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**UNAUDITED CONSOLIDATED FINANCIAL STATEMENTS
FOR THE NINE MONTHS ENDED 30 SEPTEMBER 2020**

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UNAUDITED STATEMENTS OF COMPREHENSIVE INCOME FOR THE NINE MONTHS ENDED 30 SEPTEMBER 2020

in thousands of Ghana Cedis

	2020		2019	
	Bank	Group	Bank	
Group				
Interest Income	695,443	697,257	648,008	649,170
Interest Expense	(301,382)	(300,985)	(274,097)	(273,700)
Net Interest Income	394,061	396,272	373,911	375,470
Fees and Commissions Income	29,882	36,297	32,755	38,360
Fees and Commissions Expense	(14,232)	(14,231)	(9,237)	(9,292)
Net Fees and Commission Income	15,650	22,066	23,518	29,068
Net Trading Income	75,112	74,926	28,924	28,288
Other Income	2,026	2,144	9,564	9,824
	77,138	77,070	38,488	38,112
Operating Income	486,849	495,408	435,917	442,650
Net Impairment Loss on Financial Assets	(71,810)	(71,810)	(58,454)	(58,454)
Personnel Expenses	(101,723)	(103,574)	(97,521)	(99,934)
Depreciation and Amortisation	(20,249)	(20,371)	(15,320)	(15,414)
Lease Expenses	(21,276)	(21,276)	(8,726)	(8,726)
Other Expenses	(75,537)	(75,792)	(65,446)	(66,251)
Profit Before Income Tax	196,254	202,585	190,451	193,872
Income Tax Expense	(59,857)	(61,824)	(57,135)	(58,467)
Profit For The Period	136,397	140,761	133,316	135,405
Other Comprehensive Income, Net of Income Tax Items that may be reclassified subsequently to profit or loss:				
Available-For-Sale Financial Assets	-	-	9,014	9,014
Total Comprehensive Income for the Period	136,397	140,761	142,330	144,419
Earnings Per Share (GHS per share)				
Basic	0.2903	0.2996	0.2837	0.2882
Diluted	0.2903	0.2996	0.2837	0.2881

UNAUDITED STATEMENTS OF FINANCIAL POSITION AS AT 30 SEPTEMBER 2020

in thousands of Ghana Cedis

	2020		2019	
	Bank	Group	Bank	Group
Assets				
Cash and Cash Equivalents	506,504	506,510	707,269	707,269
Non-Pledged Trading Assets	170,123	170,123	29,176	29,176
Investment Securities	3,422,526	3,437,108	3,419,855	3,429,614
Loans and Advances to Customers	2,692,446	2,692,446	2,477,155	2,477,155
Investments in Subsidiaries	2,038	-	2,038	-
Current Tax Assets	1,267	1,999	397	1,378
Property, Plant and Equipment	426,701	426,810	436,119	436,231
Intangible Assets	33,028	34,182	37,722	38,940
Right-of-use Lease Assets	82,214	82,214	14,761	14,761
Deferred Tax Assets	5,704	5,707	14,890	14,897
Other Assets	239,589	242,026	59,679	62,482
Total Assets	7,582,140	7,599,125	7,199,061	7,211,903
Liabilities				
Total Deposits	4,153,094	4,148,421	3,850,351	3,843,688
Deposits From Banks and Other Financial Institutions	186,756	182,083	85,727	79,064
Deposits From Customers	3,966,338	3,966,338	3,764,624	3,764,624
Borrowings	2,140,674	2,140,674	2,289,376	2,289,376
Current Tax Liabilities	-	564	-	-
Lease Liabilities	91,659	91,659	14,761	14,761
Other Liabilities	155,351	158,078	167,749	170,129
Total Liabilities	6,540,778	6,539,396	6,322,237	6,317,954
Shareholders' Equity				
Stated Capital	400,000	400,000	400,000	400,000
Retained Earnings	221,350	240,451	144,092	161,782
Revaluation Reserve	104,636	104,636	62,246	62,246
Statutory Reserve	322,453	322,453	278,111	278,111
Other Reserves	(7,077)	(7,811)	(7,625)	(8,190)
Total Shareholders' Equity	1,041,362	1,059,729	876,824	893,949
Total Liabilities and Shareholders' Equity	7,582,140	7,599,125	7,199,061	7,211,903

UNAUDITED STATEMENTS OF CHANGES IN EQUITY FOR THE NINE MONTHS ENDED 30 SEPTEMBER 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	-	-	-	136,397	-	-	-	136,397	
Transactions with shareholders									
Dividend paid	-	-	-	(55,766)	-	-	-	(55,766)	
Share buyback	-	-	-	-	(136)	-	-	(136)	
Transfer to/from reserves									
Statutory reserve	-	34,100	-	(34,100)	-	-	-	-	
Balance at 30 Sept. 2020	400,000	322,453	104,636	221,350	(136)	(6,941)	-	1,041,362	

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	-	-	-	140,761	-	-	-	140,761	
Transactions with shareholders									
Dividend paid	-	-	-	(55,682)	-	-	-	(55,682)	
Share buyback	-	-	-	-	(136)	-	-	(136)	
Transfer to/from reserves									
Statutory reserve	-	34,100	-	(34,100)	-	-	-	-	
Balance at 30 Sept. 2020	400,000	322,453	104,636	240,451	(720)	(7,091)	-	1,059,729	

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	-	-	-	133,316	-	-	-	133,316	
Other comprehensive income									
Available-for-sale financial assets	-	-	-	-	-	9,014	-	9,014	
Transactions with shareholders									
Dividend paid	-	-	-	(30,077)	-	-	-	(30,077)	
Transfer to/from reserves									
Statutory reserve	-	33,329	-	(33,329)	-	-	-	-	
Regulatory credit risk reserve	-	-	-	16,042	-	-	(16,042)	-	
Balance at 30 Sept 2019	400,000	278,111	62,246	144,092	-	(7,625)	-	876,824	

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	-	-	-	135,405	-	-	-	135,405	
Other comprehensive income									
Available-for-sale financial assets	-	-	-	-	-	9,014	-	9,014	
Transactions with shareholders									
Dividend paid	-	-	-	(30,073)	-	-	-	(30,073)	
Net changes in CAL Shares held by subsidiaries	-	-	-	71	87	-	-	158	
Transfer to/from reserves									
Statutory reserve	-	33,329	-	(33,329)	-	-	-	-	
Regulatory credit risk reserve	-	-	-	16,042	-	-	(16,042)	-	
Balance at 30 June 2019	400,000	278,111	62,246	161,782	(497)	(7,693)	-	893,949	

UNAUDITED STATEMENTS OF CASH FLOWS FOR THE NINE MONTHS ENDED 30 SEPTEMBER 2020

in thousands of Ghana Cedis

	2020		2019	
	Bank	Group	Bank	Group
Cash Flows From Operating Activities				
Profit For The Period	136,397	140,761	133,316	135,405
Adjustments for:				
Depreciation and Amortisation	20,249	20,371	15,320	15,414
Impairment on Financial Assets	71,810	71,810	58,454	58,454
Net Interest Income	(394,061)	(396,272)	(373,911)	(375,470)
Income Tax Expense	59,857	61,824	57,135	58,467
Gain on Disposal of Property and Equipment	(21)	(21)	(115)	(115)
	(105,769)	(101,527)	(109,801)	(107,845)
Change in Loans and Advances to Customers	163,592	163,592	(99,345)	(104,395)
Change in Other Assets	(64,385)	(64,358)	(5,913)	(6,180)
Change in Deposits from Banks and Other Financial Institutions	11,954	15,464	(66)	61
Change in Customer Deposits	275,430	275,430	693,600	693,600
Change in Other Liabilities	48,943	48,689	10,513	7,561
	435,534	438,817	598,789	590,647
Interest and dividends received	749,423	750,832	628,849	630,011
Interest paid	(317,525)	(317,128)	(267,885)	(267,488)
Income Tax Paid	(47,628)	(49,207)	(64,804)	(66,456)
	384,270	384,497	296,160	296,067
Net Cash Used In Operating Activities	714,035	721,787	785,148	778,869
Cash Flows From Investing Activities				
Purchase of Investment Securities	(824,384)	(832,166)	(1,629,682)	(1,622,809)
Purchase of Property and Equipment	(43,846)	(43,899)	(19,012)	(19,615)
Proceeds from Sale of Property and Equipment	21	21	121	121
Purchase of Intangible Assets	(8,433)	(8,433)	-	-
Net Cash Used in Investing Activities	(876,642)	(884,477)	(1,648,573)	(1,642,303)
Cash Flows from Financing Activities				
Dividends Paid	(55,766)	(55,682)	(30,077)	(30,073)
Net Changes in Borrowings	127,234	127,234	963,206	963,206
Repurchase of Issued Shares	(136)	(136)	-	-
Net Cash from Financing Activities	71,332	71,416	933,129	933,133
Net Change in Cash and Cash Equivalents	(91,275)	(91,274)	69,704	69,699
Cash and Cash Equivalents at 1 January	597,779	597,784	637,565	637,570
Cash and Cash Equivalents at 30 September 2020	506,504	506,510	707,269	707,269

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 GHS5.8 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 nine months 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	20.8%	18.0%
(ii) Non-Performing Loan Ratio	9.0%	10.3%
(iii) Common Equity Tier 1 Ratio	18.8%	16.0%
(iv) Leverage Ratio	10.4%	8.0%

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 September 2020 are consistent with those followed for the year ended 31 December 2019.

	2020	2019
(iii) 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."

Philip Owiredo
Director

Nana Otuo Acheampong
Director



Operating Environment

The challenging economic environment occasioned by the Covid-19 pandemic has dampened business activity and increased overall market risk. The second and third quarter of 2020 have seen a decrease in average interest rates, an uptick in inflation and growth in the fiscal deficit and public sector debt.

Key Earnings Drivers

Third quarter earnings have been driven by Net Interest Income growing 5.5% over prior year. Loans and advances increased by 8.7%. However, Fees and Commissions decreased 24.1% following the inability to close major expected advisory mandates as a result of the pandemic as well as the waiving of various fees and commissions as part of Covid-19 reliefs. Net trading income grew 164.9% due to aggressive growth of fixed income trading volumes. Net Operating income increased 10.3% on prior year despite the challenges in the operating environment.

Operating Costs

Operating costs increased by 16.1% in Q3-2020 over prior year driven largely by newly introduced deposit insurance premiums, the application of IFRS 16 to leases and new head office depreciation. However, staff costs were contained, growing by 3.6% as management increased its focus on cost control in the light of the downturn in economic and business conditions.

Capital and Liquidity

The Group continues to operate from a position of strength with resilient capital and liquidity positions. Our CAR ratio of 20.8% for Q3-2020 remains well ahead of regulatory and internal targets. The Group's rapid adaptation of operations, products and services to the "new normal" means we are well-placed to support our customers and staff through the Covid-19 crisis.

Asset Quality

The Group anticipated higher levels of credit losses at the onset of the COVID-19 outbreak. The adverse impact of the pandemic on businesses and consumers has driven additional impairment charges consequently reducing underlying profitability. Group Net impairment loss increased by 22.8%. However, NPL ratio dropped from 10.3% in the prior year to 9.0% in Q3-2020.

Philip Owiredu, Chief Executive of CalBank commented: *"Despite the heightened market risk, increased volatility and economic uncertainty, we delivered a resilient performance in Q3-2020, growing operating income by 10.3% and increasing balance sheet size by 5.4% on prior year. Our capital adequacy ratio of 20.8% remains well ahead of regulatory and internal targets and liquidity is robust, both of which are expected to remain stable. We continued to make good progress on our strategy in the first nine months of the year.*

The Covid-19 pandemic and the attendant lockdowns, restrictions on movement and closure of borders have had impacts on economic activity, both within Ghana and across the rest of the world. The pandemic has negatively affected business revenues and the economy has contracted. The Government of Ghana and the Central Bank have implemented various measures aimed at limiting these impacts.

Looking ahead, our primary objective now is safeguarding the health and well-being of our staff, customers and communities while also protecting the integrity of our balance sheet. Our employees and customers have been the foundation of our continued success and I thank them all for their loyalty and commitment through this difficult year."

CalBank Plc

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Notes to the Editors:

The Bank commenced operations as a local merchant bank in 1990 with the sole aim of providing truly differentiated world-class banking solutions. CalBank Plc acquired a Universal Banking License in 2004 and in the same year undertook an initial public offer that was 4.5 times oversubscribed.

The operations of the Bank are backed by experienced managers in key functional areas with a combined experience of over 100 years in banking and finance. The CalBank Plc team provides the required solutions to clients and is supported by a strong IT platform that has seen the Bank being recognized for its innovative products in ICT & Electronic Banking since 2007.

Operations and Subsidiaries

CalBank's growth strategy is to focus on the growing Ghanaian corporate business sector. Since 2006, the Bank has developed its retail banking operations with specialized products and services to serve the needs of its growing retail clientele. The Bank currently has two Wholly-owned Operating Subsidiaries. CalAsset Management Company Limited is licensed as a fund manager and investment advisor by the Securities & Exchange Commission of Ghana. CalBank Nominees Limited ("CalNominees") holds and administers assets as a custodian.

Branch Network

The Bank has embarked on an expansion program and will continue to expand its footprint by increasing the number of branches throughout the country. Internationally, CalBank Plc benefits from strong correspondent banks all over the world. This enables us handle all international transactions quickly and effectively.

More information available at: www.calbank.net /www.calbank.investoreports.com







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