**Financial Highlights**

June 2018 - June 2019

- **Growth**: 37.1%
- **Profit Before Tax**: 16.3%
- **Total Assets**: 8.8%
- **Loans**: 19.0%

**Statements of comprehensive income**

(All amounts are in thousands of Ghana cedis unless otherwise stated)

<table>
<thead>
<tr>
<th>The Group</th>
<th>The Bank</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>2019</strong></td>
<td><strong>2018</strong></td>
</tr>
<tr>
<td><strong>Interest income</strong></td>
<td>617,849</td>
</tr>
<tr>
<td><strong>Interest expense</strong></td>
<td>(109,435)</td>
</tr>
<tr>
<td><strong>Net interest income</strong></td>
<td>502,398</td>
</tr>
<tr>
<td><strong>Fees and commission income</strong></td>
<td>117,584</td>
</tr>
<tr>
<td><strong>Fees and commission expense</strong></td>
<td>(2,081)</td>
</tr>
<tr>
<td><strong>Net fees and commission income</strong></td>
<td>115,505</td>
</tr>
<tr>
<td><strong>Net trading income</strong></td>
<td>97,222</td>
</tr>
<tr>
<td><strong>Other operating income</strong></td>
<td>14,794</td>
</tr>
<tr>
<td><strong>Dividend income</strong></td>
<td>-</td>
</tr>
<tr>
<td><strong>Revenue</strong></td>
<td>112,016</td>
</tr>
</tbody>
</table>

- **Operating profit**: 306,784
- **Profit before income tax**: 304,223
- **Income tax expense**: (17,270)
- **Profit after tax**: 286,953

**Consolidated cashflow statement**

(All amounts are in thousands of Ghana cedis unless otherwise stated)

<table>
<thead>
<tr>
<th>The Group</th>
<th>The Bank</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>2019</strong></td>
<td><strong>2018</strong></td>
</tr>
<tr>
<td><strong>Operating activities</strong></td>
<td></td>
</tr>
<tr>
<td><strong>Cash flows from operating activities before changes in operating assets and liabilities</strong></td>
<td>315,175</td>
</tr>
<tr>
<td><strong>Changes in operating assets and liabilities</strong></td>
<td></td>
</tr>
<tr>
<td><strong>Loans and advances</strong></td>
<td>(569,072)</td>
</tr>
<tr>
<td><strong>Other assets</strong></td>
<td>(17,988)</td>
</tr>
<tr>
<td><strong>Customer deposits</strong></td>
<td>1,015,804</td>
</tr>
<tr>
<td><strong>Other liabilities</strong></td>
<td>(876,080)</td>
</tr>
<tr>
<td><strong>Total cash generated from operating activities</strong></td>
<td>(347,176)</td>
</tr>
</tbody>
</table>

**Statements of financial position**

(All amounts are in thousands of Ghana cedis unless otherwise stated)

<table>
<thead>
<tr>
<th>The Group</th>
<th>The Bank</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>2019</strong></td>
<td><strong>2018</strong></td>
</tr>
<tr>
<td><strong>Assets</strong></td>
<td></td>
</tr>
<tr>
<td><strong>Cash and cash equivalents</strong></td>
<td>2,000,096</td>
</tr>
<tr>
<td><strong>Effect of exchange rate fluctuations on cash</strong></td>
<td>-</td>
</tr>
<tr>
<td><strong>Cash and cash equivalents at beginning of year</strong></td>
<td>2,000,096</td>
</tr>
<tr>
<td><strong>Net increase in cash and cash equivalents</strong></td>
<td>(286,053)</td>
</tr>
<tr>
<td><strong>Cash flows from investing activities</strong></td>
<td></td>
</tr>
<tr>
<td><strong>Proceeds from sale of government securities</strong></td>
<td>2,123,266</td>
</tr>
<tr>
<td><strong>Purchase of software</strong></td>
<td>(96)</td>
</tr>
<tr>
<td><strong>Other liabilities</strong></td>
<td>(343,640)</td>
</tr>
<tr>
<td><strong>Other assets</strong></td>
<td>(338,460)</td>
</tr>
<tr>
<td><strong>Customer deposits</strong></td>
<td>1,105,804</td>
</tr>
<tr>
<td><strong>Other assets</strong></td>
<td>(17,988)</td>
</tr>
<tr>
<td><strong>Net cash used in investing activities</strong></td>
<td>323,970</td>
</tr>
<tr>
<td><strong>Net cash generated from operating activities</strong></td>
<td>(497,176)</td>
</tr>
<tr>
<td><strong>Net cash used in financing activities</strong></td>
<td>(112,847)</td>
</tr>
<tr>
<td><strong>Net cash used in financing activities</strong></td>
<td>(112,847)</td>
</tr>
<tr>
<td><strong>Net increase in cash and cash equivalents</strong></td>
<td>(286,053)</td>
</tr>
<tr>
<td><strong>Cash and cash equivalents at end of period</strong></td>
<td>1,716,043</td>
</tr>
</tbody>
</table>

**Total liabilities and equity**

<table>
<thead>
<tr>
<th>The Group</th>
<th>The Bank</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>2019</strong></td>
<td><strong>2018</strong></td>
</tr>
<tr>
<td><strong>Total liabilities</strong></td>
<td>10,937,674</td>
</tr>
<tr>
<td><strong>Total equity</strong></td>
<td>1,555,564</td>
</tr>
<tr>
<td><strong>Total assets and equity</strong></td>
<td>12,503,238</td>
</tr>
</tbody>
</table>

**Key Ratios**

- **Cost to Income**: 46.3%
- **Return on Average Assets**: 4.1%
- **Return on Average Equity**: 31.8%
- **Non Funded Income to Total Income**: 31.2%
Statements of changes in equity  
(In thousands of Ghana cedis)

<table>
<thead>
<tr>
<th>The Bank</th>
<th>Stated Capital GH¢000</th>
<th>Income Surplus GH¢000</th>
<th>Revaluation Reserve GH¢000</th>
<th>Statutory Reserve Fund GH¢000</th>
<th>Credit Reserve GH¢000</th>
<th>Total GH¢000</th>
</tr>
</thead>
<tbody>
<tr>
<td>Balance at 1 January 2019</td>
<td>416,641</td>
<td>189,250</td>
<td>109,782</td>
<td>438,943</td>
<td>159,198</td>
<td>1,313,814</td>
</tr>
<tr>
<td>Profit for the period</td>
<td>-</td>
<td>207,507</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>207,507</td>
</tr>
<tr>
<td>Revaluation gains (net of tax)</td>
<td>-</td>
<td>12,907</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>12,907</td>
</tr>
<tr>
<td>Balance as at 30 June 2019</td>
<td>416,641</td>
<td>396,757</td>
<td>122,689</td>
<td>438,943</td>
<td>159,198</td>
<td>1,534,228</td>
</tr>
</tbody>
</table>

Disclosures

1. The consolidated financial statements have been prepared in accordance with International Financial Reporting standards.
2. The accounting policies applied in the preparation of these financial statements were consistent with those applied in the preparation of the annual consolidated statements of 31 December 2018.
3. Contingent liabilities

<table>
<thead>
<tr>
<th></th>
<th>Group 2019 GH¢000</th>
<th>Group 2018 GH¢000</th>
<th>Bank 2019 GH¢000</th>
<th>Bank 2018 GH¢000</th>
</tr>
</thead>
<tbody>
<tr>
<td>Guarantees and indemnities</td>
<td>855,817</td>
<td>414,253</td>
<td>855,817</td>
<td>414,253</td>
</tr>
<tr>
<td>Documentary letters of credit</td>
<td>1,063,387</td>
<td>1,151,837</td>
<td>1,063,387</td>
<td>1,151,837</td>
</tr>
<tr>
<td>Total</td>
<td>1,919,204</td>
<td>1,566,090</td>
<td>1,919,204</td>
<td>1,566,090</td>
</tr>
</tbody>
</table>

4. Quantitative Disclosures

| i. Capital Adequacy ratio | 12.79% |
| ii. Profit to risk ratio | 13.18% |
| iii. Liquid ratio         | 91.32% |
| iv. Common equity Tier 1 ratio | 15.12% |
| v. Leverage ratio          | 7.25%  |

5. Qualitative Disclosures

i. Default in statutory liquidity (times) | Nil |
ii. Default in statutory liquidity sanction (GH¢000) | Nil |

6. Significant Accounting Policies

The Group's financial statements have been prepared in accordance with International Financial Reporting Standards (IFRS) as issued by the International Accounting Standards Board. Additional information required by the Companies Act, 1963 (Act 179) and the Banks and Specialised Deposit-Taking Institutions Act, 2016 (Act 930) have been included, where appropriate. The financial statements have been prepared under the historical cost convention, unless otherwise stated.

7. Risk Management Concept and Framework

The bank’s Risk Management Concept and Framework is outlined in our Strategy, Policies, Processes and Governance structure and is based on core principles designed to ensure that we achieve our mission and serve our customers efficiently and effectively. Our Risk Appetite is defined within this framework. Policies and Processes are in place to guide our conduct of business within set risk appetite thresholds and guide effective corrective measures to deviations. Our Board of Directors approves this policy annually. The Risk Committee, the Managing Director and Risk Management Department coordinate, facilitate, and oversee the effectiveness and integrity of the risk management framework. The Internal and external audit functions in turn provide timely and objective assurance regarding the continuing appropriateness and adequacy of compliance with this framework, and report to the Audit and Risk sub-committee of the Board.

The principal risks faced by the bank are categorized into three: Credit, Market and Operational Risk.

8. During the period under review, Ecobank Ghana increased its stake in Pan African Savings and Loans from 49% to 94% by acquiring the shares of Accion International and International Finance Corporation (IFC).

9. The financial statements do not contain any untrue statement, misleading facts or omit material facts, to the best of my knowledge.

Signed
Daniel Sackey
Managing Director

Signed
Edward N. Botchway
Executive Director