

ZENITH BANK (GHANA) LTD

SUMMARY FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2024



SUMMARY STATEMENT OF COMPREHENSIVE INCOME

| | 2024 GH¢'000 | 2023 GH¢'000 |
|--|------------------|------------------|
| Interest income | 1,725,210 | 1,378,663 |
| Interest expense | (634,300) | (364,870) |
| Net interest income | 1,090,910 | 1,013,793 |
| Fee and commission income | 335,824 | 225,006 |
| Fee and commission expense | (56,977) | (29,459) |
| Net fee and commission income | 278,847 | 195,547 |
| Net trading income | 377,835 | 332,656 |
| Net income - financial instruments carried at fair value | - | 433 |
| Other income | 37,025 | 53,121 |
| Net trading and other income | 414,860 | 386,210 |
| Operating Income | 1,784,617 | 1,595,550 |
| Impairment loss on financial assets | (143,122) | (109,351) |
| Personnel expenses | (254,768) | (211,740) |
| Depreciation and amortization | (50,087) | (32,379) |
| Other expenses | (275,475) | (219,691) |
| Profit before income tax | 1,061,165 | 1,022,389 |
| Income tax expense | (609,187) | (346,288) |
| Profit after tax attributable to equity holders of the Bank | 451,978 | 676,101 |
| Other comprehensive income (net of income tax) | - | - |
| Total comprehensive income attributable to equity holders of the Bank | 451,978 | 676,101 |
| Earnings per share - Basic & Diluted | 0.07 | 0.17 |

SUMMARY STATEMENT OF FINANCIAL POSITION

| | 2024 GH¢'000 | 2023 GH¢'000 |
|---|-------------------|-------------------|
| Assets | | |
| Cash and bank balances | 6,611,429 | 4,175,590 |
| Investment securities | 6,174,183 | 5,845,900 |
| Investments (other than securities) | 1,212,418 | 252,161 |
| Derivative financial assets | 66,791 | 433 |
| Current tax receivable | 64,961 | 220,608 |
| Loans and advances to customers | 3,414,019 | 2,246,982 |
| Property, plant and equipment | 249,441 | 254,352 |
| Intangible assets | 28,158 | 14,073 |
| Right-of-use assets | 92,446 | 96,479 |
| Deferred tax assets | 26,524 | 113,421 |
| Other assets | 1,186,763 | 643,500 |
| Total assets | 19,127,133 | 13,863,499 |
| Liabilities | | |
| Deposits from banks and non-bank financial institutions | 118,976 | 39,247 |
| Deposits from customers | 15,630,343 | 11,702,523 |
| Borrowings | 952,693 | 170,422 |
| Other liabilities | 240,813 | 155,070 |
| Lease liabilities | 111,182 | 119,108 |
| Deferred tax liabilities | 20,854 | 18,661 |
| Total liabilities | 17,074,861 | 12,205,031 |
| Equity | | |
| Stated capital | 1,000,000 | 400,000 |
| Statutory reserve | 642,405 | 529,411 |
| Retained earnings | 409,867 | 729,057 |
| Total equity | 2,052,272 | 1,658,468 |
| Total equity and liabilities | 19,127,133 | 13,863,499 |

SUMMARY STATEMENT OF CHANGES IN EQUITY

| | Stated Capital GH¢'000 | Statutory Reserve GH¢'000 | Retained Earnings GH¢'000 | Total Equity GH¢'000 |
|---|---------------------------|------------------------------|------------------------------|-------------------------|
| Balance at 1 January 2024 | 400,000 | 529,411 | 729,057 | 1,658,468 |
| Profit for the year | - | - | 451,978 | 451,978 |
| Total comprehensive income | - | - | 451,978 | 451,978 |
| Regulatory and other reserve transfers | | | | |
| Transfer from Retained Earnings | 600,000 | - | (600,000) | - |
| Transfer to Statutory Reserve | - | 112,994 | (112,994) | - |
| Cost of transfer to Stated Capital | - | - | (58,174) | (58,174) |
| Net transfers to reserves | 600,000 | 112,994 | (771,168) | (58,174) |
| Balance at 31 December 2024 | 1,000,000 | 642,405 | 409,867 | 2,052,272 |

| | Stated Capital GH¢'000 | Statutory Reserve GH¢'000 | Credit Risk Reserve GH¢'000 | Retained Earnings GH¢'000 | Total Equity GH¢'000 |
|---|---------------------------|------------------------------|--------------------------------|------------------------------|-------------------------|
| Balance at 1 January 2023 | 400,000 | 444,899 | 9,704 | 127,764 | 982,367 |
| Profit for the year | - | - | - | 676,101 | 676,101 |
| Total comprehensive income | - | - | - | 676,101 | 676,101 |
| Regulatory and other reserve transfers | | | | | |
| Transfer from Credit Risk Reserve | - | - | (9,704) | 9,704 | - |
| Transfer to Statutory Reserve | - | 84,512 | - | (84,512) | - |
| Net transfers to reserves | - | 84,512 | (9,704) | (74,808) | - |
| Balance at 31 December 2023 | 400,000 | 529,411 | - | 729,057 | 1,658,468 |

SUMMARY STATEMENT OF CASH FLOW

| | 2024 GH¢'000 | 2023 GH¢'000 |
|--|------------------|------------------|
| Profit before tax | 1,061,165 | 1,022,389 |
| Adjustments for: | | |
| Depreciation and amortization | 50,087 | 32,379 |
| Net impairment loss on financial assets | 143,122 | 109,351 |
| Net interest income | (1,090,910) | (1,013,793) |
| Profit on disposal of property, plant and equipment | (132) | (32) |
| Unrealised exchange difference on cash and banks | (43,230) | 15,227 |
| Fair value changes recognised in profit or loss | - | (433) |
| Modification gain/(loss) on investment securities | 117,918 | (43,250) |
| | 238,020 | 121,838 |
| Changes in: | | |
| Investments (other than securities) | (960,257) | 148,538 |
| Non-pledged trading assets | - | 15,271 |
| Pledged trading assets | - | 1,951 |
| Derivative financial assets | (66,358) | - |
| Investment securities | (23,257) | (475,970) |
| Mandatory cash reserve | (2,196,782) | (612,985) |
| Loans and advances to customers | (1,159,912) | (438,684) |
| Other assets | (543,263) | (269,739) |
| Deposits from banks and non-bank financial institutions | 79,729 | 21,340 |
| Deposits from customers | 3,948,055 | 3,281,733 |
| Other liabilities | 215,864 | (422) |
| | (468,161) | 1,792,871 |
| Interest received | 1,684,474 | 1,446,108 |
| Interest paid | (614,065) | (352,271) |
| Corporate taxes refund received | - | 9,381 |
| Corporate taxes paid | (364,450) | (352,727) |
| Net cash flow generated from operating activities | 237,798 | 2,543,362 |
| Cash flow from investing activities | | |
| Acquisition of property, plant and equipment | (40,207) | (90,373) |
| Proceeds from disposal of property, plant and equipment | 221 | 161 |
| Acquisition of intangible assets | (7,494) | (9,808) |
| Net cash flow used in investing activities | (47,480) | (100,020) |
| Cash flow from financing activities | | |
| Finance lease payments | (23,480) | (12,292) |
| Drawdown on borrowings | 941,300 | 506,642 |
| Derivative liabilities | - | (2,050) |
| Repayment on borrowings | (170,422) | (340,274) |
| Net cash flow generated from financing activities | 747,398 | 152,026 |
| Net increase in cash and cash equivalents | 937,716 | 2,595,368 |
| Balance at beginning | 4,866,354 | 2,286,213 |
| | 5,804,070 | 4,881,581 |
| Effect of exchange rate fluctuations on cash and cash equivalents held | 43,230 | (15,227) |
| Cash and cash equivalents at 31 December | 5,847,300 | 4,866,354 |

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ZENITH BANK (GHANA) LTD

SUMMARY FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2024



NOTES TO THE SUMMARY FINANCIAL STATEMENTS

1. Reporting entity

Zenith Bank (Ghana) Ltd (the Bank) is a limited liability company incorporated and domiciled in Ghana. The registered office is Zenith Heights, No 37 Independence Avenue, PMB CT 393, Accra. The Bank commenced universal banking operations in September 2005 and operates under the Banks and Specialised Deposit-Taking Institutions Act, 2016 (Act 930). The Bank is a subsidiary of Zenith Bank Plc, a bank incorporated in the Federal Republic of Nigeria.

2. Basis of accounting

The financial statements have been prepared in accordance with International Financial Reporting Standards ("IFRS Accounting Standards") with the IAS 29 Directive issued by the Institute of Chartered Accountants Ghana (ICAG) and in the manner required by the Companies Act, 2019 (Act 992) and the Banks and Specialised Deposit-Taking Institutions Act, 2016 (Act 930).

3. Functional and presentation currency

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

4. Use of judgements and estimates

In preparing these summary financial statements, management has made judgements, estimates and assumptions that affect the application of the Bank's accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates. Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to estimates are recognised prospectively.

5. Basis of measurement

These summary financial statements have been prepared on a historical cost basis except for the following material items:

| ITEMS | MEASUREMENT BASIS |
|---|-------------------|
| Derivative financial instruments at fair value through profit or loss | Fair value |

6. Significant accounting policies

The principal accounting policies applied in the preparation of these summary financial statements are consistent with the accounting policies applied in the audited financial statements of the Bank for the year ended December 31, 2024. These policies have been consistently applied to all the years presented, unless otherwise stated.

7. Risk Management

The Bank's activities expose the business to certain risks. The Bank has exposure to the following types of risks:

- Credit risk
- Liquidity risk
- Market risk
- Operational risk

These risks are managed professionally and in a targeted manner. The Bank's risk management policies are established to identify and analyse risks faced by the Bank, set appropriate risk limits and controls as well as monitor these risks and adherence to established policies. Risk management policies and systems are reviewed regularly to reflect changes in market conditions, products and services offered by the Bank.

8. Quantitative Disclosures

| DISCLOSURES | 2024 | 2023 |
|--|--------|-------|
| Capital Adequacy Ratio (%) | 24.14 | 29.00 |
| Common Equity Tier 1 Ratio (%) | 24.14 | 29.00 |
| Leverage Ratio (%) | 11.12 | 13.1 |
| Non-performing loans to gross loans (%) | 1.00 | 1.00 |
| Loan loss provision (%) | 1.77 | 3.80 |
| Liquid Ratio (%) | 84.00 | 90.00 |
| Off-balance sheet exposures (GH¢' million) | 1,098 | 1,309 |
| Default in statutory liquidity (Number of times) | Nil | Nil |
| Sanctions for Default in statutory liquidity (GH¢'000) | Nil | Nil |
| Other Regulatory Penalties (GH¢'000) | 16,690 | 61 |

9. Corporate Social Responsibilities

The Bank spent a total of GH¢ 1,562,897 (2023: GH¢ 832,304) on corporate social responsibilities during the year. These were mainly in the form of educational scholarship for needy children, renovation of educational facilities and donation of information technology equipment to selected tertiary institutions.

REPORT OF THE DIRECTORS

The Directors in submitting to the shareholders the summary financial statements of the Bank for the year ended 31 December 2024 report as follows:

Directors' Responsibility Statement

The Bank's Directors are responsible for the preparation of the financial statements that give a true and fair view of Zenith Bank (Ghana) Ltd's financial position at 31 December 2024, and of the profit or loss and cash flows for the year then ended, and the notes to the financial statements which include a summary of significant accounting policies and other explanatory notes, in accordance with International Financial Reporting Standards with the IAS 29 Directive issued by the Institute of Chartered Accountants Ghana (ICAG), and in the manner required by the Companies Act, 2019 (Act 992), and the Banks and Specialised Deposit-Taking Institutions Act, 2016 (Act 930). In addition, the Directors are responsible for the preparation of this Directors' report. The Directors are also responsible for such internal control as the Directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error, and for maintaining adequate accounting records and an effective system of risk management. The Directors have made an assessment of the Bank's ability to continue as a going concern and have no reason to believe the business will not be a going concern.

Dividend

The directors do not recommend the payment of dividend for the year ended 31 December 2024 (2023: nil).

Directors' Interest

No Director had a material interest at any time during the year, in any contract of significance, other than a service contract with the Bank.

Financial results

Highlights of the financial results of the Bank for the year ended 31 December 2024 are set out below:

| 31 DECEMBER | 2024 | 2023 |
|---|----------------|----------------|
| | GH¢'000 | GH¢'000 |
| Profit before tax is | 1,061,165 | 1,022,389 |
| from which is deducted tax of | (609,187) | (346,288) |
| giving a profit after tax for the year of | 451,978 | 676,101 |
| Less transfer to stated capital and cost of transfer of | (658,174) | - |
| Less net transfer to statutory reserve fund and other reserves of | (112,994) | (74,808) |
| leaving a balance of | (319,190) | 601,293 |
| to which is added a balance brought forward on retained earnings of | 729,057 | 127,764 |
| leaving a balance of | 409,867 | 729,057 |

In accordance with Section 34(1) (b) of the Banks and Specialised Deposit-Taking Institutions Act, 2016 (Act 930), an amount of GH¢ 112,994,307 (2023: GH¢84,512,584) was transferred to the statutory reserve fund from profit for the year, bringing the cumulative balance on the statutory reserve fund to GH¢ 642,405,380 (2023: GH¢529,411,072) at the year end.

Auditor

The auditor, PricewaterhouseCoopers, will continue in office in accordance with Section 139 (5) of the Companies Act, 2019 (Act 992) and Section 81 of the Banks and Specialised Deposit-Taking Institutions Act, 2016 (Act 930).

Approval of the financial statements

The financial statements of the Bank were approved by the Board of Directors on 20 March 2025 and were signed on their behalf by:

Freda Duplan
(Chairperson)

Henry Chinedu Onwuzurigbo
(Managing Director/CEO)

INDEPENDENT AUDITOR'S REPORT ON THE SUMMARY FINANCIAL STATEMENTS TO THE MEMBERS OF ZENITH BANK (GHANA) LTD

Our opinion

In our opinion, the accompanying summary financial statements of Zenith Bank (Ghana) Ltd (the "Bank"), are consistent, in all material respects, with the audited financial statements of the Bank for the year ended 31 December 2024, on the basis described in the notes.

The summary financial statements

The Bank's summary financial statements derived from the audited financial statements for the year ended 31 December 2024 comprise:

- the summary statement of financial position as at 31 December 2024;
- the summary statement of comprehensive income for the year then ended;
- the summary statement of changes in equity for the year then ended;
- the summary statement of cash flows for the year then ended; and
- the related notes to the summary financial statements.

The summary financial statements do not contain all the disclosures required by International Financial Reporting Standards as issued by the International Accounting Standards Board ("IFRS Accounting Standards") with the IAS 29 directive issued by the Institute of Chartered Accountants, Ghana (ICAG), the Companies Act, 2019, (Act 992) and the Banks and Specialised Deposit-Taking Institutions Act, 2016 (Act 930). Reading the summary 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. The audited financial statements, and the summary financial statements, do not reflect the effects of events that occurred subsequent to the date of our report on the audited financial statements.

The audited financial statements and our report thereon

We expressed an unmodified audit opinion on the audited financial statements in our report dated 25 March 2025. That report also includes the communication of key audit matters. Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the audited financial statements of the current period.

Directors' responsibility for the summary financial statements

The directors are responsible for the preparation of the summary financial statements on the basis described in the notes.

Auditor's responsibility

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

The engagement partner on the audit resulting in this independent auditor's report is Destiny Attatsitsey (ICAG/P/1619).

PricewaterhouseCoopers (ICAG/F/2025/028)
Chartered Accountants
Accra, Ghana
25 March 2025

