

UNAUDITED FINANCIAL STATEMENTS FOR THE HALF YEAR ENDED 30 JUNE 2025

UNAUDITED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME FOR THE HALF YEAR ENDED 30 JUNE 2025

	June 2025 GHS	June 2024 GHS
Interest income calculated using effective interest method	141,203,298	91,182,047
Interest expense calculated using effective interest method	<u>(30,022,702)</u>	<u>(21,291,408)</u>
Net interest income	111,180,596	69,890,639
Fees and commissions income	1,644,083	1,109,867
Other operating income	<u>77,375</u>	<u>316,884</u>
Operating Income	112,902,054	71,317,390
Impairment charges on financial assets	(5,614,641)	(5,682,419)
Personnel expenses	(29,934,184)	(22,600,410)
Depreciation of property and equipment	(1,535,406)	(1,606,778)
Depreciation of right-of-use assets	(1,841,133)	(2,108,503)
Amortisation of intangible Assets	(1,560,840)	(1,552,396)
Other operating expenses	<u>(38,499,951)</u>	<u>(29,926,201)</u>
Total Operating expenses	<u>(73,371,514)</u>	<u>(57,794,288)</u>
Profit before income tax	33,915,900	7,840,684
Income tax expense	<u>(10,774,770)</u>	<u>(2,397,205)</u>
Profit for the year	23,141,130	5,443,479
Other comprehensive income	-	-
Total comprehensive income	<u>23,141,130</u>	<u>5,443,479</u>

UNAUDITED STATEMENT OF FINANCIAL POSITION AS AT 30 JUNE 2025

	June 2025 GHS	June 2024 GHS
Assets		
Cash and bank balances	40,044,798	15,809,107
Due from banks	12,007,886	6,895,105
Government securities	5,145,758	6,946,336
Loans and advances to customers	465,159,433	270,109,836
Other assets	17,585,640	19,614,195
Property and equipment	58,133,250	28,275,050
Right-of-use assets	7,465,205	8,861,513
Intangible assets	22,142,573	24,970,328
Corporate tax asset	-	71,561
Total assets	<u>627,684,544</u>	<u>381,553,031</u>
Equity and liabilities		
Liabilities		
Customer deposits	347,428,158	221,238,418
Borrowings	121,811,671	65,184,369
Lease Liabilities	4,879,304	7,244,011
Corporate tax payable	5,386,319	-
Deferred tax liability	6,058,027	779,619
Other liabilities	<u>28,745,346</u>	<u>26,020,518</u>
Total liabilities	<u>514,308,826</u>	<u>320,466,934</u>
Shareholders' equity		
Stated capital	27,291,374	27,291,374
Statutory Reserve	26,229,166	17,112,522
Revaluation Reserve	21,902,702	6,079,664
Retained earnings	<u>37,952,476</u>	<u>10,602,537</u>
Total shareholders' equity	<u>113,375,718</u>	<u>61,086,097</u>
Total equity and liabilities	<u>627,684,544</u>	<u>381,553,031</u>

Signed
Ben Berko
Board Chairman

Signed
Guillaume Valence
CEO/Managing Director

UNAUDITED STATEMENT OF CHANGES IN EQUITY FOR THE HALF YEAR ENDED 30 JUNE 2025

Period ended 30 June 2025	Stated Capital	Revaluation Reserve	Retained earnings	Statutory Reserve	Total
At 1 January 2025	27,291,374	21,902,702	20,596,629	20,443,883	90,234,589
Profit for the period	-	-	23,141,130	-	23,141,130
Transfer to statutory Reserve	-	-	<u>(5,785,282)</u>	<u>5,785,282</u>	-
At 30 June 2025	<u>27,291,374</u>	<u>21,902,702</u>	<u>37,952,476</u>	<u>26,229,166</u>	<u>113,375,718</u>
Period ended 30 June 2024	Stated Capital	Revaluation Reserve	Retained earnings	Statutory Reserve	Total
At 1 January 2024	27,291,374	6,079,664	6,519,928	15,751,652	55,642,618
Profit for the period	-	-	5,443,479	-	5,443,479
Transfer to statutory Reserve	-	-	<u>(1,360,870)</u>	<u>1,360,870</u>	-
At 30 June 2024	<u>27,291,374</u>	<u>6,079,664</u>	<u>10,602,537</u>	<u>17,112,522</u>	<u>61,086,097</u>

UNAUDITED STATEMENT OF CASH FLOWS FOR THE HALF YEAR ENDED 30 JUNE 2025

	June 2025 GHS	June 2024 GHS
Cash flows from operating activities		
Profit before taxation	33,915,900	7,840,684
Adjustments for:		
Depreciation of property and equipment	1,535,406	1,606,778
Depreciation of right-of-use assets	1,841,133	2,108,503
Amortization of intangible assets	1,560,840	1,552,396
Unrealised exchange difference on lease liabilities	(1,468,157)	1,130,344
Finance cost on leases	299,127	365,557
Loss/(Profit) on the sale of property & equipment	(7,810)	-
Other non-cash items included in profit or loss	10,140,841	(11,031)
Changes in:		
Change in loans & advances	(78,280,497)	(1,821,538)
Change in other assets	(2,096,662)	(8,407,824)
Change customer deposits	64,913,153	4,926,830
Change in other liabilities	<u>(12,545,677)</u>	<u>(2,957,428)</u>
Cash generated from operations	19,807,597	6,333,272
Income taxes paid	<u>(6,969,775)</u>	<u>(633,424)</u>
Net cash flows from operating activities	<u>12,837,822</u>	<u>5,699,849</u>
Cash flows from investing activities		
Purchase of property and equipment	(9,531,067)	(1,522,230)
Lease prepayments	(1,821,758)	(2,238,711)
Additions to Intangible assets	(162,640)	(53,989)
Proceeds from sale of property and equipment	<u>8,600</u>	<u>129,764</u>
Net cash flows used in investing activities	<u>(11,506,866)</u>	<u>(3,685,166)</u>
Cash flows from financing activities		
Repayment of borrowings	(25,970,054)	(17,981,822)
Drawdown on borrowings	19,509,795	22,743,977
Lease liability payments	<u>(459,581)</u>	<u>(1,659,359)</u>
Net cash flows from financing activities	<u>(6,919,840)</u>	<u>3,102,796</u>
Net change in cash and cash equivalents	<u>(5,588,884)</u>	<u>5,117,479</u>
Cash and cash equivalents at 1 January	<u>62,787,326</u>	<u>24,533,069</u>
Cash and cash equivalents at end of period	<u>57,198,443</u>	<u>29,650,549</u>
Analysis of cash and cash equivalents:		
Cash & bank balances	40,044,798	15,809,107
Due from banks	12,007,886	6,895,105
Government securities	<u>5,145,758</u>	<u>6,946,336</u>
	<u>57,198,443</u>	<u>29,650,549</u>

1. Reporting Entity

Advans Ghana Savings and Loans Ltd was incorporated on 20 November 2007 as a Limited Liability Company under the Companies Act 1963, (Act 179), now replaced by the Companies Act 2019 (Act 992). The company is a subsidiary of Advans SA SICAR, a company incorporated in Luxembourg, which holds 86.57% of the issued ordinary shares of the company.

2. Basis of Preparation

The Company's financial statements have been prepared in accordance with International Financial Reporting Standards (IFRS) and in the manner required by the Companies Act 2019 (Act 992) and the Banks and Specialized Deposit-Taking Institutions Act, 2016 (Act 930).

The financial statements have been prepared on a historical cost basis, as modified by the revaluation of certain financial assets and liabilities.

3. Use of Judgement and Estimates

Financial assets and financial liabilities are offset and the net amount reported in the statement of financial position only when there is a legally enforceable right to offset the recognised amounts and there is an intention to settle on a net basis, or to realise the assets and settle the liability simultaneously. Income and expenses are not offset in the statement of profit or loss and other comprehensive income unless required or permitted by any accounting standard or interpretation, and as specifically disclosed in the accounting policies of the Company.

The preparation of financial statements in conformity with IFRS requires the use of certain critical accounting estimates. It also requires the directors to exercise judgement in the process of applying the Company's accounting policies. Changes in assumptions may have a significant impact on the financial statements in the period the assumptions changed.

4. Risk Management

As a financial institution, risk is at the core of our operations. To manage it, we have designed a risk management framework that aims to comprehensively cover the following risks: Credit Risk, Liquidity Risk, Operational Risk, and Market Risk.

- ✓ Credit Risk is managed by using internal credit ratings for all credits, and a strong credit appraisal and control regime adopted by the Advans Group.
- ✓ The assets and Liabilities Committee (ALCO) under delegated authority from the Board of Director's sets and Monitor Liquidity Risk and Market Risk standards in accordance with regulatory and Group requirements. Over the period, no default has been recorded in the maintenance of statutory liquidity.

5. Regulatory Disclosures

	June 2025	June 2024
Non-Performing Loans Ratio	4.56%	6.68%
Capital Adequacy Ratio	13.95%	11.49%
Default in Statutory Liquidity	Nil	Nil
Statutory Sanctions	Nil	Nil