

FIRST ATLANTIC BANK LIMITED

FINANCIAL STATEMENTS FOR THE PERIOD ENDED 31 MARCH, 2022

(UNAUDITED) STATEMENT OF COMPREHENSIVE INCOME

in thousands of GHS

| | MARCH 2022 | MARCH 2021 |
|---|----------------|---------------|
| Interest income | 103,740 | 74,514 |
| Interest expense | (25,345) | (19,112) |
| Net interest income | 78,395 | 55,402 |
| Fee and commission income | 18,434 | 15,288 |
| Net trading income | 15,985 | 7,979 |
| Other income | 345 | 275 |
| Operating income | 113,159 | 78,944 |
| Impairment losses on financial assets | (10,462) | (7,618) |
| Personnel expenses | (25,734) | (17,662) |
| Depreciation and amortisation | (6,701) | (5,542) |
| Other expenses | (26,503) | (17,027) |
| Profit before income tax | 43,759 | 31,095 |
| Income tax expense | (10,187) | (7,774) |
| National fiscal stabilisation levy | (1,600) | (1,554) |
| Financial sector recovery levy | (1,600) | - |
| Profit for the year after income tax | 30,372 | 21,767 |
| Other comprehensive income, net of income tax | | |
| Unrealised gains on fair value changes on available-for-sale securities, net of tax | - | - |
| Total comprehensive income for the period | 30,372 | 21,767 |

(UNAUDITED) STATEMENT OF FINANCIAL POSITION

in thousands of GHS


| | MARCH 2022 | MARCH 2021 |
|-------------------------------------|------------------|------------------|
| Assets | | |
| Cash and cash equivalents | 1,167,148 | 702,206 |
| Investment securities | 1,302,694 | 1,182,364 |
| Loans and advances to customers | 1,181,132 | 633,698 |
| Investment in associates | 1,176 | 449 |
| Current tax assets | 14,962 | 9,609 |
| Intangible assets | 5,817 | 4,573 |
| Other assets | 965,939 | 634,309 |
| Property and equipment | 178,922 | 166,788 |
| Right-of-Use Assets | 24,529 | 23,875 |
| Total assets | 4,842,319 | 3,357,871 |
| Liabilities | | |
| Deposits from banks | 59,407 | - |
| Deposits from customers | 3,946,225 | 2,671,829 |
| Deferred tax liabilities | 11,219 | 10,250 |
| Other liabilities | 61,013 | 35,113 |
| Lease liabilities | 18,938 | 20,125 |
| Total liabilities | 4,096,802 | 2,737,317 |
| Equity | | |
| Stated capital | 404,570 | 404,570 |
| Income surplus account | 79,748 | 17,131 |
| Revaluation reserve | 56,427 | 56,427 |
| Statutory reserve fund | 153,126 | 94,947 |
| Credit risk reserve | 51,646 | 47,479 |
| Total equity | 745,517 | 620,554 |
| Total equity and liabilities | 4,842,319 | 3,357,871 |

(UNAUDITED) STATEMENT OF CASH FLOW




in thousands of GHS


| | MARCH 2022 | MARCH 2021 |
|--|------------------|-----------------|
| Cash flows from operating activities | | |
| Cash operated from/(used in) operating activities | 224,201 | (60,250) |
| Tax paid | (15,579) | (6,000) |
| Net cash flow used in operating activities | 208,622 | (66,250) |
| Cash flows from investing activities | | |
| Purchase of property and equipment | (2,515) | (1,963) |
| Purchase of intangible assets | (320) | - |
| Proceeds from asset disposal | 225 | 258 |
| Net Cash flow used in investing activities | (2,610) | (1,705) |
| Cash flow from financing activities | | |
| Payments on lease liabilities | (552) | (997) |
| Net Cash flow from financing activities | (552) | (997) |
| Net increase/(decrease) in cash and cash equivalents | 205,460 | (68,952) |
| Cash and cash equivalents at beginning 1 January | 961,688 | 771,158 |
| Cash and cash equivalents at end 31 March | 1,167,148 | 702,206 |

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FIRST ATLANTIC BANK LIMITED

FINANCIAL STATEMENTS FOR THE PERIOD ENDED 31 MARCH, 2022

(UNAUDITED) STATEMENT OF CHANGES IN EQUITY

in thousands of GHS

| | Stated capital | Statutory reserve fund | Credit risk reserve | Revaluation Reserve | Income surplus account | Total |
|--|----------------|------------------------|---------------------|---------------------|------------------------|----------------|
| Balance at 1 January 2022 | 404,570 | 153,126 | 56,397 | 56,427 | 44,625 | 715,145 |
| Profit for the period | - | - | - | - | 30,372 | 30,372 |
| Other comprehensive income | | | | | | |
| Net change in fair value of available-for-sale financial assets net of tax | - | - | - | - | - | - |
| Total comprehensive income for the year | - | - | - | - | 30,372 | 30,372 |
| Transfers from income surplus to reserves and transactions with owners, recorded directly in equity | | | | | | |
| Transfer from credit risk reserve | - | - | (4,751) | - | 4,751 | - |
| Total other movements in equity | - | - | (4,751) | - | 4,751 | - |
| Balance at 31 March 2022 | 404,570 | 153,126 | 51,646 | 56,427 | 79,748 | 745,517 |

| | | | | | | |
|--|----------------|---------------|----------------|---------------|---------------|----------------|
| Balance at 1 January 2021 | 404,570 | 94,947 | 55,299 | 56,427 | (12,456) | 598,787 |
| Profit for the period | - | - | - | - | 21,767 | 21,767 |
| Other comprehensive income | | | | | | |
| Net change in fair value of available-for-sale financial assets net of tax | - | - | - | - | - | - |
| Total comprehensive income for the year | - | - | - | - | 21,767 | 21,767 |
| Transfers from income surplus to reserves and transactions with owners, recorded directly in equity | | | | | | |
| Transfer from credit risk reserve | - | - | (7,820) | - | 7,820 | - |
| Total other movements in equity | - | - | (7,820) | - | 7,820 | - |
| Balance at 31 March 2021 | 404,570 | 94,947 | 47,479 | 56,427 | 17,131 | 620,554 |

1. SIGNIFICANT ACCOUNTING POLICIES

The 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). The accounting policies adopted in the preparation of these interim financial statements are consistent with those applied in the preparation of the Bank's annual financial statements for the year ended 31 December 2021.

Basis of preparation

The published summary financial statements are in accordance with the Bank of Ghana Guide for Publication for Banks and Bank of Ghana licensed financial institutions.

2. QUANTITATIVE DISCLOSURES

| | MARCH 2022 | MARCH 2021 |
|---------------------------------|------------|------------|
| Capital adequacy ratio (CRD) | 22% | 27% |
| Non-performing loan (NPL) ratio | 8% | 13% |
| Liquid ratio | 83% | 104% |

3. QUALITATIVE DISCLOSURES

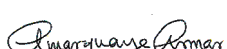
The Bank's activities expose it to a variety of financial risks and those activities involve the analysis, evaluation, acceptance and management of some degree of risk or combination of risks. Taking risk is core to the Bank's business, and the operational risks are an inevitable consequence of being in business. The Bank's aim is therefore to achieve an appropriate balance between risk and return and minimise potential adverse effects on its financial performance. Risk management is carried out by the Risk Management Department under policies approved by

the Board of Directors. Risk Management Department identifies, evaluates and manages financial risks in close cooperation with the operating units. The Board provides written principles for overall risk management, as well as written policies covering specific areas such as foreign exchange risk, interest rate risk, credit risk and use of non-derivative financial instruments. The most important types of risk are credit risk, liquidity risk, market risk and operational risk. Market risk includes currency risk, interest rate and other price risk.

4. DEFAULTS IN PRUDENTIAL REQUIREMENTS AND ACCOMPANYING SANCTIONS

| | MARCH 2022 | MARCH 2021 |
|---|------------|------------|
| (1a) Default in statutory liquidity (times) | Nil | Nil |
| (1b) Sanctions (GHS '000') | Nil | Nil |
| (2a) Default in prudential requirements (times) | 1 | Nil |
| (2b) Sanctions (GHS '000') | 18 | Nil |

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


Mr. Amarquaye Armar
(Chairman)


Odun Odunfa
(MD/CEO)