

STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME FOR THE SIX MONTHS ENDED 30 JUNE 2023

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

	June 2023	June 2022
Interest income	525,356	310,017
Interest expense	(143,486)	(107,296)
Net interest income	381,870	202,721
Fees and commission income	45,635	33,761
Fees and commission expense	(15,023)	(11,643)
Net fees and commission income	30,612	22,118
Net trading and revaluation income	45,431	50,030
Other operating income	40	119
Net trading and other income	45,471	50,149
Operating income	457,953	274,988
Allowance for credit losses on financial assets	(48,299)	(71,282)
Employee benefit expenses	(53,071)	(36,960)
Depreciation and amortisation	(7,651)	(6,144)
Other operating expenses	(53,410)	(44,955)
Profit before income tax	295,522	115,647
Income tax expense	(102,607)	(37,317)
Profit for the period	192,915	78,330
Other comprehensive income		
<i>Items that will be reclassified to the income statement:</i>		
Net change in fair value during the period (net of tax)	-	-
Total comprehensive income for the period	192,915	78,330
Basic and diluted earnings per share (Ghana cedis)	0.03	0.01

STATEMENT OF CASHFLOWS FOR THE SIX MONTHS ENDED 30 JUNE 2023

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

	June 2023	June 2022
Cash flows from operating activities		
Profit before income tax	295,522	115,647
<i>Adjustments for:</i>		
Depreciation and amortisation	7,652	6,144
Allowance for credit loss on financial assets	48,299	71,282
Gain on disposal of property and equipment	(30)	93
Write-off of property and equipment	-	309
Net interest income	(381,870)	(202,721)
Income tax expense	(102,607)	(37,317)
	(133,034)	(46,563)
Change in operating assets and liabilities		
Change in mandatory reserve deposits	(43,159)	(20,058)
Change in loans and advances to customers	237,453	(207,398)
Change in other assets	146,624	369,498
Change in deposits from banks	47,060	(22,523)
Change in deposits from customers	431,585	200,582
Change in other liabilities	(41,595)	4,327
Interest received	525,356	310,017
Interest paid	(143,486)	(107,296)
Income tax paid	(118,237)	(36,556)
Net cash used in operating activities	908,567	444,030
Cash flows from investing activities		
Purchase of investment securities	(3,966,493)	(1,555,627)
Proceeds from sale/redemption of investment securities	3,447,696	1,313,076
Purchase of property and equipment	(6,192)	(4,410)
Purchase of intangible assets	-	(590)
Net cash from investing activities	(524,989)	(247,551)
Cash flows from financing activities		
Net cash used in financing activities	-	-
Net increase in cash and cash equivalents	383,578	196,479
Cash and cash equivalents at 1 January	1,882,049	798,120
Cash and cash equivalents at 30 June	2,265,627	994,599
<i>Cash and cash equivalents for the purpose of statement of cashflow comprises:</i>		
Cash and balances with Bank of Ghana	1,233,773	582,448
Due from other banks less than 90 days	606,988	741,183
	1,840,761	1,323,631
Mandatory deposit reserve	(516,784)	(427,608)
	1,323,977	896,023
Short term treasury bills	941,650	98,576
Cash and cash equivalents at 30 June	2,265,627	994,599

STATEMENT OF FINANCIAL POSITION AS AT 30 JUNE 2023

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

	June 2023	June 2022
Assets		
Cash and bank balances	1,840,760	1,323,631
Investment securities:		
- At amortised cost	3,397,438	2,957,748
Loans and advances to customers	1,260,936	1,168,635
Other assets	142,678	106,972
Property and equipment	69,967	61,517
Intangible assets	1,676	1,958
Income tax asset	36,765	-
Deferred tax asset	89,805	13,452
Total assets	6,840,025	5,633,913
Liabilities		
Deposits from customers	5,167,837	4,276,080
Deposits from banks	120,000	36,526
Other liabilities	168,008	108,170
Current Tax Liability	-	2,125
Total liabilities	5,455,845	4,422,901
Equity		
Stated capital	400,000	400,000
Retained Earnings	632,284	474,000
Fair value reserve	-	14
Credit risk reserve	-	-
Statutory reserve	351,896	336,998
Total equity	1,384,180	1,211,012
Total liabilities and equity	6,840,025	5,633,913

STATEMENT OF CHANGES IN EQUITY FOR THE SIX MONTHS ENDED 30 JUNE 2023

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

For the six months ended 30 June 2023

	Stated capital	Retained Earnings	Statutory reserve	Credit risk reserve	Fair value reserve	Total
At 31 December 2022	400,000	439,369	351,896	-	-	1,191,265
Profit for the period	-	192,915	-	-	-	192,915
Total comprehensive income for the period	-	192,915	-	-	-	192,915
At 30 June 2023	400,000	632,284	351,896	-	-	1,384,180

For the six months ended 30 June 2022

	Stated capital	Retained Earnings	Statutory reserve	Credit risk reserve	Fair value reserve	Total
At 31 December 2021	400,000	395,670	336,998	-	14	1,132,682
Profit for the period	-	78,330	-	-	-	78,330
Total comprehensive income for the period	-	78,330	-	-	-	78,330
At 30 June 2022	400,000	474,000	336,998	-	14	1,211,012

NOTES TO THE FINANCIAL STATEMENTS FOR THE SIX MONTHS ENDED 30 JUNE 2023

1. Reporting Entity

United Bank for Africa (Ghana) Limited ("the Bank") is a limited liability company and is incorporated and domiciled in Ghana. The registered office is Heritage Towers, Ambassadorial Enclave, Accra. The Bank operates under the Banks and Specialised Deposit-Taking Institutions Act, 2016 (Act 930).

The Bank is a subsidiary of United Bank for Africa Plc of Nigeria and provides retail, corporate banking and investment banking services.

2. Basis of Preparation and Significant Accounting Policies

The condensed financial statements have been prepared in accordance with IAS 34 (Interim Financial Reporting) as issued by the International Accounting Standards Board (IASB). Additional information required under the Companies Act, 2019 (Act 992) and the Banks and Specialised Deposit-Taking Institutions Act, 2016 (Act 930) have been included where appropriate.

The accounting policies adopted in the preparation of these condensed financial statements are consistent with those applied in the preparation of the Bank's annual financial statements for the year ended 31 December 2022. The Bank has not early adopted any standard, interpretation or amendment that has been issued but is not yet effective.

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

3. Quantitative Disclosures

	June 2023	June 2022
Capital adequacy ratio	19.46%	24.75%
Common equity tier 1 ratio	16.46%	22.79%
Leverage ratio	9.01%	13.93%
Liquidity ratio	85.65%	73.87%
Non-performing loans ratio	26.30%	27.44%

4. Qualitative Disclosures


The Bank's activities expose it to a variety of risks such as credit risk, liquidity risk, operational risks and market risks.

The Board of Directors has overall responsibility for the establishment and oversight of the Bank's risk management framework. The Board has established a Risk Management Committee in support of their risk oversight objectives and responsibilities. There is also a Risk Management Department which has responsibility for the implementation of the Bank's risk control principles, frameworks and processes across the entire risk spectrum.

The Bank's risk management policies are established to identify and analyse the risks faced by the Bank, to set appropriate risk limits and controls, and to monitor risks and adherence to limits. Risk management policies and systems are reviewed regularly to reflect changes in market conditions, products and services offered. The Bank, through its training and management standards and procedures, aims to develop a disciplined and constructive control environment, in which all employees understand their roles and obligations.

5. Defaults in prudential requirements and accompanying sanctions

	June 2023	June 2022
Default in statutory liquidity	Nil	Nil
Sanctions (GHS '000)	-	-
Default in prudential requirement (times)	Nil	Nil
Sanctions (GHS '000)	-	60,000


Kweku Andoh Awotwi
Board Chairman


Chris Ofikulu
MD/CEO