



# ZENITH BANK (GHANA) LIMITED

## UNAUDITED FINANCIAL STATEMENTS FOR THE QUARTER ENDED MARCH 31, 2022

### UNAUDITED STATEMENT OF COMPREHENSIVE INCOME

	2022	2021
	GH¢'000	GH¢'000
Interest income	215,697	231,802
Interest expense	(52,551)	(72,735)
<b>Net interest income</b>	<b>163,146</b>	<b>159,067</b>
Fee and commission income	34,471	22,972
Fee and commission expense	(3,488)	(2,730)
<b>Net fee and commission income</b>	<b>30,983</b>	<b>20,242</b>
Net trading income	17,241	(12,601)
Net income - financial instruments carried at fair value	243	6,052
Other income	1,092	1,186
<b>Net trading and other income</b>	<b>18,576</b>	<b>(5,363)</b>
<b>Revenue</b>	<b>212,705</b>	<b>173,946</b>
Impairment loss on financial assets	(7,191)	(7,500)
Personnel expenses	(42,363)	(30,143)
Depreciation and amortization	(6,311)	(4,852)
Other expenses	(36,347)	(30,446)
<b>Profit before income tax</b>	<b>120,493</b>	<b>101,005</b>
Income tax expense	(28,064)	(28,636)
<b>Profit after tax attributable to equity holders of the Bank</b>	<b>92,429</b>	<b>72,369</b>
<b>Other comprehensive income (net of income tax)</b>	<b>-</b>	<b>-</b>
<b>Total comprehensive income attributable to equity holders of the bank</b>	<b>92,429</b>	<b>72,369</b>
<b>Earnings per share - Basic &amp; Diluted</b>	<b>0.02</b>	<b>0.02</b>

### UNAUDITED STATEMENT OF FINANCIAL POSITION

	2022	2021
	GH¢'000	GH¢'000
<b>Assets</b>		
Cash and bank balances	2,439,147	1,284,998
Non-pledged trading assets	51,788	87,837
Pledged trading assets	485,081	288,423
Investment securities	4,305,427	4,751,565
Investments (other than securities)	380,798	115,570
Loans and advances to customers	1,603,364	1,079,647
Property, plant and equipment	263,874	253,243
Intangible assets	8,680	5,396
Current tax receivable	10,610	3,017
Deferred tax assets	25,281	17,903
Other assets	190,914	118,974
<b>Total assets</b>	<b>9,764,964</b>	<b>8,006,573</b>
<b>Liabilities</b>		
Borrowings	-	433,190
Deposits from customers	7,331,872	5,492,545
Deposits from banks and non-bank financial institutions	22,834	48,135
Other liabilities	751,322	494,183
Deferred tax liabilities	12,370	9,358
<b>Total liabilities</b>	<b>8,118,398</b>	<b>6,477,411</b>
<b>Equity</b>		
Stated capital	400,000	400,000
Statutory reserve	444,899	389,872
Credit risk reserve	26,346	37,965
Retained earnings	775,321	701,325
<b>Total equity</b>	<b>1,646,566</b>	<b>1,529,162</b>
<b>Total equity and liabilities</b>	<b>9,764,964</b>	<b>8,006,573</b>

### UNAUDITED STATEMENT OF CHANGES IN EQUITY

	Stated Capital	Credit Risk Reserve	Statutory Reserve	Retained Earnings	Total Equity
	GH¢'000	GH¢'000	GH¢'000	GH¢'000	GH¢'000
Balance at 1 January 2022	400,000	19,439	444,899	689,799	1,554,137
Profit for the period	-	-	-	92,429	92,429
Transfer to credit risk reserve	-	6,907	-	(6,907)	-
<b>Balance at 31 March 2022</b>	<b>400,000</b>	<b>26,346</b>	<b>444,899</b>	<b>775,321</b>	<b>1,646,566</b>
Balance at 1 January 2021	400,000	33,384	389,872	633,537	1,456,793
Profit for the period	-	-	-	72,369	72,369
Transfer to credit risk reserve	-	4,581	-	(4,581)	-
<b>Balance at 31 March 2021</b>	<b>400,000</b>	<b>37,965</b>	<b>389,872</b>	<b>701,325</b>	<b>1,529,162</b>

### UNAUDITED STATEMENT OF CASH FLOWS

	2022	2021
	GH¢'000	GH¢'000
Profit before tax	120,493	101,005
<i>Adjustments for:</i>		
Depreciation and amortization	6,311	4,852
Net impairment loss on financial assets	7,191	7,500
Net interest income	(163,146)	(159,067)
Fair value changes recognised in profit or loss	(243)	(6,052)
	<b>(29,394)</b>	<b>(51,762)</b>
<i>Changes in:</i>		
Investments (other than securities)	(313,856)	60,507
Non-pledged trading assets	54,902	10,260
Pledged trading assets	(44)	(24,622)
Investment securities	274,492	(195,007)
Loans and advances to customers	(104,464)	(22,442)
Other assets	2,839	13,885
Deposits from customers	940,791	(306,722)
Deposits from banks and non-bank financial institutions	3,534	26,774
Other liabilities	50,341	66,635
	<b>879,141</b>	<b>(422,494)</b>
Interest received	215,697	231,802
Interest paid	(52,551)	(72,735)
Corporate taxes paid	(28,064)	(28,636)
<b>Net cash flow generated / (used in) from operating activities</b>	<b>1,014,223</b>	<b>(292,063)</b>
<b>Cash flow from investing activities</b>		
Acquisition of property, plant and equipment	(2,723)	(469)
Acquisition of intangible assets	(1,735)	(225)
<b>Net cash flow used in investing activities</b>	<b>(4,458)</b>	<b>(694)</b>
<b>Cash flow from financing activities</b>		
Net changes in Borrowings	(154,536)	144,111
Finance Lease Payments	(721)	(2,143)
<b>Net cash flow (used in) / generated from financing activities</b>	<b>(155,257)</b>	<b>141,968</b>
<b>Net increase / (decrease) in cash and cash equivalents</b>	<b>854,507</b>	<b>(150,789)</b>
Balance at 1 January	1,162,515	1,096,820
	2,017,022	946,031
Effect of exchange rate fluctuations on cash and cash equivalents held	60,555	(5,017)
	<b>2,077,577</b>	<b>941,014</b>

### NOTES TO THE UNAUDITED FINANCIAL STATEMENTS

#### 1. Reporting entity

Zenith Bank (Ghana) Limited (the Bank) is a limited liability company incorporated and domiciled in Ghana. The registered office is Zenith Heights, No 37 Independence Avenue, PMB CT 393, Accra. The Bank commenced universal banking operations in September 2005 and operates under the Banks and Specialised Deposit-Taking Institutions Act, 2016 (Act 930). The Bank is a subsidiary of Zenith Bank Plc, a bank incorporated in the Federal Republic of Nigeria.

#### 2. Basis of accounting

The Bank's financial statements have been prepared in accordance with International Financial Reporting Standards (IFRS) and in the manner required by the Companies Act, 2019 (Act 992) and the Banks and Specialised Deposit-Taking institutions Act, 2016 (Act 930).

#### 3. Functional and Presentation currency

These summary financial statements are presented in Ghana Cedi, which is the Bank's functional currency.

#### 4. Use of judgements and estimates

In preparing these summary financial statements, management has made judgements, estimates and assumptions that affect the application of the Bank's accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates. Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to estimates are recognised prospectively.

#### 5. Basis of measurement

ITEMS	MEASUREMENT BASIS
Non-derivative financial instruments at fair value through profit or loss, pledged and non pledged trading assets	Fair value

#### 6. Significant accounting policies

The principal accounting policies applied in the preparation of these summary financial statements are consistent with the accounting policies applied in the audited financial statements of the Bank for the year ended December 31, 2021. These policies have been consistently applied to all the years presented, unless otherwise stated.

#### 7. Risk Management

The Bank's activities expose the business to certain risks. The Bank has exposure to the following types of risks:

- credit risk,
- liquidity risk,
- market risk,
- operational risk.

These risks are managed professionally and in a targeted manner. The Bank's risk management policies are established to identify and analyse risks faced by the Bank, set appropriate risks limits and controls as well as monitor these risks and adherence to established policies. Risk management policies and systems are reviewed regularly to reflect changes in market conditions, products and services offered by the Bank.

DISCLOSURES	MARCH 2022	MARCH 2021
Capital Adequacy Ratio (%)	40.23	47.29
Common Equity Tier 1 Ratio (%)	38.22	45.29
Leverage Ratio (%)	12.80	15.11
Non-performing loans to gross loans (%)	4.72	6.37
Loan loss provision (%)	4.49	3.84
Liquid Ratio (%)	106	149
Off-balance sheet exposures (GH¢' million)	1,904	1,207
Default in statutory liquidity (Number of times)	Nil	Nil
Sanctions for Default in statutory liquidity (GH¢' 000)	Nil	Nil
Other Regulatory Penalties (GH¢' 000)	60	168

Freda Duplan  
(Chairperson)

Anthony Akindede Ogunranti  
(Managing Director/CEO)