

Ecobank Ghana Limited

The Pan African Bank

Un-audited Financial Statements
For the nine-month period ended
30th September 2020

Key Ratios

Cost to Income	45%
Return on Average Assets	4%
Return on Average Equity	28%
Non Funded Income to Total Income	26%

Financial Highlights

September 2019 - September 2020	Growth
Profit Before Tax	16%
Total Assets	25%
Deposits	18%

Ecobank Ghana Limited & Subsidiaries

Consolidated Financial Statements for the period ended 30th September 2020

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

Statements of Comprehensive Income	Group		Bank	
	Sep-20	Sep-19	Sep-20	Sep-19
Interest income	1,163,643	895,861	1,111,673	846,487
Interest expense	(169,062)	(159,087)	(149,415)	(148,231)
Net interest income	994,581	736,774	962,258	698,256
Fees and commission income	178,114	188,265	142,410	169,989
Fees and commission expense	(7,037)	(5,848)	(7,037)	(5,848)
Net fee and commission income	171,077	182,417	135,373	164,141
Net trading income	129,290	174,226	127,376	170,504
Other operating income	48,926	24,732	48,910	22,331
Dividend income	3,568	2,760	3,568	2,760
	181,784	201,718	179,854	195,595
Revenue	1,347,442	1,120,909	1,277,485	1,057,992
Net Impairment charge	(184,308)	(120,985)	(182,819)	(119,898)
Personnel expenses	(263,709)	(254,474)	(248,928)	(237,860)
Depreciation and amortisation	(32,255)	(29,764)	(29,969)	(27,537)
Other operating expenses	(311,137)	(236,073)	(269,676)	(227,699)
Gain on sale of equipment	556	94	556	94
Operating profit	556,589	479,707	546,649	445,092
Profit before income tax	556,589	479,707	546,649	445,092
Income tax expense	(167,751)	(143,393)	(165,371)	(116,646)
Profit after tax	388,838	336,314	381,278	328,446

Ecobank Ghana Limited & Subsidiaries

Consolidated Financial Statements for the period ended 30th September 2020

Statements of Comprehensive Income	Group		Bank	
	Sep-20	Sep-19	Sep-20	Sep-19
Net income after tax	388,838	336,314	381,278	328,446
Other Comprehensive Income				
<i>Items that will never be reclassified subsequently to profit or loss:</i>				
Change in value of investment securities valued at FVOCI	2,458	29,756	2,458	29,756
Income tax relating to components of other comprehensive income	(615)	(7,440)	(615)	(7,440)
Other comprehensive income for the year, net of tax	1,843	22,316	1,843	22,316
Total comprehensive income for the period	390,681	358,630	383,121	350,762
<i>Profit for the year attributable to:</i>				
Parent	<u>388,807</u>	<u>336,314</u>	<u>381,145</u>	<u>328,446</u>
Non-controlling interest	<u>31</u>	<u>-</u>	<u>133</u>	<u>-</u>
<i>Comprehensive income for the year attributable to:</i>				
Equity holders of the Bank	<u>390,681</u>	<u>358,630</u>	<u>383,121</u>	<u>350,762</u>

Earnings per share

Basic & diluted (in Ghana Cedis)

	1.61	1.39	1.58	1.36
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Ecobank Ghana Limited & Subsidiaries

Statement of Financial Position as at 30th September 2020

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

Statements of Financial Position	Group			Bank		
	Sep-20	Sep-19	Dec-19	Sep-20	Sep-19	Dec-19
Assets						
Cash and balances with banks	3,543,112	2,660,730	2,717,101	3,431,783	2,903,390	2,705,958
Loans & advances to customers	4,675,725	4,636,597	5,380,308	4,566,041	4,623,709	5,318,113
Non pledged trading assets	999,292	554,123	349,617	999,292	554,123	349,617
Non-trading assets	4,128,475	2,922,655	3,419,672	4,150,164	2,827,078	3,398,429
Investment in subsidiaries	-	-	-	38,083	36,489	38,083
Current income tax asset	0	27,559	22,165	-	26,131	19,091
Other assets	698,899	418,458	723,244	754,477	178,142	764,616
Deferred income tax asset	4,392	531	4,563	4,392	531	4,392
Intangible assets	52,102	6,793	67,592	52,102	6,793	67,327
Non-current assets held for sale	28,327	26,375	28,327	28,327	26,375	28,327
Right-of-use-assets	95,231	-	86,142	95,231	-	75,130
Property and equipment	442,024	442,046	430,066	423,440	454,771	428,491
Total Assets	14,667,579	11,695,867	13,228,797	14,543,332	11,637,532	13,197,574
Liabilities						
Deposits from banks	1,226,523	619,130	1,195,805	1,226,523	694,215	1,195,805
Deposits from customers	10,765,265	9,099,585	9,728,758	10,681,406	8,957,281	9,725,040
Borrowings	56,159	74,041	58,594	48,698	64,059	58,594
Current income tax liabilities	37,716	-	-	37,716	-	-
Deferred income tax liabilities	-	-	-	615	-	-
Other liabilities	411,244	217,529	380,439	403,676	257,401	379,672
Lease liabilities	92,446	-	80,891	92,446	-	72,567
Total liabilities	12,589,353	10,010,285	11,444,487	12,491,080	9,972,956	11,431,678
Equity and reserves						
Stated capital	416,641	416,641	416,641	416,641	416,641	416,641
Retained earnings	1,039,124	537,308	747,082	1,018,398	517,696	733,885
Other reserves	121,760	132,098	119,917	121,760	132,098	119,917
Statutory reserve	500,085	439,471	500,085	495,453	438,943	495,453
Credit risk reserve	-	159,198	-	-	159,198	-
Non-controlling interest	616	866	585	-	-	-
Total equity attributable to equity holders	2,078,226	1,685,582	1,784,310	2,052,252	1,664,576	1,765,896
Total liabilities and equity	14,667,579	11,695,867	13,228,797	14,543,332	11,637,532	13,197,574

Ecobank Ghana Limited & Subsidiaries

Statements of Cash flows

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

Statements of Cash flows	Group		Bank	
	Sep-20	Sep-19	Sep-20	Sep-19
Cash flows from operating activities				
Profit before tax	556,589	479,707	546,649	445,092
Depreciation expense	32,255	29,764	29,969	27,537
Impairment	51,376	67,067	51,376	67,067
Unrealised losses/(gains) - net	(10,147)	(7,224)	(10,128)	(7,206)
Gain on disposal of property and equipment	-	(94)	-	(94)
Additions to right-of-use assets	(9,089)	-	(9,089)	-
Changes in operating assets and liabilities				
Loans and advances	889,792	(611,275)	857,111	(579,555)
Other assets	(177,773)	(149,551)	(143,323)	(148,306)
Other liabilities	30,805	(786,265)	24,004	(651,915)
Deposits from banks	30,718	(54,993)	30,718	(54,993)
Deposits from customers	1,008,067	1,909,764	636,366	1,820,666
Mandatory reserves	370,022	(170,674)	370,022	(170,674)
Placements	327,608	(60,211)	327,608	(60,211)
Cash flows from operating activities	3,100,223	646,015	2,711,284	687,408
Tax paid	(84,266)	(124,975)	(82,118)	(123,985)
Cash flows from operating activities	3,015,957	521,040	2,629,166	563,423
Cash flows from investing activities				
Government securities – net	(2,158,965)	(176,006)	(2,145,917)	(192,430)
Proceeds from sale of property and equipment	556	72	556	72
Payments for property and equipment	(11,468)	(2,599)	(11,446)	(2,599)
Payments for intangible assets	(49,431)	(81)	(49,276)	(81)
Net cash used in investing activities	(2,219,308)	(178,614)	(2,206,083)	(195,038)
Cash flows from financing activities				
Repayment of borrowed funds	(12,643)	(112,847)	(12,643)	(112,847)
Net cash used in financing activities	(12,643)	(112,847)	(12,643)	(112,847)
Net (decrease)/increase in cash and cash equivalents	784,006	229,579	410,440	255,538
Cash and cash equivalents at 1 January	1,721,107	2,000,096	1,726,085	1,794,624
Cash and cash equivalents at 30 September	2,505,113	2,229,675	2,136,525	2,050,162

STATEMENTS OF CHANGES IN EQUITY

THE GROUP							
	Stated capital	Retained earnings	Other reserves	Statutory reserve	Credit risk reserve	Non- controlling interest	Total
	GH¢'000	GH¢'000	GH¢'000	GH¢'000	GH¢'000	GH¢'000	GH¢'000
Balance at 1 January 2020	416,641	747,082	119,917	500,085	-	585	1,784,310
Profit for the period	-	388,807	-	-	-	-	388,807
Revaluation gains (net of tax)	-	-	1,843	-	-	-	1,843
2019 Dividends paid	-	(96,765)	-	-	-	-	(96,765)
Revaluation reserves	-	-	-	-	-	-	-
Non-controlling interest	-	-	-	-	-	31	31
At 30 September 2020	416,641	1,039,124	121,760	500,085	-	616	2,078,226
THE BANK							
	Stated Capital	Retained earnings	Other reserves	Statutory Reserve	Regulatory Credit Risk		Total
	GH¢'000	GH¢'000	GH¢'000	GH¢'000	GH¢'000		GH¢'000
Balance at 1 January 2020	416,641	733,885	119,917	495,453	-		1,765,896
Profit for the period	-	381,278	-	-	-		381,278
Revaluation gains (net of tax)	-	-	1,843	-	-		1,843
2019 Dividends paid	-	(96,765)	-	-	-		(96,765)
At 30 September 2020	416,641	1,018,398	121,760	495,453	-		2,052,252

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 of these financial statements were consistent with those applied in the preparation of the annual consolidated statements of 31 December 2019

3. Contingent liabilities

	Group			Bank		
	Sep-20 GHC '000	Sep-19 GHC '000	Dec-19 GHC '000	Sep-20 GHC '000	Sep-19 GHC '000	Dec-19 GHC '000
Guarantees and indemnities	995,698	848,348	756,796	995,698	848,348	756,796
Documentary letters of credit	<u>564,980</u>	<u>1,107,995</u>	<u>964,492</u>	<u>564,980</u>	<u>1,107,995</u>	<u>964,492</u>
	<u>1,560,678</u>	<u>1,956,343</u>	<u>1,721,288</u>	<u>1,560,678</u>	<u>1,956,343</u>	<u>1,721,288</u>

4. Quantitative Disclosures

i. Capital Adequacy ratio per Capital Requirements Directive (CRD)	17.30%	14.05%	18.58%
ii. Non-performing loan ratio	12.83%	10.00%	7.32%
Per BOG	7.38%	6.39%	6.08%
Per IFRS			
iii. Liquid ratio	104.96%	83.99%	87.85%
iv. Common equity Tier 1 ratio	15.30%	12.05%	17.75%
v. Leverage ratio	8.73%	7.33%	10.21%

5. Qualitative Disclosures

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

6. 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