

FIRST ATLANTIC BANK LIMITED

SUMMARY FINANCIAL STATEMENTS FOR THE YEAR ENDED DECEMBER 31, 2017

STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

| In thousands of GHS | 2017 | 2016 |
|--|----------------|----------------|
| Interest income | 200,301 | 183,871 |
| Interest expense | (116,887) | (81,710) |
| Net interest income | 83,414 | 102,161 |
| Fee and commission income | 33,561 | 43,370 |
| Net trading income | 24,556 | 18,803 |
| Other income | 395 | 86 |
| Operating income | 141,926 | 164,420 |
| Impairment losses on loans and advances | (5,156) | (37,626) |
| Personnel expenses | (48,351) | (42,896) |
| Depreciation and amortisation | (12,681) | (9,443) |
| Other expenses | (46,773) | (49,590) |
| Loss from associated companies | (213) | (364) |
| Profit before income tax | 28,752 | 24,501 |
| Income tax expense | (7,537) | (7,433) |
| National stabilisation levy | (1,422) | (1,195) |
| Profit for the year after income tax | 19,793 | 15,873 |
| Other comprehensive income, net of income tax | | |
| Unrealised gains/(loss) on fair value changes on available-for-sale securities, net of tax | 3,167 | 926 |
| Revaluation of property | - | 46,787 |
| Total comprehensive income for the period | 22,960 | 63,586 |
| Earnings per share (GHS) | 0.10 | 0.08 |

STATEMENT OF FINANCIAL POSITION

| In thousands of GHS | 2017 | 2016 |
|-------------------------------------|------------------|------------------|
| Assets | | |
| Cash and cash equivalents | 595,550 | 301,168 |
| Trading assets | 554,736 | 661,824 |
| Pledged trading assets | 137,376 | 95,600 |
| Loans and advances to customers | 249,798 | 233,156 |
| Investment in associates | 127 | 340 |
| Current tax assets | 1,408 | 1,500 |
| Intangible assets | 6,102 | 5,716 |
| Other assets | 20,012 | 15,262 |
| Property and equipment | 137,532 | 127,473 |
| Total assets | 1,702,641 | 1,442,039 |
| Liabilities | | |
| Deposits from banks | 68,803 | 140,944 |
| Deposits from customers | 1,378,961 | 1,042,814 |
| Borrowings | - | 13,554 |
| Deferred tax liabilities | 18,481 | 16,997 |
| Other liabilities | 6,163 | 20,457 |
| Total liabilities | 1,472,408 | 1,234,766 |
| Equity | | |
| Stated capital | 96,610 | 96,610 |
| Income surplus account | 30,418 | 161 |
| Revaluation reserve | 50,765 | 50,765 |
| Statutory reserve fund | 41,830 | 31,933 |
| Credit risk reserve | 7,214 | 27,575 |
| Other reserves | 3,396 | 229 |
| Total equity | 230,233 | 207,273 |
| Total equity and liabilities | 1,702,641 | 1,442,039 |

STATEMENT OF CASH FLOWS

| In thousands of GHS | 2017 | 2016 |
|---|-----------------|------------------|
| Cash flows from operating activities | | |
| Profit for the period Adjusted for: | 28,752 | 24,501 |
| Depreciation and amortisation | 12,681 | 9,443 |
| Impairment on financial assets | 5,156 | 37,626 |
| Bad debt recovered | 531 | 180 |
| Profit on disposal of assets | (395) | (86) |
| Net interest income | (83,414) | (99,948) |
| | (36,689) | (28,284) |
| Changes in trading assets | | |
| Change in trading assets | 111,311 | (399,213) |
| Change in pledged trading assets | (41,776) | (69,090) |
| Change in loans and advances to customers | (24,294) | 104,156 |
| Change in other assets | (4,988) | (1,683) |
| Change in investment in associates | 213 | 364 |
| Change in deposits from banks | (72,141) | 125,467 |
| Change in deposits from customers | 316,043 | 166,577 |
| Change in borrowings | (13,554) | (72,968) |
| Change in other liabilities | (14,531) | 196 |
| | 256,283 | (146,194) |
| Interest received | 202,267 | 173,251 |
| Interest paid | (96,783) | (73,633) |
| Income tax paid | (7,965) | (9,792) |
| Net cash generated from operating activities | 317,113 | (84,652) |
| Cash flows from investing activities | | |
| Purchase of property and equipment | (21,361) | (32,430) |
| Proceeds from sale of property and equipment | 505 | 134 |
| Purchase of intangible assets | (1,875) | (427) |
| Net cash outflow from investing activities | (22,731) | (32,723) |
| Cash flows from financing activities | | |
| Proceeds from issue of shares | - | - |
| Net cash generated from financing activities | | |
| Net increase in cash and cash equivalents | 294,382 | (117,375) |
| Cash and cash equivalents at start of year | 301,168 | 418,543 |
| Cash and cash equivalents at end of year | 595,550 | 301,168 |

STATEMENT OF CHANGES IN EQUITY

In thousands of GHS

| | Stated capital | Statutory reserve | Credit risk reserve | Other reserve | Retained earnings | Total |
|--|-----------------------|--------------------------|----------------------------|----------------------|--------------------------|----------------|
| Balance at 1 January 2016 | 96,610 | 23,997 | 24,676 | 3,282 | (4,878) | 143,687 |
| Profit for the year | - | - | - | - | 15,873 | 15,873 |
| Other comprehensive income | | | | | | |
| Net change in fair value of available-for-sale financial assets net of tax | - | - | - | 926 | - | 926 |
| Revaluation gain on property net of tax | - | - | - | 46,786 | - | 46,786 |
| Total comprehensive income for the year | | | | 47,712 | 15,873 | 63,586 |
| Transfer from income surplus to reserves & transactions with owners, recorded directly in equity | | | | | | |
| Transfer to statutory reserve | - | 7,937 | - | - | (7,937) | - |
| Transfer to credit risk reserve | - | - | 2,899 | - | (2,899) | - |
| Total other movements in equity | | 7,937 | 2,899 | - | (10,836) | - |
| Balance at 31 December 2016 | 96,610 | 31,933 | 27,575 | 50,994 | 160 | 207,273 |
| Balance at 1 January 2017 | 96,610 | 31,933 | 27,575 | 50,994 | 160 | 207,273 |
| Profit for the year | - | - | - | - | 19,793 | 19,793 |
| Other comprehensive income | | | | | | |
| Net change in fair value of available-for-sale financial assets net of tax | - | - | - | 3,168 | - | 3,168 |
| Revaluation gain on property net of tax | - | - | - | - | - | - |
| Total comprehensive income for the year | | | | | 19,793 | 22,960 |
| Transfers from income surplus to reserves & transactions with owners, recorded directly in equity | | | | | | |
| Transfer to statutory reserve | - | 9,896 | - | - | (9,896) | - |
| Transfer to credit risk reserve | - | - | (20,362) | - | 20,362 | - |
| Total other movements in equity | | 9,896 | (20,362) | - | 10,465 | - |
| Balance at 31 December 2017 | 96,610 | 41,830 | 7,214 | 54,162 | 30,418 | 230,233 |

