

Consolidated statement of comprehensive income

FOR THE YEAR ENDED 31 DECEMBER 2022

	NOTE	2022 US\$M	2021 US\$M
Gross written premium		20,001	18,457
Unearned premium movement		(934)	(1,422)
Gross earned premium revenue	2.1	19,067	17,035
Outward reinsurance premium		(4,920)	(3,983)
Deferred reinsurance premium movement		180	356
Outward reinsurance premium expense		(4,740)	(3,627)
Net earned premium (a)		14,327	13,408
Gross claims expense	2.2	(12,220)	(11,464)
Reinsurance and other recoveries revenue	2.2	3,890	3,093
Net claims expense (b)	2.2	(8,330)	(8,371)
Gross commission expense		(2,950)	(2,704)
Reinsurance commission revenue	2.1	831	634
Net commission (c)		(2,119)	(2,070)
Underwriting and other expenses (d)		(1,836)	(1,829)
Underwriting result (a)+(b)+(c)+(d)		2,042	1,138
Investment (loss) income – policyholders' funds	3.1	(490)	94
Investment expenses – policyholders' funds	3.1	(19)	(17)
Insurance profit		1,533	1,215
Investment (loss) income – shareholders' funds	3.1	(257)	53
Investment expenses – shareholders' funds	3.1	(10)	(8)
Financing and other costs	5.1.2	(245)	(247)
Gain on sale of entities and businesses	7.1	38	–
Share of net loss of associates		(7)	(7)
Restructuring and related expenses		(106)	(72)
Amortisation and impairment of intangibles	7.2	(27)	(21)
Profit before income tax		919	913
Income tax expense	6.1	(141)	(156)
Profit after income tax		778	757
Other comprehensive (loss) income			
<i>Items that may be reclassified to profit or loss</i>			
Net movement in foreign currency translation reserve	5.3.2	(379)	(272)
Net movement in cash flow hedge and cost of hedging reserves	5.3.2	33	41
Income tax relating to these components of other comprehensive income	5.3.2	(10)	(13)
<i>Items that will not be reclassified to profit or loss</i>			
Remeasurement of defined benefit plans		(36)	21
Income tax relating to this component of other comprehensive income		10	(7)
Other comprehensive loss after income tax		(382)	(230)
Total comprehensive income after income tax		396	527
Profit after income tax attributable to:			
Ordinary equity holders of the Company		770	750
Non-controlling interests		8	7
		778	757
Total comprehensive income after income tax attributable to:			
Ordinary equity holders of the Company		388	520
Non-controlling interests		8	7
		396	527
EARNINGS PER SHARE FOR PROFIT AFTER INCOME TAX ATTRIBUTABLE TO ORDINARY EQUITY HOLDERS OF THE COMPANY			
	NOTE	2022 US CENTS	2021 US CENTS
For profit after income tax			
Basic earnings per share	5.5	48.6	47.5
Diluted earnings per share	5.5	48.2	47.2

The consolidated statement of comprehensive income should be read in conjunction with the accompanying notes.

Consolidated balance sheet

AS AT 31 DECEMBER 2022

	NOTE	2022 US\$M	2021 US\$M
Assets			
Cash and cash equivalents	5.2	833	819
Investments	3.2	27,299	28,111
Derivative financial instruments	5.6	284	142
Trade and other receivables	2.6	8,341	7,109
Current tax assets		45	6
Deferred insurance costs	2.5	2,936	2,697
Reinsurance and other recoveries on outstanding claims	2.3	6,617	6,757
Other assets		2	2
Assets held for sale	3.2.1	–	50
Defined benefit plan surpluses	8.7	46	92
Right-of-use lease assets		276	328
Property, plant and equipment		151	155
Deferred tax assets	6.2	587	521
Investment properties		35	37
Investments in associates		32	28
Intangible assets	7.2	2,018	2,449
Total assets		49,502	49,303
Liabilities			
Derivative financial instruments	5.6	387	452
Trade and other payables	2.7	3,543	3,215
Current tax liabilities		39	24
Unearned premium	2.5	9,075	8,637
Gross outstanding claims	2.3	24,045	24,282
Lease liabilities		301	354
Provisions		203	129
Defined benefit plan deficits	8.7	26	29
Deferred tax liabilities	6.2	147	31
Borrowings	5.1	2,744	3,268
Total liabilities		40,510	40,421
Net assets		8,992	8,882
Equity			
Contributed equity	5.3.1	9,242	9,777
Treasury shares held in trust		(1)	(2)
Reserves	5.3.2	(1,365)	(1,608)
Retained profits		1,114	714
Shareholders' equity		8,990	8,881
Non-controlling interests		2	1
Total equity		8,992	8,882

The consolidated balance sheet should be read in conjunction with the accompanying notes.

Consolidated statement of changes in equity

FOR THE YEAR ENDED 31 DECEMBER 2022

	SHAREHOLDERS' EQUITY					NON-CONTROLLING INTERESTS US\$M	TOTAL EQUITY US\$M
	CONTRIBUTED EQUITY US\$M	TREASURY SHARES HELD IN TRUST US\$M	RESERVES US\$M	RETAINED PROFITS US\$M	TOTAL US\$M		
At 1 January 2022	9,777	(2)	(1,608)	714	8,881	1	8,882
Profit after income tax	-	-	-	770	770	8	778
Other comprehensive loss	-	-	(356)	(26)	(382)	-	(382)
Total comprehensive (loss) income	-	-	(356)	744	388	8	396
Transactions with owners in their capacity as owners							
Shares issued under Employee Share and Option Plan and held in trust	29	(30)	-	-	(1)	-	(1)
Share-based payment expense	-	-	39	-	39	-	39
Shares vested and/or released	-	31	(31)	-	-	-	-
Dividends paid on ordinary shares	-	-	-	(297)	(297)	(7)	(304)
Dividend Reinvestment Plan and Bonus Share Plan	36	-	-	3	39	-	39
Distributions on capital notes	-	-	-	(50)	(50)	-	(50)
Foreign exchange	(600)	-	591	-	(9)	-	(9)
At 31 December 2022	9,242	(1)	(1,365)	1,114	8,990	2	8,992

	SHAREHOLDERS' EQUITY					NON-CONTROLLING INTERESTS US\$M	TOTAL EQUITY US\$M
	CONTRIBUTED EQUITY US\$M	TREASURY SHARES HELD IN TRUST US\$M	RESERVES US\$M	RETAINED PROFITS US\$M	TOTAL US\$M		
At 1 January 2021	10,273	(1)	(1,898)	117	8,491	1	8,492
Profit after income tax	-	-	-	750	750	7	757
Other comprehensive (loss) income	-	-	(244)	14	(230)	-	(230)
Total comprehensive (loss) income	-	-	(244)	764	520	7	527
Transactions with owners in their capacity as owners							
Shares issued under Employee Share and Option Plan and held in trust	31	(31)	-	-	-	-	-
Share-based payment expense	-	-	32	-	32	-	32
Shares vested and/or released	-	30	(30)	-	-	-	-
Dividends paid on ordinary shares	-	-	-	(118)	(118)	(7)	(125)
Dividend Reinvestment Plan and Bonus Share Plan	11	-	-	1	12	-	12
Distributions on capital notes	-	-	-	(50)	(50)	-	(50)
Foreign exchange	(538)	-	532	-	(6)	-	(6)
At 31 December 2021	9,777	(2)	(1,608)	714	8,881	1	8,882

The consolidated statement of changes in equity should be read in conjunction with the accompanying notes.

Consolidated statement of cash flows

FOR THE YEAR ENDED 31 DECEMBER 2022

	NOTE	2022 US\$M	2021 US\$M
Operating activities			
Premium received		18,405	17,020
Reinsurance and other recoveries received		3,176	2,538
Outward reinsurance premium paid		(4,167)	(2,616)
Claims paid		(10,384)	(10,056)
Acquisition and other underwriting costs paid		(4,268)	(4,116)
Interest received		421	406
Dividends and distributions received		126	124
Other operating payments		(197)	(220)
Interest paid		(246)	(238)
Income taxes paid		(74)	(88)
Net cash flows from operating activities	8.4	2,792	2,754
Investing activities			
Net (payments for purchase) proceeds on sale of growth assets		(512)	156
Net payments for purchase of interest-bearing financial assets		(1,494)	(2,782)
Net payments for foreign exchange transactions		(186)	(20)
Payments for purchase of intangible assets		(132)	(91)
Payments for purchase of property, plant and equipment		(33)	(29)
Payments for investment in associates		(11)	(9)
Proceeds on disposal of entities and businesses (net of cash disposed)		361	–
Proceeds on sale of investment property		–	4
Net cash flows from investing activities		(2,007)	(2,771)
Financing activities			
Purchase of treasury shares		(1)	–
Payments relating to principal element of lease liabilities		(62)	(85)
Proceeds from borrowings		–	550
Repayments of borrowings		(412)	(202)
Dividends and distributions paid		(315)	(162)
Net cash flows from financing activities		(790)	101
Net movement in cash and cash equivalents		(5)	84
Cash and cash equivalents at the beginning of the year		819	766
Effect of exchange rate changes		19	(31)
Cash and cash equivalents at the end of the year	5.2	833	819

The consolidated statement of cash flows should be read in conjunction with the accompanying notes.

