 December 2023.

47. Subsequent events

The directors are not aware of any other material events that have occurred between the date of the statement of financial position and the date of approval of the financial statements by the directors that may require adjustment of, or disclosure in, the financial statements.

48. Impact of transition to IFRS 17

(i) Transition approach

Full retrospective approach

The Group has adopted IFRS 17 Insurance Contracts from 1 January 2023 and comparatives have been retrospectively restated from the transition date of 1 January 2022.

The Group has determined that reasonable and supportable information was available for all contracts in force at the transition date that were issued within three years prior to the transition. In addition, for insurance contracts originated by the Group that are eligible for the PAA, the Group has concluded that only current and prospective information was required to reflect circumstances at the transition date, which made the full retrospective application practicable and, hence, the only available option for insurance contracts issued by the Group that are eligible for the PAA.

Accordingly, the Group has recognised and measured each group of insurance contracts in this category as if IFRS 17 had always applied; derecognised any existing balances that would not exist had IFRS 17 always applied; and recognised any resulting net difference in equity.

The impact on transition to IFRS 17 resulted in an increment of the Group's total equity by GH¢ 273 million at 31 December 2022 and increment of GH¢382.6 million at 1 January 2022.

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

48. Impact of transition to IFRS 17 (continued)

(ii) Reconciliation of consolidated statement of financial position under IFRS 4 to IFRS 17 as at 31 December 2021

The Group	Note	As previously reported under IFRS 4	Effect of application of IFRS 17	As Restated under IFRS 17
Assets				
Deferred tax assets		13,102	-	13,102
Investment properties		300,934	-	300,934
Property and equipment		78,209	-	78,209
Intangible assets		85	-	85
Investment securities		1,411,303	-	1,411,303
Inventories		947	-	947
Trade and other receivables		60,168	-	60,168
Prepayments		3,490	-	3,490
Deferred commission expense	1	20,390	(20,390)	-
Reinsurance contract assets	2	-	62,647	62,647
Due from re-insurers		11,782	-	11,782
Growth and sustainability levy assets		2,016	-	2,016
Current tax assets		1,382	-	1,382
Cash and bank balances		259,509	-	259,509
Total assets		2,163,317	42,257	2,205,574
Equity				
Stated capital		258,886	-	258,886
Deposit for shares		996	-	996
Retained earnings	3	297,017	230,979	527,996
Foreign currency translation reserve	4	(9,734)	108	(9,626)
Contingency reserve		87,873	-	87,873
Statutory reserve		9,201	-	9,201
Equity attributable to owners		644,239	231,087	875,326
Non-controlling interest	5	190,156	151,566	341,722
Total equity		834,395	382,653	1,217,048
Liabilities				
Life fund	6	921,023	(921,023)	-
Insurance contract liabilities	7	-	742,654	742,654
Reinsurance contract liabilities	8	-	357	357
Investment contract liabilities	9	-	822	822
Deferred tax liabilities		3,326	-	3,326
Lease liabilities		13,323	-	13,323
Borrowings		26,123	-	26,123
Unearned premiums reserve	10	90,380	(90,380)	-
Outstanding claims	11	61,197	(61,197)	-
Trade and other payables		129,081	-	129,081
Deferred commission income	12	11,629	(11,629)	-
Due to re-insurers		18,028	-	18,028
Due to related parties		47,420	-	47,420
Growth and sustainability levy liabilities		296	-	296
Current tax liabilities		7,096	-	7,096
Total liabilities		1,328,922	(340,396)	988,526
Total equity and liabilities		2,163,317	42,257	2,205,574

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

48. Impact of transition to IFRS 17 (continued)

(ii) Reconciliation of consolidated statement of financial position under IFRS 4 to IFRS 17 as at 31 December 2021 (continued)

Notes

1. This adjustment relates to reclassification of deferred commission expense under IFRS 4 to insurance contract liabilities (liabilities for remaining coverage) under IFRS 17.

2. This adjustment relates to the recognition of reinsurance contract assets arising from the measurement under IFRS 17.

3. This adjustment relates to the impact of additional insurance contract liabilities arising from the measurement under IFRS 17 and the net finance costs from the insurance contracts held.

4. This adjustment relates to the impact of the transition from IFRS 4 to IFRS 17 on the foreign currency translation reserve.

5. This adjustment relates to the NCI's share of the impact of additional insurance contract liabilities arising from the measurement under IFRS 17 and the net finance costs from the insurance contracts held.

6. This adjustment relates to the reclassification of the life fund under IFRS 4 to insurance contract liabilities under IFRS 17.

7. This adjustment relates to the remeasurement impact of insurance contract liabilities of GH¢ 742 million from IFRS 4 to IFRS 17 due to a change in measurement basis.

8. This adjustment relates to the recognition of reinsurance contract liabilities arising from the measurement under IFRS 17.

9. This adjustment relates to the recognition of investment contract liabilities arising from the measurement under IFRS 17.

10. This adjustment relates to the recognition of reinsurance contract liabilities arising from the measurement under IFRS 17.

11. This adjustment relates to reclassification of outstanding claims recognised under IFRS 4 to liabilities for incurred claims of insurance contract liabilities under IFRS 17

12. This adjustment relates to reclassification of deferred commission income under recognised under IFRS to reinsurance contract assets under IFRS 17

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

48 Impact of transition to IFRS 17 (continued)

(iii) Reconciliation of consolidated statement of financial position under IFRS 4 to IFRS 17 as at 31 December 2022

The Group	Note	As previously reported under IFRS 4	Effect of application of IFRS 17	As Restated under IFRS 17
Assets				
Deferred tax assets		7,498	-	7,498
Investment properties		471,621	-	471,621
Property and equipment		89,841	-	89,841
Intangible assets		75	-	75
Investment securities		1,477,191	-	1,477,191
Inventories		1,477	-	1,477
Trade and other receivables		70,659	-	70,659
Prepayments		6,157	-	6,157
Deferred commission expense	1	27,717	(27,717)	-
Reinsurance contract assets	2	-	96,749	96,749
Due from re-insurers		9,792	-	9,792
Growth and sustainability levy assets		3,786	-	3,786
Current tax assets		4,525	-	4,525
Cash and bank balances		252,046	-	252,046
Total assets		2,422,385	69,032	2,491,417
Equity				
Stated capital		258,886	-	258,886
Deposit for shares		996	-	996
Retained earnings	3	403,923	167,742	571,665
Foreign currency translation reserve	4	17,072	(2,582)	14,490
Contingency reserve		110,938	-	110,938
Statutory reserve		12,007	-	12,007
Equity attributable to owners		803,822	165,160	968,982
Non-controlling interest	5	227,900	107,855	335,755
Total equity		1,031,722	273,015	1,304,737
Liabilities				
Life fund	6	896,691	(896,691)	-
Insurance contract liabilities	7	-	907,216	907,216
Investment contract liabilities	8	-	3,746	3,746
Deferred tax liabilities		17,751	-	17,751
Lease liabilities		17,143	-	17,143
Borrowings		511	-	511
Unearned premiums reserve	9	110,434	(110,434)	-
Outstanding claims	10	87,827	(87,827)	-
Trade and other payables		161,927	-	161,927
Deferred commission income	11	19,993	(19,993)	-
Due to re-insurers		15,058	-	15,058
Due to related parties		52,668	-	52,668
Current tax liabilities		10,660	-	10,660
Total liabilities		1,390,663	(203,983)	1,186,680
Total equity and liabilities		2,422,385	69,032	2,491,417

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

48. Impact of transition to IFRS 17 (continued)

(iii) Reconciliation of consolidated statement of financial position under IFRS 4 to IFRS 17 as at 31 December 2022 (continued)

Notes

1. This adjustment relates to reclassification of deferred commission expense under IFRS 4 to insurance contract liabilities (liabilities for remaining coverage) under IFRS 17.

2. This adjustment relates to the recognition of reinsurance contract assets arising from the measurement under IFRS 17.

3. This adjustment relates to the impact of additional insurance contract liabilities arising from the measurement under IFRS 17 and the net finance costs from the insurance contracts held.

4. This adjustment relates to the impact of the transition from IFRS 4 to IFRS 17 on the foreign currency translation reserve.

5. This adjustment relates to the NCI's share of the impact of additional insurance contract liabilities arising from the measurement under IFRS 17 and the net finance costs from the insurance contracts held.

6. This adjustment relates to the reclassification of the life fund under IFRS 4 to insurance contract liabilities under IFRS 17.

7. This adjustment relates to the remeasurement impact of insurance contract liabilities of GH¢ 907 million from IFRS 4 to IFRS 17 due to a change in measurement basis.

8. This adjustment relates to the recognition of investment contract liabilities arising from the measurement under IFRS 17.

9. This adjustment relates to the recognition of reinsurance contract liabilities arising from the measurement under IFRS 17.

10. This adjustment relates to reclassification of outstanding claims recognised under IFRS 4 to liabilities for incurred claims of insurance contract liabilities under IFRS 17.

11. This adjustment relates to reclassification of deferred commission income under recognised under IFRS to reinsurance contract assets under IFRS 17.

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

48. Impact of transition to IFRS 17 (continued)

(iv) Reconciliation of consolidated statement of comprehensive income under IFRS 4 to IFRS 17 as at 31 December 2022 (continued)

The Group	Note	As previously reported under IFRS 4	Effect of application of IFRS 17	As Restated under IFRS 17
Investment income		283,567	-	283,567
Fair value gain on valuation of investment properties		171,982	-	171,982
Investment expenses		(4,383)	-	(4,383)
Net investment income		451,166	-	451,166
Insurance revenue	1	-	979,667	979,667
Insurance service expenses	2	-	(544,440)	(544,440)
Gross insurance premium	3	1,250,558	(1,250,558)	-
Insurance premium ceded to reinsurers	4	(213,129)	213,129	-
Net insurance premium		1,037,429	(602,202)	435,227
Change in unearned premium	5	(20,054)	20,054	-
Net earned premium revenue		1,017,375	(582,148)	435,227
Net expenses from reinsurance contracts	6	-	(173,923)	(173,923)
Insurance service result		1,017,375	(756,071)	261,304
Reinsurance income	7	-	3,320	3,320
Insurance service result after reinsurance		1,017,375	(752,751)	264,624
Insurance finance expense	8	-	(119,896)	(119,896)
Net insurance service result		1,017,375	(872,647)	144,728
Other revenue		84,382	-	84,382
Other income		49,316	-	49,316
		133,698	-	133,698
Net income		1,602,239	(872,647)	729,592
Insurance benefits and claims	9	(535,174)	535,174	-
Change in life fund liability	10	28,158	(28,158)	-
Net benefits and claims		(507,016)	507,016	-
Finance costs		(27,777)	-	(27,777)
Impairment charge		(328,851)	-	(328,851)
Operating expenses	11	(324,369)	125,407	(198,962)
Commission expense	12	(178,966)	178,966	-
Commission income	13	45,823	(45,823)	-
Net expenses		(1,321,156)	765,566	(555,590)
Profit before tax		281,083	(107,081)	174,002
Growth and sustainability levy		(7,049)	-	(7,049)
Income tax expense		(51,466)	-	(51,466)
Profit for the year		222,568	(107,081)	115,487
Other comprehensive income				
Items that may be reclassified to profit or loss:				
Foreign operations - translation difference		26,808	(2,557)	24,251
Total comprehensive income for the year		249,376	(109,638)	139,738
Profit attributable to:				
Owners of Enterprise Group Plc		145,491	(63,237)	82,254
Non-controlling interest		77,077	(43,844)	33,233
		222,568	(107,081)	115,487
Total comprehensive income attributable to:				
Owners of Enterprise Group Plc		172,297	(65,927)	106,370
Non-controlling interest		77,079	(43,711)	33,368
		249,376	(109,638)	139,738

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

48. Impact of transition to IFRS 17 (continued)

(iv) Reconciliation of consolidated statement of comprehensive income under IFRS 4 to IFRS 17 as at 31 December 2022 (continued)

Notes

1. This adjustment relates to the net effect of gross premium and insurance premium ceded to reinsurers under IFRS 4 and the impact of remeasurement arising under IFRS 17.
2. This adjustment relates to the reclassification of claims incurred of GH¢ 535 million, net commission expense of GH¢ 133 million, management expenses of GH¢ 96 million and changes in insurance contract liabilities of GH¢ 28 million recognised under IFRS 4 to insurance service expenses under IFRS 17. The adjustment also includes a decrease of GH¢ 192 million arising from remeasurement under IFRS 17.
3. This adjustment relates to a reclassification of gross premium revenue under IFRS 4 to insurance revenue under IFRS 17.
4. This adjustment relates to reclassification of insurance premium ceded to reinsurers under IFRS 4 to net expense from reinsurance contracts held under IFRS 17.
5. This adjustment is attributable to a reclassification of movement in unearned premium under IFRS 4 to insurance revenue under IFRS 17.
6. This adjustment is attributable to remeasurement of reinsurance premium ceded to reinsurer to alloca tion of reinsurance premiums and a remeasurement of reinsurance contracts held under IFRS 17.
7. This adjustment relates to the recognition of reinsurance income or expense under IFRS 17.
8. This adjustment is attributable to cumulative insurance finance income or expense recognised in other comprehensive income arising from remeasurement under IFRS 17.
9. This adjustment relates to reclassification of claims incurred recognised under IFRS 4 to insurance service expenses under IFRS 17.
10. This adjustment is attributable to a reclassification of movement in life fund under IFRS 4 to insurance service expense under IFRS 17.
11. This adjustment relates to a reclassification of management expense of GH¢ 96 million under IFRS 4 to insurance service expense under IFRS 17.
12. This adjustment relates to a reclassification of commission expense under IFRS 4 to insurance service expense under IFRS 17.
13. This adjustment relates to a reclassification of commission income under IFRS 4 to insurance service expense under IFRS 17.

(i) **Directors' shareholding at 31 December 2023**

Name	Number of shares
GADZEKPO, KELI	67,500
ESSON-BENJAMIN MARTIN	4,110
TYSON, MICHAEL	500

(ii) **Shareholding distribution analysis as at 31 December 2023**

Category	Number of shareholdings	Total holding	% Holding
1-1000	1,811	605,809	0.35
1001 - 5000	979	2,546,492	1.49
5001 - 10000	350	2,465,782	1.44
10001 and over	497	165,274,742	96.71
	3,637	**170,892,825**	**100.00**

(iii) **List of top twenty (20) shareholders as at 31 December 2023**

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	2,007,139	1.17
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	26,420,220	15.46
GRAND TOTAL	**170,892,825**	**100.00**