

Unaudited Consolidated Financial Statements

FOR THE SIX MONTHS
ENDED 30 JUNE 2022

Forward Together

UNAUDITED STATEMENTS OF COMPREHENSIVE INCOME FOR THE SIX MONTHS ENDED 30 JUNE 2022

in thousands of Ghana Cedis

	2022		2021	
	Bank	Group	Bank	Group
Interest income	578,008	581,033	453,976	455,736
Interest expense	(277,624)	(277,559)	(223,115)	(223,065)
Net interest income	300,384	303,474	230,861	232,671
Fees and commissions income	38,723	46,186	24,799	30,620
Fees and commissions expense	(7,306)	(7,309)	(12,692)	(12,692)
Net fees and commission income	31,417	38,877	12,107	17,928
Net trading income	84,132	84,132	77,670	77,670
	84,132	84,132	77,670	77,670
Revenue	415,933	426,483	320,638	328,269
Other income	541	533	12,144	10,596
Operating income	416,474	427,016	332,782	338,865
Net impairment loss on financial assets	(17,313)	(17,313)	(23,622)	(23,622)
Personnel expenses	(93,194)	(95,231)	(73,606)	(75,006)
Depreciation and amortisation	(20,717)	(20,800)	(18,234)	(18,315)
Finance cost on lease liabilities	(2,755)	(2,755)	(2,152)	(2,152)
Other expenses	(87,358)	(87,638)	(63,233)	(63,548)
Total operating expenses	(221,337)	(223,737)	(180,847)	(182,643)
Profit before income tax	195,137	203,279	151,935	156,222
Income tax expense	(68,298)	(70,772)	(49,379)	(51,180)
Profit for the period and total comprehensive income	126,839	132,507	102,556	105,042
Earnings per share (Ghana Cedis per share)				
Basic	0.4049	0.4230	0.3278	0.3358
Diluted	0.4049	0.4230	0.3278	0.3358

UNAUDITED STATEMENTS OF FINANCIAL POSITION AS AT 30 JUNE 2022

in thousands of Ghana Cedis

	2022		2021	
	Bank	Group	Bank	Group
Assets				
Cash and cash equivalents	1,203,678	1,203,684	1,228,148	1,228,153
Non-pledged trading assets	313,546	313,546	985,659	985,659
Investment securities	4,715,231	4,745,694	3,865,159	3,886,420
Loans and advances to customers	2,801,875	2,801,875	2,203,893	2,203,893
Investments in subsidiaries	3,520	-	3,538	-
Current tax assets	-	-	15,996	16,307
Property, plant and equipment	416,117	416,253	414,968	415,051
Intangible assets	71,554	72,499	74,528	75,612
Assets held for sale	121,117	121,117	104,493	104,493
Right-of-use lease assets	111,477	111,477	83,081	83,081
Deferred tax assets	28,276	28,263	36,377	36,404
Other assets	92,145	96,416	81,433	85,006
Total assets	9,878,536	9,910,824	9,097,273	9,120,079
Liabilities				
Total deposits	5,882,720	5,878,540	5,651,063	5,648,401
<i>Deposits from banks and other financial institutions</i>	<i>760,357</i>	<i>756,177</i>	<i>1,062,000</i>	<i>1,059,338</i>
<i>Deposits from customers</i>	<i>5,122,363</i>	<i>5,122,363</i>	<i>4,589,063</i>	<i>4,589,063</i>
Borrowings	2,441,472	2,441,472	2,042,500	2,042,500
Current tax liabilities	8,461	8,019	-	-
Lease liabilities	111,781	111,781	91,255	91,255
Other liabilities	118,614	120,696	167,459	169,495
Total liabilities	8,563,048	8,560,508	7,952,277	7,951,651
Shareholders' equity				
Stated capital	400,000	400,000	400,000	400,000
Retained earnings	372,633	407,471	277,042	301,058
Revaluation reserve	102,926	102,926	102,926	102,926
Statutory reserve	425,615	425,615	365,735	365,735
Regulatory credit risk reserve	15,021	15,021	-	-
Other reserves	(707)	(717)	(707)	(1,291)
Total shareholders' equity	1,315,488	1,350,316	1,144,996	1,168,428
Total liabilities and shareholders' equity	9,878,536	9,910,824	9,097,273	9,120,079

UNAUDITED STATEMENTS OF CHANGES IN EQUITY FOR THE SIX MONTHS ENDED 30 JUNE 2022

2022	The Bank	Other Reserves							Total Equity
		Stated Capital	Statutory Reserve	Revaluation Reserve	Retained Earnings	Share Deals Account	Treasury Shares	Regulatory Credit Risk Reserve	
	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 from credit risk reserve		-	-	(15,021)	-	-	15,021	-
	Revaluation gain on disposed PPE		-	-	-	-	-	-	-
	Additional transfer to stated capital		-	-	-	-	-	-	-
	Balance at 30 June	400,000	425,615	102,926	372,633	(707)	-	15,021	1,315,488

2022	The Group	Other Reserves							Total Equity
		Stated Capital	Statutory Reserve	Revaluation Reserve	Retained Earnings	Share Deals Account	Treasury Shares	Regulatory Credit Risk Reserve	
	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 CalBank shares held by subsidiaries	-	-	-	19	-	129	-	148
	Other transfers								
	Transfer to statutory reserve	-	31,710	-	(31,710)	-	-	-	-
	Transfer from 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

2021	The Bank	Other Reserves							Total Equity
		Stated Capital	Statutory Reserve	Revaluation Reserve	Retained Earnings	Share Deals Account	Treasury Shares	Regulatory Credit Risk Reserve	
	Balance at 1 January	400,000	340,096	104,636	227,273	(136)	-	40,066	1,111,935
	Total comprehensive income								
	Profit for the period	-	-	-	102,556	-	-	-	102,556
	Transactions with equity holders of the Bank								
	Dividends to equity holders	-	-	-	(68,924)	-	-	-	(68,924)
	Shares repurchased	-	-	-	-	(571)	-	-	(571)
	Other transfers								
	Transfer to statutory reserve	-	25,639	-	(25,639)	-	-	-	-
	Revaluation gain on disposed PPE	-	-	(1,710)	1,710	-	-	-	-
	Transfer to credit risk reserve	-	-	-	40,066	-	-	(40,066)	-
	Balance at 30 June	400,000	365,735	102,926	277,042	(707)	-	-	1,144,996

2021	The Group	Other Reserves							Total Equity
		Stated Capital	Statutory Reserve	Revaluation Reserve	Retained Earnings	Share Deals Account	Treasury Shares	Regulatory Credit Risk Reserve	
	Balance at 1 January	400,000	340,096	104,636	248,695	(136)	(584)	40,066	1,132,773
	Total comprehensive income								
	Profit for the period	-	-	-	105,042	-	-	-	105,042
	Transactions with equity holders of the Bank								
	Dividends to equity holders	-	-	-	(68,816)	-	-	-	(68,816)
	Shares repurchased	-	-	-	-	(571)	-	-	(571)
	Other transfers								
	Transfer to statutory reserve	-	25,639	-	(25,639)	-	-	-	-
	Revaluation gain on disposed PPE	-	-	(1,710)	1,710	-	-	-	-
	Transfer to credit risk reserve	-	-	-	40,066	-	-	(40,066)	-
	Balance at 30 June	400,000	365,735	102,926	301,058	(707)	(584)	-	1,168,428

UNAUDITED STATEMENTS OF CASH FLOWS FOR THE SIX MONTHS ENDED 30 JUNE 2022

in thousands of Ghana Cedis

	2022		2021	
	Bank	Group	Bank	Group
Cash from operating activities				
Profit for the period	126,839	132,507	102,556	105,042
Adjustments for:				
Depreciation and amortisation	20,717	20,800	18,234	18,315
Net impairment loss on financial assets	17,313	17,313	23,622	23,622
Net interest income	(300,384)	(303,474)	(230,861)	(232,671)
Income tax expense	68,298	70,772	49,379	51,180
Unrealised exchange loss	8,007	8,007	3,326	3,326
Profit from disposal of property and equipment	-	-	(1,189)	(1,189)
Finance cost on lease liabilities	2,755	2,755	2,152	2,152
Cash used in operations before changes in operating assets and liabilities	(56,455)	(51,320)	(32,781)	(30,223)
Changes in:				
Loans and advances to customers	(560,038)	(560,038)	195,891	195,891
Other assets	(1,906)	(3,161)	(29,412)	(30,909)
Derivative assets	26,466	26,466	731	731
Deposits from banks and other financial institutions	(389,116)	(389,614)	783,293	782,777
Deposits from customers	(30,072)	(30,072)	428,071	428,071
Other liabilities	(21,442)	(21,659)	(11,807)	(12,250)
Cash used in operating activities	(976,140)	(978,110)	1,366,767	1,364,311
Interest received	538,789	541,347	366,632	367,283
Interest paid	(276,788)	(276,723)	(212,623)	(212,573)
Finance charges on lease liability paid	(2,152)	(2,152)	-	-
Income taxes paid	(62,018)	(64,913)	(34,130)	(35,636)
	197,831	197,559	119,879	119,074
Net cash flows from operating activities	(834,764)	(831,871)	1,453,865	1,453,162
Cash flows from investing activities				
Sale/(acquisition) of trading assets	358,963	358,963	(479,762)	(479,762)
Sale/(acquisition) of investment securities	253,508	250,585	(792,049)	(791,427)
Acquisition of property and equipment	(16,826)	(16,953)	(14,077)	(14,077)
Proceeds from sale of property and equipment	-	-	16,128	16,128
Acquisition of intangible assets	(395)	(395)	(32,074)	(32,101)
Net cash flows from / (used in) investing activities	595,250	592,200	(1,301,834)	(1,301,239)
Cash flows from financing activities				
Dividends paid	(69,029)	(69,021)	(68,924)	(68,816)
Net changes in borrowings	216,210	216,210	(54,622)	(54,622)
Payment of lease liabilities	(11,683)	(11,683)	(11,527)	(11,527)
Sale/(repurchase) of issued shares	-	148	(571)	(571)
Net cash flows from financing activities	135,498	135,654	(135,644)	(135,536)
Net increase in cash and cash equivalents	(104,016)	(104,017)	16,387	16,387
Cash and cash equivalents at 1 January	1,307,694	1,307,701	1,211,761	1,211,766
Cash and cash equivalents at 30 June	1,203,678	1,203,684	1,228,148	1,228,153

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 2021 annual audited financial statements as published on our website www.calbank.net.

Regulatory quantitative disclosures

	2022	2021
Capital adequacy ratio	19.0%	19.5%
Non-performing loan ratio	9.0%	13.8%
Common equity tier 1 ratio	17.0%	17.5%
Leverage ratio	8.1%	8.7%

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)	3,622	548

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 2022 are consistent with those followed for the year ended 31 December 2021.

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

Philip Owiredu
Director

Joe Rexford Mensah
Director



FOR FURTHER INFORMATION:

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