

# UNAUDITED RESULTS FOR THE YEAR ENDED 31 DECEMBER 2024

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**IZWE SAVINGS & LOANS  
PLC** (Reg No.: PL000162015)

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## Unaudited Financial Highlights

	Unaudited 31-Dec-24 (GHS '000)	Audited 31-Dec-23 (GHS '000)
Revenues*	198 891	146 905
Net Interest income	53 896	29 676
Loss after tax	518	(206)
Net advances	403 998	380 662
Total Shareholders' Equity	67 712	60 395

\*Revenue includes interest and non-interest revenue

## Unaudited Statement of Comprehensive Income

	Unaudited 31-Dec-24 (GHS '000)	Audited 31-Dec-23 (GHS '000)
Interest income	162 519	113 625
Interest expense	(108 623)	(83 950)
<b>Net Interest Income</b>	<b>53 896</b>	<b>29 676</b>
Fee and commission income	36 372	33 280
Fee and commission expenses	(7 038)	(8 055)
Credit loss expenses	(20 021)	2 937
<b>Net Operating Income</b>	<b>63 209</b>	<b>57 838</b>
Admin and operating expenses	(62 470)	(57 442)
<b>(Loss)/Profit before FX costs and tax</b>	<b>739</b>	<b>396</b>
Tax	(222)	(602)
<b>Loss before tax</b>	<b>518</b>	<b>(206)</b>

## Unaudited Statement of Financial Position

	Unaudited 31-Dec-24 (GHS '000)	Audited 31-Dec-23 (GHS '000)
<b>Assets</b>		
Cash and cash equivalents	35 113	10 863
Other receivables	87 053	64 938
Net loans and advances to customers	403 998	380 662
Right of use assets	15 513	10 604
Deferred tax	8 876	8 876
Property, plant and equipment	9 757	4 165
<b>Total Assets</b>	<b>560 310</b>	<b>480 108</b>
<b>Liabilities</b>		
Bank overdraft	0	32 035
Accruals and other liabilities	41 875	43 567
Lease liabilities	13 823	8 567
Bilateral facilities	19 395	65 367
Deposits from customers	311 994	190 957
Corporate senior notes	78 702	52 426
Corporate subordinated notes	26 809	26 794
<b>Total Liabilities</b>	<b>492 598</b>	<b>419 713</b>
<b>Equity</b>		
Stated Capital	34 833	18 533
Money held towards capital	0	9 500
Retained Earnings	19 481	18 964
Statutory Reserve	13 398	13 398
<b>Total Equity</b>	<b>67 712</b>	<b>60 395</b>
<b>Total Shareholders' Equity and Liabilities</b>	<b>560 310</b>	<b>480 108</b>

## Reconciliation of Retained Earnings

	Unaudited 31-Dec-24 (GHS '000)	Audited 31-Dec-23 (GHS '000)
Retained Earnings - 1 January	18 963	19 118
Profit / (Loss) after tax	518	(206)
Transfer to Statutory Reserve	0	51
<b>Retained Earnings - 31 December</b>	<b>19 481</b>	<b>18 963</b>

## Unaudited Statement of Cash Flows

	Unaudited 31-Dec-24 (GHS '000)	Audited 31-Dec-23 (GHS '000)
<b>Net cash flows from operating activities</b>	<b>68 795</b>	<b>13 883</b>
<b>Net cash flows from investing activities</b>	<b>7 169</b>	<b>(1 137)</b>
Issue of share capital	6 800	9 500
Change in borrowings	(52 771)	(65 097)
Change in corporate senior notes	26 276	7 204
Change in corporate subordinated notes	15	(25)
<b>Net cash flows from financing activities</b>	<b>(19 681)</b>	<b>(48 418)</b>
<b>Net change in cash and cash equivalents</b>	<b>56 284</b>	<b>(35 672)</b>
Cash and cash equivalents at 1 January	(21 171)	14 501
Cash and cash equivalents at 31 December	35 113	(21 171)

## Earnings per share

	Unaudited 30-Sep-24 (GHS '000)	Audited 31-Dec-23 (GHS '000)
<b>Profit / (Loss) after tax</b>	<b>518</b>	<b>(206)</b>
Number of Shares	2 020	2 020
<b>Earnings / (Loss) per share</b>	<b>0.26</b>	<b>(0.10)</b>

## Reconciliation of Debt Securities

	Unaudited 31-Dec-24 (GHS '000)	Audited 31-Dec-23 (GHS '000)
<b>Balance at 1 January</b>	<b>75,000</b>	<b>68,000</b>
Debt Securities issued	25,000	25,000
Debt Securities repaid	-	(18,000)
<b>Balance at 31 December</b>	<b>100,000</b>	<b>75,000</b>

## Significant Accounting Policies

These unaudited results have been compiled in line with the requirements of International Financial Reporting Standards, the accounting policies having been applied consistently when compared to the audited financial statements for the year ended 31 December 2023.

## Directors' Approval

The Directors of Izwe Savings and Loans PLC ("Izwe") are pleased to present the following unaudited results for the financial year ending 31 December 2024.

### Economic Outlook

Despite the challenging economic environment over the past four years, characterised by weak GDP growth, heightened inflation, and a depreciating local currency, market analysts are optimistic that Ghana's economy is at a turning point. The economy appears to be stabilising, and the business outlook is becoming increasingly positive. With key reforms, fiscal discipline, and international support in place, the outlook for Ghana in 2025 is one of improved performance.

Further, following the successful December 2024 elections, Ghana has reinforced its position as a beacon of democracy, strengthening its status as an attractive investment destination in Africa.

As of year-end 2024, the rates for 91-day and 182-day Treasury bills decreased to 28.03% and 28.68%, respectively. This is also an improvement from 29.35% and 31.13% as printed in 2023. Additionally, the rate for the 364-day instrument fell to 30.07% per annum in December 2024, reducing from 31.94% per annum in December 2023. These market developments bode well for Izwe to reduce its average cost of funding in 2024.

The Ghana cedi appreciated against the U.S. dollar due to a tight monetary policy and improved forex liquidity support. By the end of December 2024, the exchange rate was GHC14.70, down from GHC16.30 in October and GHC15.27 in November. These efforts from the Bank of Ghana have been positive to ensure market stability, even though there has been limited direct impact on Izwe, due to the company not having any liabilities denominated in foreign currency.

The Monetary Policy Rate (MPR) declined to 27% from 29% due to declining inflation and other supportive factors.

### Financial Performance

Izwe has shown a significant improvement in financial performance for 2024, following the relaunch of its brand in Q1 2024 as part of its strategic objectives. This growth positions the company strongly for a successful 2025.

**Profit/(Loss):** Izwe reported a Profit After Tax (PAT) of GHS518k for the year, marking a significant turnaround from a loss of GHS206k in 2023. These results reflect the impact of key strategic decisions, including cost reductions, the brand relaunch, and diversification of the product portfolio. Management remains confident that this strong performance will continue in 2025.

**Deposits:** The company's deposit book grew to GHS312m at the close of December 2024, a 63% increase from GHS191m in 2023, highlighting sustained confidence in the Izwe brand and puts Izwe in an enviable liquidity position to ensure continued growth in 2025.

**Advances:** Net loans and advances to customers grew by 6% to GHS404m in 2024 from GHS381m in 2023, as the company maintained a more efficient and profitable risk assets portfolio.

**Credit Loss Expenses:** While the company does not anticipate a deterioration in the quality of its loan book, it elected to implement a conservative strategy to prudently manage credit expansion.

**Net Worth:** During the year, shareholders injected additional capital of GHS16.3m, increasing the company's net worth to GHS68m by the end of 2024, up from GHS61m in 2023. This growth reflects the confidence of shareholders in the company's prospects.

**Administrative Expenses:** Overhead costs increased by 8%, from GHS57m in 2023 to GHS62m in 2024. This increase was managed prudently, with measures implemented to optimise operations and contain expenditures.

**Total Assets:** The company's balance sheet expanded by 17% to GHS560m in 2024, further reflecting Izwe's solid growth trajectory.

Overall, Izwe's performance in 2024 represents a significant improvement compared to 2023, and management is confident that the company will continue to build on this momentum in 2025.

### Business Outlook

As Ghana's macroeconomic stability is sustained and business activities expand, we are optimistic about 2025. Izwe is committed to leveraging technology to enhance customer experiences and ensure our financial solutions are accessible and efficient. We will prioritize cost management and risk controls as we pursue growth across all sectors.

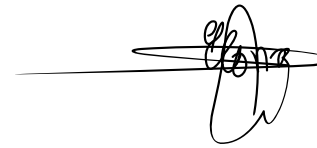
We assure public market investors that our financial statements accurately reflect our operations without misleading information or omissions.

We appreciate the support of our stakeholders, which is vital to our success as we look forward to a successful 2025.

Izwe Savings and Loans PLC  
January 2025



**Raymond K. Bismarck**  
Director



**Carole Ramella**  
Chairperson