

### **PRESS RELEASE**

PR. No. 120/2023

## **GCB BANK PLC (GCB) –**

## AUDITED SUMMARY CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS FOR THE YEAR ENDED DECEMBER 31, 2022

GCB has released its Audited Summary Consolidated and Separate Financial Statements for the year ended December 31, 2022, as per the attached.

Issued in Accra, this 25<sup>th.</sup> Day of April 2023.

- END-

att'd.

#### **Distribution:**

- 1. All LDMs
- 2. General Public
- 3. Company Secretary, GCB
- 4. Securities and Exchange Commission
- 5. Central Securities Depository
- 6. GCB Registrar (Registrars for GCB shares)
- 7. Custodians
- 8. GSE Council Members
- 9. GSE Notice Board

### For enquiries, contact:

Head of Listing, GSE on 0302 669908, 669914, 669935 \*XA

# GCB Bank PLC

## Summary consolidated and separate financial statements for the year ended 31 December 2022

All amounts are in thousands of Ghana cedis unless otherwise stated

Statement of profit or loss and other comprehensive income for the year ended 31 December 2022 Statements of cash flows for the year ended 31 December 2022

	20	022	20	21
	Bank	Group	Bank	Group
Interest income	2,813,805	2,829,445	2,369,457	2,379,370
Interest expense	(722,006)	(721,943)	(484,620)	(484,527)
Net interest income	2,091,799	2,107,502	1,884,837	1,894,843
Fee and commission income	439,224	458,316	390,408	410,277
ee and commission expense	(66,630)	(73,310)	(50,749)	(50,749)
Net fee and commission income	372,594	385,006	339,659	359,528
Net trading income	487,226	487,226	157,540	157,540
Other operating income	19,792	25,933	9,576	15,582
Operating income	2,971,411	3,005,667	2,391,612	2,427,493
Net impairment loss on loans	(274,051)	(274,051)	(324,800)	(324,800)
Net impairment loss on Investment securities	(1,814,474)	(1,831,208)	- 1	
Personnel expenses	(796,993)	(801,593)	(637,316)	(641,555)
Depreciation and amortisation	(145,074)	(154,215)	(148,171)	(148,466)
Other expenses	(647,071)	(676,144)	(471,520)	(473,725
Operating Profit /Loss	(706,252)	(731,544)	809,805	838,947
Share of profit of associates, net of tax	(/ 0 0/2 32/	(11,915)	-	(6,972
Profit/(loss) before income tax	(706,252)	(743,459)	809,805	831,975
Income tax expense	150,454	150,061	(253,138)	(259,694
neonie tax expense	150,454	1,50,001	(2)3,130)	(2)3,034
Profit/(loss) for the year	(555,798)	(593,398)	556,667	572,28 <sup>-</sup>
Other Comprehensive Income:				
tems that will not be reclassified to profit or loss				
Remeasurements on net defined benefit liability/asset	(10,097)	(10,098)	4,540	4,540
Fair value of equity instruments	497	17,014	1,446	284
Income tax relating to items that will not be reclassified	(2,648)	(7,068)	1,337	629
Total items that will not be reclassified to profit or loss	(12,248)	(152)	7,323	5,453
tems that may be reclassified to profit or loss				
xchange differences on translating foreign operations	-	32,888	-	(8,836)
Share of comprehensive income of associates	-	(6,437)	-	(4,314
Net gain on equity investments	-	-	-	14,139
ncome tax relating to items that may be reclassified	-	-	-	
Total items that may be reclassified to profit or loss	-	26,451	-	989
Other Comprehensive Income for the year, net of taxa-	(12,248)	26,299	7,323	6,442
ion Total comprehensive income for the year	(568,046)	(567,099)	563,990	578,723
otal comprehensive income for the year	(500,040)	(507,099)	503,990	5/0,/23
Profit attributable to:				
Owners of the parent	(555,798)	(593,398)	556,667	572,281
Profit for the period	(555,798)	(593,398)	556,667	572,281
Total comprehensive income attributable to:				
Owners of the parent	(568,046)	(567,099)	563,990	578,723
Total comprehensive income for the period	(568,046)	(567,099)	563,990	578,723
Basic earnings per share (in GHp)	(210)	(224)	210	216
	(210)	(224)	210	216

Statements	of	financial	position	as at	21	December 2022

Statements of financial position as at 31 Decembe	r 2022				Statements
	20				
	Bank	Group	Bank	Group	
Assets					
Cash and cash equivalents	4,476,878	4,476,878	2,301,092	2,301,092	
Non-pledged trading assets	275,992	275,992	477,658	477,658	Bank
Investments (other than securities)	4,277	43,346	3,779	26,366	Balance at 1 J
Loans and advances to customers	5,482,215	5,482,215	4,306,380	4,306,380	Profit for the y
Advances to banks	229,115	229,115	201,030	201,030	
Investment securities	8,610,561	8,673,601	9,707,421	9,765,840	Other compre
Investment in associates	28,274	92,678	28,274	82,280	net of tax Fair value cha
Investment in subsidiary	3,000	100	1,000	-	instruments
Deferred tax asset	757,825	758,124	237,927	238,171	Remeasureme
Current tax asset	6,818	5,980	-	-	benefit liabilit
Intangible assets	115,028	123,752	167,999	168,226	Total compre
Other assets	938,588	902,983	527,263	536,552	for the year
Property, equipment and right-of-use assets	428,550	429,654	300,458	301,332	
Total assets	21,357,121	21,494,418	18,260,281	18,404,927	Transfer to/fi
					Statutory rese
Liabilities					Total transfer reserves
Deposits from banks & other financial institutions	259,147	259,147	747,589	747,589	
Deposits from customers	17,532,247	17,515,911	13,165,666	13,154,527	Transactions v
Borrowings	1,003,168	1,003,168	988,073	988,073	Dividends
Current tax liabilities	, 3,	-	54,580	56,247	Total transact
Employee benefit obligation	129,596	129,596	113,464	113,464	Balance at 31
Other liabilities	586,477	587,724	643,877	646,556	Dalance at 31
Total liabilities	19,510,635	19,495,546	15,713,249	15,706,456	Bank
					Balance at 1 J
Equity					Profit for the y
Stated capital	500,000	500,000	500,000	500,000	Other compre
Retained earnings	746,039	821,937	1,434,337	1,547,835	net of tax
Statutory reserve	639,555	639,555	639,555	639,555	Fair value char
Fair value reserve	267	21,030	(106)	14,997	instruments
Other reserves	(39,375)	16,350	(26,754)	(3,916)	Remeasureme
Total shareholders' equity	1,846,486	1,998,872	2,547,032	2,698,471	benefit liabilit
Total liabilities and shareholders' equity	21,357,121	21,494,418	18,260,281	18,404,927	Total compre for the year

	20	22	2021		
	Bank	Group	Bank	Group	
Cash flows from operating activities				•	
Profit for the year	(555,798)	(593,398)	556,667	572,281	
Adjustments for:	(333/13 /	(333,33 ,	33 / /	3, ,	
Depreciation and amortization	145,074	154,215	148,169	148,464	
Net impairment loss on financial assets	2,088,525	2,105,259	324,800	324,800	
Employee benefit expense	22,303	22,303	20,995	20,995	
Share of profit of associates	-	11,915	-	6,972	
Net Interest income	(2,091,799)	(2,107,502)	(1,884,837)	(1,894,843)	
Dividend income	(2,697)	(8,838)	(571)	(6,578)	
Profit/(loss) on sale of property and equipment	(315)	(315)	(137)	(137)	
Foreign exchange gain	295,815	295,815	(45,552)	(45,552)	
Income tax expense	(150,454)	(150,061)	253,138	259,694	
income tax expense					
al '	(249,346)	(270,607)	(627,328)	(613,904)	
Changes in :			,	,	
Non-pledged trading assets	201,666	201,666	(256,319)	(256,319)	
Advances to banks	(28,085)	(28,085)	(126)	(126)	
Loans and advances to customers	(1,415,749)	(1,415,749)	(1,018,592)	(1,018,592)	
Other assets	(411,325)	(366,431)	(66,830)	(73,851)	
Deposits from banks and other financial institutions	(488,442)	(488,442)	132,171	132,171	
Deposits from customers	4,335,312	4,330,115	1,813,148	1,809,287	
Borrowings	7,684	7,684	215,548	215,548	
Other liabilities and provisions	(57,400)	(58,832)	222,296	225,161	
Employee benefits paid	(16,268)	(16,268)	(16,312)	(16,312)	
Cash generated from (used in) operations	1,878,047	1,895,051	397,656	403,063	
Interest received	2,815,176	2,829,493	2,389,140	2,399,061	
Dividend received	2,697	13,030	571	10,086	
Interest paid	(683,327)	(683,327)	(478,184)	(478,277)	
Income tax paid	(433,491)			(4/0,2//) (256,715)	
•		(439,187)	(251,439)		
Net cash from operating activities	3,579,102	3,615,060	2,057,744	2,077,218	
Cash flows from investing activities					
Purchase/sale of investment securities	(753,121)	(773,144)	(1,157,639)	(1,169,024)	
Purchase of investments (other than securities)	-	34	-	(7,549)	
Purchase of investments (subsidiary)	(2,000)	(100)	_	(1,549)	
Purchase of property and equipment	(199,616)	(200,329)	(88,735)	(89,229)	
Proceeds from sale of property and equipment	358	358	461	(69,229)	
Purchase of intangible assets	(20,622)	(37,778)	(57,282)	(57,328)	
Net cash used in investing activities		(1,010,959)			
iver cash used in investing activities	(975,001)	(1,010,959)	(1,303,195)	(1,322,669)	
Cash flows from financing activities					
Stamp duty on capitalisation	_	_		_	
Dividend paid	(132,500)	(132,500)	(66,250)	(66,250)	
Net cash from financing activities	(132,500)	(132,500)	(66,250)	(66,250)	
Total cash movement for the year	2,471,601	2,471,601	688,299	688,299	
Cash and cash equivalents at 1 January	2,301,092	2,301,092	1,567,241	1,567,241	
Effect of Exchange rate fluctuations on cash held	(295,815)	(295,815)	45,552	45,552	
Cash and cash equivalents at 31 December	4,476,878	4,476,878	2,301,092	2,301,092	

#### Statements of changes in equity for the year ended 31 December 2022

	Stated	Fair value	Other	Statu- tory	Regula- tory credit risk	Total	Retained	Total
	capital	reserve	reserves	reserve	reserve	reserves	earnings	equity
Bank								
Balance at 1 January 2022	500,000	(106)	(26,754)	639,555	-	612,695	1,434,337	2,547,032
Profit for the year	-	-	-	-	-	-	(555,798)	(555,798)
Other comprehensive income, net of tax								
Fair value change in equity instruments	-	373	-	-	=	373	-	373
Remeasurement of defined benefit liability	-	=	(12,621)	-	=	(12,621)	-	(12,621)
Total comprehensive income for the year	-	373	(12,621)	-	-	(12,248)	(555,798)	(568,046)
Transfer to/from reserves Statutory reserve	-	-	-	-	-	-	-	-
Total transfer to/from reserves	-	-	-	-	-	-	-	-
Transactions with owners								
Dividends	-	-	-	-	-	-	(132,500)	(132,500)
Total transactions with owners	-	-	-	-	-	-	(132,500)	(132,500)
Balance at 31 December 2022	500,000	267	(39,375)	639,555	-	600,447	746,039	1,846,486
Bank								
Balance at 1 January 2021	500,000	(1,754)	(32,429)	569,971	-	535,788	1,013,504	2,049,292
Profit for the year	-	-	-	-	-	-	556,667	556,667
Other comprehensive income, net of tax								
Fair value change in equity instruments	-	1,648	-	-	-	1,648	-	1,648
Remeasurement of defined benefit liability	-	-	5,675	-	-	5,675	-	5,675
Total comprehensive income for the year	-	1,648	5,675	-	-	7,323	556,667	563,990

Statements of changes in equity for the year ended 31 December 2022 cont'd

statements of changes in e	quity for	ine year v	ciided 5i i	occenibe.	2022 00	iic u		1
	Stated capital	Fair value reserve	Other reserves	Statu- tory reserve	Regula- tory credit risk reserve	Total reserves	Retained earnings	Total equity
ransfer to/from reserves							(6 0 )	
tatutory reserve	-	-	-	69,584 69,584	-	69,584 69,584	(69,584) (69,584)	-
ansactions with owners				03,304		09,504		
ividends otal transactions with owners	-	-	-	-	-	-	(66,250)	(66,250)
alance at 31 December 2021	500,000	(106)	(26,754)	639,555	-	612,695	(66,250) 1,434,337	(66,250) 2,547,032
mance at 31 December 2021	300,000	(100)	(20,/34)	V39,333		012,095	1,434,337	2,547,032
roup			( (-)	<b>6</b>		C C	0	- 6-0
alance at 1 January 2022 ofit for the year	500,000	14,998	(3,916)	639,555	-	650,637	<b>1,547,835</b> (593,398)	<b>2,698,472</b> (593,398)
,							(393,390)	(393,390)
ther comprehensive income, et of tax								
air value change in equity struments	=	12,469	=	=	-	12,469	=	12,469
emeasurement of defined enefit liability	-	-	(12,622)	-	-	(12,622)	-	(12,622)
nare of associate OCI	-	(6,437)	-	-	-	(6,437)	-	(6,437)
et gain on equity investments	-	-	-	-	-	-	-	=
oreign currency translation fferences for foreign perations	-	-	32,888	-	-	32,888	-	32,888
otal comprehensive income or the year	-	6,032	20,266	-	-	26,298	(593,398)	(567,100)
ansfer to/from reserves								
atutory reserve otal transfer to/from reserves	-	-	-	-	-	-	-	-
ansactions with owners								
ividends	-	-	-	-	-	-	(132,500)	(132,500)
otal transactions with wners	-	-	-	-	-	-	(132,500)	(132,500)
alance at 31 December 2022	500,000	21,030	16,350	639,555	-	676,935	821,937	1,998,872
roup								
alance at 1 January 2021 rofit for the year	500,000	5,395	(755)	569,971	-	574,611	<b>1,111,387</b> 572,281	<b>2,185,998</b> 572,281
·							J. ,	J
ther comprehensive income, et of tax								
air value change in equity estruments	-	(222)	-	-	_	(222)	-	(222)
emeasurement of defined enefit liability	-	-	5,675	-	_	5,675	-	5,675
nare of associate OCI	_	(4,314)	_	_	_	(4,314)	_	(4,314)
et gain on equity investments	-	14,139	_	-	_	14,139	-	14,139
oreign currency translation fferences for foreign perations	-	-	(8,836)	-	_	(8,836)	-	(8,836)
or the year	-	9,603	(3,161)	-	-	6,442	572,281	578,723
ansfer to/from reserves								
atutory reserve	-	-	-	69,584	_	69,584	(69,584)	_
otal transfer to/from	-	-	-	69,584	-	69,584	(69,584)	-
ansactions with owners								
ividends	-	-	-	-	-	-	(66,250)	(66,250)
			_	_		1		_
otal transactions with wners	-	-	-	-	-	-	(66,250)	(66,250)

### Extract of notes to the audited financial statements for the year ended 31 December 2022

Reporting entity
GCB Bank PLC is a limited liability company incorporated and domiciled in Ghana. The address of its registered office is GCB Bank Building,
Thorpe Road, Accra. The Bank operates with a universal banking License. The Group is primarily involved in retail, corporate, commercial banking
and treasury activities. It also engages in investment banking and mobile money services through its subsidiaries. The Bank is listed on the Ghana
Stock Exchange. The consolidated financial statements as at and for the year ended 31 December 2022 comprise the Bank and its subsidiary,
(together referred to as the "Group" and individually as "Group entities") and the Group's interest in associates.

The separate financial statements as at and for the year ended 31 December 2022 comprise the financial statements of the Bank. The financial statements in this publication is an extract from the financial statements for the year ended 31 December 2022. The final set of the financial statements are available for inspection at the Bank's Head Office at Thorpe Road, Accra.

25 April, 2023

Significant accounting policies
The principal accounting policies of the Group have been applied consistently to all periods in these financial statements. The consolidated and separate financial statements have been prepared in accordance with International Financial Reporting Standards (IFRS) as issued by international Accounting Standards Board (IASB) and adopted by Institute of Chartered Accountants, Ghana (ICAG). Additional information equired under the Companies Act, 2019 (Act 992) and the Banks and Specialised Deposits-Taking Institutions Act 2016 (Act 930) have been included, where appropriate.

he financial statements are presented in Ghana cedis, which is the Group's functional currency. Except otherwise indicated, financial

he financial statements of the subsidiaries used to prepare the consolidated financial statements were perpared as of the Bank's reporting ate. The consolidation principles are unchanged as against the previous year.

#### uantitative disclosure

<b>C</b>		
	2022	2021
1. Capital adequacy ratio (CRD basis)	17.86%	20.90%
2. Common equity tier 1 (CET1) ratio	18.17%	21.17%
3. Leverage ratio	9.86%	11.15%
4. Non-performing loans ratio	20.59%	15.98%
5. Non-performing loans ratio (less loss category)	7.05%	3.14%
6. Liquid ratio	69.66%	64.20%
7. Statutory liquidity breach (times)	-	1
8. Sanctions for statutory liquidity breach (GH¢'000)	-	220

#### he Bank has exposure to the following risks from its use of financial instruments and from operations:

- Market risk

#### isk management framework

e risk management framework consists of a comprehensive set of policies, standards, procedures and processes designed to identify ieasure, monitor, mitigate and report-significant risk exposure in a consistent and effective manner across the Bank. Through the framework, sk is managed at enterprise-wide level, with the objective of maximizing risk-adjusted returns within the context of the Bank's risk appetite.

he Board of Directors have overall responsibility for the establishment and oversight of the Bank's risk management framework. The Board's ommitment to good risk management is supported by their continuing professional development in the field of risk management and their upport for the implementation and continued improvement of the risk management framework within the Bank.

addition, there are in place the Risk and Cyber Security Committee, the Board Audit Committee, the Executive Credit Committee, the e and Assets and Liability Committee (ALCO), which are responsible for developing and monitoring risk anagement policies in their specified areas

pproval of financial statements he consolidated and separate financial statements were authorised for issue by the Board of Directors on 18th April 2023 and signed on their

Julie Car E.

Kadonuroli Kofi Adomakoh Managing Director

## **Deloitte** Independent Auditor's Report on the summary financial statements to the members of GCB Bank PLC.

ur opinion he summary financial statements of GCB Bank PLC, which comprise:

- the summary consolidated and separate statements of profit or loss and other comprehensive income; the summary consolidated and separate statements of financial position as at 31 December 2022; the summary consolidated and separate changes in equity; the summary consolidated and separate cash flow for the year then ended; and the related notes to the summary consolidated and separate cash flow for the year then ended; and

n our opinion, the accompanying summary financial statements of GCB Bank PLC. ("Bank") and its subsidiaries ("Group") present fairly, in all naterial respects, with the audited financial statements of the Bank and the Group.

Summary financial statements
The summary consolidated and separated financial statements do not contain all the disclosures required by the International Financial Reporting Standards, the requirements of the Companies Act, 2019 (Act 992), and the Banks and Specialised Deposit-Taking Institutions Act 2016, (Act 930). Reading the summary consolidated and separate financial statements and the auditor's report thereon, therefore, is not a substitute for reading the audited financial statements and the auditor's report thereon.

## he audited consolidated and separate financial statements and our report thereon /e expressed an unmodified audit opinion on the audited consolidated and separate financial statements in our report dated 25 April 2023. That

eport also includes the communication of key audit matters. Key audit matters are those matters that in our professional judgen lost significance in our audit of the consolidated and separate financial statements for the current period.

## irectors' responsibility for the summary financial statements

he Directors are responsible for the preparation and fair presentation of the consolidated and separate financial statements in accordance with nternational Financial Reporting Standards, the requirements of the Companies Act, 2019 (Act 992) and Banks and Specialised Deposit-Taking 1stitutions Act, 2016 (Act 930).

nuditor's responsibility

Our responsibility is to express an opinion on whether the condensed consolidated and separate financial statements are consistent, in II material respects, with the audited consolidated and separate financial statements based on our procedures, which were conducted in accordance with International Standard on Auditing (ISA) 810 (Revised), Engagements to Report on Summary Financial Statements.

he engagement partner on the audit resulting in this independent auditor's report is Daniel Kwadwo Owusu (ICAG/P/1327).

Delateragenko

For and on behalf of: Deloitte & Touche: (ICAG/F/2023/129) Chartered Accountants

The Deloitte Place, Plot No. 71 Off George Walker Bush Highway North Dzorwulu



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