

CalBank PLC.

A: 23 Independence Avenue P. O. Box 14596 Accra, Ghana

T: +233 (0) 302 680061-69, +233 (0) 302 680079

F: +233 (0) 302 680081, +233 (0) 680083

E: info@calbank.net

www.calbank.net



CalBank

SWORN STATEMENT OF TRUTH Pursuant to Regulation 57 of LI 1728

I, PHILIP OWIREDU, Managing Director of CalBank Plc of 23 Independence Avenue, P.O. Box 14596, Accra, do hereby swear that the attached Financial Statements of CalBank Plc is the true reflection of the Bank's Financial Position and do not contain untrue statements, misleading facts or omit material facts to the best of my knowledge.

SIGNATURE: *Signed*
.....

NAME: PHILIP OWIREDU

DATE: 24th JULY, 2020

WITNESS

SIGNATURE: *Signed*

NAME: EUGENE AMPONSAH

POSITION: LEGAL OFFICER

DATE: 24th JULY, 2020



Frank F. Adeeku
FRANK F. ADEEKU
BARRISTER AT LAW
NOTARY PUBLIC
P. O. BOX GP 2492, ACCRA

24/7/2020

CALBANK PLC
UNAUDITED CONSOLIDATED FINANCIAL STATEMENTS
FOR THE SIX MONTHS ENDED 30 JUNE 2020

CALBANK PLC

UNAUDITED STATEMENTS OF COMPREHENSIVE INCOME FOR THE SIX MONTHS ENDED 30 JUNE 2020
in thousands of Ghana Cedis

| | 2020 | | 2019 | |
|---|----------------|----------------|----------------|----------------|
| | Bank | Group | Bank | Group |
| Interest Income | 483,353 | 484,384 | 409,552 | 410,639 |
| Interest Expense | (221,437) | (221,160) | (167,337) | (167,100) |
| Net Interest Income | 261,916 | 263,224 | 242,215 | 243,539 |
| Fees and Commissions Income | 19,805 | 23,893 | 22,521 | 27,183 |
| Fees and Commissions Expense | (9,091) | (9,091) | (4,891) | (4,945) |
| Net Fees and Commission Income | 10,714 | 14,802 | 17,630 | 22,238 |
| Net Trading Income | 26,533 | 26,404 | 29,323 | 29,134 |
| Other Income | 212 | 243 | 5,516 | 5,643 |
| | 26,745 | 26,647 | 34,839 | 34,777 |
| Operating Income | 299,375 | 304,673 | 294,684 | 300,554 |
| Net Impairment Loss on Financial Assets | (44,492) | (44,492) | (53,300) | (53,300) |
| Personnel Expenses | (65,455) | (66,673) | (63,001) | (64,710) |
| Depreciation and Amortisation | (13,178) | (13,261) | (10,122) | (10,169) |
| Lease Expenses | (13,624) | (13,624) | (5,817) | (5,817) |
| Other Expenses | (49,638) | (49,794) | (43,486) | (44,174) |
| Profit Before Income Tax | 112,988 | 116,829 | 118,958 | 122,384 |
| Income Tax Expense | (33,896) | (35,109) | (35,687) | (36,868) |
| Profit For The Period | 79,092 | 81,720 | 83,271 | 85,516 |
| Other Comprehensive Income, Net of Income Tax Items that may be reclassified subsequently to profit or loss: | | | | |
| Available-For-Sale Financial Assets | - | - | 11,169 | 11,169 |
| Total Comprehensive Income for the Period | 79,092 | 81,720 | 94,440 | 96,685 |
| Earnings Per Share (Ghana Cedis per share) | | | | |
| Basic | 0.2525 | 0.2608 | 0.2658 | 0.2730 |
| Diluted | 0.2525 | 0.2608 | 0.2658 | 0.2730 |



CALBANK PLC
UNAUDITED STATEMENTS OF FINANCIAL POSITION AS AT 30 JUNE 2020
in thousands of Ghana Cedis

| | 2020 | | 2019 | |
|--|------------------|------------------|------------------|------------------|
| | Bank | Group | Bank | Group |
| Assets | | | | |
| Cash and Cash Equivalents | 443,715 | 443,720 | 771,633 | 771,633 |
| Non-Pledged Trading Assets | 346,576 | 346,576 | 29,176 | 29,176 |
| Investment Securities | 2,687,928 | 2,703,139 | 2,378,817 | 2,391,497 |
| Loans and Advances to Customers | 2,786,537 | 2,786,537 | 2,499,933 | 2,499,933 |
| Investments in Subsidiaries | 2,038 | - | 2,038 | - |
| Current Tax Assets | - | 456 | 617 | 1,327 |
| Property, Plant and Equipment | 396,443 | 396,559 | 453,968 | 455,266 |
| Intangible Assets | 58,968 | 60,156 | 16,697 | 16,697 |
| Right-of-use Lease Assets | 86,236 | 86,236 | 14,761 | 14,761 |
| Deferred Tax Assets | 5,704 | 5,707 | 14,890 | 14,900 |
| Other Assets | 319,245 | 321,929 | 47,997 | 52,180 |
| Total Assets | 7,133,390 | 7,151,015 | 6,230,527 | 6,247,370 |
| Liabilities | | | | |
| Deposits From Banks and Other Financial Institutions | 202,235 | 200,502 | 94,537 | 91,387 |
| Deposits From Customers | 3,694,330 | 3,694,330 | 3,743,021 | 3,743,021 |
| Borrowings | 1,952,987 | 1,952,987 | 1,400,861 | 1,400,861 |
| Current Tax Liabilities | 321 | 321 | 0 | 103 |
| Lease Liabilities | 78,211 | 78,211 | 14,761 | 14,761 |
| Other Liabilities | 165,348 | 168,158 | 148,413 | 151,063 |
| Total Liabilities | 6,093,432 | 6,094,509 | 5,401,593 | 5,401,199 |
| Shareholders' Equity | | | | |
| Stated Capital | 400,000 | 400,000 | 400,000 | 400,000 |
| Retained Earnings | 234,136 | 251,418 | 97,973 | 115,775 |
| Revaluation Reserve | 104,636 | 104,636 | 62,246 | 62,246 |
| Statutory Reserve | 308,127 | 308,127 | 265,600 | 265,600 |
| Regulatory Credit Risk Reserve | - | - | 8,585 | 8,585 |
| Other Reserves | (6,941) | (7,675) | (5,470) | (6,035) |
| Total Shareholders' Equity | 1,039,958 | 1,056,506 | 828,934 | 846,171 |
| Total Liabilities and Shareholders' Equity | 7,133,390 | 7,151,015 | 6,230,527 | 6,247,370 |



CALBANK PLC
 UNAUDITED STATEMENTS OF CHANGES IN EQUITY FOR THE SIX MONTHS ENDED 30 JUNE 2020
 in thousands of Ghana Cedis

2020

| The Bank | Stated Capital | Statutory Reserve | Revaluation Reserve | Retained Earnings | Other Reserves | | Regulatory Credit Risk Reserve | Total Equity |
|-----------------------------------|----------------|-------------------|---------------------|-------------------|-----------------|---------------------|--------------------------------|------------------|
| | | | | | Treasury Shares | Fair Value Reserves | | |
| Balance at 1 January 2020 | 400,000 | 288,353 | 104,636 | 174,819 | - | (6,941) | - | 960,867 |
| Total comprehensive income | | | | | | | | |
| Profit | | | | 79,092 | | | | 79,092 |
| Transfer to/from reserves | | | | | | | | |
| Statutory reserve | | 19,774 | | (19,774) | | | | - |
| Balance at 30 June 2020 | 400,000 | 308,127 | 104,636 | 234,136 | - | (6,941) | - | 1,039,958 |

| The Group | Stated Capital | Statutory Reserve | Revaluation Reserve | Retained Earnings | Other Reserves | | Regulatory Credit Risk Reserve | Total Equity |
|-----------------------------------|----------------|-------------------|---------------------|-------------------|-----------------|---------------------|--------------------------------|------------------|
| | | | | | Treasury Shares | Fair Value Reserves | | |
| Balance at 1 January 2020 | 400,000 | 288,353 | 104,636 | 189,473 | (584) | (7,091) | - | 974,787 |
| Total comprehensive income | | | | | | | | |
| Profit | | | | 81,720 | | | | 81,720 |
| Transfer to/from reserves | | | | | | | | |
| Statutory reserve | | 19,774 | | (19,774) | | | | - |
| Balance at 30 June 2020 | 400,000 | 308,127 | 104,636 | 251,418 | (584) | (7,091) | - | 1,056,506 |

2019

| The Bank | Stated Capital | Statutory Reserve | Revaluation Reserve | Retained Earnings | Other Reserves | | Regulatory Credit Risk Reserve | Total Equity |
|---------------------------------------|----------------|-------------------|---------------------|-------------------|-----------------|---------------------|--------------------------------|----------------|
| | | | | | Treasury Shares | Fair Value Reserves | | |
| Balance at 1 January 2019 | 400,000 | 244,782 | 62,246 | 58,140 | - | (16,638) | 16,042 | 764,572 |
| Total comprehensive income | | | | | | | | |
| Profit | | | | 83,271 | | | | 83,271 |
| Other comprehensive income | | | | | | | | |
| Available-for-sale financial assets | | | | | | 11,169 | | 11,169 |
| Transactions with shareholders | | | | | | | | |
| Dividend paid | | | | (30,077) | | | | (30,077) |
| Transfer to/from reserves | | | | | | | | |
| Statutory reserve | | 20,818 | | (20,818) | | | | - |
| Regulatory credit risk reserve | | | | 7,457 | | | (7,457) | - |
| Balance at 30 June 2019 | 400,000 | 265,600 | 62,246 | 97,973 | - | (5,470) | 8,585 | 828,935 |

| The Group | Stated Capital | Statutory Reserve | Revaluation Reserve | Retained Earnings | Other Reserves | | Regulatory Credit Risk Reserve | Total Equity |
|---|----------------|-------------------|---------------------|-------------------|-----------------|---------------------|--------------------------------|----------------|
| | | | | | Treasury Shares | Fair Value Reserves | | |
| Balance at 1 January 2019 | 400,000 | 244,782 | 62,246 | 73,666 | (584) | (16,707) | 16,042 | 779,445 |
| Total comprehensive income | | | | | | | | |
| Profit | | | | 85,516 | | | | 85,516 |
| Other comprehensive income | | | | | | | | |
| Available-for-sale financial assets | | | | | | 11,169 | | 11,169 |
| Transactions with shareholders | | | | | | | | |
| Dividend paid | | | | (30,073) | | | | (30,073) |
| Net changes in Bank's shares held by subsidiaries | | | | 27 | 87 | | | 114 |
| Transfer to/from reserves | | | | | | | | |
| Statutory reserve | | 20,818 | | (20,818) | | | | - |
| Regulatory credit risk reserve | | | | 7,457 | | | (7,457) | - |
| Balance at 30 June 2019 | 400,000 | 265,600 | 62,246 | 115,775 | (497) | (5,538) | 8,585 | 846,171 |

FRANK F. ADEEKU
 BARRISTER AT LAW
 NOTARY PUBLIC
 P. O. BOX GP 2492, ACCRA



CALBANK PLC

UNAUDITED STATEMENTS OF CASH FLOWS FOR THE SIX MONTHS ENDED 30 JUNE 2020

in thousands of Ghana Cedis

| | 2020 | | 2019 | |
|--|------------------|------------------|------------------|------------------|
| | Bank | Group | Bank | Group |
| Cash Flows From Operating Activities | | | | |
| Profit For The Period | 79,092 | 81,720 | 83,271 | 85,516 |
| Adjustments for: | | | | |
| Depreciation And Amortisation | 13,178 | 13,261 | 10,122 | 10,169 |
| Impairment on Financial Assets | 44,492 | 44,492 | 53,300 | 53,300 |
| Net Interest Income | (261,916) | (263,224) | (242,215) | (243,539) |
| Income Tax Expense | 33,896 | 35,109 | 35,687 | 36,868 |
| Gain on Disposal of Property and Equipment | (21) | (21) | (115) | (115) |
| | (91,279) | (88,663) | (59,950) | (57,801) |
| Change in Loans and Advances to Customers | 92,164 | 92,164 | (107,287) | (112,337) |
| Change in Other Assets | (158,511) | (158,731) | 5,769 | 4,122 |
| Change in Deposits From Banks and Other Financial Institutions | 26,936 | 33,386 | 15,325 | 18,965 |
| Change in Customer Deposits | 2,405 | 2,405 | 674,870 | 674,870 |
| Change in Other Liabilities | 58,940 | 58,769 | (8,823) | (11,505) |
| | 21,934 | 27,993 | 579,854 | 574,115 |
| Interest and dividends received | 471,810 | 472,841 | 386,938 | 388,025 |
| Interest paid | (224,625) | (224,348) | (176,876) | (176,639) |
| Income Tax Paid | (20,079) | (21,192) | (43,576) | (44,703) |
| Net Cash Used In Operating Activities | 157,761 | 166,631 | 686,390 | 682,997 |
| Cash Flows From Investing Activities | | | | |
| Purchase of Investment Securities | (196,062) | (204,877) | (592,716) | (588,808) |
| Purchase of Property and Equipment | (11,593) | (11,716) | (10,638) | (11,162) |
| Proceeds From Sale of Property and Equipment | 21 | 21 | 121 | 121 |
| Purchase of Intangible Assets | (32,297) | (32,229) | - | - |
| Net Cash Used in Investing Activities | (239,931) | (248,801) | (603,233) | (599,849) |
| Cash Flows from Financing Activities | | | | |
| Dividends Paid | 0 | 0 | (30,077) | (30,073) |
| Net Changes in Borrowings | (71,894) | (71,894) | 80,988 | 80,988 |
| Net Cash from Financing Activities | (71,894) | (71,894) | 50,911 | 50,915 |
| Net Change in Cash and Cash Equivalents | (154,064) | (154,064) | 134,068 | 134,063 |
| Cash and Cash Equivalents at 1 January | 597,779 | 597,784 | 637,565 | 637,570 |
| Cash and Cash Equivalents at 30 June 2020 | 443,715 | 443,720 | 771,633 | 771,633 |



SIGNIFICANT ACCOUNTING POLICIES

The Condensed Financial Statements have been prepared in accordance with International Financial Reporting Standards (IFRS) as issued by the International Accounting Standards Board (IASB) and adopted by the Institute of Chartered Accountants, Ghana (ICAG). The Condensed Financial Statements have been prepared using the same accounting policies and methods used in preparation of our audited 2019 Annual Consolidated Financial Statements. Our significant accounting policies and future changes in accounting policies and disclosures that are not yet effective are described in Note 4 of our audited 2019 Annual Consolidated Financial Statements as published on our website www.calbank.net.

COVID-19 UPDATE

The Covid-19 pandemic and the measures put in place to contain the spread of infection have had impacts on economic activity, both within Ghana and across the rest of the world. In order to alleviate the impact of COVID-19 on people and businesses, the government and the Central Bank have implemented various measures aimed at limiting its impact. Amid the uncertainty, it is clear that the pandemic will have long-lasting and wide-ranging effects on how companies do business and on what customers will expect from the organisations they choose to interact with.

The COVID-19 outbreak and its impact on the nation's businesses and consumers has evidently changed the business operating environment, driving an additional impairment charge of GHS18 million against future loan losses consequently causing a reduction in underlying profitability. While we delivered a resilient performance and continue to make good progress on our strategy in the first half of the year, our primary objective now is safeguarding the health and well-being of our staff, customers and communities while also protecting the bank.

The impacts of Covid-19 and the mitigating benefits of government schemes are uncertain and challenging to forecast accurately. While the outlook remains uncertain, we enter this period from a position of strength, with a defensive loan book and resilient capital position. We have rapidly adapted our operations, products and services, meaning we are well-placed to help our customers and staff through the crisis.

QUANTITATIVE DISCLOSURES

| | 2020 | 2019 |
|----------------------------------|-------|-------|
| (i) Capital Adequacy Ratio | 22.7% | 18.6% |
| (ii) Non-Performing Loan Ratio | 10.8% | 9.0% |
| (iii) Common Equity Tier 1 Ratio | 20.7% | 16.6% |
| (iv) Leverage Ratio | 12.4% | 9.4% |

QUALITATIVE DISCLOSURES

(i) The Bank's dominant risks are: credit risk, liquidity risk, market risk and operational risk

(ii) Risk management framework

The Board of Directors has overall responsibility for the establishment and oversight of the Bank's risk management framework. There are in place the Risk Management and Audit sub-committees of the Board and an established Asset and Liability committee (ALCO) which are responsible for developing and monitoring risk management policies in their specified areas.

The Bank's risk management policies are established to identify and analyse the risks faced by the Bank, to set appropriate risk limits and controls, and to monitor risks and adherence to limits. Risk management policies and systems are reviewed regularly to reflect changes in market conditions, products and services offered. The Bank, through its training and management standards and procedures, aims to develop a disciplined and constructive control environment, in which all employees understand their roles and obligations.

The process followed in risk management for the period ended 30 June 2020 are consistent with those followed for the year ended 31 December 2019.

| (iii) | 2020 | 2019 |
|---|------|------|
| Default in Statutory Liquidity (Times) | Nil | Nil |
| Default in Statutory Liquidity Sanction (GHS'000) | Nil | Nil |
| Other Regulatory Penalties (GHS'000) | 84 | Nil |

"The financial statements do not contain untrue statements, misleading facts or omit material facts to the best of our knowledge."

Signed
Philip Owiredu
Director

Signed
Nana Otuo Acheampong
Director



CALBANK PLC
UNAUDITED CONSOLIDATED INCOME STATEMENT
FOR THE SIX MONTHS ENDED 30 JUNE 2020

| | 2020 GHS'000 | 2019 GHS'000 | + or (-) % |
|---|-----------------|-----------------|---------------|
| 1. Net Interest Income | 263,224 | 243,539 | 8.1 |
| Commissions, Fees and Other Income | 41,449 | 57,015 | (27.3) |
| 2. a. Consolidated Operating Profit Before Income Tax | 116,829 | 122,384 | (4.5) |
| b. Less Income Tax Expense | 35,109 | 36,868 | 4.8 |
| c. Consolidated Operating Profit After Tax | 81,720 | 85,516 | (4.4) |
| Depreciation Charge | 13,261 | 10,169 | (30.4) |
| 3. Operating Profit After Tax as a Percentage of Turnover | 26.8% | 28.5% | |
| 4. Operating Profit After Tax as a Percentage of Issued Capital and Reserves. | 9.9% | 10.1% | |
| 5. Earnings Per Share for the Period | GHc0.2608 | GHc0.2730 | |

6. Commentary

The group reported an operating profit before income tax of GHS116.8 million and an operating profit after tax of GHS81.7 million compared to GHS122.4 million and GHS85.5 million respectively in the previous year. These represent a decrease of 4.5% and 4.4% respectively.

Net interest income increased by 8.1%, mainly as a result of increases in investment securities and net loans over the review period. Net commissions, fees and other income decreased by 27.3%, compared to the prior year amount of GHS57.0 million mainly as a result of reduction in fees from corporate finance advisory activities and reduced income from forex trading activities.

The balance sheet remained robust, with total assets of the group increasing from GHS6.2 billion to GHS7.2 billion. This represents an increase of 14.5% during the review period.

Basic earnings per share is based on a weighted average number of ordinary shares in issue as at the balance sheet date of 626,584,627 (2019: 626,584,627). Diluted earnings per share is based on a weighted average number of ordinary shares of 626,584,627 (2019: 626,584,627).

7. The tax charge for the period does not include any adjustment for the previous year.

