

*Ecobank Ghana Limited*

*The Pan African Bank*

Unaudited Financial Statements

For the three-month period ended

31 March 2020

**Ecobank Ghana Limited & Subsidiaries**

**Consolidated Financial Statements for the period ended 31st March 2020**

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

<b>Statements of Comprehensive Income</b>	<b>Group 2020</b>	<b>Group 2019</b>	<b>Bank 2020</b>	<b>Bank 2019</b>
Interest income	360,918	276,952	355,354	246,815
Interest expense	(56,428)	(43,136)	(67,769)	(27,502)
<b>Net interest income</b>	<b>304,490</b>	<b>233,816</b>	<b>287,585</b>	<b>219,313</b>
Fees and commission income	59,614	54,183	56,140	52,913
Fees and commission expense	(2,093)	(662)	(2,093)	(662)
<b>Net fee and commission income</b>	<b>57,521</b>	<b>53,521</b>	<b>54,047</b>	<b>52,251</b>
Net trading income	59,870	49,179	59,850	49,158
Other operating income	7,410	6,938	4,647	6,921
<b>Revenue</b>	<b>429,291</b>	<b>343,454</b>	<b>406,129</b>	<b>327,643</b>
Net Impairment charge	(54,922)	(43,449)	(55,250)	(43,449)
Personnel expenses	(92,832)	(84,210)	(87,521)	(83,916)
Depreciation and amortisation	(9,243)	(9,375)	(8,540)	(9,375)
Other operating expenses	(88,821)	(62,616)	(86,014)	(52,846)
Gain on sale of equipment	-	37	-	37
<b>Operating profit</b>	<b>183,473</b>	<b>143,841</b>	<b>168,804</b>	<b>138,094</b>
<b>Share of profit of associates (net of tax)</b>	<b>-</b>	<b>620</b>	<b>-</b>	<b>-</b>
<b>Profit before income tax</b>	<b>183,473</b>	<b>144,461</b>	<b>168,804</b>	<b>138,094</b>
Income tax expense	(55,434)	(42,971)	(50,641)	(40,235)
<b>Profit after tax</b>	<b>128,039</b>	<b>101,490</b>	<b>118,163</b>	<b>97,859</b>

**Ecobank Ghana Limited & Subsidiaries**  
**Financial Statements for the period ended 31st March 2020**

**Statements of Comprehensive Income**

	<b>Group 2020</b>	<b>Group 2019</b>	<b>Bank 2020</b>	<b>Bank 2019</b>
<b>Profit for the year</b>	<b>128,039</b>	<b>101,490</b>	<b>118,163</b>	<b>97,859</b>
<b>Other Comprehensive Income</b>				
<i>Items that will never be reclassified subsequently to profit or loss:</i>				
Gain/(loss) on revaluation of investment securities	(26,118)	20,393	(26,118)	20,393
Related tax	-	(5,098)	-	(5,098)
Other comprehensive income for the year, net of tax	<b>(26,118)</b>	<b>15,295</b>	<b>(26,118)</b>	<b>15,295</b>
<b>Total comprehensive income for the year</b>	<b>101,921</b>	<b>116,785</b>	<b>92,045</b>	<b>113,154</b>
<i>Profit for the year attributable to:</i>				
Equity holders of the Bank	<u><b>128,039</b></u>	<u><b>101,490</b></u>	<u><b>118,163</b></u>	<u><b>97,859</b></u>
<i>Comprehensive income for the year attributable to:</i>				
<b>Equity holders of the Bank</b>	<u><b>101,921</b></u>	<u><b>116,785</b></u>	<u><b>92,045</b></u>	<u><b>113,154</b></u>

**Earnings per share**

Basic & diluted (in Ghana Cedis)

<b>1.59</b>	<b>1.26</b>	<b>1.47</b>	<b>1.21</b>
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**Ecobank Ghana Limited & Subsidiaries**
**Statement of Financial Position as at 31st March 2020**

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

<b>Statements of Financial Position</b>	<b>Group 2020</b>	<b>Group 2019</b>	<b>Bank 2020</b>	<b>Bank 2019</b>
<b>Assets</b>				
Cash and balances with banks	3,980,698	2,574,813	3,984,030	2,546,480
Loans & advances to customers	4,812,898	4,537,273	4,735,699	4,539,106
Non pledged trading assets	282,944	638,639	282,944	638,639
Non-trading assets	2,916,964	2,494,157	2,795,347	2,492,801
Investment in subsidiaries	-	-	36,489	36,489
Investment in associate	-	10,809	13,796	10,809
Current income tax asset	-	29,969	-	29,969
Other assets	1,036,829	370,734	960,278	290,624
Deferred income tax asset	531	30,699	-	30,699
Intangible assets	35,423	8,044	35,423	8,044
Non-current assets held for sale	28,327	26,375	28,327	26,375
Property and equipment	470,073	441,706	425,701	437,704
<b>Total Assets</b>	<b>13,564,687</b>	<b>11,163,218</b>	<b>13,298,034</b>	<b>11,087,739</b>
<b>Liabilities</b>				
Deposits from banks	784,663	552,295	1,086,862	862,773
Deposits from customers	10,243,085	7,834,168	9,959,623	7,521,770
Borrowings	57,059	95,657	57,059	67,140
Current income tax liabilities	16,764	-	16,764	-
Deferred income tax liabilities	-	30,168	-	30,168
Other liabilities	576,885	1,207,926	319,785	1,178,920
<b>Total liabilities</b>	<b>11,678,456</b>	<b>9,720,214</b>	<b>11,440,093</b>	<b>9,660,771</b>
<b>Equity and reserves</b>				
Stated capital	416,641	416,641	416,641	416,641
Retained earnings	875,121	302,617	852,048	287,109
Other reserves	93,799	125,077	93,799	125,077
Statutory reserve	500,085	439,471	495,453	438,943
Credit risk reserve	-	159,198	-	159,198
Non-controlling interest	585	-	-	-
<b>Total equity attributable to equity holders</b>	<b>1,886,231</b>	<b>1,443,004</b>	<b>1,857,941</b>	<b>1,426,968</b>
<b>Total liabilities and equity</b>	<b>13,564,687</b>	<b>11,163,218</b>	<b>13,298,034</b>	<b>11,087,739</b>

<b>Statements of Cash flows</b> (All amounts are in thousands of Ghana cedis unless otherwise stated)	<b>Group</b>	<b>Group</b>	<b>Bank</b>	<b>Bank</b>
	<b>2,020</b>	<b>2,019</b>	<b>2020</b>	<b>2,019</b>
<b>Cash flows from operating activities</b>				
Profit before tax	183,473	144,461	168,804	138,094
Depreciation expense	9,243	9,375	8,540	9,375
Impairment	118,524	51,574	119,040	51,574
Unrealised losses/(gains) - net	(22,556)	(1,373)	(22,550)	(1,352)
Gain on disposal of property and equipment	-	(37)	-	(37)
<b>Changes in operating assets and liabilities</b>				
Loans and advances	455,223	(434,415)	454,981	(461,073)
Other assets	(297,392)	(100,739)	(193,233)	(122,458)
Other liabilities	175,270	57,063	92,422	12,228
Deposits from banks	(269,967)	(80,990)	(108,943)	(42,969)
Deposits from customers	514,327	571,547	234,583	554,079
Mandatory reserves	(1,017,419)	(344,027)	(1,017,419)	(344,027)
Placements	-	-	-	-
<b>Cash flows from operating activities</b>	<b>(151,274)</b>	<b>(127,561)</b>	<b>(263,775)</b>	<b>(206,566)</b>
Tax paid	(2,211)	(38,325)	(2,211)	(37,830)
<b>Net cash flows from operating activities</b>	<b>(153,485)</b>	<b>(165,886)</b>	<b>(265,986)</b>	<b>(244,396)</b>
<b>Cash flows from investing activities</b>				
Government securities – net	(309,970)	(291,812)	(204,309)	(308,171)
Proceeds from sale of property and equipment	-	37	-	37
Payments for property and equipment	(4,369)	(2,599)	(4,172)	(2,599)
Payments for intangible assets	(30,833)	(81)	(30,833)	(81)
<b>Net cash used in investing activities</b>	<b>(345,172)</b>	<b>(294,455)</b>	<b>(239,314)</b>	<b>(310,814)</b>
<b>Cash flows from financing activities</b>				
Repayment of borrowed funds	(2,429)	(106,827)	(2,429)	(106,827)
<b>Net cash used in financing activities</b>	<b>(2,429)</b>	<b>(106,827)</b>	<b>(2,429)</b>	<b>(106,827)</b>
<b>Net (decrease)/increase in cash and cash equivalents</b>	<b>(501,086)</b>	<b>(567,168)</b>	<b>(507,729)</b>	<b>(662,037)</b>
<b>Cash and cash equivalents at 1 January</b>	<b>1,721,107</b>	<b>1,991,473</b>	<b>1,726,085</b>	<b>1,794,624</b>
<b>Cash and cash equivalents at 31 March</b>	<b>1,220,021</b>	<b>1,424,305</b>	<b>1,218,356</b>	<b>1,132,587</b>

STATEMENTS OF CHANGES IN EQUITY  
THE GROUP

	Stated capital	Retained earnings	Other reserves	Statutory reserve Fund	Credit risk reserve	Non-controlling interest	Total
	GHC'000	GHC'000	GHC'000	GHC'000	GHC'000	GHC'000	GHC'000
Balance at 1 January 2020	416,641	747,082	119,917	500,085	-	585	1,784,310
Profit for the period	-	128,039	-	-	-	-	128,039
Revaluation gains (net of tax)	-	-	(26,118)	-	-	-	(26,118)
	-	-	-	-	-	-	-
Balance as at 31 March 2020	416,641	875,121	93,799	500,085	-	585	1,886,231

STATEMENT OF CHANGES IN EQUITY  
THE BANK

	Stated Capital	Retained earnings	Other reserves	Statutory Reserve Fund	Regulatory Credit Risk	TOTAL
	GHC'000	GHC'000	GHC'000	GHC'000	GHC'000	GHC'000
Balance at 1 January 2020	416,641	733,885	119,917	495,453	-	1,765,896
Profit for the period	-	118,163	-	-	-	118,163
Revaluation gains (net of tax)	-	-	(26,118)	-	-	(26,118)
	-	-	-	-	-	-
Balance as at 31 March 2020	416,641	852,048	93,799	495,453	-	1,857,941

**Ecobank Ghana Limited & Subsidiaries**

**DISCLOSURES**

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

2. The accounting policies applied in the preparation

3. Contingent liabilities

	<b>Group</b> 2020 <b>GHC '000</b>	<b>Group</b> 2019 <b>GHC '000</b>	<b>Bank</b> 2020 <b>GHC '000</b>	<b>Bank</b> 2019 <b>GHC '000</b>
Guarantees and indemnities	786,707	516,433	786,707	516,433
Documentary letters of credit	<u>1,090,135</u>	<u>963,975</u>	<u>1,090,135</u>	<u>963,975</u>
	<u><b>1,876,842</b></u>	<u><b>1,480,408</b></u>	<u><b>1,876,842</b></u>	<u><b>1,480,408</b></u>

4. Quantitative Disclosures

i. Capital Adequacy ratio per Capital Requirements Directive (CRD)	18.03%	13.35%
ii. Non-performing loan ratio - IFRS	8.20%	11.67%
iii. Liquid ratio	90.73%	92.10%
iv. Common equity Tier I ratio	16.03%	11.36%
v. Leverage ratio	9.79%	7.67%

5. Qualitative Disclosures

i. Default in statutory liquidity (times)	1	Nil
ii. Default in statutory liquidity sanction (GHC'000)	27	Nil
iii. Other regulatory sanctions (GHC'000)	2,429	Nil

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

Signed

Signed

Daniel Sackey  
Managing Director

Edward N. Botchway  
Executive Director

**Key Ratios**

<b>Cost to Income</b>	<b>44%</b>
<b>Return on Average Assets</b>	<b>4%</b>
<b>Return on Average Equity</b>	<b>31%</b>
<b>Non Funded Income to Total Income</b>	<b>29%</b>

**Financial Highlights**

<b>March 2019 - March 2020</b>	<b>Growth</b>
<b>Profit Before Tax</b>	<b>27%</b>
<b>Total Assets</b>	<b>22%</b>
<b>Loans</b>	<b>6%</b>
<b>Deposits</b>	<b>31%</b>