

SUMMARY CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS PREPARED FROM THE AUDITED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER, 2022

SUMMARY STATEMENTS OF COMPREHENSIVE INCOME FOR THE YEAR ENDED 31 DECEMBER, 2022

In thousands of GH¢

	2022		2021	
	Bank	Group	Bank	Group
Interest income using effective interest method	604,862	625,157	467,639	482,670
Interest expense	(234,196)	(232,234)	(180,518)	(179,418)
Net interest income	370,666	392,923	287,121	303,252
Fee and commission income	52,213	84,884	50,890	77,471
Fee and commission expense	(1,708)	(1,708)	(2,127)	(2,127)
Net fee and commission income	50,505	83,176	48,763	75,344
Net trading income	34,014	34,014	27,847	27,847
Net income from investments at fair value thru. profit & loss	5,098	4,692	3,572	4,088
Other operating income	18,493	18,493	7,180	7,180
Revenue	478,776	533,298	374,483	417,711
Other income	14,807	17,805	5,487	8,294
Operating income	493,583	551,103	379,970	426,005
Net impairment loss on financial assets	(237,662)	(241,607)	(19,549)	(20,447)
Personnel expenses	(157,498)	(186,374)	(132,464)	(152,679)
Lease expenses	(2,374)	(2,374)	(2,793)	(2,793)
Depreciation and amortization	(24,977)	(26,934)	(21,213)	(22,864)
Other expenses	(97,177)	(109,009)	(78,302)	(89,825)
Profit / (loss) before income tax for the year	(26,105)	(15,195)	125,649	137,397
National Stabilization Levy	-	(664)	(6,260)	(6,868)
Financial Sector Recovery Levy	-	-	(4,672)	(4,672)
Tax expense	(40,732)	(45,268)	(33,019)	(35,980)
Profit / (loss) for the year	(66,837)	(61,127)	81,698	89,877
Other comprehensive income				
Items that will not be reclassified to profit or loss				
Revaluation of land and buildings	51,239	51,239	-	-
Related tax on revaluation surplus	(12,810)	(12,810)	-	-
Other comprehensive income for the year	38,429	38,429	-	-
Total comprehensive income / (loss) for the year	(28,408)	(22,698)	81,698	89,877
Profit / (loss) attributable to:				
Controlling Equity holders of the bank	(66,837)	(63,679)	81,698	88,236
Non-controlling interest	-	2,552	-	1,641
Profit / (loss) for the year	(66,837)	(61,127)	81,698	89,877
Total comprehensive income / (loss) attributable to:				
Controlling Equity holders of the bank	(28,408)	(25,250)	81,698	88,236
Non-controlling interest	-	2,552	-	1,641
Total comprehensive income / (loss) for the year	(28,408)	(22,698)	81,698	89,877
Basic earnings/ (loss) per share (Ghana pesewas)	(7.84)	(7.47)	9.59	10.36
Diluted earnings/ (loss) per share (Ghana pesewas)	(7.84)	(7.47)	9.59	10.36

SUMMARY STATEMENTS OF FINANCIAL POSITION AS AT 31 DECEMBER, 2022

In thousands of GH¢

	2022		2021	
	Bank	Group	Bank	Group
Assets				
Cash and cash equivalents	1,759,927	1,759,937	946,055	946,062
Investment securities as FVOCI	11,185	11,185	17,661	17,661
Pledged assets	34,148	34,148	74,406	74,406
Investment securities	1,015,786	1,042,752	1,243,178	1,270,233
Loans and advances to customers	1,958,017	1,958,017	1,747,995	1,747,995
Investment in subsidiaries	13,543	-	13,543	-
Current tax assets	14,009	13,575	-	-
Deferred tax assets	26,360	27,558	19,877	20,305
Intangible asset and Goodwill	6,143	6,308	9,150	9,315
Other assets	22,762	30,823	17,273	26,549
Property and equipment	218,412	223,222	137,121	140,564
Total assets	5,080,292	5,107,525	4,226,259	4,253,090
Liabilities and equity				
Deposits from banks	-	-	45,016	45,016
Deposits from customers	4,090,281	4,068,545	3,165,079	3,144,312
Borrowing	88,123	88,123	136,606	136,606
Current tax liabilities	-	-	1,078	495
Deferred tax liabilities	24,743	25,404	9,957	10,121
Bonds	81,681	81,681	80,849	80,849
Other liabilities	133,940	140,938	97,742	109,602
Total liabilities	4,418,768	4,404,691	3,536,327	3,527,001
Equity				
Stated capital	401,191	401,191	401,191	401,191
Income surplus	(192,890)	(160,222)	24,372	53,882
Statutory reserve fund	192,325	192,325	192,325	192,325
Revaluation reserve	63,281	63,281	24,852	24,852
Regulatory credit risk reserve	196,873	196,873	46,448	46,448
Housing development assistance reserve	744	744	744	744
Total equity attributable to equity holders of the Bank	661,524	694,192	689,932	719,442
Non-controlling interest	-	8,642	-	6,647
Total equity	661,524	702,834	689,932	726,089
Total liabilities and equity	5,080,292	5,107,525	4,226,259	4,253,090

SUMMARY STATEMENTS OF CASH FLOW FOR THE YEAR ENDED 31 DECEMBER, 2022

In thousands of GH¢

	2022		2021	
	Bank	Group	Bank	Group
Cash flow from operating activities				
Profit / (loss) before tax	(26,105)	(15,195)	125,649	137,397
Adjustments for:				
Depreciation and amortization	24,977	26,934	21,213	22,864
Profit on disposal of property and equipment	(728)	(728)	(2,289)	(2,289)
Net impairment loss on loans and advances	71,630	71,630	19,549	19,549
Impairment on investment securities	166,032	169,977	-	898
Impairment of goodwill	968	968	189	189
Net interest income	(370,666)	(392,923)	(287,121)	(303,252)
Fair value change— investments securities FVTPL	(5,098)	(4,692)	(3,572)	(4,088)
Exchange difference	45,093	45,093	5,210	5,210
Effect of foreign exchange fluctuations on cash & cash equiv.	(160,533)	(160,533)	(54,036)	(54,036)
Changes in working capital:				
(Increase) / decrease in investment securities at FVOCI	6,476	6,476	(14,481)	(14,481)
(Increase) / decrease in pledged assets	40,258	40,258	(32,172)	(32,172)
Increase in loans and advances to customers	(281,650)	(281,650)	(204,268)	(204,268)
Decrease / (increase) in other assets	(6,104)	(4,890)	736	184
Increase in deposits from customers	880,186	897,111	442,226	436,781
Increase in other liabilities	39,245	35,067	18,698	23,401
Cash generated from operations	423,981	432,903	35,531	31,886
Interest paid	(229,160)	(229,177)	(180,460)	(180,460)
Interest received	604,862	608,969	429,462	444,694
Tax refund	-	-	6,486	6,857
Corporate tax paid	(50,928)	(55,384)	(27,267)	(31,924)
National fiscal stabilization levy paid	(4,425)	(4,425)	(6,126)	(6,665)
Financial Sector recovery levy	(4,358)	(4,358)	(4,513)	(4,513)
Net cash generated from operating activities	739,972	748,528	253,113	259,875
Cash flows from investing activities				
Purchase of property and equipment	(52,976)	(56,084)	(37,167)	(38,268)
Purchase of Intangible asset- software	(419)	(635)	(4,927)	(5,143)
Proceeds from sale of property and equipment	1,133	1,133	8,310	8,310
Purchase of investment securities at amortised cost	(1,230,622)	(1,243,754)	(1,226,511)	(1,281,129)
Sale of investment securities at amortised cost	1,289,919	1,301,015	990,574	1,041,497
Proceeds from sale of investment securities - FVTPL	7,159	7,159	-	-
Interest received - FVTPL	-	-	333	333
Purchase of investment securities - FVTPL	-	(2,223)	(10,000)	(12,348)
Purchases - investment in subsidiary	-	-	(1,500)	-
Net cash used in investing activities	14,194	6,611	(280,888)	(286,748)
Cash flows from financing activities				
Redemption of bonds	-	-	(18,201)	(18,201)
Proceeds from bonds issued	-	-	18,000	18,000
Payment of lease liabilities	(8,957)	(9,927)	(1,369)	(2,274)
Repayment of borrowings	(91,870)	(91,870)	(64,212)	(64,212)
Proceeds from borrowings	-	-	78,935	78,935
Net cash generated from financing activities	(100,827)	(101,797)	13,153	12,248
Increase/ (Decrease) in cash and cash equivalents	653,339	653,342	(14,622)	(14,625)
Effect of foreign exch. fluctuations on cash & cash equiv.	160,533	160,533	54,036	54,036
At 1 January	946,055	946,062	906,641	906,651
Cash and cash equivalents as at 31 December	1,759,927	1,759,937	946,055	946,062

Continued on next page...

SUMMARY CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS PREPARED FROM THE AUDITED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER, 2022

SUMMARY STATEMENTS OF CHANGES IN EQUITY FOR THE YEAR ENDED 31 DECEMBER, 2022

Bank-2022							
	Stated Capital	Income surplus account	Statutory reserve fund	Revaluation reserve	Housing development assistance reserve	Regulatory credit risk reserve	Total Equity
<i>In thousands of GHC</i>							
Balance at 1 January 2022	401,191	24,372	192,325	24,852	744	46,448	689,932
Loss for the year	-	(66,837)	-	-	-	-	(66,837)
Transfers from income surplus to reserves							
Transfer to regulatory credit risk reserve	-	(150,425)	-	-	-	150,425	-
Total transfers	-	(150,425)	-	-	-	150,425	-
Other Comprehensive income							
Revaluation of land and building	-	-	-	51,239	-	-	51,239
Taxation on revaluation surplus	-	-	-	(12,810)	-	-	(12,810)
Net other comprehensive income	-	-	-	38,429	-	-	38,429
At 31 December 2022	401,191	(192,890)	192,325	63,281	744	196,873	661,524

Bank-2021							
	Stated Capital	Income surplus account	Statutory reserve fund	Revaluation reserve	Housing development assistance reserve	Regulatory credit risk reserve	Total Equity
<i>In thousands of GHC</i>							
Balance at 1 January 2021	401,191	(14,477)	151,476	24,852	744	44,448	608,234
Profit for the year	-	81,698	-	-	-	-	81,698
Transfers from income surplus to reserves							
Transfer to statutory reserve fund	-	(40,849)	40,849	-	-	-	-
Transfer to regulatory credit risk reserve	-	(2,000)	-	-	-	2,000	-
Total transfers	-	(42,849)	40,849	-	-	2,000	-
31 December 2021	401,191	24,372	192,325	24,852	744	46,448	689,932

SUMMARY STATEMENTS OF CHANGES IN EQUITY FOR THE YEAR ENDED 31 DECEMBER, 2022

Group-2022								
	Stated Capital	Income surplus account	Statutory reserve fund	Revaluation reserve	Housing development assistance reserve	Regulatory credit risk reserve	Non-controlling interest	Total Equity
<i>In thousands of GHC</i>								
Balance at 1 January 2021	401,191	53,882	192,325	24,852	744	46,448	6,647	726,089
Loss for the year	-	(63,679)	-	-	-	-	2,552	(61,127)
Transaction with equity holders								
Dividend paid	-	-	-	-	-	-	(557)	(557)
Transfers from income surplus to reserves								
Transfer to statutory reserve fund	-	-	-	-	-	-	-	-
Transfer to regulatory credit risk reserve	-	(150,425)	-	-	-	150,425	-	-
Total transfers	-	(150,425)	-	-	-	150,425	-	-
Other Comprehensive income								
Revaluation of land and building	-	-	-	51,239	-	-	-	51,239
Taxation on revaluation surplus	-	-	-	(12,810)	-	-	-	(12,810)
Net other comprehensive income	-	-	-	38,429	-	-	-	38,429
At 31 December 2022	401,191	(160,222)	192,325	63,281	744	196,873	8,642	702,834

Group-2021								
	Stated Capital	Income surplus account	Statutory reserve fund	Revaluation reserve	Housing development assistance reserve	Regulatory credit risk reserve	Non-controlling interest	Total Equity
<i>In thousands of GHC</i>								
Balance at 1 January 2021	401,191	8,495	151,476	24,852	744	44,448	5,006	636,212
Profit for the year	-	88,236	-	-	-	-	1,641	89,877
Transfers from income surplus to reserves								
Transfer to statutory reserve fund	-	(40,849)	40,849	-	-	-	-	-
Transfer to regulatory credit risk reserve	-	(2,000)	-	-	-	2,000	-	-
Total transfers	-	(42,849)	40,849	-	-	2,000	-	-
At 31 December 2021	401,191	53,882	192,325	24,852	744	46,448	6,647	726,089

The summary financial statement presented in this publication are extracts from the audited financial statements for the year ended 31 December 2022, which are available for inspection at the Head Office of Republic Bank (Ghana) PLC located at the No. 35 Six Avenue North Ridge, Accra.

NOTES TO THE SUMMARY CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER, 2022

1. Significant accounting policies

Basis of preparation

The summary financial statements are prepared in accordance with the requirements of the Guide for Financial Publication for Banks and Bank of Ghana Licensed Financial Institutions and, in the form, and manner required by the Securities and Exchange Commission Regulations, 2003 as applicable to summary financial statements. The Guide require the summary financial statements to be prepared in accordance with the framework concepts and the measurement and recognition requirements of International Financial Reporting Standards (IFRSs) as issued by the International Accounting Standards Board (IASB) and adopted by the Institute of Chartered Accountants, Ghana (ICAG).

The accounting policies applied in the preparation of the audited financial statements, from which the summary financial statements were derived, are in accordance with IFRSs and are consistent with the accounting policies applied in the preparation of the previous annual audited financial statements.

The annual audited financial statements were authorised for issue on the 28 March 2023

2. Quantitative Disclosures

	2022	2021
a. Capital Adequacy Ratio (CRD) (%)	21.25	27.63
b. Non-Performing Loan (NPL) Ratio (%)	19.85	15.32
c. Liquidity ratio (%)	146.70	149.37
d. Leverage Ratio (%)	9.55	13.62
e. Contingent liabilities (GHS'000)	127,721	161,507

Assumptions and estimation uncertainties that have the most significant risk of resulting in a material adjustment in the year ended 31 December 2022 relates to impairment of financial instruments. Total impairment charge for the group for the current year was GHS 241.61 million as compared to the prior year impairment allowance of GHS 20.45 million.

The Group's exposure in the GoG Bonds securities was assessed for impairment following the Government's pronouncement to issue new sets of bonds under varied terms and conditions for the existing Government of Ghana, Daakye and ESLA domestic Bonds.

The Group's impairment allowance on investment securities was GHS 169.98 million (2021; Nil).

3. Qualitative Disclosures

a. Dominant Risks

The Bank is exposed to the following risks:

- Credit Risk
- Liquidity Risk
- Operational Risk
- Market Risk

The Board of Directors established the Bank's Risk Management Frameworks and Assets and Liabilities Committee (ALCO) to be responsible for the monitoring of the Bank's risks.

The Bank has Risk Management and Compliance Department which have policy and procedure manuals which have been instituted by the Board of Directors and Management. A comprehensive departmental manual has established a framework within which Management effectively manages and controls risks. The tasks involve in the risk management functions are to identify, define, measure, control, monitor and mitigate potential events that could impair the ability of the Group to generate stable and sustainable financial results from its operations.

b. Risk management, compliance frameworks and measurement

All risks are qualitatively and quantitatively evaluated on a recurring basis. Management understands the degree and nature of risk exposures on decisions regarding allocation of resources. Risk assessment is validated by the Risk Department which also tests the effectiveness of risk management activities and makes recommendations for remedial action. The Bank also identifies risk by evaluating the potential impact of internal and external factors, business transactions and positions. Once the risks are identified, various mitigating measures are put in place to regulate the degree of risks involved.

4. Defaults in statutory liquidity and accompanying sanctions

	2022	2021
Default in Statutory Liquidity (Times)	1	Nil
Default in Statutory Liquidity Sanctions (GHS'000)	146	Nil

SUMMARY CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS PREPARED FROM THE AUDITED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER, 2022

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



Charles William Zwennes
Chairman



Benjamin Dzoboku
Managing Director

REPORT OF THE DIRECTORS' TO THE MEMBERS OF REPUBLIC BANK (GHANA) PLC

DIRECTORS' RESPONSIBILITY STATEMENT

The Directors are responsible for the preparation of the summary consolidated and separate financial statements comprising the summary statements of financial position as at 31 December 2022 and the summary statements of comprehensive income, changes in equity and cash flows and related notes to the summary financial statements for each financial year which gives a true and fair view of the state of affairs of the Bank and the Group.

The Directors have prepared these summary financial statements in accordance with the requirements of the Guide for Financial Publication for Banks and Bank of Ghana Licensed Financial Institutions and, in the form, and manner required by the Securities and Exchange Commission Regulations, 2003 as applicable to summary financial statements. The Guide requires the summary financial statements to be prepared in accordance with the framework concepts and the measurement and recognition requirements of International Financial Reporting Standards (IFRSs) as issued by the International Accounting Standards Board (IASB) and adopted by the Institute of Chartered Accountants, Ghana (ICAG). The accounting policies applied in the preparation of the audited financial statements, from which the summary financial statements were derived, are in accordance with IFRSs and are consistent with the accounting policies applied in the preparation of the previous annual audited financial statements.

The Directors are responsible for ensuring that the Group and the Bank keep proper accounting records that disclose with reasonable accuracy at any time the financial position of the Bank. The Directors are also responsible for safeguarding the assets of the Bank and taking reasonable steps for the prevention and detection of fraud and other irregularities.

PRINCIPAL ACTIVITIES

The principal activities of the Group are:

- to carry on the business of universal banking;
- to provide residential and commercial mortgages;
- to provide brokerage services;
- to provide fund and asset management services;

There was no change in the nature of business of the Bank and its subsidiaries during the year.

HOLDING COMPANY

The Bank is sixty-six point five four percentage (66.54%) owned by Republic Financial Holdings Limited (RFHL), a company incorporated in Trinidad and Tobago.

SUBSIDIARIES OF THE BANK

The Bank directly or indirectly owns the following subsidiaries as at December 31 2022.

Company name	Country of incorporation	Nature of business
Republic Investment Services Limited	Ghana	Fund and asset management services
Republic Securities Limited	Ghana	Brokerage services
Republic Bofo Limited	Ghana	Other services
HFC Reality Limited	Ghana	Residential and commercial mortgages
HFC Venture Capital	Ghana	Venture capital financial services
Republic Trust Limited Company	Ghana	Pension Fund Manager

CORPORATE SOCIAL RESPONSIBILITY AND CODE OF ETHICS

As a corporate entity, the Bank interacts with and impacts its community in many ways. The Bank works to deliver sustainable growth and Shareholder value, it also contributes to the wider stakeholder community by being a responsible corporate citizen, an employer with a big heart and a bank of choice. The Bank is committed to promoting and engaging in projects that benefit and enhance the socio-economic development of the Community and the Country as a whole.

The Bank's main contributions in these areas have been in sponsorship of quality education, good health and well-being and clean water and sanitation.

A total of GH¢805,139 (2021: GH¢854,500) was spent under the Bank's social responsibility programme with key focus on education, financial inclusion and others.

DIVIDENDS

In accordance with Section 72 of the Companies Act, 2019, (Act 992) no dividend has been recommended by the Directors for approval by the Shareholders. (2021: Nil).

AUDITOR

The Audit Committee has responsibility delegated from the Board of Directors for making recommendations on the appointment, reappointment, removal and remuneration of the external auditor. KPMG has been the auditor of Republic Bank (Ghana) PLC and its subsidiaries for five years.

CERTIFICATION OF COMPLIANCE WITH BANK OF GHANA CORPORATE GOVERNANCE DIRECTIVE 2022

In compliance with paragraph 41 of the Bank of Ghana Risk Management Directive 2021, the Board of Directors of Republic Bank (Ghana) PLC hereby declares that to the best of its knowledge and having made appropriate enquiries in all material respects: -

- The Bank has put in place systems for ensuring compliance with all prudential requirements,
- The systems and resources that are in place for identifying, measuring, evaluating, controlling, mitigating and reporting material risks, and the Risk Management Framework itself are appropriate to the Bank and are commensurate with the size, business mix and complexity of the Bank,
- The risk management and internal control systems in place are operating effectively and are adequate,
- The Bank has a Risk Management Strategy that complies with the Bank of Ghana Risk Management Directive 2021, and the Bank has complied with the requirements described in its Risk Management Strategy, and
- The Bank is satisfied with the effectiveness of its processes and management information systems.

APPROVAL OF THE REPORT OF THE DIRECTORS

The report of the directors of Republic Bank (Ghana) PLC, were approved by the board of directors on 28 March 2023 and signed on their behalf by:



SIGNATURE



SIGNATURE

INDEPENDENT AUDITOR'S REPORT

INDEPENDENT AUDITOR'S REPORT ON THE SUMMARY CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS

To the Members of Republic Bank (Ghana) PLC

Opinion

The summary consolidated and separate financial statements, which comprise the summary statement of financial position at 31 December 2022, and the summary statements of comprehensive income, changes in equity and cash flows for the year then ended and related notes, are derived from the audited financial statements of Republic Bank (Ghana) PLC for the year ended 31 December 2022.

In our opinion, the accompanying summary consolidated and separate financial statements are a fair summary of the audited consolidated and separate financial statements, in accordance with the basis described in note 1.

Summary Consolidated and Separate Financial Statements

The summary consolidated and separate financial statements do not contain all the disclosures required by International Financial Reporting Standards and in the manner required by the Companies Act, 2019 (Act 992) and the Banks and Specialised Deposit-Taking Institutions Act, 2016 (Act 930) applied in the preparation of the audited financial statements of Republic Bank (Ghana) PLC. Reading the summary consolidated and separate financial statements and our report thereon, therefore, is not a substitute for reading the audited financial statements and our report thereon.

**SUMMARY CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS
PREPARED FROM THE AUDITED FINANCIAL STATEMENTS FOR THE
YEAR ENDED 31 DECEMBER, 2022**

The Audited Consolidated and Separate Financial Statements and Our Report Thereon

We expressed an unmodified audit opinion on the audited consolidated and separate financial statements in our report dated 17 April 2023. That report also includes the communication of key audit matters. Key audit matters are those matters that in our professional judgement, were of most significance in our audit of the consolidated and separate financial statements for the current period.

Directors' Responsibility for the Summary Consolidated and Separate Financial Statements

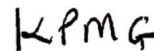
The Directors are responsible for the preparation of the summary consolidated and separate financial statements in accordance with the basis described in note 1.

Auditor's Responsibility

Our responsibility is to express an opinion on whether the summary consolidated and separate financial statements are a fair summary of the audited consolidated and separate financial statements based on our procedures, which were conducted in

accordance with International Standard on Auditing (ISA) 810 (Revised), Engagements to Report on Summary Financial Statements.

The engagement partner on the audit resulting in this independent auditor's report is Frederick Nyan Dennis (ICAG/P/1426).


.....

FOR AND ON BEHALF OF:

KPMG: (ICAG/F/2023/038)

CHARTERED ACCOUNTANTS

13 YIYIWA DRIVE, ABELINKPE

P O BOX GP 242

ACCRA

17 April 2023

