

Unaudited Consolidated Financial Statements

FOR THE SIX MONTHS ENDED
30 JUNE 2024

Forward Together



CalBank

CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME FOR THE SIX MONTHS ENDED 30 JUNE 2024

in thousands of Ghana Cedis

	2024		2023	
	Bank	Group	Bank	Group
Interest income	468,766	470,319	572,806	575,361
Interest expense	(260,487)	(258,662)	(296,724)	(296,331)
Net interest income	208,279	211,657	276,082	279,030
Fees and commissions income	119,432	130,105	44,464	51,845
Fees and commissions expense	(16,713)	(16,724)	(2,560)	(2,564)
Net fees and commission income	102,719	113,381	41,904	49,281
Net trading income	59,240	59,240	74,017	74,017
Revenue	370,238	384,278	392,003	402,328
Other income	632	780	568	638
Operating income	370,870	385,058	392,571	402,966
Net impairment gain on financial assets	177,467	177,467	16,975	16,975
Personnel expenses	(125,667)	(128,656)	(96,198)	(98,382)
Depreciation and amortisation	(29,679)	(29,789)	(26,005)	(26,103)
Finance cost on lease liabilities	(2,443)	(2,443)	(2,217)	(2,217)
Other expenses	(156,711)	(159,167)	(129,615)	(131,019)
Total operating expenses	(137,033)	(142,588)	(237,060)	(240,746)
Profit before income tax	233,837	242,470	155,511	162,220
Income tax expense	(81,843)	(84,579)	(54,429)	(56,503)
Profit for the period and total comprehensive income	151,994	157,891	101,082	105,717
Total Comprehensive Income for the Period	151,994	157,891	101,082	105,717
Earnings per share(Ghana Cedis per share)				
Basic	0.4844	0.5032	0.3222	0.3369
Diluted	0.4844	0.5032	0.3222	0.3369

CONSOLIDATED STATEMENT OF FINANCIAL POSITION AS AT 30 JUNE 2024

in thousands of Ghana Cedis

	2024		2023	
	Bank	Group	Bank	Group
Assets				
Cash and cash equivalents	3,098,475	3,098,475	1,902,022	1,902,024
Non-pledged trading assets	2,836	2,836	18,111	18,111
Investment securities	3,418,161	3,445,902	2,953,357	2,985,632
Loans and advances to customers	2,695,111	2,695,111	3,366,253	3,366,253
Investments in subsidiaries	3,540	-	3,540	-
Current tax assets	9,517	9,517	32,697	32,697
Property, plant and equipment	620,782	621,119	611,609	611,818
Intangible assets	81,453	82,334	78,016	79,016
Right-of-use lease assets	67,909	67,909	83,656	83,656
Deferred tax assets	666,124	668,006	359,680	361,902
Other assets	284,071	290,860	159,585	162,623
Total assets	10,947,979	10,982,069	9,568,526	9,603,732
Liabilities				
Deposits from banks and other financial institutions	196,698	176,178	747,255	742,288
Deposits from customers	7,856,247	7,856,247	6,589,038	6,589,038
Borrowings	1,850,175	1,850,175	1,353,204	1,353,204
Current tax liabilities	-	1,434	-	308
Lease liabilities	69,878	69,878	63,722	63,722
Other liabilities	862,044	865,422	217,716	218,230
Total liabilities	10,835,042	10,819,334	8,970,935	8,966,790
Shareholders' equity				
Stated capital	400,000	400,000	400,000	400,000
Deposit for Shares	145,846	145,846	-	-
Retained earnings	(1,101,152)	(1,051,413)	(446,866)	(407,599)
Revaluation reserve	227,085	227,085	227,085	227,085
Statutory reserve	393,905	393,905	419,176	419,176
Regulatory credit risk reserve	50,191	50,191	-	-
Other reserves	(2,938)	(2,879)	(1,804)	(1,720)
Total shareholders' equity	112,937	162,735	597,591	636,942
Total liabilities and shareholders' equity	10,947,979	10,982,069	9,568,526	9,603,732

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY FOR THE SIX MONTHS ENDED 30 JUNE 2024

in thousands of Ghana Cedis

2024	The Bank	Stated Capital	Statutory Reserve	Revaluation Reserve	Retained Earnings	Share Deals Account	Other Reserves		Total Equity
							Treasury Shares	Regulatory Credit Risk Reserve	
	Balance at 1 January	400,000	393,905	227,085	(1,202,955)	(2,938)	-	-	(184,903)
	Total comprehensive income								
	Profit for the period	-	-	-	151,994	-	-	-	151,994
	Transactions with equity holders of the Bank								
	Proceeds from the issue of shares	145,846	-	-	-	-	-	-	145,846
	Other transfers								
	Transfer to credit risk reserve	-	-	-	(50,191)	-	-	50,191	-
	Balance at 30 June	545,846	393,905	227,085	(1,101,152)	(2,938)	-	50,191	112,937

2024	The Group	Stated Capital	Statutory Reserve	Revaluation Reserve	Retained Earnings	Share Deals Account	Other Reserves		Total Equity
							Treasury Shares	Regulatory Credit Risk Reserve	
	Balance at 1 January	400,000	393,905	227,085	(1,159,113)	(2,879)	-	-	(141,002)
	Total comprehensive income								
	Profit for the period	-	-	-	157,891	-	-	-	157,891
	Transactions with equity holders of the Bank								
	Proceeds from the issue of shares	145,846	-	-	-	-	-	-	145,846
	Other transfers								
	Transfer to credit risk reserve	-	-	-	(50,191)	-	-	50,191	-
	Balance at 30 June	545,846	393,905	227,085	(1,051,413)	(2,879)	-	50,191	162,735

2023	The Bank	Stated Capital	Statutory Reserve	Revaluation Reserve	Retained Earnings	Share Deals Account	Other Reserves		Total Equity
							Treasury Shares	Regulatory Credit Risk Reserve	
	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	Share Deals Account	Other Reserves		Total Equity
							Treasury Shares	Regulatory Credit Risk Reserve	
	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	-	-	-	105,717
	Other transfers								
	Transfer to statutory reserve	-	25,271	-	(25,271)	-	-	-	-
	Balance at 30 June	400,000	419,176	227,085	(407,599)	(1,720)	-	-	636,942

CONSOLIDATED STATEMENT OF CASH FLOWS FOR THE SIX MONTHS ENDED 30 JUNE 2024

<i>in thousands of Ghana Cedis</i>				
	2024		2023	
	Bank	Group	Bank	Group
Cash flows from operating activities				
Profit for the period	151,994	157,891	101,082	105,717
Adjustments for:				
Depreciation and amortisation	29,679	29,789	26,005	26,103
Net impairment loss on financial assets	(177,467)	(177,467)	(16,975)	(16,975)
Net interest income	(208,279)	(211,657)	(276,082)	(279,030)
Income tax expense	81,843	84,579	54,429	56,503
Unrealised exchange difference	2,612	2,612	4,586	4,586
Finance cost on lease liabilities	2,443	2,443	2,217	2,217
Cash used in operations before changes in operating assets and liabilities	(117,175)	(111,810)	(104,738)	(100,879)
Changes in:				
Acquisition/Disposal of trading assets	52,632	52,632	28,890	28,890
Loans and advances to customers	197,362	197,362	(162,614)	(162,614)
Other assets	(55,177)	(56,362)	(36,317)	(30,903)
Deposits from banks and other financial institutions	(358,927)	(364,193)	132,222	125,222
Deposits from customers	920,089	920,089	523,854	523,854
Other liabilities	(327,942)	(326,330)	(92,463)	(92,605)
Cash generated by operating activities	428,037	423,198	393,572	391,844
Interest received	478,454	480,007	660,305	661,204
Interest paid	(265,518)	(263,693)	(354,639)	(353,719)
Finance charges on lease liability paid	(2,217)	(2,217)	(2,755)	(2,755)
Income taxes paid	(49,875)	(51,562)	(32,452)	(35,010)
	160,844	162,535	270,459	269,720
Net cash flows from operating activities	471,706	473,923	559,293	560,685
Cash flows from investing activities				
Disposal/Acquisition of investment securities	(383,050)	(385,104)	(361,628)	(362,811)
Acquisition of property and equipment	(6,669)	(6,832)	(4,221)	(4,332)
Acquisition of intangible assets	-	-	(386)	(482)
Net cash flows used in investing activities	(389,719)	(391,936)	(366,235)	(367,625)
Cash flows from financing activities				
Net changes in borrowings	553,643	553,643	(288,781)	(288,781)
Payment of lease liabilities	(3,964)	(3,964)	(11,125)	(11,125)
Proceeds from deposit for shares	145,846	145,846	-	-
Net cash flows from/(used in) financing activities	695,525	695,525	(299,906)	(299,906)
Net increase in cash and cash equivalents	777,512	777,512	(106,848)	(106,846)
Cash and cash equivalents at 1 January	2,320,963	2,320,963	2,008,870	2,008,870
Cash and cash equivalents at 30 June	3,098,475	3,098,475	1,902,022	1,902,024

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 2023 annual audited financial statements as published on our website www.calbank.net.

Regulatory quantitative disclosures	2024	2023
Capital adequacy ratio	(7.3%)	10.1%
Non-performing loan ratio	38.6%	12.0%
Common equity tier 1 ratio	(10.3%)	7.1%
Leverage ratio	(7.5%)	4.5%
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)	240	Nil

A letter from Bank of Ghana to us indicated that, the penalties associated with the breaches in CAR, single obligor limit (SOL) and aggregate forex open position (AFOP) will be computed and deferred until the bank makes profits and its financial soundness indicators are within regulatory limits.

As at 30 June 2024, the Bank was not in a position to quantify the penalties.

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 2024 are consistent with those followed for the year ended 31 December 2023.

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

Signed

Carl Selasi Asem
Director

Signed

Kweku Baa Korsah
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