

Ecobank Ghana PLC and its Subsidiaries

Summary Consolidated and Separate Financial Statements (unaudited) for the period ended 31st March 2023

Financial highlights		Growth
March 2022 – March 2023	Group	Bank
Revenue	40%	36%
Loans	56%	56%
Deposits	59%	59%
Total Assets	48%	46%

Statements of comprehensive Income

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

	Group		Bank	
	Mar-23	Mar-22	Mar-23	Mar-22
Interest income	864,409	433,769	802,251	415,030
Interest expense	(150,157)	(63,095)	(125,278)	(59,648)
Net interest income	714,252	370,674	676,973	355,382
Fee and commission income	137,819	121,896	130,807	118,893
Fee and commission expense	(39,020)	(17,157)	(39,020)	(17,156)
Net fee and commission income	98,799	104,739	91,787	101,737
Net trading income	(71,867)	57,837	(73,897)	57,837
Other operating income	11,039	4,951	11,004	4,829
Gain on sale of equipment	11	199	11	199
	(60,817)	62,987	(62,882)	62,865
Net income	752,234	538,400	705,878	519,984
Net Impairment charge	(346,592)	(46,412)	(345,806)	(45,849)
Personnel expenses	(175,358)	(115,003)	(168,943)	(109,754)
Depreciation and amortisation	(17,523)	(19,131)	(16,717)	(18,480)
Finance cost on lease liabilities	(331)	(1,996)	(200)	(1,996)
Other operating expenses	(224,393)	(127,012)	(194,649)	(124,297)
Net (loss)/income before taxes and levies	(11,963)	228,846	(20,437)	219,608
Income tax expense (including levies)	3,974	(80,148)	7,153	(76,863)
Net (loss)/income after tax	(7,989)	148,698	(13,284)	142,745
Other Comprehensive Income				
Items that may be reclassified to profit or loss:				
Change in value of investment securities valued at FVOCI	212,216	(34,945)	212,216	(34,945)
Income tax relating to components of other comprehensive income	(53,054)	8,736	(53,054)	8,736
Other comprehensive income, net of tax	159,162	(26,209)	159,162	(26,209)
Total comprehensive income for the period	151,173	122,489	145,878	116,536
Profit for the period attributable to:				
Parent	(8,030)	148,692	(13,284)	142,745
Non-controlling interest	41	6	-	-
Comprehensive income for the period attributable to:				
Parent	151,132	122,483	145,878	116,536
Non-controlling interest	41	6	-	-
Earnings per share				
Basic & diluted (in Ghana Cedis)	(0.10)	1.84	(0.16)	1.77

Statements of financial position

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

	Group		Bank	
	Mar-23	Mar-22	Mar-23	Mar-22
Assets				
Cash and balances with banks	6,260,672	3,370,066	6,495,239	3,535,756
Loans & advances to customers	9,919,007	6,358,778	9,845,932	6,298,190
Non pledged trading assets	2,108,822	441,326	2,108,822	441,326
Non-trading assets	7,119,147	7,463,164	6,566,384	7,279,637
Other assets	1,089,670	808,992	936,210	786,314
Current income tax asset	180,526	-	180,659	-
Deferred income tax asset	420,843	50,831	416,840	50,831
Investment in subsidiaries	-	-	39,883	39,883
Right-of-use-assets	45,829	44,389	37,077	39,336
Intangible assets	17,599	35,218	17,495	35,170
Property and equipment	1,250,465	575,936	1,248,620	571,605
Non-current assets held for sale	19,952	32,670	19,952	32,670
Total Assets	28,432,532	19,181,370	27,913,113	19,110,718
Liabilities				
Deposits from banks	1,028,686	1,080,486	751,347	1,106,745
Deposits from customers	22,968,961	14,408,439	22,826,195	14,384,799
Borrowings	13,466	28,276	13,466	28,276
Other liabilities	1,502,647	805,553	1,458,480	763,272
Current income tax liability	-	736	-	2,625
Lease liabilities	61,804	52,049	57,119	52,049
Total liabilities	25,575,564	16,375,539	25,106,607	16,337,766
Equity and reserves				
Stated capital	416,641	416,641	416,641	416,641
Retained earnings	1,191,599	1,611,933	1,147,635	1,585,314
Statutory reserve	641,710	641,525	635,860	635,860
Credit risk reserve	48,123	-	48,123	-
Other reserves	558,247	135,137	558,247	135,137
Non-controlling interest	648	595	-	-
Total equity attributable to equity holders	2,856,968	2,805,831	2,806,506	2,772,952
Total liabilities and equity	28,432,532	19,181,370	27,913,113	19,110,718

Statements of cash flows

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

	Group		Bank	
	Mar-23	Mar-22	Mar-23	Mar-22
Cash flows from operating activities				
(Loss)/profit before tax	(11,963)	228,846	(20,437)	219,608
Depreciation and amortisation expense	17,523	19,131	16,717	18,480
Impairment charge	356,880	49,267	356,093	48,704
Unrealised exchange gains-net	(87,667)	(190,306)	(88,623)	(189,530)
Gain on disposal of property and equipment	(11)	(199)	(11)	(199)
Interest expense on leases	331	1,996	200	1,996
Changes in operating assets and liabilities				
Loans and advances	(1,116,995)	(665,024)	(1,106,936)	(663,329)
Other assets	(156,073)	(20,369)	(11,724)	1,730
Other liabilities	642,411	173,367	639,142	171,980
Deposits from banks	(814,320)	(218,325)	(1,883,789)	(546,843)
Deposits from customers	2,545,100	1,179,990	3,235,577	1,507,274
Mandatory reserves	10,067	(202,819)	10,067	(202,819)
Placements	-	(155,670)	-	(155,670)
Cash flows from operating activities	1,385,283	199,885	1,146,476	211,382
Tax paid	(14,567)	(70,737)	(14,000)	(69,905)
Cash flows from operating activities	1,370,716	129,148	1,132,476	141,477
Cash flows from investing activities				
Government securities – net	(1,131,616)	(695,962)	(944,654)	(780,227)
Proceeds from sale of property and equipment	11	199	11	199
Payments for property and equipment	(5,136)	(1,133)	(4,911)	(804)
Payments for intangible assets	(2,452)	-	(2,338)	-
Net cash used in investing activities	(1,139,193)	(696,896)	(951,892)	(780,832)
Cash flows from financing activities				
Repayment of borrowed funds	-	(9,895)	-	(9,895)
Principal elements of lease payments	(732)	(1,169)	-	-
Net cash used in financing activities	(732)	(11,064)	-	(9,895)
Net increase/(decrease) in cash and cash equivalents	230,791	(578,812)	180,584	(649,250)
Effects of exchange rate changes on cash and cash equivalents	88,327	191,298	89,283	190,521
Cash and cash equivalents at 1st January	3,648,753	1,652,465	3,705,708	1,845,027
Cash and cash equivalents at 31 March	3,967,871	1,264,951	3,975,575	1,386,298

Statements of changes in equity

(All amounts are expressed in thousands of Ghana Cedis)

GROUP 2023	Stated capital	Retained earnings	Statutory reserve fund	Credit risk fund	Other reserves	Non-controlling interest	Total
At 1 January 2023	416,641	1,199,629	641,710	48,123	399,085	607	2,705,795
(Loss)/profit for the period	-	(8,030)	-	-	-	41	(7,989)
Other comprehensive income net of tax	-	-	-	-	159,162	-	159,162
Total comprehensive income for the period	-	(8,030)	-	-	159,162	41	151,173
At 31 March 2023	416,641	1,191,599	641,710	48,123	558,247	648	2,856,968

GROUP 2022	Stated capital	Retained earnings	Statutory reserve fund	Credit risk fund	Other reserves	Non-controlling interest	Total
At 1 January 2022	416,641	1,463,241	641,525	-	161,346	589	2,683,342
Profit for the period	-	148,692	-	-	-	6	148,698
Other comprehensive income net of tax	-	-	-	-	(26,209)	-	(26,209)
Total comprehensive income for the period	-	148,692	-	-	(26,209)	6	122,489
At 31 March 2022	416,641	1,611,933	641,525	-	135,137	595	2,805,831

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Summary Consolidated and Separate Financial
Statements (unaudited) for the period ended
31st March 2023

Statements of changes in equity

(All amounts are expressed in thousands of Ghana Cedis)

BANK 2023	Stated capital	Retained earnings	Statutory reserve fund	Regulatory credit risk	Other reserves	Total
At 1 January 2023	416,641	1,160,919	635,860	48,123	399,085	2,660,628
Loss for the period	-	(13,284)	-	-	-	(13,284)
Other comprehensive income net of tax	-	-	-	-	159,162	159,162
Total comprehensive income for the period	-	(13,284)	-	-	159,162	145,878
At 31 March 2023	416,641	1,147,635	635,860	48,123	558,247	2,806,506

BANK 2022	Stated capital	Retained earnings	Statutory reserve fund	Regulatory credit risk	Other reserves	Total
Balance at 1 January 2022	416,641	1,442,569	635,860	-	161,346	2,656,416
Profit for the period	-	142,745	-	-	-	142,745
Other comprehensive income net of tax	-	-	-	-	(26,209)	(26,209)
Total comprehensive income for the period	-	142,745	-	-	(26,209)	116,536
At 31 March 2022	416,641	1,585,314	635,860	-	135,137	2,772,952

Disclosures

1. The consolidated financial statements have been prepared in accordance with International Financial Reporting standards.

2. The accounting policies applied in the preparation of these financial statements were consistent with those applied in the preparation of the annual consolidated statements of 31December 2022

3. Contingent liabilities

	Group		Bank	
	Mar-23 GHC '000	Mar-22 GHC '000	Mar-23 GHC '000	Mar-22 GHC '000
Guarantees and indemnities	731,775	933,204	731,775	933,204
Documentary letters of credit	1,310,480	1,747,763	1,310,480	1,747,763
Loan Commitments	1,573,030	1,446,198	1,573,030	1,446,198
	3,615,285	4,127,165	3,615,285	4,127,165

4. Quantitative Disclosures

i. Capital Adequacy ratio	13.04%	20.04%
ii. Non-performing loan ratio Per BOG	8.19%	11.52%
Per IFRS	5.00%	4.90%
iii. Liquid ratio	65.24%	87.19%
iv. Common equity Tier 1 ratio	10.58%	18.04%
v. Leverage ratio	5.71%	9.72%

5. Defaults in statutory liquidity and other regulatory sanctions

i. Default in statutory liquidity (times)	Nil	Nil
ii. Default in statutory liquidity sanction (GHC'000)	Nil	Nil
iii. Other regulatory sanctions (GHC'000)	6	60

6. Qualitative Disclosures

Risk Management Concept and Framework: The Bank's Risk Management Concept and Framework is outlined in our Strategy, Policies, Processes and Governance structure and is based on core principles designed to ensure that we achieve our mission and serve our customers efficiently and effectively. Our Risk Appetite is defined within this framework. Policies and Processes are in place to guide our conduct of business within set risk appetite thresholds and guide effective corrective measures to deviations. Our Board of Directors approves this policy annually. The Risk Committee, the Managing Director and Risk Management Department coordinate, facilitate, and oversee the effectiveness and integrity of the risk management framework. The Internal and external audit functions in turn provide timely and objective assurance regarding the continuing appropriateness and adequacy of compliance with this framework, and report to the Audit and Risk sub-committee of the Board.

The financial statements do not contain any untrue statement, misleading facts or omit material facts, to the best of my knowledge.

Signed
Daniel Sackey
Managing Director

Signed
Edward N. Botchway
Executive Director