

ELWA GHANA LIMITED

**REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2022**



PLANITA CONSULTING
FIRST FLOOR NO. 31 SAMORA MACHEL ROAD
ASYLUM DOWN, ACCRA
P O BOX CT 521 CANTONMENTS
ACCRA

ELWA GHANA LIMITED

(Registration number CS005882017 dated 03 September, 1999, TIN C0004576152)

Financial Statements for the year ended 31st December, 2022

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ELWA GHANA LIMITED

(Registration number CS005882017 dated 03 September, 1999, TIN C0004576152)

Financial Statements for the year ended 31st December, 2022

Corporate and Business Information

Directors:

Saleem Mohamed Nazir
Seth Kwasi Asante
Rene Marcel Wernli

Secretary:

Trustee Services Limited
4 Momotse Avenue
Adabraka - Accra
P. O. Box GP 1632
Accra - Ghana

Registered Office:

Faculty Logistics Building,
Adjacent Dennis House,
Plot no. TC/MKT/A/83,
Meridian road,
Tema Community 1

Auditors:

Planita Consulting
Chartered Accountants
1st Floor
31 Samora Machel Road
Asylum Down
Accra
P O Box CT 521
Cantonments
Accra

Bankers:

Ecobank (Ghana) Limited

ELWA GHANA LIMITED**(Registration number CS005882017 dated 03 September, 1999, TIN C0004576152)****Financial Statements for the year ended 31st December, 2022****Report of the Directors**

In accordance with the requirements of section 136 of the Companies Act, 2019, (Act 992), the Directors have the pleasure in presenting the report of the Company for the year ended 31 December

(i) State of affairs of the company**Financial results and dividend**

| | 2022 GH¢ | 2021 GH¢ |
|---|----------------|----------------|
| The company recorded a net profit/(loss) before tax of: | 1,158,330 | 540,047 |
| From which is deducted Income Tax expense of | (296,948) | (136,112) |
| Leaving Net Profit/(Loss) of to be carried to Retained Earning at 31 December, 2022 | <u>861,382</u> | <u>403,935</u> |

The Directors recommend the payment of dividends as shown in the accounts.

(ii) Steps taken to build the capacity of the directors

The company embarked upon a series of executive training courses aimed at building the capacity of Directors and Executives of the company in the practical implications of the new Companies Act, 2019 (Act 992) and other developments and Senior and in the field of Corporate Governance and Directors Management Duties towards the Company.

(iii) Net profit before Tax in the Income Statement is stated after the following:

| | 2022 GH¢ | 2021 GH¢ |
|--|-------------|-------------|
| Donations or Corporate Social Responsibility Expense | - | - |
| Audit Fees | 37,000 | 22,800 |

(iv) Nature of Business of the Company and Material change if any

The principal activities and the nature business of the Company is:

1. Forwarding Agents,
2. General Stevedoring,
3. Air Freight,
4. Operation of Container Depots and Terminals or Warehouses,
5. Mining Rights and Property.

There have been no changes in the nature of these activities during the year.

(v) Holding Company

The company is a subsidiary of Ecuhold NV (formerly Ecu Line Limited), a company incorporated in Antwerp, in the Kingdom of Belgium.

ELWA GHANA LIMITED

(Registration number CS005882017 dated 03 September, 1999, TIN C0004576152)

Financial Statements For The Year Ended 31st December, 2022

Report of the Directors

(vi) Register of Interest held by directors

No Register of Interest held by directors exists; no interest has been declared in an Contract by a Director.

(vii) Auditors

The auditors, Planita Consulting, were appointed during the year. They have expressed their willingness to continue as the company's auditors. In accordance with sub-section 139 (5) of the Companies Act, 2019 (Act 992), they so continue.

(viii) Going Concern

The Directors of the Company have made an assessment of the Company's ability to continue as a going concern and is satisfied that it has the resources to continue in business for the foreseeable future. Furthermore, the Directors are not aware of any material uncertainties that may cast significant doubt upon the Company's ability to continue as a going concern. Therefore, the financial statements continue to be prepared on the going concern basis.

(ix) Statement of Directors' Responsibilities

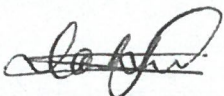
The company's directors are responsible for the preparation and fair presentation of the financial statements showing the statement of financial position at 31 December 2022, statement of income, statement of changes in equity and statement of cash flows for the period then ended and a summary of significant accounting policies and other explanatory notes in accordance with International Financial Reporting Standards for Small and Medium-sized Entities (IFRS for SMEs) and in the manner required by the Companies Act, 2019 (Act 992).

The directors' responsibilities include:

- (i) Select suitable accounting policies and then apply them consistently;
- (ii) Make judgements and estimates that are reasonable and prudent;
- (iii) State whether the applicable accounting standards have been followed;

They are responsible for taking such steps as are reasonably open to them to safeguard the assets of the Company, and to prevent and detect fraud and other irregularities.

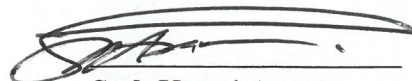
The Financial Statements were approved by the Board of Directors and signed on its behalf by:



Saleem Mohamed Nazir Mohamedhusein

Director

Date: 6th March 2023



Seth Kwasi Asante

Director

Date: 6th March 2023

INDEPENDENT AUDITOR'S REPORT

To the Shareholders of ELWA Ghana Limited

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of ELWA Ghana Limited, which comprise the statement of financial position as at 31 December, 2022, and the statement of comprehensive income, statement of changes in equity and statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Company as at 31 December, 2022, and of its financial performance and its cash flows for the year then ended in accordance with International Financial Reporting Standards for Small and Medium-sized Enterprises (IFRS for SMEs) and in the manner required by the Companies Act, 2019 (Act 992).

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 are independent of the Company in accordance with the International Ethics Standards Board for Accountants' *Code of Ethics for Professional Accountants* (IESBA Code), and we have fulfilled our other ethical responsibilities in accordance with the IESBA Code.

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

Responsibilities of the Board of Directors for the Financial Statements

The Board of Directors is responsible for the preparation and fair presentation of the financial statements in accordance with IFRSs, and for such internal control as The Board of 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 financial statements, The Board of Directors is responsible for assessing the Company'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 Board of Directors either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

The Board of Directors is responsible for overseeing the Company's financial reporting process.

Partners: Daniel Bart-Plange, Kwasi Owusu-Takyi (Managing)

Auditor's Responsibilities for the Audit of the Financial Statements

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

As part of an audit in accordance with ISAs, we exercise professional judgment and maintain professional skepticism throughout the audit.

- Our Audit involves procedures to 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.

- Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system with reference to financial statements and their operating effectiveness. Our audit of internal financial controls with reference to financial statements included obtaining an understanding of internal financial controls with reference to financial statements, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls system with reference to financial statements.

- Our audit involves evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by The Board of Directors.

- Our audit involves concluding on the appropriateness of The Board of 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 Company'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 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 Company to cease to continue as a going concern.

- Our audit involves evaluating 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.

We communicate with The Board of 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 Board of Directors with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

Report on Other Legal and Regulatory Requirements

Section 137 of 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 their examination of those books, and proper returns adequate for the purposes of our audit have been received; and
- (iii) The Balance Sheet and Income Statement of the company are in agreement with the books of account and returns.

The engagement partner on the audit resulting in this independent auditor's report is:
Kwasi Owusu-Takyi (ICAG/P/2023/1059).

Planita Consulting

For and on behalf of:
PLANITA CONSULTING: (ICAG/F/2023/026)
CHARTERED ACCOUNTANTS
ASYLUM DOWN - ACCRA

DATE: 22 FEBRUARY, 2023



ELWA GHANA LIMITED

(Registration number CS005882017 dated 03 September, 1999, TIN C0004576152)

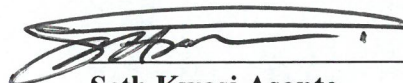
Statement of Financial Position

as at 31st December, 2022

| ASSETS | Notes | 2022 | 2021 |
|--------------------------------------|--------------|-------------------------|-------------------------|
| | | GH¢ | GH¢ |
| Non-Current Assets: | | | |
| Property, Plant and Equipment | 11a | 736,802 | 88,157 |
| Intangible Assets | 11b | 1,200 | 3,086 |
| | | <u>738,002</u> | <u>91,243</u> |
| Current Assets: | | | |
| Trade Receivables | 12 | 1,410,009 | 1,247,992 |
| Prepayment | 13 | 677,710 | 147,561 |
| Cash and Bank Balances | 14 | 1,293,960 | 433,463 |
| Taxation | 9(c) | - | 56,305 |
| | | <u>3,381,679</u> | <u>1,885,321</u> |
| Total Assets | | <u><u>4,119,681</u></u> | <u><u>1,976,564</u></u> |
| EQUITY AND LIABILITIES | | | |
| Equity | | | |
| Stated Capital | 15 | 2,727 | 2,727 |
| Retained Earnings | | 952,644 | 403,496 |
| Total Equity | | <u>955,371</u> | <u>406,223</u> |
| Non Current Liabilities: | | | |
| Deferred Tax | 9(b) | 21,817 | 8,626 |
| Total Non Current Liabilities | | <u>21,817</u> | <u>8,626</u> |
| Current Liabilities: | | | |
| Accounts Payable | 16 | 2,745,558 | 1,412,913 |
| Accruals | 17 | 309,791 | 148,802 |
| Taxation | 9(c) | 87,144 | - |
| Total Current Liabilities | | <u>3,142,493</u> | <u>1,561,715</u> |
| Total Equity and Liabilities | | <u><u>4,119,681</u></u> | <u><u>1,976,564</u></u> |



Saleem Mohamed Nazir Mohamedhusein
Director



Seth Kwasi Asante
Director

ELWA GHANA LIMITED**(Registration number CS005882017 dated 03 September, 1999, TIN C0004576152)****Statement of Comprehensive Income****For the year ended 31st December, 2022**

| | Notes | 2022 GH¢ | 2021 GH¢ |
|--|-------|-----------------------|-----------------------|
| Revenue | 3 | 18,037,259 | 11,030,806 |
| Operating Cost | 4 | <u>(12,848,019)</u> | <u>(8,590,277)</u> |
| Operating Profit | | 5,189,240 | 2,440,529 |
| Staff Cost | 5 | (933,399) | (715,045) |
| Finance Cost | | (113,924) | (37,882) |
| General and Administrative Expenses | 18 | (2,569,118) | (1,134,643) |
| Profit on Disposal of Fixed Asset (Computer) | | - | 7,685 |
| Exchange Gain/(Loss) Realized | | <u>(414,469)</u> | <u>(20,597)</u> |
| Net Profit Before Tax | | 1,158,330 | 540,047 |
| Income Tax Expense | 9 (a) | <u>(296,948)</u> | <u>(136,112)</u> |
| Net Profit After Tax | | <u><u>861,382</u></u> | <u><u>403,935</u></u> |

ELWA GHANA LIMITED**(Registration number CS005882017 dated 03 September, 1999, TIN C0004576152)****Financial Statements for the year ended 31st December, 2022****Statement of Changes in Equity****as at 31st December, 2022**

| 2022 | Stated Capital GH¢ | Retained Earnings GH¢ | Total Equity GH¢ |
|---|-----------------------------------|--------------------------------------|---------------------------------|
| Balance at 1st January | 2,727 | 403,496 | 406,223 |
| Net Profit For The Year | - | 861,382 | 861,382 |
| Prior period adjustment to correct opening Retained Earnings | - | 43,321 | 43,321 |
| Dividend Proposed - 2022 | - | (355,555) | (355,555) |
| Balance at 31st December | 2,727 | 952,644 | 955,371 |

| 2021 | Stated Capital GH¢ | Retained Earnings GH¢ | Total Equity GH¢ |
|---|-----------------------------------|--------------------------------------|---------------------------------|
| Balance at 1st January | 2,727 | 688,967 | 883,974 |
| Net Profit For The Year | - | 403,935 | 985,992 |
| Prior period adjustment to correct opening Retained Earnings | - | (23,470) | (23,470) |
| Dividend Paid | - | (665,936) | (665,936) |
| Balance at 31st December | 2,727 | 403,496 | 406,223 |

ELWA GHANA LIMITED

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Statement of Cash flows**For the year ended 31st December, 2022**

| Cash flows from Operating Activities | Notes | 2022 GH¢ | 2021 GH¢ |
|---|--------------|-------------------------|-------------------------|
| Profit/(Loss) before Taxation | | 1,158,330 | 540,047 |
| Addjustments - Non-Cash items: | | | |
| Depreciation & Amortization | 11 | 93,535 | 42,464 |
| Gain on asset disposal | | - | (7,685) |
| Prior year tax paid adjustment | | 43,321 | (21,657) |
| Tax Paid | 9 | <u>(140,308)</u> | <u>(263,300)</u> |
| Operating Profit Before Working Capital Changes | | 1,154,878 | 289,868 |
| (Increase)/Decrease in Accounts Receivable and Prepayments | | (692,166) | (339,500) |
| Increase/(Decrease) in Accounts Payable and Accruals | | <u>1,493,634</u> | <u>560,661</u> |
| Net Cash flow from Operating Activities | | <u>1,956,346</u> | <u>511,030</u> |
| Cash flows from Investing Activities | | | |
| Purchase of Property, Plant & Equipment | 11 | (740,294) | (46,155) |
| Proceed on disposal of assets | | <u>-</u> | <u>10,935</u> |
| Net Cash flow from Investing Activities | | <u>(740,294)</u> | <u>(35,221)</u> |
| Cash flows from Financing Activities | | | |
| Dividend Paid | | <u>(355,555)</u> | <u>(665,936)</u> |
| Net Cash flow from Financing Activities | | <u>(355,555)</u> | <u>(665,936)</u> |
| Net Increase/(Decrease) in Cash and Cash Equivalents | | 860,497 | (190,127) |
| Cash and Cash Equivalents at 1st January | | <u>433,463</u> | <u>623,590</u> |
| Cash and Cash Equivalents at 31st December | | <u>1,293,960</u> | <u>433,463</u> |
| CASH AND CASH EQUIVALENT | | | |
| Cash and Bank Balance | 14 | <u>1,293,960</u> | <u>433,463</u> |

ELWA GHANA LIMITED

(Registration number CS005882017 dated 03 September, 1999, TIN C0004576152)

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31st December, 2022

1. REPORTING ENTITY

ELWA (Ghana) Limited is a limited liability company registered and incorporated in Ghana. The address of its registered office is shown on Page 2 and principal place of business is located at Plot 23 and 25, Industrial Warehouse, Tema Harbour Area, Tema, Ghana with GP Digital Addresses: GT-098-8877 and the Postal Address is: P.O Box 855, Tema Harbour.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Basis of Preparation

The financial statements have been prepared in accordance with the 'IFRS for Small and Medium-sized Entities' issued by the International Accounting Standards Board. The principal accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all the years presented. They have been prepared under the historical cost convention, unless otherwise stated. The financial statements are presented in Ghana Cedi (GHS).

The significant accounting policies adopted are as follows:

a. Judgements and Estimates

The presentation of financial statements in conformity with IFRS requires management to make judgements, estimates and assumptions that affect the application of policies and reported amounts of assets and liabilities, income and expenses. The estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances, the results of which form the basis of making the judgements about carrying values of assets and liabilities that are not readily apparent from other sources. Actual results may differ from these estimates.

b. Revenue Recognition

Revenue from provision of services is recognized upon performance of services and acceptance by customers at the fair value of the consideration received or receivable less of discounts and sales-related taxes collected on behalf of the Government of Ghana.

Rendering of services

Revenue from a contract to provide services is recognized by reference to the stage of completion of the contract.

Dividends

Revenue from dividends is recognized when the company's right to receive payment is established.

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NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31st December, 2022

Interest revenue

Interest revenue is accrued on a time basis, by reference to the principal outstanding and at the effective interest rate applicable, which is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to that asset's net carrying amount on initial recognition.

c. Foreign Currency Translation

Functional currency and presentation currency

The financial statements of the company are presented in the currency of the primary economic environment in which the entity operates (its functional currency), Ghana Cedi.

Transactions and balances

In preparing the financial statements of the company, transactions in currencies other than the functional currency of the company (foreign currencies) are recognized at the rates of exchange prevailing at the dates of the transactions. At the end of each reporting year, monetary items denominated in foreign currencies are retranslated at the rates prevailing at that date. Non-monetary items carried at fair value that are denominated in foreign currencies are retranslated at the rates prevailing at the date when the fair value was determined. Non-monetary items that are measured in terms of historical cost in a foreign currency are not retranslated.

Exchange differences are recognized in profit or loss in the year in which they arise except for exchange differences on transactions entered into in order to hedge certain foreign currency risks (refer hedging accounting policies), and exchange differences on monetary items receivable from or payable to a foreign operation for which settlement is neither planned nor likely to occur (therefore forming part of the net investment in the foreign operation), which are recognized initially in other comprehensive income and reclassified from equity to profit or loss on disposal or partial disposal of the net investment.

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Financial Statements for the year ended 31st December, 2022

NOTES TO THE FINANCIAL STATEMENTS

d. Income Tax

Income tax expense represents the sum of the tax currently payable and deferred tax. The tax currently payable is based on taxable profit for the year.

Deferred tax is recognized on differences between the carrying amounts of assets and liabilities in the financial statements and their corresponding tax basis (known as temporary differences). Deferred tax liabilities are recognized for all temporary differences that are expected to increase taxable profit in the future. Deferred tax assets are recognized for all temporary differences that are expected to reduce taxable profit in the future, and any unused tax losses or unused tax credits. Deferred tax assets are measured at the highest amount that, on the basis of current or estimated future taxable profit, is more likely than not to be recovered.

e. Trade Receivables

Trade receivables and other receivables are measured at initial recognition at fair value, and are subsequently measured at amortized cost using the effective interest rate method. Appropriate allowances for estimated irrecoverable amounts are recognized in the income statement when there is objective evidence that the asset is impaired.

f. Intangible Assets

Intangible assets are measured at cost less accumulated amortisation and any accumulated impairment losses.

g. Property, Plant and Equipment

Items of property, plant and equipment are measured at cost less accumulated depreciation and any accumulated impairment losses.

Depreciation is charged so as to allocate the cost of assets less their residual values over their estimated useful lives, using the straight-line method. Freehold land is not depreciated. The following useful lives are used for the depreciation of property, plant and equipment:

| Item | Rate |
|------------------------|------|
| Office Equipment | 25% |
| Computer & accessories | 30% |
| Motor Vehicles | 25% |

If there is an indication that there has been a significant change in depreciation rate, useful life or residual value of an asset, the depreciation of that asset is revised prospectively to reflect the new

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NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31st December, 2022

h. Intangible Assets

Acquired intangible assets other than those specified below are recognized at cost and amortized on a straight line basis over a maximum period of five years or if applicable, over the contract period of the underlying asset.

i. Impairment of Assets

At each reporting date, financial and non-financial assets not carried at fair value, are reviewed to determine whether there is any indication that those assets have suffered an impairment loss. If there is an indication of possible impairment, the recoverable amount of any affected asset (or group of related assets) is estimated and compared with its carrying amount. If estimated recoverable amount is lower, the carrying amount is reduced to its estimated recoverable amount, and an impairment loss is recognized immediately in profit or loss.

j. Employee Benefits

The company operates a defined contribution plan. Payments to defined contribution retirement benefit plans are recognized as an expense when employees have rendered service entitling them to the contributions. Under the National Insurance pension scheme, the company contributes 13% of employees' basic salary to the Social Security and National Insurance Trust (SSNIT) for employee pension. The company's obligation is limited to the relevant contribution, which were settled on due date. The pension liabilities and obligation therefore rest with SSNIT.

k. Provisions

Provisions are recognized when the company has a present obligation (legal or constructive) as a result of a past event, it is probable that the company will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation.

The amount recognized as a provision is the best estimate of the consideration required to settle the present obligation at the end of the reporting year, taking into account the risks and uncertainties surrounding the obligation.

l. Cash and Cash Equivalents

Cash and cash equivalents include cash on hand, cash with banks and short-term deposits. They are carried at nominal value in the financial statements.

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Financial Statements for the year ended 31st December, 2022

NOTES TO THE FINANCIAL STATEMENTS

m. Account Payables

Other financial liabilities, including borrowings, are initially measured at fair value, net of transaction costs.

Other financial liabilities are subsequently measured at amortized cost using the effective interest method, with interest expense recognized on the basis of the effective interest method.

n. Events after the Reporting Date

Events subsequent to the statement of financial position date are reflected in the financial statements only to the extent that they relate to the year under consideration and the effect is material.

ELWA GHANA LIMITED**(Registration number CS005882017 dated 03 September, 1999, TIN C0004576152)****Financial Statements for the year ended 31st December, 2022****NOTES TO THE FINANCIAL STATEMENTS**

| 3. REVENUE | 2022 | 2021 |
|---------------------------|-------------------|-------------------|
| | GH¢ | GH¢ |
| Income from Import | 13,904,242 | 8,203,317 |
| Income from Export | 3,621,791 | 2,810,939 |
| Previous Periods - Export | 5,748 | (28,892) |
| Previous Periods - Import | (143,913) | 45,442 |
| Other Income | 649,391 | - |
| | <u>18,037,259</u> | <u>11,030,806</u> |

| 4. OPERATIONAL COST | 2022 | 2021 |
|----------------------------|-------------------|------------------|
| | GH¢ | GH¢ |
| Import Cost | 9,653,319 | 5,957,370 |
| Export Cost | 3,101,451 | 2,332,974 |
| Previous Periods - Imports | (261,905) | 178,650 |
| Previous Periods - Exports | (41,147) | 77,724 |
| Operational Cost Warehouse | 254,915 | - |
| Other Operational Cost | 141,386 | 43,559 |
| | <u>12,848,019</u> | <u>8,590,277</u> |

| 5. STAFF COST | 2022 | 2021 |
|-------------------------------|----------------|----------------|
| | GH¢ | GH¢ |
| Salaries and Wages | 546,191 | 511,827 |
| Pension | 75,957 | 58,774 |
| Bonus | 34,989 | 30,367 |
| Discretionary bonus provision | 64,800 | - |
| Medical Expense | 79,817 | 72,984 |
| Staff Training | 8,084 | 19,200 |
| Holiday Pay | 98,591 | 8,400 |
| Office Supplies | 24,970 | 13,493 |
| | <u>933,399</u> | <u>715,045</u> |

ELWA GHANA LIMITED

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Financial Statements for the year ended 31st December, 2022**NOTES TO THE FINANCIAL STATEMENTS****6. MAINTENANCE & REPAIR**

| | 2022 | 2021 |
|---|----------------|---------------|
| | GH¢ | GH¢ |
| Maintenance & Repair-Building | 153,317 | 1,838 |
| Maintenance & Repair-Office Equipment | 2,150 | 1,870 |
| Maintenance & Repair-Vehicle | 50,381 | 24,400 |
| Maintenance & Repair Warehouse | 10,213 | - |
| Maintenance & repair material & machinery | 150 | - |
| Maintenance & Repair-Computer | 3,363 | 2,040 |
| | 219,574 | 30,148 |

7. FEES

| | 2022 | 2021 |
|----------------------------|----------------|----------------|
| | GH¢ | GH¢ |
| Audit Fee | 37,000 | 22,800 |
| Tax Audit Fees | 4,800 | 4,400 |
| H/O Appor: Management Fees | 238,861 | 165,970 |
| Legal Fees | 45,188 | 66,032 |
| H/O Appor: Other Fees | 471,156 | 175,270 |
| | 797,005 | 434,472 |

8. OCCUPANCY COST

| | 2022 | 2021 |
|------------------------|----------------|----------------|
| | GH¢ | GH¢ |
| Rent | 535,757 | 226,842 |
| Water /Gas/Electricity | 69,622 | 56,935 |
| | 605,379 | 283,777 |

9(a) Income Tax Expense

| | 2022 | 2021 |
|--------------------|----------------|----------------|
| | GH¢ | GH¢ |
| Current Tax | 283,757 | 136,868 |
| Deferred Tax | 13,191 | (756) |
| Income Tax Expense | 296,948 | 136,112 |

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| Tax Rate Reconciliation | 2022 | 2021 |
|---|------------------|-------------|
| | GH¢ | GH¢ |
| Profit per Income Statement | 1,158,330 | 540,047 |
| Tax at Statutory Rate | 289,583 | 135,012 |
| Tax on Permanent Difference (Un-allowed Expenses) | 7,366 | 1,100 |
| Tax per Income statement | 296,948 | 136,113 |

| 9(b) Deferred Tax | 2022 | 2021 |
|--------------------------|-----------------|-------------|
| | GH¢ | GH¢ |
| Balance at 01/01/ | (8,626) | (9,382) |
| Income Statement charge | (13,191) | 756 |
| Balance at 31/12/ | (21,817) | (8,626) |

9 (c) TAXATION - CORPORATE TAX

| | Balance as at 01/01/2022 GH¢ | Paid During the Year GH¢ | Charge for the Year GH¢ | Balance as at 31/12/2022 GH¢ |
|---------------------------|---|---|--|---|
| | - | - | - | (20,890) |
| Up to 2016 | (20,890) | (186,376) | 195,732 | (11,534) |
| 2018 | (11,534) | (146,719) | 239,293 | 81,040 |
| 2019 | 81,040 | (368,378) | 267,574 | (19,764) |
| 2020 | (19,764) | (242,324) | 332,215 | 70,127 |
| 2021 | 70,127 | (263,300) | 136,868 | (56,305) |
| 2022 | (56,305) | (140,308) | 283,757 | 87,144 |
| Balance 31/12/2022 | (20,890) | (1,207,097) | 1,171,682 | (56,305) |

All tax liabilities are subject to the agreement with the Ghana Revenue Authority.

10. DIRECTORS' REMUNERATION

In line with section (185) of the Companies Act, 2019 (Act 992) the following are the aggregate of the directors remuneration.

| | 2022 | 2021 |
|-----------------|-------------|-------------|
| | GH¢ | GH¢ |
| Directors' Fees | - | - |

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NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31st December, 2022

11 a. PROPERTY, PLANT AND EQUIPMENT

| | | | Office | | |
|----------------------------------|------|-------------------|--------------------|-----------------------|----------------|
| | 2022 | Plant & Machinery | Computer Equipment | Furniture & Equipment | Motor Vehicle |
| Cost: | | GH¢ | GH¢ | GH¢ | GH¢ |
| Balance at 1/1/2022 | | - | 53,815 | 175,595 | 92,000 |
| Additions | | 502,367 | 24,762 | 74,714 | 144,700 |
| Disposal | | - | (6,249) | - | - |
| Balance at 31/12/2022 | | 502,367 | 72,328 | 250,309 | 236,700 |
| Accumulated Depreciation: | | | | | |
| Balance at 1/1/2022 | | - | 35,377 | 105,875 | 92,000 |
| Current Depreciation | | 29,267 | 7,876 | 39,433 | 15,073 |
| Disposal | | - | - | - | - |
| Balance at 31/12/2022 | | 29,267 | 43,253 | 145,308 | 107,073 |
| Carrying Amount 31/12/2 | | 473,100 | 29,075 | 105,001 | 129,627 |

| | 2021 | Computer Equipment | Furniture & Equipment | Motor Vehicle | Totals |
|-----------------------------------|------|--------------------|-----------------------|---------------|----------------|
| | | GH¢ | GH¢ | GH¢ | GH¢ |
| Cost: | | | | | |
| Balance at 1/1/2021 | | 38,566 | 151,789 | 92,000 | 282,355 |
| Additions | | 22,349 | 23,806 | - | 46,155 |
| Disposal | | (7,100) | - | - | (7,100) |
| Balance at 31/12/2021 | | 53,815 | 175,595 | 92,000 | 321,410 |
| Accumulated Depreciation: | | | | | |
| Balance at 1/1/2021 | | 33,491 | 70,794 | 92,000 | 196,285 |
| Current Depreciaation | | 5,737 | 35,081 | - | 40,818 |
| Disposal | | (3,850) | - | - | (3,850) |
| Balance at 31/12/2021 | | 35,377 | 105,875 | 92,000 | 233,253 |
| Carrying Amount 31/12/2021 | | 18,437 | 69,719 | - | 88,158 |

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NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31st December, 2022

11 b. INTANGIBLE ASSETS**Software:**

| | 2022 | 2021 |
|--------------------------------------|--------------|--------------|
| | GH¢ | GH¢ |
| Cost: | | |
| Balance at January 1 | 8,229 | 8,229 |
| Addition | - | - |
| Balance at December 31 | 8,229 | 8,229 |
| | | |
| | 2022 | 2021 |
| | GH¢ | GH¢ |
| Accumulated Amortization: | | |
| Balance at January 1 | 5,143 | 3,497 |
| Software | 1,886 | 1,646 |
| Balance at December 31 | 7,029 | 5,143 |
| Carrying Value at December 31 | 1,200 | 3,086 |

12. TRADE RECEIVABLES

| | 2022 | 2021 |
|-------------------------------------|------------------|------------------|
| | GH¢ | GH¢ |
| Accounts Receivable | 1,301,115 | 1,016,737 |
| Deferred Charges - Export | 1,392 | 26,094 |
| Deferred Charges - Import | 150,290 | - |
| Due from Related Party | 130,897 | 254,974 |
| Debtors - Revaluation | (73,937) | (9,302) |
| Provision for Bad and Doubtful Debt | (99,748) | (40,511) |
| | 1,410,009 | 1,247,992 |

13. PREPAYMENT

| | 2022 | 2021 |
|-------------------|----------------|----------------|
| | GH¢ | GH¢ |
| Other Receivables | 677,710 | 147,561 |
| | 677,710 | 147,561 |

14. CASH AND BANK BALANCES

| | 2022 | 2021 |
|---------------|------------------|----------------|
| | GH¢ | GH¢ |
| Bank Balances | 1,273,562 | 415,359 |
| Cash on Hand | 18,718 | 14,859 |
| Petty Cash | 1,680 | 3,245 |
| | 1,293,960 | 433,463 |

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NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31st December, 2022

15. STATED CAPITAL**i) Authorized Shares**

The Company is registered with 1,000,000 ordinary shares of no par value.

| | 2022 | 2022 | 2021 | 2021 |
|-----------------------|---------------|--------------|---------------|--------------|
| ii) Issued Shares | Number of | GHS | Number of | GHS |
| | Shares | | Shares | |
| Stated Capital | 10,000 | 2,727 | 10,000 | 2,727 |

16. ACCOUNTS PAYABLES

| | 2022 | 2021 |
|--------------------------|------------------|------------------|
| | GH¢ | GH¢ |
| Trade Creditors | 335,284 | 1,394 |
| Due to Related Party | 1,862,646 | 504,444 |
| Other Payables | 71,619 | 471,243 |
| Creditors Revaluation | (67,323) | (14,250) |
| Accrued Charges - Export | 165,684 | 169,091 |
| Accrued Charges - Import | 340,647 | 280,991 |
| | 2,708,557 | 1,412,913 |

17. ACCRUALS

| | 2022 | 2021 |
|----------------------------------|----------------|----------------|
| | GH¢ | GH¢ |
| Audit Fee | 37,000 | - |
| PAYE | 7,173 | 7,075 |
| SSF Tier 1 | 13,387 | 7,448 |
| VAT | 80,383 | 62,670 |
| NHIL, GETFUND and COVID -19 Levy | 36,061 | 25,431 |
| Staff Related Provisions | 89,875 | 11,400 |
| With-holding Tax | 82,912 | 34,778 |
| | 346,791 | 148,802 |

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| | 2022 | 2021 |
|--|------------------|------------------|
| | GH¢ | GH¢ |
| 18. GENERAL AND ADMINSTRATIVE EXPENSE | | |
| Directors' Remuneration (Note: 10) | - | - |
| Fees (Note 7) | 797,005 | 434,472 |
| Occupancy Cost (Note 8) | 605,379 | 283,777 |
| Maintenance and Repair (Note 6) | 219,574 | 30,148 |
| Overseas Travels | 95,566 | 51,000 |
| Local Travel and Accommodation | 72,347 | 19,630 |
| Communication | 48,800 | 40,146 |
| Fuel and Lubricant | 60,800 | 33,600 |
| Advertising | 22,734 | 22,101 |
| Entertainment | 29,178 | - |
| Printing and Stationery | 62,920 | 69,600 |
| Subscription, Newspapers and Periodicals | 20,688 | 23,041 |
| Office Expenses | 10,974 | 5,620 |
| Insurance for Transport of Goods | 17,902 | 10,765 |
| Vehicle Insurance | 5,356 | 3,213 |
| Company Insurance & Others | 8,851 | 12,619 |
| Depreciation & Amortization | 95,636 | 42,878 |
| Commissions and incentives | 24,000 | - |
| Other fees | 235,545 | - |
| Bad debt written off | 119,395 | 45,237 |
| Maintenance & Repair-General | 16,468 | 6,796 |
| | <u>2,569,118</u> | <u>1,134,643</u> |

ELWA GHANA LIMITED**(Registration number CS005882017 dated 03 September, 1999, TIN C0004576152)****Financial Statements For the year ended 31st December, 2022****NOTES TO THE FINANCIAL STATEMENTS****19. CAPITAL COMMITMENTS**

At 31 December, 2022 the company had no outstanding commitment for capital expenditure for which no provision was made in the financial statements for the year ended 31 December, 2022.

20. RELATED PARTY TRANSACTIONS

The company is a subsidiary of Ecuhold NV, a company incorporated in Antwerp in the Kingdom of the Belgium. The parent company holds 90% of the shares of the company. The other 10% of the shares are held by Trustee Services Limited.

Transactions with the parent company and fellow subsidiaries and related parties through common control were generally core business activities.

The transactions were entered in the normal course of business and were carried out on commercial, arms-length basis.

The amount due from/to related parties included current assets/liabilities represents unsecured, interest-free advances repayable on demand.

| 21 a. DUE FROM | 2022 GH¢ | 2021 GH¢ |
|---------------------------------------|---------------------|---------------------|
| Ecu Hamburg/ Durban IC | 35,103 | 4,276 |
| Ecu Cape Town/ Guangzhou/ Istanbul IC | 6,860 | 1,915 |
| ECU-Singapore | - | 9,670 |
| ECU Antwerp | 14,693 | 16,000 |
| ECU Barcelona / Port Elizabeth IC | 8,393 | 2,686 |
| ECU London / Surabaya IC | 22,279 | 9,601 |
| ECU Beirut/ Toronto IC | 40 | 9,521 |
| Allcargo Mumbai | - | 4,789 |
| | <u>87,367</u> | <u>58,457</u> |

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NOTES TO THE FINANCIAL STATEMENTS**For the year ended 31st December, 2022**

| 21 b. DUE TO | 2022 | 2021 |
|--|------------------|----------------|
| | GH¢ | GH¢ |
| Allcargo Logistics Ltd- India | - | 21,130 |
| ECU Worldwide South Africa (PTY) Ltd | - | 37,083 |
| ECU Antwerp IC | 558,069 | - |
| ECU Miami | 66,273 | 5,002 |
| ECU-Worldwide (Singapore) PTE Ltd | 13,693 | 21,978 |
| ECU Barcelona IC | 29,766 | - |
| ECU Cape Town/ Durban/ Genova / Havre IC | 27,485 | |
| HCL Logistics Belgium / Shanghai IC | 437 | 293,415 |
| ECU Auckland/ Toronto / IC | 1,114 | (53) |
| ECU Johannesburg/ ELWA Tema IC | 55,081 | 33 |
| ECU Port Elizabeth | 2,282 | 5,951 |
| ECU Southampton | 117,817 | 9,125 |
| ECU Guangzhou / London IC | 22,234 | 2,508 |
| ECU Hamburg IC | 207,407 | 766 |
| | <u>1,101,659</u> | <u>396,937</u> |

| 22. IMPAIRMENT | 2022 | 2021 |
|-------------------------------|----------------|----------------|
| | GH¢ | GH¢ |
| Balance at January 1 | 149,902 | 149,902 |
| Charged to Income Statement | - | - |
| Balance at December 31 | <u>149,902</u> | <u>149,902</u> |

23. EVENTS AFTER REPORTING DATE

No significant event occurred after the end of the reporting date which is likely to affect these financial statements.

24. COMPARATIVE INFORMATION

Where necessary, presentation of comparative information has been changed to conform with current presentation.