



PRESS RELEASE

PR. No 277/2019

**DALEX FINANCE AND LEASING COMPANY PLC (DALEX) -
UNAUDITED FINANCIAL STATEMENTS
FOR THE SECOND QUARTER ENDING 30 JUNE 2019**

DALEX has released its unaudited Financial Statements for the second quarter ending June 30, 2019 as per the attached.

Issued in Accra, this 30th
day of July, 2019

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att'd.

Distribution:

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**GA*

Dalex Finance & Leasing PLC

Unaudited Financial Statements for the Half Year Ended 30th June, 2019

Statement of Comprehensive Income for the period ended 30th June, 2019

	H1 2019 GH¢	H1 2018 GH¢
Interest Income	82,897,825	95,236,075
Interest Expense	(64,617,746)	(64,983,911)
Net Interest Income	17,480,079	30,252,164
Other Operating Income	2,872,842	7,617,101
Operating Income	20,352,921	37,869,265
Impairment Losses on Financial Assets	(959,138)	(5,866,279)
Operating Expenses	(17,060,861)	(26,104,238)
Net profit before tax	2,332,922	5,898,798
Income Tax Expense	(583,231)	(1,414,700)
National Stabilisation Levy	(116,646)	(294,939)
Net Profit for the Quarter	1,633,045	4,129,159
Other Comprehensive Income	-	-
Total Comprehensive Income for the Period	1,633,045	4,129,159

Statement of Financial Position as at 30th June, 2019

	H1 2019 GH¢	H1 2018 GH¢
Non Current Assets		
Property, Plant and Equipment	3,155,197	3,339,857
Intangible Assets	303,412	282,143
Equity Available for sale	151,900	151,900
Total Non Current Assets	3,610,509	3,774,900
Current Assets		
Cash and Cash Equivalents	29,629,300	22,211,771
Loans and Advances	619,346,790	577,190,463
Held to maturity	119,024,116	109,621,589
Other Assets	2,536,648	4,425,586
Total Current Assets	670,438,353	663,449,599
Total Assets	674,048,862	667,224,499
Shareholders Equity		
Statutory Capital	11,000,000	16,000,000
Income Surplus Account	19,373,604	24,001,002
Statutory Reserve Fund	26,044,130	21,533,164
Credit Risk Reserve	11,130,263	5,370,659
Capital Surplus Account	396,446	396,446
Total Equity	67,944,442	67,901,470
Liabilities		
Deferred Tax Liability	47,206	146,610
Taxation	1,269,028	3,952,512
Interest Payable & Other Liabilities	1,612,176	2,404,883
Subordinated Debt (Tier 2 Capital)	16,760,000	13,700,000
Due to Investment Customers	586,426,011	579,108,925
Total Liabilities	606,104,420	599,322,939
Total Shareholders Equity & Liabilities	674,048,862	667,224,499

Statement of Changes in Equity for the period ended 30th June, 2019

	Statutory Capital GH¢	Capital Surplus GH¢	Income Surplus GH¢	Statutory Reserve Fund GH¢	Income Loss Reserve GH¢	Total Equity GH¢
Balance at 31st Dec 2018	11,000,000	396,446	17,146,535	20,014,130	11,130,263	68,687,374
Net Profit for the Quarter	-	-	1,633,045	-	-	1,633,045
Balance at 30th June	11,000,000	396,446	18,779,580	20,014,130	11,130,263	67,944,442

Statement of Cash Flows for the period ended 30th June, 2019

	H1 2019 GH¢	H1 2018 GH¢
Net Profit before Tax	2,332,922	5,898,798
Adjusted For		
Depreciation	811,102	385,229
Loss/(Profit) on Sale of Equipment	3,144,024	6,284,027
Changes in:		
Loans and Advances	19,410,405	(71,316,847)
Other Assets	2,742,964	1,321,704
Other Payables	(1,567,493)	1,035,137
Investment Customers	3,686,977	62,662,265
Income Tax	33,396,877	(145,714)
Net Cash used in Operating Activities	31,056,877	(1,750,363)
Cash flow from Investing Activities		
Acquisition of Property and Equipment	(426,226)	(320,351)
Acquisition of Intangible Asset	(42,640)	-
Change in Investment	(9,890,095)	(27,423,979)
Net Cash used in Investing Activities	(10,358,965)	(27,744,330)
Cash flow from Financing Activities		
Proceeds from Tier 2 Capital	-	13,700,000
Net Cash Received from Financing Activities	-	13,700,000
Net Increase in Cash and Cash Equivalent	20,697,912	(15,794,393)
Analysis of Change in Cash and Cash Equivalent		
Cash and Cash Equivalent at 1st Jan	8,931,388	38,006,784
Net Increase in Cash and Cash Equivalent	20,697,912	(15,794,393)
Cash and Cash Equivalent at Month Ending	29,629,300	22,211,771

Notes to the Unaudited Financial Statement

Disclosures-Quantitative

	2019	2018
Capital Adequacy Ratio (CAR)	10.59%	11.36%
Non-Performing Loans	22.13%	21.48%

Disclosures-Qualitative

1. Reporting Entity

Dalex Finance & Leasing Company was incorporated on 13th September 2014 and obtained its Certificate to Commence Business on 24th April 2016.

2. Significant Accounting Policies

The Financial Statement of Dalex Finance & Leasing PLC have been prepared on historical cost basis except for the following assets and liabilities which are stated at fair value: Financial Instruments held at fair value through profit and loss, Financial Instruments classified as available-for-sale, and plant, Property and Equipment.

3. Functional and Presentation Currency

Items included in the Financial statements are presented using the functional currency (currency of the primary economic environment in which the Company operates), Ghana Cedi (Ghc).

4. Risk Management

The Company was exposed to the following risks;

- Credit Risk
- Liquid Risk
- Market Risk
- Operational Risk

The Board of Directors has overall responsibility for the establishment and oversight of the Company's management framework. The Board's Audit Committee and Assets Liability Committee (ALCO) are responsible for monitoring compliance with the Company's risk management policies and procedures and for reviewing the adequacy of the risk management framework in the relation to the risks faced by the Company.

5.Defaults / Statutory Liquidity and accompanying sanctions

	2019	2018
i) Default in statutory Liquidity	Nil	Nil
ii) Sanctions (Ghc)	Nil	Nil

To the best of our knowledge, the Financial Statement does not contain any untrue statements, misleading facts or omitted material facts.

Aky Kwasi Enkwa
Executive Chairman

Kenneth Kwamina Thompson
Chief Executive Officer