

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

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SUMMARY STATEMENT OF CHANGES IN EQUITY

	Stated Capital	Statutory Reserve	Retained Earnings	Total Equity	
	GH¢'000	GH¢'000	GH¢'000	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	Statutory Reserve	Credit Risk Reserve	Retained Earnings	Total Equity
	GH¢'000	GH¢'000	GH¢'000	GH¢'000	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

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 unaudited 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

