

**GUARANTY TRUST BANK (GHANA) LIMITED**
**UNAUDITED CONDENSED FINANCIAL STATEMENTS FOR THE QUARTER ENDED 31 MARCH 2021**

The Board of Directors of Guaranty Trust Bank (Ghana) Limited is pleased to present the summary financial information of the Bank's interim unaudited results for the quarter ended 31 March, 2021.

**CONDENSED STATEMENT OF COMPREHENSIVE INCOME FOR THE QUARTER ENDED 31 MARCH 2021**

	March 2021	March 2020
	GH¢'000	GH¢'000
Interest income calculated using the effective interest method	101,434	79,218
Other interest income	10,785	6,889
Interest expense	(30,359)	(16,685)
<b>Net interest income</b>	<b>81,860</b>	<b>69,422</b>
Fee and commission income	31,631	21,796
Net trading income	34,316	30,573
Net income from other financial instruments carried at fair value through profit or loss	14,246	8,840
<b>Revenue</b>	<b>162,053</b>	<b>130,631</b>
Other income	113	60
Net impairment on financial assets	(977)	(151)
Personnel expenses	(14,339)	(13,708)
Amortisation of prepaid leases	(677)	(409)
Depreciation and amortisation	(4,579)	(4,438)
Finance charge	(981)	(848)
Other operating expenses	(23,537)	(15,505)
<b>Profit before income tax expense and national fiscal stabilisation levy</b>	<b>117,076</b>	<b>95,632</b>
National fiscal stabilisation levy	(5,854)	(4,782)
Income tax expense	(29,269)	(23,908)
<b>Profit for the quarter and total comprehensive income</b>	<b>81,953</b>	<b>66,942</b>

**CONDENSED STATEMENT OF FINANCIAL POSITION AS AT 31 MARCH 2021**

	March 2021	December 2020
	GH¢'000	GH¢'000
<b>Assets</b>		
Cash and cash equivalents	1,019,164	598,073
Non-pledged trading assets	536,211	439,593
Loans and advances to customers	1,276,972	1,057,580
Investment securities	1,586,654	1,647,945
Property and equipment	103,488	104,652
Intangible assets	3,369	3,603
Deferred tax assets	2,195	2,195
Other assets	188,322	227,448
<b>Total Assets</b>	<b>4,716,375</b>	<b>4,081,089</b>
<b>Liabilities</b>		
Deposits from customers	3,246,512	2,995,393
Deposits from banks	270,101	-
Current tax liabilities	10,191	6,507
Deferred tax liabilities	3,277	3,277
Provision on off-balance sheet items	396	460
Other liabilities	96,525	68,032
<b>Total liabilities</b>	<b>3,627,002</b>	<b>3,073,669</b>
<b>Equity</b>		
Stated capital	404,895	404,895
Credit risk reserve	16,245	16,245
Statutory reserve	345,488	325,000
Income surplus	322,745	261,280
<b>Total shareholders' funds</b>	<b>1,089,373</b>	<b>1,007,420</b>
<b>Total Liabilities and Equity</b>	<b>4,716,375</b>	<b>4,081,089</b>

**CONDENSED STATEMENT OF CASH FLOWS FOR THE PERIOD ENDED 31 MARCH 2021**

	March 2021	December 2020
	GH¢'000	GH¢'000
<b>Cash flows from Operating Activities</b>		
Profit for the quarter	81,953	269,331
Adjustments for:		
Depreciation and amortization	4,579	18,677
Impairment on financial assets	977	8,037
Profit on disposal of property and equipment	(109)	(94)
Loss on derivative assets	-	10,387
Fair value gains on non-pledged trading assets	-	(37,033)
Foreign exchange loss/ (gains)	5,119	(20,843)

**CONDENSED STATEMENT OF CASH FLOWS FOR THE QUARTER ENDED 31 MARCH 2021 - continued**

	March 2021	December 2020
	GH¢'000	GH¢'000
Net interest income	(81,860)	(285,909)
Income tax expense	35,123	115,656
Lease liability finance charges	981	3,885
Change in loans and advances to customers	(220,433)	(495,758)
Change in trading assets and investment securities	(43,924)	(10,239)
Change in other assets	39,126	(133,493)
Change in deposit from banks	270,101	(241,346)
Change in deposits from customers	251,119	846,344
Change in other liabilities	34,540	(2,417)
Interest income received	112,219	367,085
Interest expense paid	(30,359)	(81,176)
Interest paid on lease liability	(158)	(3,098)
Income tax paid	(26,187)	(87,201)
National fiscal stabilisation levy paid	(5,252)	(17,246)
<b>Net cash generated from operating activities</b>	<b>427,555</b>	<b>223,549</b>
<b>Cash flows from investing activities</b>		
Purchase of property and equipment	(3,381)	(4,792)
Purchase of intangible assets	(92)	(538)
Proceeds from sale of property and equipment	402	98
<b>Net cash used in investing activities</b>	<b>(3,071)</b>	<b>(5,232)</b>
<b>Cash flows from financing activities</b>		
Repayment of borrowings	-	-
Lease liability payments	(6,871)	(2,582)
Dividends paid	-	(50,183)
<b>Net cash used in financing activities</b>	<b>(6,871)</b>	<b>(52,765)</b>
<b>Net increase in cash and cash equivalents</b>	<b>417,613</b>	<b>165,552</b>
Cash and cash equivalents at 1 January	612,255	429,625
Effect of exchange rate fluctuations	(4,407)	17,078
Cash and cash equivalents at 31 March	1,025,461	612,255

**CONDENSED STATEMENT OF CHANGES IN EQUITY FOR THE QUARTER ENDED 31 MARCH 2021**

	Stated Capital	Statutory Reserve Fund	Credit Risk Reserve	Income Surplus	Total
	GH¢'000	GH¢'000	GH¢'000	GH¢'000	GH¢'000
Balance at 1 January 2021	404,895	325,000	16,245	261,280	1,007,420
Profit for the quarter	-	-	-	81,953	81,953
Total comprehensive income	-	-	-	81,953	81,953
Transfers	-	-	-	-	-
Transfer from credit risk reserve	-	-	-	-	-
Transfer to statutory reserve	-	20,488	-	(20,488)	-
Total transfers	-	20,488	-	(20,488)	-
Balance at 31 March 2021	404,895	345,488	16,245	322,745	1,089,373

**CONDENSED STATEMENT OF CHANGES IN EQUITY FOR THE PERIOD ENDED 31 DECEMBER 2020**

	Stated Capital	Statutory Reserve	Credit Risk Fund	Income Surplus Reserve	Total
	GH¢'000	GH¢'000	GH¢'000	GH¢'000	GH¢'000
Balance at 1 January 2020	404,895	257,667	13,520	112,190	788,272
Profit for the year	-	-	-	269,331	269,331
Total comprehensive income	-	-	-	269,331	269,331
Transfers	-	-	-	-	-
Transfer from credit risk reserve	-	-	2,725	(2,725)	-
Transfer to statutory reserve	-	67,333	-	(67,333)	-
Total transfers	-	67,333	2,725	(70,058)	-
Transaction with shareholders	-	-	-	-	-
Dividends paid	-	-	-	(50,183)	(50,183)
Balance at 31 December 2020	404,895	325,000	16,245	261,280	1,007,420

**Significant Accounting Policies**

The Financial Statements have been prepared in accordance with International Financial Reporting Standards (IFRS) as issued by the International Accounting Standards Board (IASB) and adopted by the Institute of Chartered Accountants, Ghana (ICAG) in the preparation of the Financial Statements for the quarter ended 31 March 2021. All December 2020 figures are audited.

**Going Concern**

We have no plans or intentions, for example to dispose off the business or cease operations that may materially alter the carrying value or classification of assets and liabilities reflected in the financial statements.

**Quantitative Disclosures**

	March 2021	December 2020
i. Capital adequacy ratio (per CRD)	35.08%	43.85%
ii. Non-performing loan (NPL) to gross loan (BOG basis)	1.02%	0.98%
iii. Loan loss provision ratio	0.41%	0.40%
iv. Liquidity ratio	62.86%	64.20%
v. Leverage ratio	17.82%	23.50%
vi. Contingents (GHS'000)	265,788	100,158

**Qualitative Disclosures**

The Bank's dominant risks are: credit risk, liquidity risk, market risk, operational risk and foreign exchange risk. The processes followed in risk measurement and their management for the quarter ended 31 March 2021 are consistent with those followed for the year ended 31 December 2020.

**Defaults in statutory liquidity and accompanying sanctions**

	March 2021	December 2020
Default in statutory liquidity (No. of times)	nil	nil
Sanctions for statutory liquidity default (GHS'000)	nil	nil

**Risk Management Framework**

As a Bank, risk is at the core of our operations. To manage it, we have designed a Risk Management Framework covering the strategic framework, organisational structure, risk appetite, operational framework and risk monitoring and reporting.

**Nature of Business**

The Bank is licensed to carry out Universal Banking business in Ghana. There was no change in the nature of the Bank's business for the quarter ended 31 March 2021.

**Holding Company**

The Bank is a subsidiary of Guaranty Trust Bank Plc, a company incorporated in the Federal Republic of Nigeria and licensed to carry out universal banking business.

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

**Signed:**

Kwasi M. Tagbor  
Board Chairman

**Signed:**

Thomas Attah John  
Managing Director