

**UNAUDITED FINANCIAL STATEMENTS
FOR THE PERIOD ENDED JUNE 30, 2018**

INCOME STATEMENT

FOR THE SIX MONTHS ENDED JUNE 30, 2018

	2018 Ghc'000	2017 Ghc'000
Investment income	58,960	53,016
Net investment income	58,960	53,016
Gross insurance premium revenue	270,777	240,742
Insurance premium ceded to reinsurers	(44,778)	(49,669)
Net premium written	225,999	191,073
Unearned premiums	(12,726)	(9,411)
Net insurance premium revenue	213,273	181,662
Other income	14,642	10,501
Net income	286,875	245,179
Insurance benefits and claims	(110,326)	(82,412)
Change in insurance contract liabilities - Life fund	(47,785)	(51,351)
Net benefits and claims	(158,111)	(133,763)
Operating expenses	(69,006)	(56,646)
Commission expense	(33,787)	(27,865)
Net finance cost	(3,729)	-
Net expenses	(264,633)	(218,275)
Profit before national fiscal stabilisation levy and income tax	22,242	26,904
National fiscal stabilisation levy	(139)	(1,724)
Income tax expense	(3,126)	(2,316)
Profit for the period	18,977	22,864
Attributable to:		
Owners of the parent	6,958	9,078
Non-Controlling Interest	12,019	13,786
	18,977	22,864
Earnings per share for the profit attributable to equity holders of the Company during the period		
Basic (GH¢ per share)	0.041	0.068

STATEMENT OF FINANCIAL POSITION

AS AT JUNE 30, 2018

	2018 Ghc'000	2017 Ghc'000
ASSETS		
Property and equipment	44,659	40,318
Intangible Assets	1,046	789
Investment properties	224,314	191,649
Deferred tax assets	10,192	2,597
Investment securities	779,142	525,062
Inventories	251	219
Loans and receivables	30,475	24,091
Deferred acquisition costs	10,798	9,063
Due from re-insurers	19,173	19,469
Current income tax assets	767	137
Cash and bank balances	163,864	109,953
Total assets	1,284,681	923,347
EQUITY AND LIABILITIES		
Capital and reserve		
Stated capital	258,657	37,268
Contingency reserve	36,039	26,739
Other reserves	1,898	1,170
Income surplus account	146,641	179,748
Non-controlling interest	100,523	96,113
Total equity	543,758	341,038

THE GROUP

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	2018 Ghc'000	2017 Ghc'000
Liabilities		
Deferred tax liabilities	2,097	2,535
Life fund-insurance contract liabilities	480,189	389,325
Unearned premiums and unexpired risk provision	45,938	40,711
Outstanding claims	32,780	14,979
Loans and borrowings	69,642	59,071
Trade and other payables	61,933	41,367
Policy holder retention scheme	1,603	-
Deferred commission income	6,431	6,412
Due to re-insurers	27,545	24,285
Due to related parties	8,203	372
Current tax liabilities	4,562	3,252
Total liabilities	740,923	582,309
Total equity and liabilities	1,284,681	923,347

STATEMENT OF CHANGES IN EQUITY

	2018 GH c'000	2017 Ghc'000
At 1 January	308,779	318,174
Profit for the period	18,977	22,864
Total comprehensive income	18,977	22,864
Issue of ordinary shares	221,389	-
Share options	(686)	-
Rights Issue Transaction costs	(4,701)	-
Total transaction with owners	216,002	-
At JUNE 30	543,758	341,038

STATEMENT OF CASH FLOWS

FOR THE SIX MONTHS ENDED JUNE 30, 2018

	2018 GH c'000	2017 Ghc'000
Cash flows from operating activities		
Cash (used in)/generated from operations	(39,877)	46,025
Investment income received	69,200	53,522
Current Income tax paid	(2,552)	(5,200)
National fiscal stabilisation levy paid	(2,534)	(2,208)
Net cash generated from operating activities	24,227	92,139
Cash flows from investing activities		
Purchase of equity securities	(18,372)	(18,899)
Net purchase of unlisted debt securities	(191,895)	(62,170)
Acquisition of investment property	(7,075)	(15,413)
Acquisition of property and equipment	(8,507)	(5,484)
Proceeds from sale of property and equipment	23	308
Purchase of intangible assets	(100)	(125)
Net increase in cash used in investing activities	(225,926)	(101,783)
Cash flow from financing activities		
Rights issue transaction costs	(4,701)	-
Proceeds from issue of ordinary shares	221,389	-
Net movement in loans and borrowings	1,272	18,646
Net cash used in financing activities	217,960	18,646
Net (decrease)/ increase in cash and cash equivalents	16,261	9,002
Cash and Cash equivalents at beginning of year	147,603	100,951
Cash and cash equivalents at end of period	163,864	109,953

Martin Eson-Benjamin
DIRECTOR

Keli Gadzekpo
GROUP CHIEF EXECUTIVE OFFICER

COMMENTARY

Revenue growth came under pressure compared to Q1 growth trends. Net Insurance Premium for the quarter grew by 14.9% compared to the 20% achieved in Q1. This resulted in a YTD growth of 17.4%. The huge depreciation on some equity values on the stock market in Q2 eroded the significant gains in Q1. Investment Income therefore grew by 11% compared to the 100% growth in Q1.

Total Expenses was up by 21% compared to the 41% growth in Q1. This resulted from the significant decline in Investment return which also impacted provisions for Actuarial Liability.

Profit after tax declined by 17% due to total expenses coming in above total income. Efforts to reverse this trend continue into the next quarter.

Total Assets increased by 39% due largely to cash proceeds from the rights issue not fully disbursed and improvement in our Investment portfolio.