

Unaudited Consolidated Financial Statements

FOR THE SIX MONTHS
ENDED 30 JUNE 2023

Forward Together



UNAUDITED STATEMENTS OF COMPREHENSIVE INCOME FOR THE SIX MONTHS ENDED 30 JUNE 2023

in thousands of Ghana Cedis	2023		2022	
	Bank	Group	Bank	Group
Interest income	572,806	575,361	578,008	581,033
Interest expense	(296,724)	(296,331)	(277,624)	(277,559)
Net interest income	276,082	279,030	300,384	303,474
Fees and commissions income	44,464	51,845	38,723	46,186
Fees and commissions expense	(2,560)	(2,564)	(7,306)	(7,309)
Net fees and commission income	41,904	49,281	31,417	38,877
Net trading income	74,017	74,017	84,132	84,132
Revenue	392,003	402,328	415,933	426,483
Other income	568	638	541	533
Operating income	392,571	402,966	416,474	427,016
Net impairment loss on financial assets	16,975	16,975	(17,313)	(17,313)
Personnel expenses	(96,198)	(98,382)	(93,194)	(95,231)
Depreciation and amortisation	(26,005)	(26,103)	(20,717)	(20,800)
Finance cost on lease liabilities	(2,217)	(2,217)	(2,755)	(2,755)
Other expenses	(129,615)	(131,019)	(87,358)	(87,638)
Total operating expenses	(237,060)	(240,746)	(221,337)	(223,737)
Profit before income tax	155,511	162,219	195,137	203,279
Income tax expense	(54,429)	(56,503)	(68,298)	(70,772)
Profit for the period and total comprehensive income	101,082	105,716	126,839	132,507
Earnings per share(Ghana Cedis per share)				
Basic	0.3222	0.3369	0.4049	0.4230
Diluted	0.3222	0.3369	0.4049	0.4230

UNAUDITED STATEMENTS OF FINANCIAL POSITION AS AT 30 JUNE 2023

in thousands of Ghana Cedis	2023		2022	
	Bank	Group	Bank	Group
ASSETS				
Cash and cash equivalents	1,902,022	1,902,024	1,203,678	1,203,684
Non-pledged trading assets	18,111	18,111	313,546	313,546
Investment securities	2,953,357	2,985,632	4,715,231	4,745,694
Loans and advances to customers	3,366,253	3,366,253	2,801,875	2,801,875
Investments in subsidiaries	3,540	-	3,520	-
Current tax assets	32,697	32,697	-	-
Property, plant and equipment	611,609	611,818	416,117	416,253
Intangible assets	78,016	79,016	71,554	72,499
Assets held for sale	-	-	121,117	121,117
Right-of-use lease assets	83,656	83,656	111,477	111,477
Deferred tax assets	359,680	361,902	28,276	28,263
Other assets	159,585	162,623	92,145	96,416
Total assets	9,568,526	9,603,732	9,878,536	9,910,824
LIABILITIES				
Deposits from banks and other financial institutions	747,255	742,288	760,357	756,177
Deposits from customers	6,589,038	6,589,038	5,122,363	5,122,363
Borrowings	1,353,204	1,353,204	2,441,472	2,441,472
Current tax liabilities	-	308	8,461	8,019
Lease liabilities	67,162	67,162	111,781	111,781
Other liabilities	214,276	214,790	118,614	120,696
Total liabilities	8,970,935	8,966,790	8,563,048	8,560,508
SHAREHOLDERS' EQUITY				
Stated capital	400,000	400,000	400,000	400,000
Retained earnings	(446,866)	(407,599)	372,633	407,471
Revaluation reserve	227,085	227,085	102,926	102,926
Statutory reserve	419,176	419,176	425,615	425,615
Regulatory credit risk reserve	-	-	15,021	15,021
Other reserves	(1,804)	(1,720)	(707)	(717)
Total shareholders' equity	597,591	636,942	1,315,488	1,350,316
Total liabilities and shareholders' equity	9,568,526	9,603,732	9,878,536	9,910,824

UNAUDITED STATEMENTS OF CHANGES IN EQUITY FOR THE SIX MONTHS ENDED 30 JUNE 2023

2023	The Bank	Stated Capital	Statutory Reserve	Revaluation Reserve	Retained Earnings	Other Reserves		Regulatory Credit Risk Reserve	Total Equity
						Share Deals Account	Treasury Shares		
	Balance at 1 January	400,000	393,905	227,085	(522,677)	(1,804)	-	-	496,509
	Total comprehensive income								
	Profit for the period	-	-	-	101,082	-	-	-	101,082
	Other transfers								
	Transfer to statutory reserve	-	25,271	-	(25,271)	-	-	-	-
	Balance at 30 June	400,000	419,176	227,085	(446,866)	(1,804)	-	-	597,591

2023	The Group	Stated Capital	Statutory Reserve	Revaluation Reserve	Retained Earnings	Other Reserves		Regulatory Credit Risk Reserve	Total Equity
						Share Deals Account	Treasury Shares		
	Balance at 1 January	400,000	393,905	227,085	(488,045)	(1,720)	-	-	531,225
	Total comprehensive income								
	Profit for the period	-	-	-	105,717	-	-	-	105,716
	Other transfers								
	Transfer to statutory reserve	-	25,271	-	(25,271)	-	-	-	-
	Balance at 30 June	400,000	419,176	227,085	(407,599)	(1,720)	-	-	636,941

2022	The Bank	Stated Capital	Statutory Reserve	Revaluation Reserve	Retained Earnings	Other Reserves		Regulatory Credit Risk Reserve	Total Equity
						Share Deals Account	Treasury Shares		
	Balance at 1 January	400,000	393,905	102,926	361,554	(707)	-	-	1,257,678
	Total comprehensive income								
	Profit for the period	-	-	-	126,839	-	-	-	126,839
	Transactions with equity holders of the Bank								
	Dividends to equity holders	-	-	-	(69,029)	-	-	-	(69,029)
	Other transfers								
	Transfer to statutory reserve	-	31,710	-	(31,710)	-	-	-	-
	Transfer to credit risk reserve	-	-	-	(15,021)	-	-	15,021	-
	Balance at 30 June	400,000	425,615	102,926	372,633	(707)	-	15,021	1,315,488

2022	The Group	Stated Capital	Statutory Reserve	Revaluation Reserve	Retained Earnings	Other Reserves		Regulatory Credit Risk Reserve	Total Equity
						Share Deals Account	Treasury Shares		
	Balance at 1 January	400,000	393,905	102,926	390,697	(707)	(139)	-	1,286,682
	Total comprehensive income								
	Profit for the period	-	-	-	132,507	-	-	-	132,507
	Transactions with equity holders of the Bank								
	Dividends to equity holders	-	-	-	(69,021)	-	-	-	(69,021)
	Net changes in Bank's shares held by subsidiaries	-	-	-	19	-	129	-	148
	Other transfers								
	Transfer to statutory reserve	-	31,710	-	(31,710)	-	-	-	-
	Transfer to credit risk reserve	-	-	-	(15,021)	-	-	15,021	-
	Balance at 30 June	400,000	425,615	102,926	407,471	(707)	(10)	15,021	1,350,316

UNAUDITED STATEMENTS OF CASH FLOWS FOR THE SIX MONTHS ENDED 30 JUNE 2023

in thousands of Ghana Cedis	2023		2022	
	Bank	Group	Bank	Group
Cash flows from operating activities				
Profit for the period	101,082	105,716	126,839	132,507
Adjustments for:				
Depreciation and amortisation	26,005	26,103	20,717	20,800
Net impairment loss on financial assets	(16,975)	(16,975)	17,313	17,313
Net interest income	(276,082)	(279,030)	(300,384)	(303,474)
Income tax expense	54,429	56,503	68,298	70,772
Unrealised exchange difference	-	-	8,007	8,007
Finance cost on lease liabilities	2,217	2,217	2,755	2,755
Cash used in operations before changes in operating assets and liabilities	(109,324)	(105,465)	(56,455)	(51,320)
Changes in:				
Loans and advances to customers	(162,614)	(171,766)	(560,038)	(560,038)
Other assets	(36,317)	(30,903)	(1,906)	(3,161)
Derivative assets	-	-	26,466	26,466
Deposits from banks and other financial institutions	132,222	125,222	(389,116)	(389,614)
Deposits from customers	523,854	497,605	(30,072)	(30,072)
Changes in asset held for sale	-	-	(32)	(32)
Other liabilities	(92,463)	(92,605)	(21,442)	(21,659)
Cash from/ (used in) operating activities	364,682	327,553	(976,140)	(978,110)
Interest received	660,305	679,688	538,789	541,347
Interest paid	(354,639)	(317,719)	(276,788)	(276,723)
Finance charges on lease liability paid	(2,755)	(2,755)	(2,152)	(2,152)
Income taxes paid	(32,452)	(35,010)	(62,018)	(64,913)
	270,459	324,204	197,831	197,559
Net cash flows from operating activities	525,817	546,292	(834,764)	(831,871)
Cash flows from investing activities				
Disposal of trading assets	28,890	28,890	358,963	358,963
Acquisition /Disposal of investment securities	(361,628)	(377,811)	253,508	250,585
Acquisition of property and equipment	(4,221)	(4,338)	(16,826)	(16,953)
Acquisition of intangible assets	(386)	(482)	(395)	(395)
Net cash flows (used in) / from investing activities	(337,345)	(353,741)	595,250	592,200
Cash flows from financing activities				
Dividends Paid	-	-	(69,029)	(69,021)
Net changes in borrowings	(288,781)	(292,858)	216,210	216,210
Payment of lease liabilities	(6,539)	(6,539)	(11,683)	(11,683)
Repurchase of issued shares	-	-	-	148
Net cash flows (used in) / from financing activities	(295,320)	(299,397)	135,498	135,654
Net decrease in cash and cash equivalents	(106,848)	(106,846)	(104,016)	(104,017)
Cash and cash equivalents at 1 January	2,008,870	2,008,870	1,307,694	1,307,701
Cash and cash equivalents at 30 June	1,902,022	1,902,024	1,203,678	1,203,684

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 unaudited summary financial statements are in accordance with IFRSs and are consistent with the accounting policies applied in the preparation of the 2022 annual audited financial statements as published on our website www.calbank.net.

Regulatory quantitative disclosures	2023	2022
Capital adequacy ratio	10.1%	19.0%
Non-performing loan ratio	12.0%	9.0%
Common equity tier 1 ratio	7.1%	17.0%
Leverage ratio	4.5%	8.1%
Compliance with statutory liquidity requirement		
Default in statutory liquidity (times)	Nil	Nil
Default in statutory liquidity sanction (GHS'000)	Nil	Nil
Other regulatory penalties (GHS'000)	Nil	Nil

Qualitative disclosures

Risk management framework

The Bank's dominant risks are: credit risk, liquidity risk, market risk and operational risk. To manage these risks, we have designed a Risk Management Framework covering the strategic framework, organisational structure, appetite, operational framework and risk monitoring and reporting.

"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 Management 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 2023 are consistent with those followed 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."

Philip Owiredu
Director

Kweku Baa Korsah
Director



FOR FURTHER INFORMATION:

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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.

Network

The Bank has established its presence in 37 branches nationwide and remains committed to expanding further. With over 600 Agents located throughout the country, the Bank ensures inclusive banking services for all. Moreover, customers have convenient access to a range of digital channels, such as mobile banking via *771#, a Mobile App, Internet Banking, and ATMs, among others. This extensive branch and digital network empower us to process transactions efficiently and expeditiously.

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