

UNAUDITED STATEMENT OF COMPREHENSIVE INCOME FOR THE THREE MONTHS ENDED 31 MARCH 2023

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

	March 2023	March 2022
Interest income	281,637	143,359
Interest expense	(76,789)	(49,733)
Net interest income	204,848	93,626
Fees and commission income	21,258	16,157
Fees and commission expense	(7,904)	(5,936)
Net fees and commission income	13,354	10,221
Net trading and revaluation income	26,345	21,236
Other operating income	24	20
Net trading and other income	26,369	21,256
Operating income	244,571	125,103
Allowance for credit losses on financial assets	(22,827)	(26,305)
Employee benefit expenses	(26,645)	(17,537)
Depreciation and amortisation	(3,773)	(3,008)
Other operating expenses	(26,950)	(22,952)
Profit before income tax	164,376	55,301
Income tax expense	(56,334)	(19,319)
Profit for the period	108,042	35,982
Other comprehensive income		
<i>Items that will be reclassified to the income statement:</i>		
Net change in fair value during the year (net of tax)	-	-
Total comprehensive income for the period	108,042	35,982
Basic and diluted earnings per share (Ghana cedis)	0.015	0.005

UNAUDITED STATEMENT OF CASHFLOWS FOR THE THREE MONTHS ENDED 31 MARCH 2023

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

	March 2023	March 2022
Cash flows from operating activities		
Profit before income tax	164,376	55,301
<i>Adjustments for:</i>		
Depreciation and amortisation	3,773	3,008
Allowance for credit losses on financial assets	22,827	26,305
Net interest income	(204,848)	(93,626)
Change in operating assets and liabilities		
Change in mandatory reserve deposits	(15,696)	(39,358)
Change in loans and advances to customers	(47,726)	(48,986)
Change in other assets	(290,842)	(286,281)
Change in deposits from banks	(72,940)	(59,050)
Change in deposits from customers	156,959	393,576
Change in other liabilities	(50,360)	15,250
Interest received	281,637	143,359
Interest paid	(76,789)	(49,733)
Income tax paid	(59,118)	(18,278)
Net cash (used)/from operating activities	(188,747)	41,487
Cash flows from investing activities		
Purchase of investment securities	(1,397,554)	(46,919,839)
Proceeds from sale/redemption of investment securities	1,320,130	46,781,093
Purchase of property and equipment	(4,442)	(2,024)
Net cash from investing activities	(81,866)	(140,770)
Cash flows from financing activities		
Net cash from financing activities	-	-
Net decrease in cash and cash equivalents	(270,613)	(99,283)
Cash and cash equivalents at 1 January	1,882,049	778,120
Cash and cash equivalents at 31 March	1,611,436	698,837
<i>Cash and cash equivalents for the purpose of statement of cashflow comprises:</i>		
Cash and balances with Bank of Ghana	740,695	212,922
Due from other banks less than 90 days	781,290	791,624
	1,521,985	1,004,546
Mandatory deposit reserve	(489,301)	(446,907)
	1,032,684	557,639
Short term treasury bills	578,752	141,198
Cash and cash equivalents at 31 March	1,611,436	698,837

UNAUDITED STATEMENT OF FINANCIAL POSITION AS AT 31 MARCH 2023

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

	March 2023	March 2022
Assets		
Cash and bank balances	1,521,985	1,004,546
Investment securities:		
- At amortised cost	2,595,167	2,893,888
- At fair value through other comprehensive income	-	2,678
Loans and advances to customers	1,569,587	1,055,201
Other assets	468,230	717,640
Property and equipment	71,926	62,527
Intangible assets	1,863	1,531
Income tax asset	33,200	3,977
Deferred tax asset	89,805	13,452
Total assets	6,351,762	5,755,440
Liabilities		
Deposits from customers	4,893,211	4,469,074
Other liabilities	159,244	117,703
Total liabilities	5,052,455	4,586,777
Equity		
Stated capital	400,000	400,000
Retained earnings	547,412	431,652
Fair value reserve	-	14
Statutory reserve	351,896	336,997
Total equity	1,299,308	1,168,663
Total liabilities and equity	6,351,763	5,755,440

UNAUDITED STATEMENT OF CHANGES IN EQUITY FOR THE THREE MONTHS ENDED 31 MARCH 2023

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

For the three months ended 31 March 2023

	Stated capital	Income surplus	Statutory reserve	Credit risk reserve	Fair value reserve	Total
At 31 December 2022	400,000	439,370	351,896	-	-	1,191,266
Profit for the period	-	108,042	-	-	-	108,042
Total comprehensive income for the period	-	108,042	-	-	-	108,042
Total transfer between reserves	-	-	-	-	-	-
At 31 March 2023	400,000	547,412	351,896	0	0	1,299,308

For the three months ended 31 March 2022

	Stated capital	Income surplus	Statutory reserve	Credit risk reserve	Fair value reserve	Total
At 31 December 2021	400,000	395,670	336,997	-	14	1,132,681
Profit for the period	-	35,982	-	-	-	35,982
Total comprehensive income for the period	-	35,982	-	-	-	35,982
Total transfer between reserves	-	-	-	-	-	-
At 31 March 2022	400,000	431,652	336,997	0	14	1,168,663

NOTES TO THE UNAUDITED FINANCIAL STATEMENTS FOR THE THREE MONTHS ENDED 31 MARCH 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

	March 2023	March 2022
Capital adequacy ratio	18.23%	21.02%
Common equity tier 1 ratio	16.23%	20.24%
Leverage ratio	9.41%	13.61%
Liquidity ratio	65.36%	66.88%
Non-performing loans ratio	15.50%	31.82%

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

	March 2023	March 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