40TH ANNUAL GENERAL MEETING

2025 ANNUAL REPORT & FINANCIAL STATEMENT

Suma Community Bank
Excellence in customer care

Formerly Suma Rural Bank Plc

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BOARD OF DIRECTORS

Afram Kwasi	Chairman
Asum-Kwarteng Ahensah	Vice Chairman
William Abayateye	Director
Dr. George Adjei-Henne	Director
Linda Nyarko-Yeboah	Director
Moses Kofi Sogah	Director

CEO Kofi Acheampong

AUDITOR

Gyabaah & Partners
P. O. Box 985
Sunyani
Bono Region

REGISTERED OFFICE

P. O Box 13
Suma Ahenkro
Bono Region

BANKER ARB Apex Bank Plc, GCB BANK Plc, Republic Bank Plc

SOLICITOR Boamah Frempong

Name of Director	Qualification	Position	Role in other Institutions
Afram Kwasi	MBA Accounting and Finance, Fcca,	Chairman	Not Applicable
Asum-Kwarteng Ahensah	M.Sc. Devt Planning and Mgt; Post-Graduate Dip. Regional Dev't Planning & Mgt; Bsc. (Hon) Development Planning	Vice Chairman	Not Applicable
William Abayateye	Degree In Theology	Director	Not Applicable
Dr. George Adjei-Henne	Phd.Art Ed., MA. Art Ed., BA Arts.	Director	Not Applicable
Linda Nyarko-Yeboah	Master Of Arts in Educational Leadership and Management, Master of Arts in Gender, Peace and Security, Bachelor of Arts in Political Science And Study Of Religions	Director	Not Applicable

Name	Qualification	Position
Kofi Acheampong	M.Sc. Industrial Finance & Investment, Acib, Cgma Adv. Dip	Chief Executive Officer
Kumah Joseph	Bcom (Accounting)	Operations Manager
Drobo Eric	MBA Banking & Finance, Bcom (Acc)	Credit Manager
Mark Asante	BCom (Accounting), MBA Supply Chain Management and Logistics	Internal Auditor
Baffour Agyei	MBA (Accounting), BA Accounting	Head Of Compliance
Benjamin Ayisi Osei	BSc Computing	I T Manager

Notice is hereby given that the 40th ANNUAL GENERAL MEETING (AGM) of shareholders of **SUMA RURAL BANK PLC** transitioning to **SUMA COMMUNITY BANK PLC** will be held at Suma Presby Church, Suma-Ahenkro on Saturday, 19th September, 2026 at 10:00 a.m. prompt to transact the following business:

AGENDA

1. To read the Notice convening the meeting.
2. To confirm the minutes of the 39th Annual General Meeting.
3. To receive and consider the Chairman's Report.
4. To receive and consider the Report of the Directors and Accounts for the year ended 31st December, 2025 and the Auditors' Report.
5. To authorise the Directors to fix the Auditors' remuneration.
6. To consider the capitalisation of income surplus and issuance of bonus shares.
7. To fix the remuneration of Directors.
8. To elect Directors in place of those retiring by rotation.
9. To consider the ratification of the change of name from Suma Rural Bank PLC to Suma Community Bank PLC.

BY ORDER OF THE BOARD
SGD.
ASUM-KWARTENG AHENSAH
(SECRETARY TO THE BOARD)
Dated: 17th August, 2026

NOTE:

- The Final Accounts for the 2025 Financial Year are available for download on the Bank's website (www.sumaruralbank.com).
- A proxy form is available for download on the Bank's website (www.sumaruralbank.com). Members may complete the form and email it to agm@sumaruralbank.com not later than 10:00 a.m. on Thursday, 17th September, 2026, being forty-eight (48) hours prior to the meeting time.
- Shareholders who intend to propose any person for election to the Board of Directors at the forthcoming Annual General Meeting are kindly requested to comply with Sections 173 and 325(f) of the Companies Act, 2019 (Act 992), Section 58 of the Banks and Specialised Deposit-Taking Institutions Act, 2016 (Act 930), and the Fit and Proper Directive of the Bank of Ghana.
- Any shareholder wishing to contest for election as a Director should submit his/her application, together with an updated Curriculum Vitae and two recent passport-sized photographs, to the Chief Executive Officer of the Bank not later than 10:00 a.m. on Thursday, 17th September, 2026, being forty-eight (48) hours before the meeting, and must hold a minimum of 10,000 shares at 50 pesewas

FINANCIAL HIGHLIGHTS
For the Year Ended 31st December, 2025

	2025	2024
	GH¢	GH¢
The Bank recorded a Profit/(Loss) Before Taxation of:	9,258,000	4,754,527
From which is deducted/added Levy of:	(462,900)	(237,726)
From which is deducted/added tax of:	(2,343,881)	(1,091,148)
Giving a Net Profit After Tax of:	6,451,219	3,425,653
Transfer to Statutory Reserve of:	(806,402)	(856,413)
Leaving a Profit to be transferred to Retained Earnings of	5,644,816	2,569,240
Retained Earnings at Start of	3,520,762	1,204,375
Proposed Dividend of	(448,685)	(277,400)
Tax Adjustments	(243,801)	24,548
Retained Earnings at End of	8,473,093	3,520,763

Distinguished Shareholders, Members of the Board of Directors, Management and Staff of Suma Rural Bank PLC, transitioning to Suma Community Bank PLC, Representatives of ARB Apex Bank PLC, Traditional Authorities, Invited Guests, Ladies and Gentlemen.

On behalf of the Board of Directors, I warmly welcome you to the 40th Annual General Meeting of Suma Rural Bank PLC transitioning to Suma Community Bank PLC. This meeting represents an important milestone in the Bank's journey of rural banking, financial inclusion, community service and shareholder value creation. As we present the financial statements for the year ended 31st December 2025, we also reflect on the Bank's progress and renew our commitment to building a stronger, safer and more sustainable institution.

1. OPERATING ENVIRONMENT

Distinguished Shareholders, the year 2025 presented both opportunities and challenges for the banking industry. Ghana's macroeconomic environment showed improvement, with real GDP growth reported at 6.0% for 2025. Inflation declined significantly from 23.5% in January 2025 to 5.4% in December 2025, while the Bank of Ghana Monetary Policy Rate stood at 18.0% by the end of December 2025. The 91-day Treasury bill rate also stood at approximately 11.1% at the final end-of-year auction.

Despite competition for deposits, operational cost pressures, credit risk concerns and increasing customer expectations, Suma Rural Bank PLC remained focused on prudent growth, effective cost management, sound credit administration, improved liquidity and strong internal controls. Through disciplined leadership and the commitment of Management and staff, the Bank ended the year with improved profitability, a stronger balance sheet and a sound capital position.

KEY FINANCIAL INDICATORS

Indicator	2025	2024	Percentage Growth(%)
	GH¢	GH¢	
Profit Before Tax	9.26m	4.75m	94.7%
Profit After Tax	6.45m	3.43m	88.3%
Total Assets	149.14m	98.89m	50.8%
Deposits	130.34m	84.61m	54.0%
Loans and Advances	29.85m	18.01m	65.7%
Investment Securities	70.70m	62.14m	13.8%
Liquid Assets	105.71m	72.21m	46.4%
Shareholders' Funds	12.84m	6.98m	83.9%

2. FINANCIAL PERFORMANCE

Distinguished Shareholders, the Bank recorded a strong financial performance in 2025. Profit before tax increased from GH¢4.75 million in 2024 to GH¢9.26 million in 2025, representing growth of approximately 94.7%. Profit after tax also increased from GH¢3.43 million to GH¢6.45 million, representing growth of approximately 88.3%.

The Bank's balance sheet strengthened considerably. Total assets increased from GH¢98.89 million to GH¢149.14 million, while shareholders' funds increased from GH¢6.98 million to GH¢12.84 million. This reflects the confidence of customers, the commitment of Management and staff, and the effectiveness of the Bank's growth strategy.

3. DEPOSITS, LOANS AND INVESTMENTS

Deposits increased from GH¢84.61 million in 2024 to GH¢130.34 million in 2025, representing growth of approximately 54.0%. Loans and advances increased from GH¢18.01 million to GH¢29.85 million, representing growth of approximately 65.7%. Investment securities also increased from GH¢62.14 million to GH¢70.70 million. This shows that the Bank continued to mobilise deposits effectively, support customers with credit facilities and maintain a prudent investment position.

4. LIQUIDITY AND CAPITAL STRENGTH

The Bank maintained a strong liquidity and capital position during the year. Liquid assets increased from GH¢72.21 million in 2024 to GH¢105.71 million in 2025, confirming the Bank's ability to meet short-term obligations, honour customer withdrawals and respond to emerging business opportunities.

The Bank also remained adequately capitalised, recording a Capital Adequacy Ratio of 21.55%, above the regulatory minimum requirement of 10%. This provides a solid foundation for sustainable growth and continued protection of depositors' funds.

5. DIVIDEND AND BONUS ISSUE

Distinguished Shareholders, the Board remains committed to delivering value to shareholders while strengthening the Bank's capital position. For two consecutive years, the Bank has paid dividends to shareholders. In 2024, the Bank paid 10 pesewas per share, and in 2025, the Bank paid 15 pesewas per share.

At this AGM, the Board has proposed a bonus issue of GH¢2 million from retained earnings to stated capital, representing 4,000,000 ordinary shares at GH¢0.50 per share, subject to Bank of Ghana approval.

This is necessary in line with the recent Bank of Ghana directive requiring rural banks to transition into community banks with a minimum capital requirement of GH¢5 million.

The proposed bonus issue will help the Bank meet the new capital requirement. The Board also encourages shareholders to increase their investment by purchasing additional shares to help the Bank exceed the minimum requirement and work towards a stronger capital base of GH¢10 million and beyond.

6. TRANSITION TO COMMUNITY BANK AND CHANGE OF NAME

Distinguished Shareholders, under the new Bank of Ghana microfinance sector directive, rural banks are required to transition into community banks. In line with this requirement, the Board approved the change of the Bank's name from Suma Rural Bank PLC, to Suma Community Bank PLC.

The change of name was duly effected on 11th May 2026 to ensure compliance with the directive and properly position the Bank under the revised community banking framework. At this AGM, shareholders will be requested to pass the necessary resolution to ratify the Board's decision to change the name to Suma Community Bank PLC.

Shareholders would be required to pass a resolution at this Annual General Meeting to ratify the Board's decision to change the Bank's name from Suma Rural Bank PLC, to Suma Community Bank PLC, adopt a new constitution reflecting the new name and current statutory requirements, and approve the related capitalisation and bonus issue arrangements required to support compliance with the Bank of Ghana directive. This resolution is necessary to ensure that the Bank fully complies with the revised microfinance sector framework and remains properly positioned as a Community Bank.

7. CORPORATE GOVERNANCE

The Board remains committed to sound corporate governance, regulatory compliance and effective oversight. During the year, the Board held seven meetings and worked through its committees, including the Audit, Risk and Finance Committee, Credit Committee, Human Resource Committee, Procurement Committee and Disciplinary Committee.

Board members also participated in training programmes in corporate governance, risk management, sustainable financing and regulatory compliance.

During the year, the first term contract of the Chief Executive Officer expired, and the Board renewed his appointment for a second term. This is consistent with the Bank of Ghana Corporate Governance Directive, which provides that the tenure of a Managing Director or Chief Executive Officer shall be four years per term and may be renewed for two additional terms, subject to satisfactory performance and regulatory requirements.

There are currently six Directors on the Board. Two Directors, Mr. William Abayateye and Mr. Afram Kwasi, are due to retire by rotation and, being eligible, have offered themselves for re-election. Since the maximum number of Directors permitted is seven, the retirement creates an opportunity to fill up to three vacant positions on the Board at this AGM.

8. RISK MANAGEMENT AND INTERNAL CONTROLS

The Board recognises that strong risk management and effective internal controls are essential to the safety and sustainability of the Bank. During the year, the Bank continued to strengthen its control environment, credit monitoring, compliance function and internal audit processes.

The Board maintained oversight over key risk areas, including credit risk, operational risk, liquidity risk, regulatory compliance and fraud prevention. Management also continued to promote staff accountability, segregation of duties and adherence to approved policies and procedures.

9. HUMAN RESOURCE AND STAFF DEVELOPMENT

The Bank's achievements depend greatly on the commitment, discipline and professionalism of Management and staff. During the year, staff contributed significantly to deposit mobilisation, loan recovery, customer service and overall growth. The Board will continue to support staff training, performance improvement, integrity, accountability, teamwork and excellent customer service.

10. DIGITAL BANKING AND CUSTOMER SERVICE

The Bank continued to promote digital banking and improved customer service during the year. The Board and Management remain committed to providing convenient, secure and accessible banking services. The Bank will continue to strengthen GhanaPay, mobile banking and other electronic channels to deepen financial inclusion and improve customer experience.

11. INFRASTRUCTURE AND OPERATIONAL DEVELOPMENT

Distinguished Shareholders, the CEO's residence project, which commenced in the latter part of 2024, has been duly completed. This forms part of the Bank's effort to provide institutional support for executive leadership and strengthen operational stability.

The Board also plans to relocate the Brodi Agency to Nsawkaw by the end of the year. This planned relocation is intended to improve accessibility, enhance customer service, increase business opportunities and position the Bank to serve customers more effectively within that catchment area.

12. CORPORATE SOCIAL RESPONSIBILITY AND COMMUNITY IMPACT

As a rural and community bank, Suma Rural Bank PLC, transitioning to Suma Community Bank PLC remains committed to supporting the development of its communities. During the year under review, the Bank spent GH¢95,571 on donations and community support initiatives in areas including education, health, community development and other social interventions.

The Board will continue to support carefully selected CSR initiatives while ensuring that such support remains consistent with the Bank's financial capacity and long-term sustainability.

13. OUTLOOK FOR 2026 AND BEYOND

Distinguished Shareholders, the Board remains optimistic about the future of the Bank. The focus will be on sustainable deposit mobilisation, quality loan growth, strong loan recovery, digital transformation, cost control, improved customer service and continuous strengthening of internal controls.

The Bank will also continue to protect its capital, maintain adequate liquidity, improve profitability and ensure full compliance with regulatory requirements. With the continued support of shareholders, customers, Management and staff, the Board is confident that the Bank is well-positioned for sustainable growth.

14. APPRECIATION AND CONCLUSION

On behalf of the Board, I express our sincere appreciation to shareholders for your continued confidence and support, and to our customers for choosing Suma Rural Bank PLC as your trusted financial partner. We are also grateful to the Bank of Ghana, ARB Apex Bank PLC, the Association of Rural Banks, our external auditors, legal advisers, traditional authorities and all stakeholders for their guidance and support.

I also thank my colleague Directors, Management and staff for their hard work, loyalty and dedication during the year. Distinguished Shareholders, 2025 was a strong year for the Bank, with growth in assets, deposits, loans, investments, profit and shareholders' funds, supported by a sound liquidity and capital position.

As we mark this 40th Annual General Meeting, we remain committed to building a stronger, safer and more profitable Bank that continues to create value for shareholders, customers and the communities we serve.

Thank you, and may God bless Suma Rural Bank PLC.

AFRAM KWASI

Report of the Directors

The Directors in submitting to the shareholders the financial statements of the Bank for the year ended 31 December 2025 report, as follows:

Responsibilities of the Board of Directors in the Preparation of the Financial Statements

The Directors are responsible for preparing financial statements for each accounting period, which give a true and fair view of the situation of the Bank as at the end of the accounting period.

In preparing the financial statements, the Directors are required to:

- Select suitable accounting policies and then apply them consistently.
- Make judgements and estimates that are reasonable and prudent.
- State whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- Prepare the financial statements on a going concern basis, unless it is inappropriate to presume that the Bank will continue in business.

The Directors are responsible for keeping proper accounting records that disclose with reasonable accuracy, at any time, the financial position of the Bank which ensures that the financial statements comply with relevant legislation and accounting standards. The Directors are also responsible for safeguarding the assets of the Bank and taking reasonable steps for the prevention and detection of fraud and other irregularities.

The Directors are responsible for the long-term success of the Bank, determining the strategic direction of the Bank, and reviewing the operating, financial, and risk exposures of the Bank. There is a formal schedule of matters reserved for the Board of Directors, including approval of the Bank's annual business plan, the Bank's strategy, acquisitions, disposals and capital expenditure projects above certain thresholds, all guarantees, treasury policies, the financial statements, the Bank's dividend policy, transactions involving the issue or purchase of the Bank's shares, borrowing powers, appointments to the Board, alterations to the regulations, legal actions brought by or against the Bank and the scope of delegation to Board committees and management committees. Responsibility for the development of policy and strategy and operational management is delegated to the selected directors and a management committee.

Business Review

The financial results of the Bank for the year ended 31 December 2025 are set out in the attached financial statements, highlights of which are as follows:

	2025	2024
	GH¢	GH¢
Profit/(Loss) Before Tax	9,258,000	4,754,527
Profit/(Loss) After Tax	6,451,219	3,425,653
Total Assets	149,142,914	98,894,304
Total Liabilities	136,302,959	91,913,950
Total Equity	12,839,955	6,980,354

As indicated above, in accordance with Section 34 (1) of the Banks and Specialised Deposit-Taking Institutions Act, 2016 (Act 930), an amount of GH¢806,402 was transferred to the statutory reserve fund from profit for the year, bringing the cumulative balance on the statutory reserve fund to GH¢2,856,051 at the year end.

The Directors consider the state of the Bank's affairs to be good.

Bonus Issue

In compliance with the regulatory directive on minimum capital for community banks as per the Bank of Ghana directive on the revised microfinance sector framework, the Board has proposed to transfer GH¢2,000,000 from retained earnings to stated capital through a bonus issue to shareholders on record as at 31 December 2025, representing 4,000,000 ordinary shares at GH¢0.50 per share. This proposal is subject to the approval of Bank of Ghana.

Related Party Transactions

The Board ensures that transactions with related parties including internal Bank transactions are reviewed to assess its risk and are subject to appropriate restrictions by requiring that such transactions be conducted on non-preferential terms. Information regarding Directors' interests in ordinary shares of the Bank and remuneration is disclosed in the financial statements.

Particulars of entries in the Interest Register during the Financial Year

During the 2025 financial year under review, no transaction was entered into between the Bank and any Director that required disclosure in the Interest Register pursuant to sections 194(6), 195(1)(a), and 196 of the Companies Act, 2019 (Act 992). Accordingly, no entries were made in the Interest Register during the year.

Capacity Building of Directors to discharge their duties

On appointment to the Board, Directors are provided with full, formal and tailored programmes of induction, to enable them gain in-depth knowledge about the Bank's business, the risks and challenges faced, the economic knowledge and the legal and regulatory environment in which the Bank operates. Programmes of strategic and other reviews, together with the other training programmes provided during the year, ensure that Directors continually updated their skills, knowledge and familiarity with the Bank's businesses. This further provides insights about the industry and other developments to enable them effectively to fulfil their role on the Board and committees of the Board.

Nature of Business

The principal activities carried out by the Bank include the provision of micro finance facilities in the form of loans to the public, with the emphasis on lending to those in society who do not ordinarily qualify for a loan from a traditional commercial bank. The Bank also accepts deposits of various types including current accounts, savings accounts and enters contracts for fixed deposits.

The Bank is licensed to operate the business of a Rural and Community Banking. There was no change in the nature of the Bank's business during the year.

Shareholding Structure

Details of the Bank's twenty (20) largest shareholders are disclosed in Note 35 of the Annual Report. The Bank's shareholdings structure at the end of the year was as follows:

SN	Account Name	Type	No of Shares	Percentage Holding	Share Value
1	Adjei Eric	Ordinary Shares	808,242	14.19	404,120.88
2	Lymin Creek Plc	Ordinary Shares	241,820	4.25	117,318.73
3	Japekrom Traditional Council	Ordinary Shares	101,273	1.78	50,612.37
4	Sasah Wiredu Kofi	Ordinary Shares	91,664	1.61	38,981.52
5	Baba Kwesi Emmanuel	Ordinary Shares	80,851	1.42	33,340.38
6	Yeboah Sampson Kwaku	Ordinary Shares	60,000	1.05	30,000.00
7	Johnson Ofori-Asubonteng	Ordinary Shares	56,602	0.99	21,481.07
8	Saana Bediatuo Nyarko - Dabie	Ordinary Shares	54,655	0.96	20,909.88
9	Vivian Mfodwaa Gyan	Ordinary Shares	46,687	0.82	16,707.55
10	Barus Siaka	Ordinary Shares	45,520	0.80	22,760.00
11	Nsrawudi Kwame Nicholas	Ordinary Shares	41,565	0.73	14,308.03
12	Siaka Ibrahim	Ordinary Shares	40,000	0.70	20,000.00
13	Godfrey Lord Kwasi Crentsil	Ordinary Shares	40,000	0.70	20,000.00
14	Minta-Jacobs Albertaadelaid Afua	Ordinary Shares	40,000	0.70	20,000.00
15	Siaka Wagyilie	Ordinary Shares	40,000	0.70	20,000.00
16	Yeboah Kwaku Micheal	Ordinary Shares	39,800	0.70	19,900.00
17	Soga Kofi Moses	Ordinary Shares	38,484	0.68	13,081.29
18	Samuel Dadzie	Ordinary Shares	36,637	0.64	18,058.59
19	Atta Gyamfi	Ordinary Shares	34,581	0.61	17,202.08
20	Kwame Adjei Obey	Ordinary Shares	32,006	0.56	16,000.01

Majority Shareholder

There is no single majority shareholder, as no individual holds more than 30% of the Bank issued shares.

Going Concern assessment

The Directors have reviewed the Bank's budgets and cash flow forecasts and considered the Bank's ability to continue as a going concern in the light of current and anticipated economic conditions.

These budgets and cash flow forecasts considered the impact of the Government Domestic Debt Exchange Programme, including projections of the impact on the Bank's capital, funding, and liquidity requirements.As part of this assessment, the Directors considered the sufficiency of the Bank's financial resources now and post-debt exchange. The management of the Bank's financial resources, which it defines as capital, funding and liquidity, and risk capacity, is a critical enabler of the achievement of the Bank's stated growth and return targets and is driven by the Bank's overall risk appetite. Forecast growth in earnings and balance sheet risk weighted assets (RWA) is based on the Bank's macroeconomic outlook and is evaluated against available financial resources, considering the requirements of capital providers, regulators, and rating agencies. The expected outcomes and constraints are then stress tested, and the Bank set targets through different business cycles and scenarios.

The Bank has conducted stress tests by incorporating the regulatory forbearances to determine the impact on capital and for that matter going concern. The outcome is that the Bank's Capital is above the regulatory minimum requirement.

Based on the above, the directors are satisfied that the Bank has resources to continue in business for the foreseeable future. The directors have at the time of approving the financial statements, a reasonable expectation that the Bank has adequate resources to continue in operational existence for the foreseeable future. Thus, they continue to adopt the going concern basis of accounting in preparing the financial statements.

Corporate Governance

Dear Shareholders, Suma Rural Bank Plc, transitioning to Suma Community Bank PLC is committed to continuously improving our corporate governance practices and ensuring that they align with our business and stakeholders' needs. This statement describes the Bank's approach to corporate governance and best narrates the governance practices in place. Suma Rural Bank Plc strives to conduct business in a more accountable manner by putting in place policies and procedures that shape our strong culture and integrity, guide how we make decisions and how risk is mitigated. Good Corporate Governance Principles also support the Bank's purpose, vision, and values.

The Board has adopted a Board Corporate Governance Framework (CGF) that sets out the mandate, responsibilities and procedures of the Board and the Board Committees, including matters reserved for the Board's decision. The CGF is in accordance with international Corporate Governance principles, laws of Ghana such as Company Act 2019 (Act 992), the Bank & Specialized Deposit Taking Institutions Act 2016, (Act 930).

This Corporate Governance Statement is in accordance with the Bank of Ghana's Corporate Governance Directive 2018, Fit and Proper Person Directive 2019, Security and Exchange Commission Corporate Governance Code 2020, Ghana Stock Exchange Listing Rules and Regulations and Mandatory Disclosure Items for Public Companies in Ghana from Securities and Exchange Commission.

The CGF is reviewed by the Board as and when necessary, in line with evolving corporate governance requirements and practices to ensure its continued relevance to the Board and to meet stakeholder expectations and the dynamic environment in which the Bank operates. For shareholders, and other stakeholders' value, the Bank is committed to fulfilling its Corporate Governance obligations and responsibilities in the best interest of the Bank.

It is our responsibility to guarantee that good corporate governance and its associated standards are rooted in the ideas and business practices driven by the Board.

The Board Governance Structure

- Shareholders
- The Board
- The Board
    - Audit, Risk and Finance Committee
    - Credit Committee
    - HR Committee
    - Procurement Committee
    - Disciplinary Committee
- Chief Executive Officer

The Board is the highest decision-making body of the Bank and provides strategic direction and guidance for our business and represents the interests of our shareholders through the creation of sustainable value. The Board is responsible for setting the strategic objectives and risk appetite of the Bank and set the Board's expectations for the Bank's values and desired culture. The Board continues to focus on our customers, our people, the communities, and the environment in which we operate and in doing so enhances long-term shareholder returns and stakeholder value.

A robust Board Charter referred to as the Board Corporate Governance Framework is in place and compliant with the Regulator's Corporate Governance Directives (Security and Exchange Commission Corporate Governance Code 2020 and Bank of Ghana Corporate Governance Directive 2018) and internationally accepted best practices to guide the way the Bank is governed. The Board Corporate Governance Framework outlines the roles and responsibilities of the Board.

The Board ensures that the Bank's governance processes align with regulators' directives and framework. The Board aligns strategies with goals embedded with high level of ethics and integrity, defining roles and responsibilities, and managing risk effectively.

Roles and Responsibilities

The Board being central in corporate governance and the highest decision-making body have the following responsibilities, which include but not PLC to:

- Exercises entrepreneurial leadership, integrity and judgment in the oversight and control of Management.
- Ensures that the Board and its Committees always act in the best interest of the Bank.
- Considers and approves the long term and short-term strategies of the Bank and monitors its implementation by Management.
- Ensures the integrity of Annual Reports and Accounts provided to regulators and other stakeholders.
- Oversees Risk Management and Internal Audit Functions of the Bank.
- Ensures the development of Succession and Leadership Pipeline and remuneration structure for Board and Senior Management.
- Ensures that Management systems are put in place to identify and manage environmental and social risk and their impact.

The Board guides the strategic direction of the Bank and represents the interests of our shareholders by overseeing activities that create sustainable value. The roles and responsibilities of the Board, including the matters that are specifically reserved for the Board and those delegated to Management, are set out in the Board Corporate Governance Framework among others.

The Board approves the risk appetite, strategic & business plans and other initiatives which are likely to have material effect on the Bank's risk profile. Furthermore, the board oversees the implementation of the Bank's Corporate Governance framework and Internal Control Framework, and reviews from time to time whether these remain appropriate in view of material changes to the size, nature and complexity of the Bank's operations.

In addition, the Board oversees the selection, performance, remuneration and succession plans of the Chief Executive Officer (CHIEF EXECUTIVE OFFICER), Management, Functional Heads and other membersof Senior Management, such that the Board is satisfied with the collective competence of senior management to effectively lead the operations of the Bank.

Separation of the Chairman and Chief Executive Officer Roles

The Board Chairman, an Independent Director.

The Chairman's role includes but not limited to the following:

- Promotes open and inclusive deliberations and debate by the Board.
- Maintains a regular, open and constructive dialogue with the Chief executive Officer and Management, serving as the primary link between the Board and Management.

- Represents the views of the Board and the Bank to stakeholders, including shareholders, regulators and the community.
- Liaises with the Company Secretary about the Board's information requirements to assist the Board with effective decision-making.
- Sets the Board agenda together with the Chief Executive Officer and the Company Secretary, ensuring that reasonable time and attention is dedicated to matters within the responsibilities of the Board.

The Chief Executive Officer (CHIEF EXECUTIVE OFFICER), Kofi Acheampong has delegated duties with authority from, and accountable to the Board for the development and successful implementation of the Bank's strategy. His roles, among others, include:

- The enforcement of the Bank's code of conduct, culture and values.
- Implements the Bank's strategy, business and financial objectives and/or plan, exercising powers delegated by the Board as appropriate.
- Evaluates the impact of resource or capital allocation, approving expenditure or making financial decisions on strategic objectives and financial position.
- Implements processes, policies and systems together with appropriate controls to effectively manage the operations and risk of the Bank.
- Ensures the timely preparation, presentation, adequacy and integrity of information provided to the Board, to enable the Board to carry out its responsibilities.
- Responsible for external engagement with stakeholders, including shareholders, government, regulators, and the community.

The separation of authority is set out in writing and agreed by the Board in the Corporate Governance Framework. This enhances independent oversight of Management by the Board and helps to ensure that no one individual on the Board has autonomous power, influence or authority.

Board and Management Roles

Recently, Boards have been given additional oversight responsibilities, notably in recovery and resolution planning, capital & liquidity planning, stress testing, model validation and new product/initiative approval as well as risk culture. As Boards are expected to engage more actively in a broad range of issues, they remain conscious of their responsibilities in comparison to Management.

Board Composition

The Board is made up of six (6) Directors, who are independent Directors in line with the Bank of Ghana Corporate Governance Directive 2018. There are clearly defined roles within our Board structure for the category of Directors as documented in the Board Corporate Governance Framework. The Board has a rich blend of skills and knowledge, combined with the extensive experience required to guide our business in Governance, Banking and Finance, Accountancy, Law, Information Technology, Marketing, Entrepreneurship and Management. The Board Succession Plan involves the guiding principles for effective succession planning as well as the procedures in ensuring a smooth transition in the Board's succession process as existing Directors leave the Board and new ones come on board.

The Board comprises individuals of high calibre with diverse experience, which collectively has the necessary skills, experience and qualifications to effectively manage the Bank and to discharge the responsibilities of the Board. The diversity of the background of the Directors ensures good use of their different and wide-ranging skills.

NAME	QUALIFICATION	POSITION	ROLE IN OTHER INSTITUTIONS
Afram Kwasi	Mba Accounting and Finance, FCCA	Chairman	Not Applicable
Asum-Kwarteng Ahensah	MSc Devt Planning and Mgt; Post-Graduate Dip. Regional Dev't Planning & Mgt; BSc. (Hon) Development Planning	Vice Chairman	Not Applicable
William Abayateye	Degree In Theology	Director	Not Applicable
Dr. George Adjei-Henne	Phd.Arted., MA. Arted., BA Arts.	Director	Not Applicable
Linda Nyarko-Yeboah	Master of Arts in Educational Leadership and Management, Master of Arts in Gender, Peace and Security, Bachelor of Arts in Political Science and Study of Religions	Director	Not Applicable

Effectiveness of the Board

The Board is structured to ensure that the Directors provide the Bank with the appropriate balance of skills, experience, and knowledge as well as independence. Given the nature of the Bank's business experience of banking and financial services, it is clearly of benefit, that the Bank has several Directors with the right skill and experience mix. The Board also derives some benefits from Directors with experience in other fields.

The Board is an effective one that embodies the following characteristics:

- Have experienced and knowledgeable members who have the relevant industry and market knowledge to impact the organization's activities.
- Is held accountable by shareholders for its actions by paying close attention to meeting attendance, Board elections and standards and time commitment.
- Puts in place a mechanism to evaluate its performance regularly and act on recommendations.
- Ensures that Management and the Board Remuneration are in line with the organization and shareholders' long-term interest and are sufficient to attract the right calibre of Directors.
- Separation of Powers with the Chairman heading the Board and the Chief Executive Officer heading Management.
- Have diverse tenure cycle to provide room for the gradual refreshment of Board Members.
- A diverse Board in terms of gender, age, ethnicity and religion leading to a diversified thought process in the Boardroom with constructive discussions and decision-making.

BOARD OF DIRECTORS MEETINGS

BOARD MEMBERS	ROLE	DATE APPOINTED	NUMBER OF MEETINGS	ATTENDANCE
Afram Kwame	Board Chairman	2018	7	7
William Abayateye	Director	2018	7	7
George Adjei-Henneh	Director	2022	7	6
Linda Nyarko-Yeboah	Director	2022	7	7
Asum-Kwarteng Ahensah	Director	2022	7	7
Moses Kofi Soga	Director	2017	7	5

NAME	TRAINING ATTENDED	ORGANISED BY	DATE OF CERTIFICATION
Asum-Kwateng Ahensan	Registration for 10- Day masters class investor conference and financial inclusion Awards night-Kuala Lumpur Malaysia	Association of Rural Banks	1-4th Dec 2025
	Sustainable financing for rural and community Banks in Ghana	Association of Rural Banks	
	Risk Management framework for board of Directors of rural and community Banks	ARB Apex Bank	
	Corporate Governance Certification training for Board of Directors 2025	Association of Rural Banks	12/06/2025
	Psychological Safety in the workplace	Association of Rural Banks	
Afram Kwasi	Climax of the 10th Rural Banking week celebration &ARB women's Conference	Association of Rural Banks	
	Risk Management framework for board of Directors of rural and community Banks	ARB Apex Bank	
	Corporate Governance Certification Training for Board of Directors 2025	ARB Apex Bank	12/6/2025
	Governance Risk and Compliance (GRC) meetings with RCBs	Association of Rural Banks	

NAME	TRAINING ATTENDED	ORGANISED BY	DATE OF CERTIFICATION
Linda Nyarko-Yeboah	Climax of the 10^{th} Rural Banking week celebration &ARB women's Conference	Association of Rural Banks	05/06/2025
	Sustainable financing for rural and community Banks in Ghana	Association of Rural Banks	
	Corporate Governance Certification training for Board of Directors 2025	Association of Rural Banks	
	Governance Risk and Compliance (GRC) meetings with RCBs	ARB Apex Bank	
William Abayateye	Corporate Governance Certification training for Board of Directors 2025	Association of Rural Banks	12/06/2025
	Corporate Governance Risk and Compliance (GRC) meetings with RCBs	ARB Apex Bank	
George Adjei-Henne	Psychological Safety in the workplace	Association of Rural Banks	

Board Committees

The Board, under its delegated authority, has established five Committees to assist in the implementation of strategies and policies and to provide effective governance oversight in the areas of business decisions, audit, risk and compliance, remuneration, Board composition, succession planning, and corporate governance. Committee membership is reviewed annually or as and when necessary.

As part of its oversight responsibilities, the Board receives minutes and reports of all Committee meetings for consideration, ratification, and approval, where appropriate.
All Committees operate under written Terms of Reference, which are reviewed annually and aligned with applicable laws, regulatory requirements, and governance best practices to ensure continued relevance and compliance in a changing operating environment.

Remuneration Policy

The Bank has a transparent and comprehensive remuneration system underpinned by industry benchmarked approach to compensate staff, management and the Board. This sound remuneration strategies and practices reflect and promote good corporate governance and sustainable long-term value creation for staff, Board and shareholders.

Directors' Remuneration

The objective of the Bank's Policy on Directors' remuneration is to attract and retain Directors needed to steer the Bank towards achieving its goals effectively. The determination of the Directors' remuneration is a matter for the shareholder. The level of remuneration of Directors is linked to the level of their responsibilities.

The Bank's Remuneration Policy covers all employees, including Senior Management of the Bank. Employees are also covered by collective bargaining agreements or subject to labour union negotiations and are bound by the terms and conditions of such agreements.

The determination of the remuneration of the Directors is subject to Shareholders' Approval
Details of the Directors' remunerations for Directors can be found in note 16 (Other Expenses) as part of notes to the financial statement in the annual report.

Disclosures on Conflicts of interests and Related Party transactions

The Board Corporate Governance Framework is designed to ensure that actual, perceived or potential conflicts of interest are identified, managed or prevented. The Framework outlines the organizational and administrative arrangements that have been put in place to support the identification and management of conflicts of interest.

This always guarantees that Directors act in the best interests of the Bank.

Directors disclose to the Board any conflicts or potential conflicts of interest they may have in relation to items of business if any or any related party transaction, at the beginning of every board meeting and submit a written declaration to the Company Secretary. Details of all Directors' conflicts of interest are recorded in Interests and Related Party Transaction Registers, which are maintained by the Secretariat in compliance with the Bank of Ghana Corporate Governance Directive and Companies Act 2019 (Act 992).

External Directorship and Other Engagements

The Directors of the Bank are very experienced, and knowledgeable leaders who have other responsibilities and serve on other Boards. To ensure that Directors give greater time commitment to their oversight function in the Bank, no Director holds other directorship positions at a time in both financial and non-financial institutions in compliance with section 45 of the Bank of Ghana Corporate Governance Directive.

Internal Controls System

The Bank operates a holistic internal control framework, which is envisioned to safeguard the Bank's assets, and customers' information and deposits. To do so, the internal control framework operates on a system of checks and balances.

The Bank's internal controls framework covers financial, operational, compliance, legal and information technology controls, as well as risk management policies and systems.The Risk and Compliance Department closely work with the first line of defence for risk control. This includes identification and management of risks inherent in their businesses and ensuring that the Bank remains within approved boundaries of our risk appetite and policies. Corporate oversight and control functions such as risk, compliance and parts of technology and finance form the second line of defence. They are responsible for design and maintenance of the internal control frameworks covering financial, operational, compliance and information technology controls as well as risk management policies and systems.

Internal Audit

The Bank's Audit & Assurance is the Internal Audit function of the Bank. It provides an independent assessment and assurance on the reliability, adequacy and effectiveness of our system of internal controls, risk management procedures, governance framework and processes. Its role is to provide independent and objective assurance to the Board.

Internal Audit (IA) is structured to be independent of management, with a head of Internal Audit, reporting directly to the Audit Committee Chairman. The Audit Committee holds regular discussions with the Auditor in the absence of management. The Internal Auditor has unrestricted access to all the Bank's information, people, property and records to discharge audit and assurance role.

IA's responsibilities include among others:

- Developing a risk-based annual internal audit plan for the Audit Committee's approval and adjusting that plan where necessary to reflect current and emerging risks.
- Executing the audit plan in line with approved audit methodologies and reporting the results of its work to the Audit Committee and Management, where appropriate.
- Escalating to management and the Audit Committee as appropriate, instances where IA believes that management has accepted a level of risk more than the business area's approved risk appetite.
- The Internal Auditor also monitors and reports on progress in addressing significant control and risk issues.

Succession Planning

As the Bank continues to grow, it is imperative that internal succession plan be put in place to ensuring continuity to fulfil the "Going concern" principle as a PLC liability company.

Therefore, the Board after thoroughly consideration of proposal submitted by the Chief Executive of the Bank, have adopted and filed its succession plan.

Environmental, Social and Governance Framework

As Rural and Community Bank (RCB), we are committed to our purpose and a brighter future. That means a focus on sound Environmental, Social and Governance (ESG) practices – not just because it is the right thing to do, but because investing and operating sustainably allows us to deliver better value. The Bank's various initiatives to incorporate ESG criteria into our operating framework reflect our commitment to our customers, partners, shareholders, and employees and the communities in which we operate. Our view on ESG is that it is a continuous process of aligning our operations and controls with our values.

Our approach to ESG management includes having robust governance systems, risk management and controls; striving to serve our customers exceptionally and transparently; investing in our employees and cultivating a diverse and inclusive work environment; and working to strengthen the communities in which we live and work.

Environmental – We are committed to limiting our environmental impact through the efficient use of natural resources, mitigating climate-related risks, and leveraging innovative energy solutions.

Social – We are committed to the effective management of our relationships with key stakeholders including clients, employees, regulators, suppliers, and the communities in which we operate.

Governance – We are committed to operating with strong ethical business practices, fair and equitable compensation, a diversified Board of Directors, and policies that acknowledge local, international, and regulatory principles. Governance is not an exercise in compliance, nor is it a specific form of management, it is an essential part of our public service ethos.

ESG Risk Management – The Board of Directors drives our ESG agenda at the Senior Management level. Structured around our key stakeholder groups, it brings all our material ESG challenges together into one forum.

Reporting on our ESG Duties – We work to keep our ESG reporting at a level we believe appropriate for our business and useful for our stakeholders. Our approach is determined not only by reporting obligations, but also to provide insight into what matters most to our business and our stakeholders and to share our progress in each area. This provides assurance that we are properly addressing our responsibilities and communicating our ESG position and performance across relevant stakeholders.

Disclosure of Information to Auditor

In the case of the person who is a Director of the Bank at the date when this report was approved:
So far as the Directors are aware, there is no relevant audit information as defined in the Companies Act of which the Bank's auditors are unaware; and
The Directors have taken all the steps that they ought to have taken as Directors to make themselves aware of any relevant audit information (as defined) and to establish that the Banks's auditors are aware of that information.

Compliance with Relevant Legislation and Accounting Framework

The financial statements, including comparative year information, are prepared in accordance with International Financial Reporting Standards (IFRS) and in the manner required by the Bank of Ghana Act, 2002 (Act 612) (as amended by the Bank of Ghana (Amendment) Act, 2016 (Act 918)), and the Companies Act, 2019 (Act 992).

Auditor

The Auditor, Gyabaah and Partners 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 Institution Act 2016 (Act 930).

Approval of the Financial Statements

The financial statements of the Bank were approved by the board of Directors on 22nd February 2026 and were signed on their behalf by:

Director Director

Opinion

We have audited the financial statements of SUMA Rural Bank Plc , transitioning to Suma Community Bank PLC set out on pages 32 to 104, which comprise the statement of financial position as at 31 December 2025, and the statement of profit or loss and other comprehensive income, statement of changes in equity and statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying financial statements give a true and fair view of the financial position of SUMA Rural Bank Plc as at 31 December 2025, and of its financial performance and its cash flows for the year then ended in accordance with International Financial Reporting Standards (IFRSs) and in manner required by the Companies Act, 2019 (Act 992) and the Bank and Specialised Deposit-Taking Institution Act, 2016 (Act 930).

Basis for Opinion

We conducted our audit in accordance with International Standards on Auditing. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the financial statements section of our report in accordance with the Companies Act 2019 (Act 992). We are independent of the Bank in accordance with the International Ethics Standard for Accountants' International Code of Ethics for Professional Accountants (IFAC Code) (Including International Independence Standards) (IESBA Code), together with the ethical requirements that are relevant to our audit of the financial statements in Ghana and we have fulfilled our other ethical responsibilities in accordance with these requirements and the IESBA Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key Audit Matters

Key audit matters are those that, in our professional judgment, were of most significance in our audit of the financial statements of the current period. These matters were addressed in the context of our audit of the financial statements, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. In this regard, we have nothing to report.

.Impairment of Loans and Advances to Customers (IFRS 9)

The Key Audit Matter	How the Matter Was Addressed in Our Audit
As of 31 December 2025, the Bank's gross loans and advances totalled GHS30,226,929, with a related Expected Credit Loss (ECL) allowance of GHS380,712. We identified the impairment of loans and advances as a matter of most significance in our audit due to the high degree of complexity and management judgment involved in the ECL model under IFRS 9. Specifically, the following areas required significant auditor attention: Staging: The identification of a Significant Increase in Credit Risk (SICR) for agricultural loans affected by climate volatility or fluctuating commodity prices (e.g., Cocoa and Cashew). Model Inputs: The determination of Probability of Default (PD) and Loss Given Default (LGD), including the valuation of rural land collateral which may lack active markets (IFRS 13). Forward-Looking Information (FLI): The incorporation of macroeconomic indicators such as the Ghana Cedi exchange rate and inflation into the ECL estimate.	Our audit procedures in relation to the ECL allowance included the following: Internal Controls: We tested the design and operating effectiveness of controls over the loan origination process, credit monitoring, and the data inputs into the ECL model. Methodology Review: We evaluated the Bank's IFRS 9 transition matrices and loss rate calculations to ensure compliance with the standard's requirements. Credit Review: We performed a "Credit File Review" on a sample of high-value exposures and non-performing loans to verify the accuracy of staging and the adequacy of specific provisions(Stage 3). Collateral Valuation: We challenged the assumptions used in valuing collateral, ensuring that appropriate "haircuts" were applied to reflect the forced-sale value in rural districts. FLI Assessment: We assessed the reasonableness of the economic scenarios (Optimistic,Base, and Pessimistic) used by management by comparing them to independent economic forecasts for Ghana.

Disclosures: We evaluated the adequacy of the disclosures in Note 33 to the financial statements regarding credit risk concentrations and sensitivity analysis as required by IFRS 7.

Other Information

The Directors are responsible for the other information. The other information comprises the Report of the Directors as required by the Companies Act, 2019 (Act 992), Corporate Information, Report of the Audit Committee and Credit Committee which we obtained prior to the date of this Auditor's Report date. The Chairperson's Statement which is expected to be made available to us after that date but does not include the financial statements and our auditor's report thereon.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financialstatements, or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information; we are required to report that fact. We have nothing to report in this regard.

Responsibilities of the Directors for the Financial Statements

The Directors are responsible for the preparation and fair presentation of the financial statements in accordance with International Financial Reporting Standards (IFRSs) and in the manner required by the Companies Act, 2019 (Act 992) and the Bank and Specialised Deposit-Taking Institutions Act, 2016 (Act 930), and for such internal control as Directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Bank's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting, unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

The Directors are responsible for overseeing the Bank's financial reporting process.

Auditors' Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion.

Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with ISAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with ISAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We are also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsible to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters.

Report on Other Legal and Regulatory Requirement

Compliance with the requirement of Section 137 of the Companies Act, 2019 (Act 992) and Section 85 of the Banks and Specialised Deposit-Taking Institutions Act, 2016 (Act 930)

- We have obtained all the information and explanations which to the best of our knowledge and belief are necessary for the purpose of our audit.
- In our opinion proper books of accounts have been kept by the Bank so far as appears from our examination of those books, and
- The Financial Position, Statements of Profit or Loss and Other Comprehensive Income and Statement of Cash Flows are in agreement with the accounting records and returns.

We are independent of the Bank under pursuant to Section 143 of the Companies Act, 2019 (Act 992), the Bank's transactions were within its powers and the Bank generally complied with the relevant provisions of the Banks and Specialised Deposit-Taking Institutions Act, 2016 (Act 930).

The Bank has generally complied with the provisions of the Anti-Money Laundering Act, 2008 (Act 749) and all relevant Amendment and regulations until it was replaced with the Anti-Money Laundering Act, 2020 (Act 1044) issued on 29 December 2020. The Bank has also generally complied with the relevant provisions of the Anti-Terrorism Act 2008, (Act 762) and all the relevant Amendment and Regulations governing the Acts.

The engagement partner on the audit resulting in the independent auditors' report is Edward Sarpong (ICAG/P/1527).

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Gyabaah & Partners
Chartered Accountants

ICAG/F/2023/008

GYABAAH & PARTNERS
CHARTERED ACCOUNTANTS

Gyabaah & Partners
Chartered Accountants

ICAG/F/2025/008

Date 17TH MARCH 2026

Edward Sarpong

ICAG/P/1527

STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

To the Members of Suma Community Bank Plc

	Notes	2025	2024
		GH¢	GH¢
Interest Income	9	25,528,713	16,802,468
Interest Expense	10	(3,596,921)	(1,946,501)
Net Interest Income		21,931,792	14,855,967
Fees and Commission Income	11	2,620,858	1,546,285
Fees and Commission Expenses	11	(1,972,156)	(901,479)
Net Fees and Commission Income		648,702	644,806
Revenue		22,580,494	15,500,773
Other Operating Income	12	934,355	674,614
Total Operating Income		23,514,849	16,175,388
Impairment loss on Financial Assets	18	(623,863)	(573,922)
Personnel Expenses	14	7,471,155	5,426,808
Depreciation and Amortisation	15	1,301,105	541,569
Other Operating Expenses	16	6,108,452	6,026,406
Total Operating Expenses		14,256,849	11,420,861
Profit/(Loss) before tax		9,258,000	4,754,527
Growth & Sustainability Levy	25	(462,900)	(237,726)
		8,795,100	4,516,801
Tax (Expenses)/Credit on ordinary activities	25	(2,343,881)	(1,091,148)
Profit/(Loss) after tax attributable to Equity holders		6,451,219	3,425,653
Other Comprehensive Income			
Movement in Fair Value in Equity			
Investment (FVOCI)	17	–	–
Related Tax		-	-
Total Comprehensive Income		6,451,219	3,425,653
Basic Earnings Per Share	30	2.047	1.276

	Notes	2025	2024
		GH¢	GH¢
Assets:			
Cash and Cash Equivalents	19	35,005,359	10,069,279
Investment Securities at Amortised Cost	17	70,700,000	62,144,838
Loans and Advances to Customers	18	29,846,217	18,008,695
Other Assets	20	4,140,790	1,191,547
		139,692,366	91,414,358
Property, Plant and Equipment	35	5,773,729	3,904,686
Right of Use Assets	13	164,175	77,655
Intangible Assets	31	95,461	117,923
Investment Securities at FVOCI	17	3,417,183	3,379,683
Total Assets		149,142,914	98,894,304
Liabilities			
Deposits and current accounts	21	130,339,114	84,609,653
Provisions	24	632,731	440,159
Current Taxation	25	218,881	91,148
Growth & Sustainability Levy	25	94,417	56,517
Other Liabilities	23	5,017,816	3,974,138
		136,302,959	89,171,615
Long Term Liabilities			
Borrowings	22	-	2,742,335
Deferred Tax Liability	25	-	-
		-	2,742,335
Total Liabilities		136,302,959	91,913,950

	Notes	2025	2024
		GH¢	GH¢
Shareholders' Funds			
Equity Share Capital	26	1,409,931	1,409,931
Deposit for Shares	26	971,477	-
Preference Share Capita	26	13	13
Total Stated Capital		2,381,421	1,409,944
Statutory Reserve Fund	27	2,856,051	2,049,648
Credit Reserves	28	315,880	-
Retained Earnings	29	7,286,603	3,520,762
Total Shareholders Fund		12,839,955	6,980,354
Total Liabilities and Shareholders' Funds		149,142,914	98,894,304

The financial statements were approved by the Board of Directors on 22nd February 2026 and signed on their behalf by

DIRECTOR

DIRECTOR

	Stated Capital	Deposit for Shares	Statutory Reserve Fund	Credit Reserves	Retained Earnings	Total
2025	GH¢	GH¢	GH¢	GH¢	GH¢	GH¢
Balance as at Start	1,409,931	–	2,049,648		3,520,761	6,980,341
Tax Adjustment	–	–			(243,801)	(243,801)
Total Comprehensive Income						–
Profit for the year	–	–	–	–	6,451,219	6,451,219
Other Comprehensive Income	–	–	–	–	–	–
	1,409,931	–	2,049,648	–	9,728,179	13,187,758
Transfers (to)/from Reserves						
Transfer to Share Deposit		870,609			(870,609)	–
Transfer to Statutory Reserve			806,402		(806,402)	–
Transfer to Credit Reserves	–	–	–	315,880	(315,880)	–
Net Transfers Reserves	–	870,609	806,402	315,880	(1,992,891)	–
Transactions with Owners						
Dividend					(448,685)	(448,685)
Shares Issued	-	100,868	-	-	-	100,868
Total Transaction with Owners	-	100,868	-	-	(448,685)	(347,817)
Balance as End	1,409,931	971,477	2,856,051	315,880	7,286,603	12,839,942

	Stated Capital	Deposit for Shares	Statutory Reserve Fund	Credit Reserves	Retained Earnings	Total
2024	GH¢	GH¢	GH¢	GH¢	GH¢	GH¢
Balance as at Start	1,000,000	308,629	1,193,235		1,204,375	3,706,239
Tax Adjustment	-	-			24,548	24,548
Reversal of Deferred Tax					–	
Total Comprehensive Income						–
Profit for the year					3,425,653	3,425,653
Other Comprehensive Income	-	-	-	-	-	-
	1,000,000	308,629	1,193,235	-	4,654,575	7,156,440
Transfers (to)/from Reserves						
Transfer to Stated Capital	409,931	(409,931)				
Transfer to Statutory Reserve			856,413		(856,413)	-
Transfer to Other Reserves	-	-	-	-	-	-
Net Transfers Reserves	409,931	(409,931)	856,413	-	(856,413)	-
Transactions with Owners						
Dividend					(277,400)	(277,400)
Shares Issued	-	101,302	-	-	-	101,302
Total Transaction with Owners	-	101,302	-	-	(277,400)	(176,099)
Balance as End	1,409,931	-	2,049,648		3,520,762	6,980,341

	Notes	2025 GH¢	2024 GH¢
Operating Activities			
Profit/(Loss) before tax		9,258,000	4,754,527
Adjusted for:			
Depreciation Charges & Amortisation	15	1,301,105	541,569
Non-Cash Transactions		(448,685)	-
Operating Profit before working capital changes		10,110,420	5,296,096
Increase/ Decrease in Loans and Advances	18	(11,837,522)	(2,672,312)
Increase / Decrease in Other Assets	20	(2,949,244)	(21,806)
Increase/Decrease in Deposits	21	45,729,461	42,727,207
Increase/ Decrease in Other Liabilities	23	1,043,678	2,289,107
Increase/Decrease in Provisions	24	192,572	114,700
Increase/ Decrease in Borrowing	22	(2,742,335)	742,335
Cash Generated/used in Operations		39,547,030	48,475,327
Tax paid	34	(2,884,949)	(1,400,117)
Net Cash Flow from Operating Activities			
		36,662,081	47,075,210
Investing Activities			
(Increase)/Decrease in Investments - Short Term	17	(8,555,162)	(38,077,743)
(Increase)/Decrease in Investments - Long Term	17	(37,500)	67,500
Payment of Right of Use of Assets	13	(140,400)	(57,000)
Purchase of Property, Plant & Equipment	35	(3,093,806)	(2,765,886)
Net Cash Flow from Investing activities		(11,826,868)	(40,833,129)
Financing Activities			
Dividend		-	(277,399)
Ordinary Shares Issue	26	100,868	101,302
Net Cash Flow from Financing activities		100,868	(176,098)
Net Increase in Cash & Cash Equivalents		24,936,081	6,065,983
Cash and Cash Equivalents as at Start		10,069,278	4,003,295
Cash and Cash Equivalents as at End19		35,005,359	10,069,278

	Notes	2025	2024
		GH¢	GH¢
Analysis of Cash & Cash Equivalents As at 31st December 2025			
Cash on Hand		11,856,158	4,035,896
Claims on Other Banks		4,274	200
Other - ACOD 7		16,500,000	1,500,000
Current Accounts - ARB Apex Bank Ltd		918,261	834,333
5% Apex Reserves/Deposit		5,726,666	3,698,849
		35,005,359	10,069,279

Note

Non-Cash Transactions	(448,685)	-
Dividend Transfer	(448,685)	-

1. REPORTING ENTITY

Suma Rural Bank Plc, transitioning to Suma Community Bank Plc(the Bank) is a limited liability company incorporated and domiciled in Ghana. The address of the Bank's registered office is Post Office Box 13, Suma Ahenkro, Bono Region, Ghana. The financial statements of the Bank as at, and for the year ended 31 December 2025 are as stated in this report. The principal activities carried out by the Bank include the provision of micro finance facilities in the form of loans to the public. The Bank also accepts deposits of various types including current accounts, savings accounts and enters contracts for fixed deposits.

For Companies Act, 2019 (Act 992) reporting purposes, the balance sheet is represented by the statement of financial position and the profit or loss account by part of the statement of profit or loss and other comprehensive income in these financial statements.

2. BASIS OF ACCOUNTING

a. Statement of compliance

The financial statements have been prepared in accordance with International Financial Reporting Standards (IFRSs) and in the manner required by the Companies Act, 2019 (Act 992) and the Banks and Specialised Deposit-Taking Institutions Act, 2016 (Act 930). There were no changes to significant accounting policies as described in Notes.

b. Functional and Presentation Currency

These financial statements are presented in Ghana Cedi, which is the Bank's functional currency. All amounts have been rounded to the nearest one Ghana Cedi, except when otherwise stated.

c. Basis of Measurement

The financial statements have been prepared on a historical cost basis except financial instruments at fair value through other comprehensive income (FVOCI).

The Bank presents its statement of financial position in order of liquidity. An analysis regarding recovery or settlement within 12 months after the reporting date (current) and more than 12 months after the reporting date (non-current) is presented.
Details of the Bank's accounting policies are included in Note 3

d. Use of Judgements and Estimates

The Preparation of financial statements, in conformity with IFRS requires management to make 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.

I. Judgements

Information about judgements made in applying accounting policies that have the most significant effects on the amounts recognised in the financial statements is included in the notes

1. Classification of financial assets: assessment of the business model within which the assets are held and assessment of whether the contractual terms of the financial asset are Solely Payments of Principal and Interests (SPPI) on the principal amount outstanding.

2. Establishing the criteria for determining whether credit risk on the financial asset has increased significantly since initial recognition, determining methodology for incorporating forward-looking information into measurement of Expected Credit Loss (ECL) and selection and approval of models used to measure ECL.

ii. Assumptions and estimation uncertainties

Information about assumptions and estimation uncertainties that have a significant risk of resulting in a material adjustment in the year ended 31 December 2025 are set out below in relation to the impairment of financial assets and in the following notes:

Impairment of financial instruments: determining inputs into the ECL measurement model, including incorporation of forward-looking information.

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The Bank has consistently applied the following accounting policies to all periods presented in these financial statements.

a. Leases

At inception of a contract, the Bank assesses whether a contract is, or contains, a lease.

A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period in exchange for consideration.

This policy is applied to contracts entered (or changed) on or after 1 January 2019.

a. Bank acting as a lessee

The Bank recognises a right-of-use asset and a corresponding lease liability with respect to all lease agreements in which it is the lease, except for short-term leases (defined as leases with a lease term of 12 months or less) and leases of low value assets.

b. Initial Recognition and Measurement

At commencement or on modification of a contract that contains a lease component, the Bank allocates the consideration in the contract to each lease component based on its relative stand-alone prices. However, for leases of branches and office premises, the Bank has elected not to separate non-lease components and accounts for the lease and non-lease components as a single lease component.

The Bank recognises a right-of-use asset and a lease liability at commencement date. The right-of-use asset is initially measured at cost, comprising the initial amount of lease liability adjusted for any lease payment made at or prior to commencement date, plus any initial direct cost plus estimate of the cost to dismantle and remove any improvement made to branches or office premise less any lease incentives received.

The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted using the interest rate implicit in the lease or, if that rate cannot be readily determined, the Bank's incremental borrowing rate. Generally, the Bank uses its incremental borrowing rate as the discount rate.

The Bank determines its incremental borrowing rate by obtaining interest rate from various external financial sources and makes certain adjustments to reflect the terms of the lease and type of the asset leased.

Lease payments included in the measurement of the lease liability comprise the following:

- Fixed repayment, including in-substance fixed payments
- variable lease payments that depend on an index or a rate, initially measured using the index or rate as at the commencement date.
- amounts expected to be payable under a residual value guarantee; and
- the exercise price under a purchase option that the Bank is reasonably certain to exercise, lease payments in an optional renewal period if the Bank is reasonably certain to exercise an extension option, and penalties for early termination of a lease unless the Bank is reasonably certain not to terminate early.

a. Subsequent Measurement

The right-of-use asset is subsequently depreciated on a straight-line basis from the commencement date to the end of the lease term unless the initial recognition considers the exercise of a purchase option, or the lease transfers the ownership of the underlying to the Bank by the end of the lease term. In which case, right of use asset is amortised over the useful life of the underlying asst.

Additionally, right of use asset is periodically reduced by impairment losses, if any, and adjusted for certain re-measurements of the lease liability.

Lease liability is subsequently measured at amortised cost using the effective interest method. It is re-measured when there is a change in the original assessment of the lease term, a change in the estimate of residual guarantee or a change in index or rate effecting payments or a change in the fixed lease payment. When the lease liability is re-measured in this way the carrying amount of the right of use asset is adjusted by the same amount or is recorded in profit or loss if the carrying amount of the right-of-use asset has been reduced to zero.

The Bank determines its incremental borrowing rate by analysing its borrowing from various external sources with relevant adjustments to reflect the terms of the lease.

The Bank presents right-of-use assets that do not meet the definition of investment property in "Property and equipment"

Short term lease and leases of low-value assets

The Bank has elected not to recognise right-of-use assets and lease liabilities for low-value assets and short-term leases, including IT equipment. The Bank recognises the lease payments associated with these leases as an expense on a straight-line basis over the lease term.

b. Income tax

Income tax expense comprises current and deferred tax. Income tax expense is recognised in profit or loss except to the extent that it relates to items recognised directly in equity or other comprehensive income (OCI).

Current tax is the expected tax payable or receivable on taxable income or loss for the year, measured using tax rates enacted or substantively enacted at the balance sheet date. Current tax payable or receivable is the best estimate of the tax amount expected to be paid or received that reflects uncertainty related to income taxes, if any.

Deferred tax is recognised in respect of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. Deferred tax is not recognised for the following temporary differences: the initial recognition of assets or liabilities in a transaction that is not a business combination and that affects neither accounting nor taxable profit.

Deferred tax is measured at the tax rates that are expected to be applied to the temporary differences when they reverse, based on laws that have been enacted or substantively enacted by the reporting date. Deferred tax assets are recognised for unused tax losses, unused tax credits and deductible temporary differences to the extent that it is probable that future taxable profits will be available against which the asset can be utilised. Deferred tax assets are reviewed at each reporting date and are adjusted to the extent that it is no longer probable that the related tax benefit will be realised.

The measurement of deferred tax reflects the tax consequences that would follow the way the Bank expects, at the reporting date, to recover or settle the carrying amount of its assets and liabilities.

Additional income taxes that arise from the distribution of dividends are recognised at the same time as the liability to pay the related dividend is recognised.

In determining the amount of current and deferred tax, the Bank considers the impact of tax exposures, including whether additional taxes and interest may be due. This assessment relies on estimates and assumptions and may involve a series of judgements about future events. New information may become available that causes the Bank to change its judgement regarding the adequacy of existing tax liabilities; such changes to tax liabilities would impact tax expense in the period in which such a determination is made.

c. Financial assets and financial liabilities

Recognition and measurement

The Bank initially recognises cash and cash equivalents, loans and advances, investment securities, other assets, deposits and debt securities on the date on which they are originated. All other financial instruments are recognised on the trade date, which is the date on which the Bank becomes a party to the contractual provisions of the instrument. A financial asset or financial liability is measured initially at fair value plus, for an item not at FVTPL, transaction costs that are directly attributableto its acquisition or issue. The fair value of a financial instrument at initial recognition is generally its transaction price.

Classification

Financial Assets

On initial recognition, a financial asset is classified as measured at amortised cost, Fair value through other comprehensive income (FVOCI) or Fair value through profit or loss (FVTPL).

A financial asset is measured at amortised cost if it meets both of the following conditions and is not designated as at FVTPL:

1. the asset is held within a business model whose objective is to hold assets to collect contractual cash flows; and
2. the contractual terms of the financial asset give rise on specified dates to cash flows that are Solely Payment of Principal and Interest (SPPI).
3. A debt instrument is measured at FVOCI only if it meets both of the following conditions and is not designated as at FVTPL:
4. the asset is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets; and
5. the contractual terms of the financial asset give rise on specified dates to cash flows that are SPPI.
6. All other financial assets are classified as measured at FVTPL.

In addition, on initial recognition, the Bank may irrevocably designate a financial asset that otherwise meets the requirements to be measured at amortised cost or at FVOCI as at FVTPL if doing so eliminates or significantly reduces an accounting mismatch that would otherwise arise.

Business model assessment

The Bank assesses the objective of a business model in which an asset is held at a portfolio level because this best reflects the way the business is managed, and information is provided to management. The information considered includes:

- the stated policies and objectives for the portfolio and the operation of those policies in practice. Whether management's strategy focuses on earning contractual interest revenue, maintaining a particular interest rate profile, matching the duration of the financial assets to the duration of the liabilities that are funding those assets or realising cash flows through the sale of the assets.
- how the performance of the portfolio is evaluated and reported to the Bank's management.
- The risks that affect the performance of the business model (and the financial assets held within that business model) and how those risks are managed.
- How managers of the business are compensated e.g. whether compensation is based on the fair value of the assets managed or the contractual cash flows collected.
- The frequency, volume and timing of sales in prior periods, the reasons for such sales and its expectations about future sales activity. However, information about sales activity is not considered in isolation, but as part of an overall assessment of how the Bank's stated objective for managing the financial assets is achieved and how cash flows are realised.

Financial assets that are held for trading or managed and whose performance is evaluated on a fair value basis are measured at FVTPL because they are neither held to collect contractual cash flows nor held both to collect contractual cash flows and to sell financial assets.

Assessment of whether contractual cash flows are solely payments of principal and interest on principal.

For the purposes of this assessment, 'principal' is defined as the fair value of the financial asset on initial recognition. 'Interest' is defined as consideration for the time value of money and for the credit risk associated with the principal amount outstanding during a particular period and for other basic lending risks and costs (e.g. liquidity risk and administrative costs), as well as profit margin.

In assessing whether the contractual cash flows are solely payments of principal and interest, the Bank considers the contractual terms of the instrument. This includes assessing whether the financial asset contains a contractual term that could change the timing or amount of contractual cash flows such that it would not meet this condition. In making the assessment, the Bank considers:

- contingent events that would change the amount and timing of cash flows.
- prepayment and extension terms.
- terms that limit the Bank's claim to cash flows from specified assets (e.g. non-recourse asset arrangements); and
- features that modify consideration of the time value of money – e.g. periodical reset of interest rates.

The Bank holds a portfolio of long-term fixed rate loans for which the Bank has the option to propose a revision of the interest rate at periodic reset dates. These reset rights are Plc to the market rate at the time of revision. The right to reset the rates of the loans based on the revision in market rates is part of the contractually agreed terms on inception of the loan agreement; therefore, the borrowers are obligated to comply with the reset rates without any option of repayment of the loans at par at any reset date. The Bank has determined that the contractual cash flows of these loans are solely payments of principal and interest because the option varies with the interest rate in a way that is considered a consideration for the time value of money, credit risk, other basic lending risks and costs associated with the principal amount outstanding.

Reclassification

Financial assets are not reclassified after their initial recognition, except in the period after the Bank changes its business model for managing financial assets.

Classification and subsequent measurement

Financial Assets – Subsequent measurement and gains and losses

a) Amortised cost

Financial assets at amortised cost comprises cash and cash equivalents, investment securities at amortised cost, loans and advances to customers, and other assets. They are subsequently measured at amortised cost using the effective interest method less any impairment losses.

Interest income is determined using the effective interest method, foreign exchange gains and losses and impairment are reported in profit or loss. Any gain or loss on derecognition is recognised in profit or loss.

b) Fair value through other comprehensive income

Equity instruments

These assets are subsequently measured at fair value. Dividends are recognised as income in profit or loss unless the dividend clearly represents a recovery of part of the cost of the investment. Other net gain and losses are recognised in OCL and are never reclassified to profit or loss.

Financial Liabilities - Classification and subsequent measurement

Deposits are the Bank's source of debt funding.

When the Bank sells a financial asset and simultaneously enters into an agreement to repurchase the asset (or a similar asset) at a fixed price on a future date (sale-and-repurchase agreement), the arrangement is accounted for as a deposit, and the underlying asset continues to be recognised in the Bank's financial statements.

Financial liabilities comprising deposit from customers and other liabilities are subsequently measured at their amortised cost using the effective interest method.

I. Derecognition

Financial assets

The Bank derecognises a financial asset when the contractual rights to the cash flows from the financial asset expire, or it transfers the rights to receive the contractual cash flows in a transaction in which substantially all of the risks and rewards of ownership of the financial asset are transferred or in which the Bank neither transfers nor retains substantially all of the risks and rewards of ownership and it does not retain control of the financial asset.

On derecognition of a financial asset, the difference between the carrying amount of the asset (or the carrying amount allocated to the portion of the asset derecognised) and the sum of (i) the consideration received (including any new asset obtained less any new liability assumed) and (ii) any cumulative gain or loss that had been recognised in OCI is recognised in profit or loss.

From 1 January 2020 any cumulative gain/loss recognised in OCI in respect of equity investment securities designated as at FVOCI is not recognised in profit or loss on derecognition of such securities. Any interest in transferred financial assets that qualify for derecognition that is created or retained by the Bank is recognised as a separate asset or liability.

Financial liabilities

The Bank derecognises a financial liability when its contractual obligations are discharged or cancelled or expire.

I. Modifications of financial assets and financial liabilities Financial assets

If the terms of a financial asset were modified, then the Bank evaluated whether the cash flows of the modified asset were substantially different. If the cash flows were substantially different, then the contractual rights to cash flows from the original financial asset were deemed to have expired. In this case, the original financial asset was derecognised, and a new financial asset was recognised at fair value.

If the terms of a financial asset were modified because of financial difficulties of the borrower and the asset was not derecognised, then impairment of the asset was measured using the pre- modification interest rate.

Financial liabilities

The Bank derecognised a financial liability when its terms were modified, and the cash flows of the modified liability were substantially different. In this case, a new financial liability based on the modified terms was recognised at fair value. The difference between the carrying amount of the financial liability extinguished and consideration paid was recognised in profit or loss. Consideration paid included non-financial assets transferred, if any, and the assumption of liabilities, including the new modified financial liability.

If the modification of a financial liability was not accounted for as derecognition, then any costs and fees incurred were recognised as an adjustment to the carrying amount of the liability and amortised over the remaining term of the modified financial liability by re-computing the effective interest rate on the instrument.

Financial assets

If the terms of a financial asset are modified, then the Bank evaluates whether the cash flows of the modified asset are substantially different.
If the cash flows are substantially different, then the contractual rights to cash flows from the original financial asset are deemed to have expired.

In this case, the original financial asset is derecognised, and a new financial asset is recognised at fair value plus any eligible transaction costs. Any fees received as part of the modification are accounted for as follows:

- fees that are considered in determining the fair value of the new asset and fees that represent reimbursement of eligible transaction costs are included in the initial measurement of the asset; and
- other fees are included in profit or loss as part of the gain or loss on derecognition.

If cash flows are modified when the borrower is in financial difficulties, then the objective of the modification is usually to maximise recovery of the originalcontractual terms rather than to originate a new asset with substantially different terms. If the Bank plans to modify a financial asset in a way that would result in forgiveness of cash flows, then it first considers whether a portion of the asset should be written off before the modification takes place. This approach impacts the result of the quantitative evaluation and means that the derecognition criteria are not usually met in such cases.

If the modification of a financial asset measured at amortised cost or FVOCI does not result in derecognition of the financial asset, then the Bank first recalculates the gross carrying amount of the financial asset using the original effective interest rate of the asset and recognises the resulting adjustment as a modification gain or loss in profit or loss. Any costs or fees incurred, and fees received as part of the modification adjust the gross carrying amount of the modified financial asset and are amortised over the remaining term of the modified financial asset.

If such a modification is carried out because of financial difficulties of the borrower, then the gain or loss is presented together with impairment losses. In other cases, it is presented as interest income calculated using the effective interest rate method.

Financial liabilities

The Bank derecognises a financial liability when its terms are modified, and the cash flows of the modified liability are substantially different. In this case, a new financial liability based on the modified terms is recognised at fair value. The difference between the carrying amount of the financial liability derecognised and consideration paid is recognised in profit or loss. Consideration paid includes non-financial assets transferred, if any, and the assumption of liabilities, including the new modified financial liability.

If the modification of a financial liability is not accounted for as derecognition, then the amortised cost of the liability is recalculated by discounting the modified cash flows at the original effective interest rate and the resulting gain or loss is recognised in profit or loss. Any costs and fees incurred are recognised as an adjustment to the carrying amount of the liability and amortised over the remaining term of the modified financial liability by re- computing the effective interest rate on the instrument.

iii. Offsetting financial instruments

Financial assets and financial liabilities are offset and the net amount presented in the statement of financial position when, and only when, the Bank currently has a legally enforceable right to set off the amounts, and it intends either to settle them on a net basis or to realise the asset and settle the liability simultaneously.

Income and expenses are presented on a net basis only when permitted under IFRS, or for gains and losses arising from a group of similar transactions such as in the Bank's trading activity.

iv. Fair value measurement

'Fair value' is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date in the principal or, in its absence, the most advantageous market to which the Bank has access at that date. The fair value of a liability reflects its non-performance risk.

When available, the Bank measures the fair value of an instrument using the quoted price in an active market for that instrument. A market is regarded as active if transactions for the asset or liability take place with sufficient frequency and volume to provide pricing information on an ongoing basis.

If there is no quoted price in an active market, then the Bank uses valuation techniques that maximise the use of relevant observable inputs and minimise the use of unobservable inputs. The chosen valuation technique incorporates all the factors that market participants would consider in pricing a transaction.

The best evidence of the fair value of a financial instrument at initial recognition is normally the transaction price – i.e. the fair value of the consideration given or received. If the Bank determines that the fair value at initial recognition differs from the transaction price and the fair value is evidenced neither by a quoted price in an active market for an identical asset or liability nor based on a valuation technique that uses only data from observable markets, then the financial instrument is initially measured at fair value, adjusted to defer the difference between the fair value at initial recognition and the transaction price. Subsequently, that difference is recognised in profit or loss on an appropriate basis over the life of the instrument but no later than when the valuation is wholly supported by observable market data, or the transaction is closed out.

If an asset or a liability measured at fair value has a bid price and an ask price, then the Bank measures assets and long positions at a bid price and liabilities and short positions at an ask price.

Portfolios of financial assets and financial liabilities that are exposed to market risk and credit risk that are managed by the Bank on the basis of the net exposure to either market or credit risk are measured on the basis of a price that would be received to sell a net long position (or paid to transfer a net short position) for a particular risk exposure. Those portfolio-level adjustments are allocated to the individual assets and liabilities based on the relative risk adjustment of each of the individual instruments in the portfolio.

The fair value of a demand deposit is not less than the amount payable on demand, discounted from the first date on which the amount could be required to be paid.

v. impairment of financial assets

At each reporting date, the Bank assesses whether there is objective evidence that its financial assets are impaired. A financial asset or a group of financial assets is impaired when objective evidence demonstrates that a loss event has occurred after the initial recognition of the asset(s) and that the loss event has an impact on the future cash flows of the asset(s) that can be estimated reliably.

Objective evidence that financial assets are impaired includes:

- significant financial difficulty of the borrower or issuer.
- default or delinquency by a borrower.
- the restructuring of a loan or advance by the Bank on terms that the Bank would not consider otherwise.
- indications that a borrower or issuer will enter bankruptcy.
- the disappearance of an active market for a security; or
- observable data relating to a group of assets such as adverse changes in the payment status of borrowers or issuers in the group, or economic conditions that correlate with defaults in the group.

The Bank considers evidence of impairment for loans and advances to customers and held-to-maturity investment securities at both a specific asset and a collective level. All individually significant loans and advances and held-to- maturity investment securities are assessed for specific impairment. Those found not to be specifically impaired are then collectively assessed for any impairment that has been incurred but not yet identified. Loans and advances to customers and held-to-maturity investment securities that are not individually significant are collectively assessed for impairment by grouping together loans and advances to customers and held-to-maturity investment securities with similar risk characteristics.

In assessing collective impairment, the Bank uses statistical modelling of historical trends of the probability of default, the timing of recoveries and the amount of loss incurred and makes an adjustment if current economic and credit conditions are such that the actual losses are likely to be greater or lesser than is suggested by historical trends. Default rates, loss rates and the expected timing of future recoveries are regularly benchmarked against actual outcomes to ensure that they remain appropriate.

Impairment losses on assets measured at amortised cost are calculated as the difference between the carrying amount and the present value of estimated future cash flows discounted at the asset's original effective interest rate. If the terms of a financial asset are renegotiated or modified or an existing financial asset is replaced with a new one due to financial difficulties of the borrower, then an assessment is made of whether the financial asset should be derecognised. If the cash flows of the renegotiated asset are substantially different, then the contractual rights to cash flows from the original financial asset are deemed to have expired. In this case, the original financial asset is derecognised, and the new financial asset is recognised at fair value.

The impairment loss before an expected restructuring is measured as follows.

- If the expected restructuring will not result in derecognition of the existing asset, then the estimated cash flows arising from the modified financial asset are included in the measurement of the existing asset based on their expected timing and amounts discounted at the original effective interest rate of the existing financial asset.
- If the expected restructuring will result in derecognition of the existing asset, then the expected fair value of the new asset is treated as the final cash flow from the existing financial asset at the time of its derecognition. This amount is discounted from the expected date of derecognition to the reporting date using the original effective interest rate of the existing financial asset.

Impairment losses are recognised in profit or loss and reflected in an allowance account against loans and receivables or held-to-maturity investment securities. Interest on the impaired assets continues to be recognised through the unwinding of the discount. If an event occurring after the impairment was recognised causes the amount of impairment loss to decrease, then the decrease in impairment loss is reversed through profit or loss.

The Bank writes off a loan or an investment debt security, either partially or in full, and any related allowance for impairment losses, when the Bank's Board of Directors determines that there is no realistic prospect of recovery and approval for write-off is granted by the Central Bank.

The Bank recognises loss allowances for ECL on financial assets that are debt instruments that are not measured at FVTPL. No impairment loss is recognised on equity investments.

The Bank measures loss allowances at an amount equal to lifetime ECL, except for the following, for which they are measured at 12-month ECL:

debt investment securities that are determined to have low credit risk at the reporting date; and other financial instruments on which credit risk has not increased significantly since their initial recognition.

The Bank considers a debt investment security to have low credit risk when its credit risk rating is equivalent to the globally understood definition of 'investment grade'. The Bank does not apply the low credit risk exemption to any other financial instruments.

12-month ECL are the portion of ECL that result from default events on a financial instrument that are possible within the 12 months after the reporting date. Financial instruments for which a 12-month ECL is recognised are referred to as 'Stage 1 financial instruments. Lifetime ECL are the ECL that result from all possible default events over the expected life of the financial instrument. Financial instruments for which a lifetime ECL is recognised but which are not credit-impaired are referred to as 'Stage 2 financial instruments.

Measurement of ECL

ECL are a probability-weighted estimate of credit losses. They are measured as follows:

financial assets that are not credit-impaired at the reporting date: as the present value of all cash shortfalls (i.e., the difference between the cash flows due to the entity in accordance with the contract and the cash flows that the Bank expects to receive).

financial assets that are credit-impaired at the reporting date: as the difference between the gross carrying amount and the present value of estimated future cash flows.

undrawn loan commitments: as the present value of the difference between the contractual cash flows that are due to the Bank if the commitment is drawn down and the cash flows that the Bank expects to receive; and

Restructured financial assets

If the terms of a financial asset are renegotiated or modified or an existing financial asset is replaced with a new one due to financial difficulties of the borrower, then an assessment is made of whether the financial asset should be derecognised and ECL are measured as follows.

- If the expected restructuring will not result in derecognition of the existing asset, then the expected cash flows arising from the modified financial asset are included in calculating the cash shortfalls from the existing asset.
- If the expected restructuring will result in derecognition of the existing asset, then the expected fair value of the new asset is treated as the final cash flow from the existing financial asset at the time of its derecognition. This amount is included in calculating the cash shortfalls from the existing financial asset that are discounted from the expected date of derecognition to the reporting date using the original effective interest rate of the existing financial asset.

Credit-impaired financial assets

At each reporting date, the Bank assesses whether financial assets carried at amortised cost and debt financial assets carried at FVOCI, and finance lease receivables are credit-impaired (referred to as 'Stage 3 financial assets'). A financial asset is 'credit-impaired' when one or more events that have a detrimental impact on the estimated future cash flows of the financial asset have occurred.

Evidence that a financial asset is credit-impaired includes the following observable data:

- significant financial difficulty of the borrower or issuer.
- a breach of contract such as a default or past due event.
- the restructuring of a loan or advance by the Bank on terms that the Bank would not consider otherwise.
- it is becoming probable that the borrower will enter bankruptcy or another financial reorganisation; or
- the disappearance of an active market for a security because of financial difficulties.

A loan that has been renegotiated due to a deterioration in the borrower's condition is usually considered to be credit impaired unless there is evidence that the risk of not receiving contractual cash flows has reduced significantly and there are no other indicators of impairment. In addition, a retail loan that is overdue for 30 days or more is considered credit-impaired even when the regulatory definition of default is different.

In assessing whether an investment in sovereign debt is credit-impaired, the Bank considers the following factors.

- The market's assessment of creditworthiness as reflected in the bond yields.
- The rating agencies' assessments of creditworthiness.
- The country's ability to access the capital markets for new debt issuance.
- The probability of debt being restructured, resulting in holders suffering losses through voluntary or mandatory debt forgiveness.
- The international support mechanisms in place to provide the necessary support as 'lender of last resort' to that country, as well as the intention, reflected in public statements, of governments and agencies to use those mechanisms. This includes an assessment of the depth of those mechanisms and, irrespective of the political intent, whether there is the capacity to fulfil the required criteria.

Presentation of allowance for ECL in the statement of financial position

Loss allowances for ECL are presented in the statement of financial position as follows:

- financial assets measured at amortised cost: as a deduction from the gross carrying amount of the assets.

- where a financial instrument includes both a drawn and an undrawn component, and the Bank cannot identify the ECL on the loan commitment component separately from those on the drawn component: The Bank presents a combined loss allowance for both components. The combined amount is presented as a deduction from the gross carrying amount of the drawn component. Any excess of the loss allowance over the gross amount of the drawn component is presented as a provision.

Write-off

Loans and debt securities are written off (either partially or in full) when there is no reasonable expectation of recovering a financial asset in its entirety or a portion thereof. This is generally the case when the Bank determines that the borrower does not have assets or sources of income that could generate sufficient cash flows to repay the amounts subject to the write-off. This assessment is carried out at the individual asset level.

Recoveries of amounts previously written off are included in 'impairment losses on financial instruments' in the statement of comprehensive income. Financial assets that are written off could still be subject to enforcement activities to comply with the Bank's procedures for recovery of amounts due.

d. Interest Income and Expense

Interest income and expense for all interest-bearing financial instruments are recognised within 'interest income' and 'interest expense' in profit or loss using the effective interest method.

The effective interest method is a method of calculating the amortised cost of a financial asset or a financial liability and allocating interest income or interest expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash payments or receipts through the expected life of the financial instrument or, when appropriate, a shorter period to the net carrying amount of the financial asset or financial liability

.When calculating the effective interest rate, the Bank estimates cash flows considering all contractual terms of the financial instrument, including prepayment options, but does noconsider future credit losses. The calculation includes all fees that are an integral part of the effective interest rate, transaction costs and all other premiums or discounts.

Calculation of interest income and expense

The effective interest rate of a financial asset or financial liability is calculated on initial recognition of a financial asset or a financial liability. In calculating interest income and expense, the effective interest rate is applied to the gross carrying amount of the asset (when the asset is not credit-impaired) or to the amortised cost of the liability.

However, for financial assets that have become credit-impaired after initial recognition, interest income is calculated by applying the effective interest rate to the amortised cost of the financial asset. If the asset is no longer credit-impaired, then the calculation of interest income reverts to the gross basis.

For financial assets that were credit-impaired on initial recognition, interest income is calculated by applying the credit-adjusted effective interest rate to the amortised cost of the asset. The calculation of interest income does not revert to a gross basis, even if the credit risk of the asset improves.

Presentation

Interest income calculated using the effective interest method presented in the statement of comprehensive income consist of interest on financial assets and financial liabilities measured at amortised cost.

Interest expense presented in the statement of comprehensive income consist of financial liabilities measured at amortised cost.

e. Fees and commissions income

Fees and commission are generally recognised on an accrual basis when the service has been provided. Loan commitment fees for loans that are likely to be drawn down are deferred, together with related direct costs, and recognised as an adjustment to the effective interest rate on the loan. If a loan commitment is not expected to result in the draw-down of a loan, then the related loan commitment fee is recognised on a straight-line basis over the commitment period.

Other fees and commission expense relate mainly to transaction and service fees, which are expensed as the services are received.

f. Net trading income

Net trading income comprises gains less losses relating to trading assets and liabilities, including interest.

g. Cash and Cash Equivalents

'Cash and cash equivalents' include notes and coins on hand, unrestricted balances held with ARB Apex Bank and highly liquid financial assets with original maturities of three months or less from the acquisition date that are subject to an insignificant risk of changes in their fair value and are used by the Bank in the management of its short-term commitments. Cash and cash equivalents are carried at amortised cost in the statement of financial position.

h. Property and equipment

b. Recognition and measurement

Items of property and equipment are measured at cost less accumulated depreciation and accumulated impairment losses. Cost includes expenditures that are directly attributable to the acquisition of the asset. The cost of self- constructed assets includes the cost of materials and direct labour, any other costs directly attributable to bringing the assets to a working condition for their intended use.

Purchased software that is integral to the functionality of the related equipment is capitalised as part of that equipment. When parts of an item of property or equipment have different useful lives, they are accounted for as separate items (major components) of property and equipment.

The gain or loss on disposal of an item of property and equipment is determined by comparing the proceeds from disposal with the carrying amount of the item of property and equipment and is recognised in other income/other expenses in profit or loss.

ii. Subsequent costs

The cost of replacing part of an item of property or equipment is recognised in the carrying amount of the item if it is probable that the future economic benefits embodied within the part will flow to the Bank and its cost can be measured reliably. The costs of the day-to-day servicing of property and equipment are recognised in profit or loss as incurred.

iii. Depreciation

Depreciation is recognised in profit or loss on a straight-line basis over the estimated useful lives of each part of an item of property and equipment since this most closely reflects the expected pattern of consumption of the future economic benefits embodied in the asset.

The estimated useful lives for the current and corresponding periods are as follows:

Buildings	2%
Motor Vehicle	20%
Office Equipment	25%
Furniture and Fittings	25%
Motor Bike	33.33%
Computers & Accessories	25%
Right of Used Assets	Leased Period

i. Intangible assets

I. Computer software

Software acquired by the Bank is stated at cost less accumulated amortisation and accumulated impairment losses. Subsequent expenditure on software assets is capitalised only when it increases the future economic benefits embodied in the specific asset to which it relates. All other expenditure is expensed as incurred.Amortisation is recognised in the statement of comprehensive income on a straight-line basis over the estimated useful life of the software, from the date that it is available for use. The estimated useful life of software is 5 years.

Amortisation methods, useful lives and residual values are reviewed at each financial year-end and adjusted if appropriate.

j. Impairment of non-financial assets

The carrying amounts of the Bank's non-financial assets other than deferred tax assets, are reviewed at each reporting date to determine whether there is any indication of impairment. If any such indication exists, then the asset's recoverable amount is estimated. An impairment loss is recognised if the carrying amount of an asset exceeds its recoverable amount. Impairment losses are recognised in profit or loss.

The recoverable amount of an asset is the greater of its value in use and its fair value less costs to sell. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset.

In respect of other assets, impairment losses recognised in prior periods are assessed at each reporting date for any indications that the loss has decreased or no longer exists. An impairment loss is reversed if there has been a change in the estimates used to determine the recoverable amount. An impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortisation, if no impairment loss had been recognised.

k. Deposits from customers

Deposits from customers are the Bank's sources of funding. Deposits from customers are initially measured at fair value plus transaction costs and subsequently measured at their amortised cost using the effective interest method.

l. Levies and similar charges

The Bank recognises the liability arising from levies and similar charges when it becomes legally enforceable.

m. Provisions and Contingencies

Provisions

A provision is recognised if, because of a past event, the Bank has a present legal or constructive obligation that can be estimated reliably, and it is probable that an outflow of economic benefits will be required to settle the obligation. Provisions are determined by discounting the expected future cash flows at a pre-tax rate that reflects current market assessments of the time value of money and, where appropriate, the risks specific to the liability. Future operating costs are not provided for.

Contingencies

A Contingent Liabilities is a possible obligation that arises from past events and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the bank, or a present obligation that arises from past events but is not recognised because it is not probable that an outflow of resources embodying economic benefits will be required to settle the obligation; or the amount of the obligation cannot be measured with sufficient reliability,

If the likelihood of an outflow of resource is remote, the possible obligation is neither a provision nor a contingent liability and no disclosure is made.

I. Contingent liabilities and commitments

The conduct of the Bank's business does not involve acceptance and performance bonds and indemnities.

n. Employee Benefits

I. Defined contribution plans

A defined contribution plan is a post-employment benefit plan under which the Bank pays fixed contributions into a separate entity and will have no legal or constructive obligation to pay further amounts. Obligations for contributions to defined contribution pension plans are recognised as an employee benefit expense in profit or loss in the periods during which services are rendered by employees. Prepaid contributions are recognised as an asset to the extent that a cash refund or a reduction in future payments is available.

ii. Short term benefits

Short-term employee benefit obligations are measured on an undiscounted basis and are expensed as the related service is provided. A provision is recognised for the amount expected to be paid under short-term cash bonus or profit-sharing plans if the Bank has a present legal or constructive obligation to pay this amount because of past service provided by the employee and the obligation can be estimated reliably.

iii. Other long-term employment benefits – Long Service Benefit

Long Service Benefits accrue to employees based on graduated periods of uninterrupted service. These benefits accrue over the service life of employees. Provision for Long Service Benefits is made based on valuation done using the projected unit credit basis. Gains or losses arising are charged to other comprehensive income.

o. Stated capital and reserves

I. Share capital

The Bank classifies capital and equity instruments in accordance with the contractual terms of the instrument. The Bank's share capital is not redeemable by holders in the normal course of business and bears an entitlement to distributions that is non-cumulative and at the discretion of the Directors. Accordingly, they are presented as a component of issued capital within equity.

ii. Share issue costs

Incremental costs directly attributable to the issue of an equity instrument are deducted from the initial measurement of the equity instruments.

iii. Dividend on ordinary shares

In compliance with the regulatory directive on minimum capital, the Board has proposed to transfer GH¢2,000,000 from retained earnings to stated capital througha bonus issue to shareholders on record as at 31 December 2025, representing 4,000,000 ordinary shares at GH¢0.50 per share

iv. Retained earnings

This represents the residual of cumulative annual profits that are available for distribution to shareholders.

v. Statutory reserve

This represents amounts set aside as a non-distributable reserve from annual profits in accordance with section 34 of Banks and Specialised Deposit-Taking Institutions Act, 2016 (Act 930) and guidelines from Bank of Ghana.

vi. Credit risk reserve

This is a reserve created to set aside the excess of amounts recognized as impairment loss on loans and advances to customers, based on provisions calculated in accordance with the requirements of IFRS and the Bank of Ghana's prudential guidelines.

p. Related parties

Parties are related if one party could control the other party or exercise significant influence over the other party in making financial and operational decisions, or one other party controls both.

Majority shareholder

There are no single majority shareholder and all the transactions with individual and corporate shareholders were conducted in an arm's length.

Transactions with key management personnel

The Bank's key management personnel and other employees of the Institution,
and persons connected with them, are also considered to be related parties for disclosure purposes. The definition of key management includes the close members of family of key personnel and any entity over which key management exercise control. The key management personnel have been identified as the executive, non-executive directors and core employees of the Bank.

Interest rates charged on key management personnel for loans are at concessionary rates and other than the rates that would be charged in an arm's length transaction.

4. RISK MANAGEMENT FRAMEWORK

The Board of Directors has overall responsibility for the establishment and oversight of the Bank's risk management framework. The Board is responsible for developing and monitoring the Bank's risk management policies over specified areas.

The Bank's risk management policies are established to identify and analyse risks faced by the Bank, set appropriate risk limits and controls and monitor risks and adherence to established policies. Risk management policies and systems are reviewed regularly to reflect changes in market conditions, products and services offered. Through training and setting of standards and procedures, the Bank has developed a disciplined and reasonably effective control environment in which all employees understand their roles and obligations.

The Bank's Board is responsible for monitoring compliance with the Bank's risk management policies and procedures, and for reviewing the adequacy of the risk management framework in relation to risks faced by the Bank.

The Bank's Board of Directors have been meeting on periodic bases to assess the risk associated with Bank's operations and monitoring of policies implemented.

5. FINANCIAL RISK MANAGEMENT

The Bank's activities expose the business to risks. These risks are managed professionally and in a targeted manner. Key risks arising from core functions are identified and measured to facilitate managing and determining risk positions and capital allocations. The Bank has exposure to the following types of risks from its use of financial instruments:

I. credit risk
ii. liquidity risk
iii. market risks
iv. operational risks

The Bank continues to assess its overall risk management framework and governance structure. This note presents information about the Bank's exposure to each of the above risks, the Bank's objectives, policies and processes for measuring and managing risk, and the Bank's management of capital.

a. Credit risk

Credit risk is the risk of financial loss to the Bank if a customer or counterparty to a financial instrument fails to meet its contractual obligations and arises principally from the Bank's loans and advances to customers, cash and cash equivalents and investment securities. For risk management reporting purposes, the Bank considers all elements of credit risk exposure.

I. Settlement risk

The Bank's activities may give rise to risk at the time of settlement of transactions and trade. Settlement risk is the risk of loss due to the failure of a company to honour its obligations to deliver cash, securities or other assets as contractually agreed.

For certain types of transactions, the Bank mitigates this risk by conducting settlements through a clearing agent (the Bank's bankers) to ensure that a transaction is settled only when both parties have fulfilled their contractual settlement obligations.

ii. Management of credit risk

The Board of Directors created the Credit Committee for the oversight of credit risk. A separate Credit Unit, reporting to the Credit Committee through the Chief Executive Officer, is responsible for managing the Bank's credit risk, including the following.

- Formulating credit policies in consultation with business units, covering collateral requirements, credit assessment, risk grading and reporting, documentary and legal procedures, and compliance with regulatory and statutory requirements.

- Establishing the authorization structure for the approval and renewal of credit facilities. Authorization limits are allocated to key management personnel, branch managers and credit committee. Larger facilities as well as advances to staff of the Bank require approval by the Board of Directors, as appropriate.
- Reviewing and assessing credit risk: Bank Credit Committee assesses all credit exposures more than designated limits, before facilities are committed to customers by the business unit concerned. Renewals and reviews of facilities are subject to the same review process.
- Developing and maintain the Bank's risk gradings to categorise exposures according to the degree of risk of default. The current risk grading framework consists of 8 grades reflecting varying degree of risk of default. The responsibility for setting risk grades lies with the final approving committee. Risk grades are subject to regular reviews by Bank's Risk Committee.

Developing and maintaining the Bank's processes for measuring ECL: This includes processes for:

- initial approval, regular validation of the ECL model
- determining and monitoring significant increase in credit risk; and
- incorporation of forward-looking information.

Reviewing compliance of stakeholders with agreed exposure limits, including those for selected credit customer groups and product type. Regular reports on the credit quality of portfolios are provided to Bank's Credit Committee, which may require appropriate corrective action to be taken. These include reports containing estimates of ECL allowances.

Reviewing the acceptability of specific classes of collateral for credit risk mitigation. The principal collateral types for loans are:

- Compulsory savings.
- Short term investments
- Guarantors
- Mortgages over residential properties; and
- Charges over business assets such as premises, inventory and accounts receivable.

The bank also registers all its collateral with the regulator (Bank of Ghana) and keeps a register at the banking premises (Head Office).

Regular audits of business units and Bank's credit processes are undertaken by Internal Audit.

iii. Credit Quality Analysis

Credit risk exposures relating to statements of financial position assets was as follows:

Credit Risk	GH¢	GH¢
Neither past due nor impaired	29,432,956	18,589,448
Past due but not impaired Days Overdue		
30 - 90	286,115	85,039
91 - 180	65,553	72,773
181 - 360	350,085	93,567
Over 360	192,220	172,442
	793,973	423,822

Impaired Days Overdue

Up to 30	294,330	185,894
More Than 30 - 90	18,612	8,504
More Than 90 - 180	16,388	18,193
More Than 180 - 360	175,043	46,784
More Than 360	192,220	172,442
Addition/ (Under Provision)	-	572,758
	696,592	1,004,5752

Loans and Advances at Amortised Cost

Analysed in terms of Quality		
Neither past due nor impaired	29,432,956	18,589,448
Past due but not impaired	793,973	423,822
Gross Loans and Advances	30,226,929	19,013,270
Impaired	(696,592)	(1,004,575)
	29,530,337	18,008,695

Credit Risk

Loans and Advances to Customers	29,530,337	18,008,695

	GH¢	GH¢
Loan and Advances		
Analysis by type of Purpose/Sector		
Agriculture	15,677,007	5,132,593
Cottage Industry	-	-
Transport	-	-
Trading	5,449,526	9,908,830
Others/Salary	9,100,396	3,971,847
	30,226,929	19,013,270
Loans and Advances	30,078,680	18,909,421
Overdraft	148,249	103,849
	30,226,929	19,013,270
Allowance for ECL	(696,592)	(1,004,575)
	29,530,337	18,008,695
20 Largest Exposures	6,768,090	2,488,161
Non-Performing Loans	793,9734	23,822
Key Loan Ratios		
Loan loss provision ratio	2.30%	5.28%
20 Largest Exposures to Total Exposures	22.39%	13.09%
Non-Performing Loans	2.63%	2.23%

Modified Financial Assets

The contractual terms of a loan may be modified for several reasons, including changing market conditions, customer retention and other factors not related to a current or potential credit deterioration of the customer. An existing loan may be derecognised and the renegotiated loan recognised as a new loan at fair value in accordance with the accounting policy.

The Bank renegotiates loans with customers in financial difficulties to maximise collection opportunities and minimise the risk of default. Under the Bank's forbearance policy, loan forbearance is granted on a selective basis if the debtor is currently in default on its debt or if there is a high risk of default, there is evidence that the debtor made all reasonable efforts to pay under the original contractual terms and the debtor is expected to be able to meet the revised terms.

The revised terms usually include extending the maturity, changing the timing of interest payments and amending the terms of loan covenants.

Loans and advances to customers

The general creditworthiness of a customer tends to be the most relevant indicator of credit quality of a loan extended to it. However, collateral provides additional security, and the Bank generally requests that borrowers provide it. The Bank may take collateral in the form of cash deposit, guarantor and mortgage.

Other types of collateral

In addition to the guarantor and mortgage used as collateral for loans and advances to customers, the Bank also holds other types of collateral such as investments (i.e. fixed deposits, treasury bills, certificate of deposit).

Assets obtained by taking possession of collateral

The Bank did not hold any financial and non-financial assets resulting from taking possession of collateral held as security against loans and advances at the reporting date.

iv. Amounts arising from ECL

Inputs, assumptions and techniques used for estimating impairment

Significant increase in credit risk

When determining whether the risk of default on a financial instrument has increased significantly since initial recognition, the Bank considers reasonable and supportable information that is relevant and available without undue cost or effort. This includes both quantitative and qualitative information and analysis, based on the Bank's historical experience and expert credit assessment and including forward-looking information.

The objective of the assessment is to identify whether a significant increase in credit risk has occurred for an exposure by comparing:

1. the remaining lifetime probability of default (PD) as at the reporting date; with
2. the remaining lifetime PD for this point in time that was estimated at the time of initial recognition of the exposure (adjusted where relevant for changes in prepayment expectations).

The Bank uses three criteria for determining whether there has been a significant increase in credit risk:

- quantitative test based on movement in PD.
- qualitative indicators; and
- a backstop of 30 days past due.

Credit risk grades

The Bank allocates each exposure to a credit risk grade based on a variety of data that is determined to be predictive of the risk of default and applying experienced credit judgement. Credit risk grades are defined using qualitative and quantitative factors that are indicative of risk of default. These factors vary depending on the nature of the exposure and the type of borrower.

Credit risk grades are defined and calibrated such that the risk of default occurring increases exponentially as the credit risk deteriorates. Each exposure is allocated to a credit risk grade on initial recognition based on available information about the borrower. Exposures are subject to ongoing monitoring, which may result in an exposure being moved to a different credit risk grade. The monitoring typically involves use of the following data.

Corporate and retail exposures:

1. Information obtained during periodic review of customer files – e.g. audited financial statements, management accounts, budgets and projections. Examples of areas of particular focus are gross profit margins, financial leverage ratios, debt service coverage, compliance with covenants, quality of management, senior management changes
2. Actual and expected significant changes in the political, regulatory and technological environment of the borrower or in its business activities
3. Internally collected data on customer behaviour
4. Payment record: this includes overdue status as well as a range of variables about payment ratios
5. Utilisation of the granted limit
6. Requests for and granting of forbearance
7. Existing and forecast changes in business, financial and economic conditions

Generating the term structure of PD

Credit risk grades are a primary input into the determination of the term structure of PD for exposures. The Bank collects performance and default information about its credit risk exposures analysed by type of products and borrower as well as by credit risk grading.

The bank employs a model to analyse the data collected and generate estimates of the remaining lifetime PD of exposures and how these are expected to change because of the passage of time.

Determining whether credit risk has increased significantly

The Bank assesses whether credit risk has increased significantly since initial recognition at each reporting date. Determining whether an increase in credit risk is significant depends on the characteristics of the financial instrument and the borrower, and the geographical region.

What is considered significant differs for different types of lending.

As a general indicator, credit risk of a particular exposure is deemed to have increased significantly since initial recognition if, based on the Bank's quantitative modelling:

1. the remaining lifetime PD is determined to have increased by more than a stated threshold of the corresponding amount estimated on initial recognition; or,
2. if the absolute change is annualised, lifetime PD since initial recognition is greater than a stated threshold of basis points.
3. The credit risk may also be deemed to have increased significantly since initial recognition based on qualitative factors linked to the Bank's credit risk management processes that may not otherwise be fully reflected in its quantitative analysis on a timely basis. This will be the case for exposures that meet certain heightened risk criteria, such as placement on a watch list. Such qualitative factors are based on its expert judgment and relevant historical experiences. As a backstop, the Bank considers that a significant increase in credit risk occurs no later than when an asset is more than 30 days past due. Days past due are determined by counting the number of days since the earliest elapsed due date in respect of which full payment has not been received.

Due dates are determined without considering any grace period that might be available to the borrower.

If there is evidence that there is no longer a significant increase in credit risk relative to initial recognition, then the loss allowance on an instrument return to being measured as 12-month ECL. Some qualitative indicators of an increase in credit risk, such as delinquency or forbearance, may be indicative of an increased risk of default that persists after the indicator itself has ceased to exist. In these cases, the Bank determines a probation period during which the financial asset is required to demonstrate good behaviour to provide evidence that its credit risk has declined sufficiently. When contractual terms of a loan have been modified, evidence that the criteria for recognising lifetime ECL are no longer met includes a history of up-to-date payment performance against the modified contractual terms.

The Bank monitors the effectiveness of the criteria used to identify significant increases in credit risk by regular reviews to confirm that:

1. the criteria can identify significant increases in credit risk before an exposure is in default.
2. the criteria do not align with the point in time when an asset becomes 30 days past due.
3. the average time between the identification of a significant increase in credit risk and default appears reasonable.
4. exposures are not generally transferred directly from 12-month ECL measurement to credit-impaired; and
5. there is no unwarranted volatility in loss allowance from transfers between 12-month PD (Stage 1) and lifetime PD (Stage 2)

Definition of default

The Bank considers a financial asset to be in default when:

- the borrower is unlikely to pay its credit obligations to the Bank in full, without recourse by the Bank to actions such as realising security (if any is held).
- the borrower is more than 90 days past due on any material credit obligation to the Bank. Overdrafts are considered as being past due once the customer has breached an advised limit or been advised of a limit smaller than the current amount outstanding; or
- it is becoming probable that the borrower will restructure the asset because of bankruptcy due to the borrower's inability to pay its credit obligations.
- In assessing whether a borrower is in default, the Bank considers indicators that are:
- qualitative: e.g. breaches of covenant.
- quantitative: e.g. overdue status and non-payment on another obligation of the same issuer to the Bank; and
- based on data developed internally and obtained from external sources.

Inputs into the assessment of whether a financial instrument is in default and their significance may vary over time to reflect changes in circumstances

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The definition of default largely aligns with that applied by the Bank for regulatory capital purposes.

Incorporation of forward-looking information

The Bank incorporates forward-looking information into both the assessment of whether the credit risk of an instrument has increased significantly since its initial recognition and the measurement of ECL. The base case is aligned with information used by the Bank for other purposes such as strategic planning and budgeting. External information considered includes economic data and forecasts published by governmental bodies and monetary authorities in Ghana.

Measurement of ECL

The key inputs into the measurement of ECL are the term structure of the following variables:

- Probability of Default (PD).
- Loss Given Default (LGD); and
- Exposure At Default (EAD).

ECL for exposures in Stage 1 is calculated by multiplying the 12-month PD by LGD and EAD. Lifetime ECL is calculated by multiplying the lifetime PD by LGD and EAD.

LGD is the magnitude of the likely loss if there is a default. The Bank estimates LGD parameters based on the history of recovery rates of claims against defaulted counterparties. The LGD models consider the structure, collateral, seniority of the claim, counterparty industry and recovery costs of any collateral that is integral to the financial asset.

EAD represents the expected exposure in the event of a default. The Bank derives the EAD from the current exposure to the counterparty and potential changes to the current amount allowed under the contract and arising from amortisation. The EAD of a financial asset is its gross carrying amount at the time of default. For lending commitments, the EADs are potential future amounts that may be drawn under the contract, which are estimated based on historical observations and forward-looking forecasts.

As described above, and subject to using a maximum of a 12-month PD for Stage 1 financial assets, the Bank measures ECL considering the risk of default over the maximum contractual period (including borrower's extension options if any) over which it is exposed to credit risk, even if, for credit risk management purposes, the Bank considers a longer period.

The maximum contractual period extends to the date at which the Bank has the right to require repayment of an advance or terminate a loan commitment.

Loss allowance

The following tables show reconciliations from the opening to the closing balance of the loss allowance by class of financial instrument. Comparative amounts for 2022 represent the allowance account for credit losses and reflect the measurement basis under IFRS 9:

Loans and Advances	Stage 1	Stage 2	Stage 3	Total
2025	GH¢	GH¢	GH¢	GH¢
Current	29,432,956	-	-	29,432,956
Overdue < 90 days	-	186,115	-	186,115
Overdue > 90 days	-	-	607,858	607,858
Total Gross Amount	29,432,956	186,115	607,858	30,226,929
Allowance for ECL	(270,930)	(1,066)	(108,716)	(380,712)
Carrying Amount	29,162,026	185,049	499,142	29,846,217

	Stage 1	Stage 2	Stage 3	Total
2025	GH¢	GH¢	GH¢	GH¢
Balance at 1 January	185,894	8,504	810,177	1,004,575
12 - Months ECL	270,930	-	-	270,930
Lifetime ECL not Credit - Impaired	-	1,066	-	1,066
Lifetime ECL Credit - Impaired	-	-	108,716	108,716
Balance at 31 December	270,930	1,066	108,716	380,712
Charge for the year	85,036	(7,438)	(701,461)	(623,863)

b. Liquidity Risk

'Liquidity risk' is the risk that the Bank will encounter difficulty in meeting obligations associated with its financial liabilities that are settled by delivering cash or another financial asset. The consequences may be the failure to meet obligations to repay depositors and fulfil commitments to lenders. The Bank's objective when managing liquidity is to ensure, as far as possible, that it will have sufficient liquidity to meet its liabilities when they are due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Bank's reputation.

The key measure used by the Bank for managing liquidity risk is the ratio of net liquid assets to deposits from customers. For this purpose, 'liquid assets' include cash, cash reserve balances with ARB Apex Bank, balance with other banks, investments up to one year and government securities. 'Volatile liabilities' include deposits from customers, other liabilities, etc.

	Note	2025	2024
		GH¢	GH¢
Cash and Cash Equivalents	19	35,005,359	10,069,279
Investment Securities at Amortised Cost	17	70,700,000	62,144,838
		105,705,359	72,214,117
Deposits and current accounts	21	130,339,114	84,609,653
Net Exposure		(24,633,755)	(12,395,537)
% of Exposure		19%	15%

At the reporting date, the ratio of the Bank's net liquid assets to deposits from customers was 19% (2024: 15%)

I. Exposure to Liquidity Risk

The table below sets out the remaining contractual maturities of the Bank's financial liabilities and financial assets at the reporting date

	Carrying Amount 2025	Carrying Amount 2024
	GH¢	GH¢
Deposits from customers	130,339,114	84,609,653
Other Liabilities	5,017,816	3,974,138
	135,356,930	88,583,791
Cash and Cash Equivalents	35,005,359	10,069,279
Investment Securities at amortised cost	70,700,000	62,144,838
Loans and Advances to customers	29,846,217	18,008,695
	135,551,576	90,222,811
Total liquidity reserves	(194,646)	(1,639,020)

ii. Liquidity reserves

The table below sets out the components of the Bank's liquidity reserves.

	2025	2024
	GH¢	GH¢
Balances with ARB Apex Bank	23,144,927	6,033,182
Cash and balances with other Banks	4,274	200
Cash on Hand	11,856,158	4,035,896
	35,005,359	10,069,279

c. market risk

Market risk is the risk of loss arising from adverse changes in market conditions (interest rates and equity prices) during the period. Positions that expose the Bank to market risk are non-trading related.

i. Risk identification

The Bank identifies market risk through daily monitoring of levels and profit and loss balances of non-trading positions. The Audit and Risk Committee, the Treasurer and the Finance Manager monitor market risk factors that affect the value of income streams on non-trading portfolios daily.

The table below sets out the allocation of assets and liabilities subject to market risk between trading and non-trading portfolios.

	Carrying Amount	Market Risk measure Non trading portfolios
	GH¢	GH¢
Assets subject to market risk		
Cash and cash equivalents	35,005,359	35,005,359
Investment securities	70,700,000	70,700,000
Loans and advances to customers	29,846,217	29,846,217
	135,551,576	135,551,576
Liabilities subject to market risk		
Deposits from customers	130,339,114	130,339,114

ii. Interest rate risk

Interest rate risk is the exposure of current and future earnings and capital to adverse changes in the level of interest rates. Exposure to interest rate risk can result from a variety of factors, including:

1. Differences between the timing of market interest rate changes and the timing of cash flows (repricing risk).
2. Changes in the market interest rates producing different effects on yields on similar instruments with different maturities (yield curve risk); and
3. Changes in the level of market interest rates producing different effects on rates received or paid on instruments with similar repricing characteristics (basis risk).

The Bank uses gap analysis to measure its exposure to interest rate risk. Through this analysis, it compares the values of interest rate sensitive assets and liabilities that mature or reprice at various time periods in the future. The Bank may make judgmental assumptions about the behaviour of assets and liabilities which do not have specific contractual maturity or repricing dates.

iii. Exposure to Interest Rate Risk

The following is a summary of the Bank's interest rate gap position on non-trading portfolios. The interest rate repricing gap table analyses the full-term structure of interest rate mismatches within the Bank's statement of financial position on the maturity date.

	Carrying amount GH¢
Assets subject to market risk	135,551,576
Liabilities subject to market risk	130,339,114
Interest rate risk	5,212,462

The management of interest rate risk against interest rate gap limits is supplemented by monitoring sensitivity of the Bank's financial assets and financial liabilities to various standard and non-standard interest rate scenarios. Standard scenarios that are considered monthly.

Due to the fixed nature of the Bank's interest-bearing instruments, no sensitivity analysis has been disclosed. Overall, non-trading interest rate risk positions are managed by Treasury, which uses investment securities and customer deposits to manage the overall position arising from the Bank's non-trading activities.

iv. Exposure to currency risk – non-trading portfolios

As at the reporting date the Bank did not have any exposures to currency risks.

d. Operational risk

Operational risk is the risk of direct or indirect loss arising from a wide variety of causes associated with the Bank's processes, personnel, technology and infrastructure, and from external factors other than credit, market and liquidity risks such as those arising from legal and regulatory requirements and generally accepted standards of corporate behaviour. Operational risks arise from all the Bank's operations. The Bank's objective is to manage operational risk to balance the avoidance of financial losses and damage to the Bank's reputation with overall cost effectiveness and to avoid control procedures that restrict initiative and creativity. The primary responsibility for the development and implementation of controls to address operational risk is assigned to senior management within each business unit.

The Bank's Compliance Unit is responsible for establishing and maintaining an appropriate framework of the Bank's compliance policies and procedures. This responsibility is supported by the development of overall Bank standards for the management of operational risk.

The Bank has a Risk and Compliance unit which monitors the all the frameworks governing the operations of the Bank. The unit reports to Bank of Ghana on monthly basis, issues report to Board of Directors on risk and compliance on period basis and on daily basis liaise with the internal audit unit of the bank to minimise risk and comply with laws, frameworks and standards.

6. FAIR VALUE OF FINANCIAL INSTRUMENTS

The fair values of financial assets and financial liabilities that are traded in active markets are based on quoted market prices or dealer price quotations. For all other financial instruments, the Bank determines fair values using other valuation techniques.

For financial instruments that trade infrequently and have little price transparency, fair value is less objective and requires varying degrees of judgment depending on liquidity, concentration, uncertainty of market factors, pricing assumptions and other risks affecting the specific instrument.

a) Valuation models

The Bank measures fair values using the following fair value hierarchy, which reflects the significance of the inputs used in making the measurements.

Level 1: Inputs that are quoted market prices (unadjusted) in active markets for identical instruments.

Level 2: Inputs other than quoted prices included within Level 1 that are observable either directly (i.e. as prices) or indirectly (i.e. derived from prices). This category includes instruments valued using quoted market prices in active markets for similar instruments; quoted prices for identical or similar instruments in markets that are considered less than active; or other valuation techniques in which all significant inputs are directly or indirectly observable from market data.

Level 3: inputs that are unobservable. This category includes all instruments for which the valuation technique includes inputs not based on observable data and the unobservable inputs have a significant effect on the instrument's valuation. This category includes instruments that are valued based on quoted prices for similar instruments for which significant unobservable adjustments or assumptions are required to reflect differences between the instruments.

Valuation techniques include net present value and discounted cash flow models, comparison with similar instruments for which market observable prices exit and other valuation models. Assumptions and inputs used in valuation techniques includes risk-free and benchmark interest rates, credit spreads and other premia used in estimating discount rates.

The objective of valuation techniques is to arrive at a fair value measurement that reflects the price that would be received to sell the asset or paid to transfer the liability in an orderly transaction between market participants at the measurement date.

Availability of observable market prices and model inputs reduces the need for management judgment and estimation and reduces the uncertainty associated with determining fair values. Availability of observable market prices and inputs varies depending on the products and markets and is prone to changes based on specific events and general conditions in the financial markets.

a. Financial instruments measured at fair value – fair value hierarchy
The following table analyses financial instruments measured at fair value at the reporting date, by the level in the fair value hierarchy into which the fair value measurement is categorized. The amounts are based on the values recognised in the statement of financial position.

b. Financial instruments not measured at fair value
The following table sets out the fair values of financial instruments not measured at fair value and analyses them by the level in the fair value hierarchy into which each fair value measurement is categorized.

Cash and cash equivalents
Cash and cash equivalents include cash on hand, balances with banks and other financial institutions, and short-term investments.

Investment securities
The fair value of investment securities is based on market prices or broker/dealer price quotations. Where this information is not available, fair value is rated using quoted market prices for securities with similar credit, maturity and yield characteristics.

Loans and advances to customers
Loans and advances to customers are net of charges for impairment. The estimated fair value of loans and advances represents the discounted amount of estimated future cash flows expected to be received. Expected cash flows are discounted at current market rates to determine the fair value.

Deposits from customers

The estimated fair value of deposits with no stated maturity dates, which includes non-interest-bearing deposits, is the amount repayable on demand. The estimated fair value of fixed interest-bearing deposits is based on discounted cash flows using interest rates for new debts with similar maturity profiles.

7. CAPITAL MANAGEMENT

a. Regulatory capital

The Bank's regulator, the Bank of Ghana sets and monitors capital requirements for the Bank as a whole.

In implementing current capital requirements, the Bank of Ghana requires the Bank to maintain a prescribed ratio of total capital to total risk-weighted assets.

The Bank's regulatory capital is analysed into two tiers:

- Tier 1 capital, also referred to as core/primary capital is made up of equity and disclosed reserves. Equity includes issued and fully paid ordinary share capital and perpetual non-cumulative preference shares. Disclosed reserves relate to those created or increased by appropriation of after-tax retained earnings/surplus and general statutory reserves and does not include regulatory credit risk reserve.
- Tier 2 capital, also referred to as supplementary/secondary capital includes revaluation reserves, latent revaluation reserves and hybrid capital instruments. Latent revaluation reserves relate to unrealised gains on equity instruments classified as FVOCI.

Various limits are applied to elements of the capital base. The qualifying tier 2 capital cannot exceed tier 1 capital. Risk-weighted assets are determined according to specified requirements that seek to reflect the varying levels of risk attached to assets and off-balance sheet exposures (if any).The Bank's policy is to maintain a strong capital base to maintain investor, creditor and market confidence and to sustain future development of the business. The impact of the level of capital on shareholders' return is also recognised, and the Bank recognises the need to maintain a balance between the higher returns that might be possible with greater gearing and the advantages and security afforded by a sound capital position.

The Bank complied with the statutory capital requirements throughout the period. There have been no material changes in the Bank's management of capital during this period.

Capital Adequacy Ratio (CAR)

The capital adequacy ratio is the quotient of the capital base of the Bank and the Bank's risk-weighted asset base. In accordance with Bank of Ghana regulations, a minimum ratio of 10% is to be maintained.

The Bank manages its capital position to ensure its capital is adequate to support its business activities and aligns with its risk appetite and strategic planning. Additionally, the Bank seeks to always maintain safety and soundness, take advantage of organic growth opportunities, meet obligations to counterparties and satisfy current and future regulatory capital requirements.

Capital management is integrated in our risk and governance processes, as capital is a key consideration in the development of our strategic plan, risk appetite and risk limits.

We conduct an Internal Capital Adequacy Assessment Process (ICAAP) periodically which is a forward-looking assessment of our projected capital needs and resources, incorporating earnings, balance sheet and risk forecasts under baseline and adverse economic and market conditions. We utilize periodic stress tests to assess the potential impacts to our balance sheet, earnings, regulatory capital and liquidity under a variety of stress scenarios. The capital management function is governed primarily by management-level committees that oversee the risks associated with capital management, namely the Bank's asset and liability committee (ALCO) and the executive committee.

The Capital Adequacy Ratio (CAR) has been computed in accordance with the Capital Requirement Directive (CRD) by Bank of Ghana. The CRD was developed and issued by the Bank of Ghana for the adoption of all banks in Ghana. It is based on the Basel II and III frameworks.

The Bank's Capital Adequacy Ratio (CAR) as at the year-end was 21.55% above the regulatory minimum requirement.

CAPITAL ADEQUACY RATIO AS AT 31 DECEMBER 2025

Item	GH¢	GH¢
1. Paid up Capital		2,381,421
2. Disclosed Reserves		10,142,655
3. Permanent Preference Shares		-
4. Tier 1 Capital (1+2+3)		12,524,076
5. Goodwill/Intangible (Preliminary expense)		
6. Losses not provided for	-	
7. Investments in Unconsolidated Subsidiaries	-	
8. Investments in the Capital of Other Banks & Financial Inst - Apex	229,923	
9. Connected Lending of Long-Term Nature	-	
Sum of (5+6+7+8+9)		229,923
10. Net Tier 1 Capital (4-5-6-7-8-9)		12,294,153
11. Revaluation Reserves	-	
12. Subordinated Term Debt	-	
13. Hybrid Capital	-	
14. Tier 2 Capital (11+12+13) (PLC to 100% of 4)		-
15. Adjusted Capital Base (10+14)		12,294,153
16. Total Assets		149,142,914
17. Cash on Hand (Cedis)	11,856,158	
18. Cash on Hand (Forex)	-	
19. Claims on Bank of Ghana		
Cedi Clearing Account Balance	918,261	
5% ARB Apex Balance	5,726,666	
ACOD	16,500,000	
Special Deposits		
20. Claims on Government		
Treasury Security (Bills and Bonds)	70,700,000	
Government Stocks	3,187,260	
21. 80% of Cheques drawn on Other Banks		
22. Goodwill/Intangibles	-	
23. Investments in Unconsolidated Subsidiaries	-	
24. Investments in the Capital of Other Banks & Financial Inst - Apex	229,923	
25. Connected Lending of Long-Term Nature	-	
26. 80% of Claims on Discount Houses	-	
27. 80% of Claims on Other Banks	3,419	
28. 50% of Claims on Other Financial Inst. - Public Sector (GCSF)	-	
29. 80% of Loans guaranteed by Government		
30. 80% of Loans guaranteed by Multilateral Banks		
31. 50% of Residential Mortgage Loans		
32. 50% of Export Financing Loans		
33. Sum of (17 - 32)	109,121,687	(109,121,687)
34. Adjusted Total Assets (16-33)		40,021,227
35. 100% of 3 Years Average Annual Gross Income		17,036,393
36. Adjusted Assets Base (34+35)		57,057,619

CAPITAL ADEQUACY RATIO AS AT 31 DECEMBER 2025

Item	GH¢	GH¢
Adjusted Capital Base as % of Adjusted Assets Base (15/36 x 100)		21.55
Capital Surplus/Deficit		6,588,391
3 Years Average Gross Income		
Reporting Year		Total Income
Current Year (2025)		23,514,849
Previous Year (2024)		16,175,388
Before Previous Year (2023)		11,418,941
Total		51,109,178
Average Annual Gross Income		17,036,393

b. Capital allocation

The allocation of capital between specific operations and activities is largely driven by optimisation of the return achieved on the capital allocated. The amount of capital allocated to each operation or activity is based primarily upon the regulatory capital, but in some cases the regulatory requirements do not reflect fully the varying degree of risk associated with different activities. In such cases the capital requirements may be flexed to reflect differing risk profiles, subject to the overall level of capital to support a particular operation or activity not falling below the minimum required for regulatory purposes. The process of allocating capital to specific operations and activities is undertaken independently of those responsible for the operation, by the Bank's Risk Management and Credit Administration Units, and is subject to review by the executive committee of the Board as appropriate.

Although maximisation of the return on risk-adjusted capital is the principal basis used in determining how capital is allocated within the Bank to operations or activities, it is not the sole basis used for decision making. Account also is taken of synergies with other operations and activities, the availability of management and other resources, and the fit of the activity with the Bank's longer term strategic objectives.

The Bank's policies in respect of capital management and allocation are reviewed regularly by the Board of Directors.

8. SEGMENT REPORTING

The Bank's current operation is not segregated to show divisional performance and as such does not lend itself to segmental reporting; hence management has provided information on all its agencies which do not meet the definition of segmental reporting.

	2025 GH¢	2024 GH¢
9. Interest Income		
Interest on Loans	11,449,278	6,745,211
Interest on Overdrafts	267,286	232,889
Interest on Placement	461,065	436,904
Interest on Investments (T/Bills)	13,351,084	9,387,464
	25 ,528,713	16,802,468

	2025	2024
	GH¢	GH¢
10. Interest Expenses		
Interest on Savings Deposits	1,637,683	918,417
Interest on Fixed Deposits	1,468,700	707,788
Interest – Others	2,786	–
Interest on Borrowings	487,752	320,296
	3,596,921	1,946,501
11. Fees and Commission Income		
Commitment Fees	2,185,096	1,197,189
Commission on Turnover	415,263	317,277
Cheque Clearing Fees	–	17,393
Remittances	20,499	14,426
	2,620,858	1,546,285
Fees and Commission Expenses		
Mobilisation Expenses	995,703	323,909
Susu Expenses	832,122	540,495
Cheque Clearing Expenses	8,312	13,506
Micro – Finance Expenses	136,019	23,570
	1,972,156	901,479
12. Other Operating Income		
Other	934,355	674,614
	934,355	674,614
13. Right of Use Assets – Lease		
Balance at Start	240,789	183,789
Additions	140,400	57,000
Fully Amortised	(52,200)	–
Balance at End	328,989	240,789
Accumulated Depreciation at Start	163,134	127,744
Fully Amortised	(52,200)	–
Charge for the year	53,880	35,390
Accumulated Depreciation at End	164,814	163,134
Carrying Amount	164,175	77,655

	Note	2025	2024
		GH¢	GH¢
14. Personnel Expenses			
Staff Wages and Salaries		4,351,233	3,376,292
Staff End of Year Party		651,428	212,674
Staff Training Expenses		548,351	384,853
Medical Expenses		54,705	59,686
Other Staff Cost (SSF/PF, ...)		1,865,438	1,393,302
		7,471,155	5,426,808
15. Depreciation and Amortisation			
Property Plant and Equipment	35	1,224,763	483,718
Right of Use Assets	13	53,880	35,390
Intangible Assets	31	22,462	22,462
		1,301,105	541,569
16. Other Operating Expenses			
Directors Emoluments		177,660	-
Board Meeting Expenses		95,056	208,210
Travelling & Transport		970,641	1,396,844
Audit Expenses		17,705	26,524
Audit Fees		8,000	35,000
Printing and Stationery		208,383	137,726
AGM Expenses		150,000	121,091
Postage and Telephone		223,768	102,072
Donation and Charity Expenses		95,571	157,739
Entertainment and Business Promotion		13,403	163,019
Shortage in Till		110	-
Cashier Efficiency		6,000	5,400
Police Guard Expenses/Security		217,810	197,785
Specie Movement		51,036	48,563
Office and Administrative Expenses		125,354	160,304
Advertising/Promotional Expenses		64,962	32,372
Business Promotion		292,657	-
Bank Charges		84,482	24,214
GhanaPay Interest		-	8

	Note	2025	2024
		GH¢	GH¢
Loan Recovery Expenses		72,844	41,523
Motor Vehicle Running Expenses		306,503	266,314
Motor Vehicle Repairs & Maintenance		261,246	222,477
Rent and Rates		8,400	8,400
Water and Electricity		274,645	215,954
Subscriptions and periodicals		121,438	109,016
Generator Running Costs		123,089	127,663
Cleaning and Sanitation		98,030	95,849
Funeral Grant		500	-
Housing/Bungalow Expenses		3,485	27,853
Bad Debts Written Off		-	155,886
Defalcation Written Off		26,200	76,020
Legal Fees/Expenses		-	26,775
Computerisation Expenses		1,098,338	1,044,097
Repairs and Maintenance		159,954	398,880
Other Expenses		188,734	148,999
Sundry Expenses		15,820	43,060
Insurance		546,628	200,770
		6,108,452	6,026,406

17. Investment Security (at Amortised Cost)

(a) Treasury Bills		70,700,000	62,144,838
Other Bills		-	-
		70,700,000	62,144,838
Impairment at End	33	-	-
		70,700,000	62,144,838

17. Investment Security (at FVOCI)

Government of Ghana Bond	3,187,260	3,187,260
(b) Investment in ARB Apex Bank Shares	229,923	192,423
	3,417,183	3,379,683

	Note	2025	2024
		GH¢	GH¢
Reconciliation of Investment in ARB Apex Shares			
Balance at Start		192,423	154,923
Additions during the Year		37,500	37,500
Fair Value gain/(loss)		-	-
Balance at End		229,923	192,423
		-	
Original Value of Shares		229,923	192,423

The fair value gain/(loss) represents the cumulative net change in the fair value of investment held at Fair Value through Other Comprehensive Income (FVOCI) recognised as fair value reserve until the assets are derecognised.

18. Loan and Advances Note			
(a) Loans and Advances		30,078,680	18,909,421
Overdraft		148,249	103,849
		30,226,929	19,013,270
Allowance for ECL 33		(380,712)	(1,004,575)
		29,846,217	18,008,695
18. Impairment Losses on Financial Assets			
(b) Investment Securities (Amortised Cost)	17	-	-
Loans and Advances to Customers	18	380,712	1,004,575
		380,712	1,004,575
18 Impairment of Financial Assets Recognised			
(c) Balance at Start		1,004,575	1,578,497
Recognised in Income Statement		(623,863)	(573,922)
Balance at End		380,712	1,004,575
Total Impairment		(623,863)	(573,922)
Bad Debt Written Off		-	-
Recognised in Income Statement		(623,863)	(573,922)

	Note	2025	2024
		GH¢	GH¢
18. Credit Risk Reserve			
(d) Impairment per BoG	32	696,592	1,004,575
Impairment per IFRS	18	380,712	1,004,575
		(315,880)	-

This is a reserve created to set aside the excess of amounts recognised as impairment loss on Financial Assets, based on provisions calculated in accordance with the requirement of IFRS and the Bank of Ghana's prudential guidelines.

	2025	2024
19. Cash and Cash Equivalents		
Cash on Hand	11,856,158	4,035,896
Claims on Other Banks	4,274	200
Other - ACOD 7	16,500,000	1,500,000
Current Accounts - ARB Apex Bank Ltd	918,261	834,333
5% Apex Reserves/Deposit	5,726,666	3,698,849
	35,005,359	10,069,279

	2025	2024
20. Other Assets		
Stationery Stock	91,788	69,710
Rent Prepaid	18,900	27,300
Interest/Comm Accrued	1,770,160	882,396
Insurance Prepaid	256,763	82,918
Interest in Arrears	114,714	94,089
Ghana Pay	1,208,581	-
Others	679,884	35,133
	4,140,790	1,191,547

	2025	2024
Rent Prepaid		
Opening Balance	27,300	35,700
Rent Charged for the Year	(8,400)	(8,400)
Closing Balance	18,900	27,300

	Note	2025	2024
		GH¢	GH¢
Insurance Prepaid			
Opening Balance		82,918	50,397
Additions for the year		889,449	233,291
Charged for the Year		(546,628)	(200,770)
Closing Balance		256,763	82,918

21. Deposit and Current Accounts

Savings Account		89,568,477	57,331,732
Current Account		15,204,810	9,995,994
Time Deposit		11,179,119	8,650,867
Susu		14,386,708	8,631,059
		130,339,114	84,609,653

22. Borrowings:

Balance at Start		2,742,335	2,000,000
Additions		-	1,939,300
Repayments		(2,742,335)	(1,196,965)
Balance at End		-	2,742,335

23. Other Liabilities

Accrued Interest		463,314	223,623
Unearned Discount T/Bills		1,479,204	2,931,097
Interest Suspense		79,873	-
Dividend		305,059	168,337
Ghana Pay		1,773,669	-
Others		916,697	651,082
		5,017,816	3,974,138

24. Provisions Note

Others		301,213	373,596
CHIEF EXECUTIVE OFFICER Retirement		220,198	60,694
GDPC Insurance		111,320	-
Development Fund	24	-	5,869
		632,731	440,159

	Note	2025	2024
		GH¢	GH¢
24. Reconciliation of Development Fund			
(a) Balance at Start		5,869	5,869
Additions during the year		(5,869)	-
Provisions utilised during the year		-	-
Balance at End		-	5,869
24. Provision for CHIEF EXECUTIVE OFFICER			
Retirement			
(b) Balance at Start		60,694	13,190
Transfer during the year		159,504	47,504
Balance at the End		220,198	60,694

The provisions are on account of constructive obligation created by the Bank as a result of the Bank's involvement in the community development and others constructive obligations of the Bank.

	Note	2025	2024
25. Current Tax Note			
(a) Balance at Start		91,148	224,665
Adjustment		243,801	(24,548)
Charge for the year	34	2,343,881	1,091,148
Payment during the year	34	(2,459,949)	(1,200,117)
Balance at End		218,881	91,148
Growth & Sustainability Levy			
Balance at Start		56,517	18,791
Charge for the Year		462,900	237,726
Amount Paid		(425,000)	(200,000)
Balance at End (Liability)		94,417	56,517
25. Reconciliation of Tax Expense on Income Statement			
(c) Analysis of Taxation charge in the year			
Current tax on income for the year		2,343,881	1,091,148
Deferred tax released for the year		-	-
Tax on Ordinary activities		2,343,881	1,091,148

	Note	2025	2024
		GH¢	GH¢
25. Profit (Loss) before tax		9,258,000	4,754,527
(d) Tax applicable at 25%		2,314,500	1,188,632
Tax effect on non-deductible expenses		677,242	(32,353)
Tax effect on Capital allowances		(578,946)	(457,471)
Deferred Tax released for the year		-	-
Current tax charge at 25%		2,412,796	698,808
Effective tax rate		26%	15%
Taxation Liability at End		218,881	91,148

26. Stated Capital		
Authorised Shares (of no-par value)		
Ordinary Shares	1,000,000,000	1,000,000,000
Preference Shares	500	500
Issued and Fully Paid Shares		
	Shares	Shares
26. Ordinary Shares		
(a) Number of Shares at Start	2,219,862	1,000,000
Shares issued and registered	-	1,219,862
Number of Shares at End	2,219,862	2,219,862
	GH¢	GH¢
Balance at Start	1,409,931	1,000,000
Amount Registered During the Year	-	409,931
Transfer from Retained Earning	-	-
Balance at End	1,409,931	1,409,931

26. Deposits for Shares		
(b) Number of Shares at Start	-	1,017,258
Registered	-	-
Transfer to Ordinary Shares	-	(1,219,862)
Shares issued during the year	1,942,954	202,604
Number of Shares at End	1,942,954	-

	Note	2025	2024
		GH¢	GH¢
Balance at Start		-	308,629
Amount Registered During the Year		-	(409,931)
Transfer from Retained Earnings		870,609	-
Issued During the Year		100,868	101,302
Adjustment		-	-
Balance at End		971,477	-
Total Stated Capital			
Ordinary Shares		1,409,931	1,409,931
Deposit for Shares		971,477	-
		2,381,408	1,409,931

Deposit for shares represents shares issued but yet to be registered with the Registrar General Department

26. Preference Shares

.(c) Number of Shares at Start	130	130
Shares issued during the year	-	-
Number of Shares at End	130	130
Amount (GH¢)	13	13

27. Statutory Reserve Fund

Balance at Start	2,049,648	1,193,235
Transfer from Retained Earnings	806,402	856,413
Balance at End	2,856,051	2,049,648

This represents amounts set aside as a non-distributable reserve from annual profit in accordance with section 34 of Banks and Specialised Deposit-Taking Institutions Act, 2016 (Act 930) and guidelines from Bank of Ghana.

28. Credit Reserves

Balance at Start		
Transfer from Retained Earnings	315,880	-
	315,880	-

	Note	2025	2024
		GH¢	GH¢
29. Retained Earnings			
Balance at Start		3,520,762	1,204,375
Adjustment		(243,801)	24,548
Transfer to Ordinary Shares		(870,609)	-
Transfer to Credit Reserves		(315,880)	-
Profit/(Loss) for the year		6,451,219	3,425,653
Dividend		(448,685)	(277,400)
Transfer from Retained Earnings		-	(856,413)
Balance at End		8,093,006	3,520,762

This represents the residual of cumulative annual profits that are available for distribution to shareholders

		2025	2024
30. Basic Earnings Per Share			
Net Profit After Tax		6,451,219	3,425,653
Number of Shares in Issue		4,162,816	2,219,862
Weighted Average number of Shares		3,150,887	2,685,578
E. P. S		2.05	1.28

		2025	2024
31. Intangible Assets (Software License)			
Cost			
Balance at Start		224,615	224,615
Additions		-	-
Balance at End		224,615	224,615
Amortisation			
Balance at Start		106,692	84,231
Charge for the year		22,462	22,462
Balance at End		129,154	106,692
Carrying Amount		95,461	117,923

32. Impairment of Loans and Advances - BoG

	2025		2024	
	Gross Loans	Impairment	Gross Loans	Impairment
	GH¢	GH¢	GH¢	GH¢
Current	29,432,956	294,330	18,589,448	185,894
OLEM	186,115	18,612	85,039	8,504
Substandard	65,553	16,388	72,773	18,193
Doubtful	350,085	175,043	93,567	46,784
Loss	192,220	192,220	172,442	172,442
Additions/ (Under Provision)	-	-	-	572,758
	30,226,929	696,592	19,013,270	1,004,575

32. Impairment Losses on Financial Assets as per BoG

(a) Investment Securities (Amortised Cost)	-	-
Loans and Advances to Customers	(696,592)	(1,004,575)
	(696,592)	(1,004,575)

33. Impairment of Financial Assets - IFRS

(a) Loans and Advances 2025

	Stage 1	Stage 2	Stage 3	Total
	GH¢	GH¢	GH¢	GH¢
Grade 1 - 3 Low (Fair Risk)	29,432,956	-	-	29,432,956
Grade 4 - 5 (Watch List)	-	186,115	-	186,115
Grade 6 (Substandard)	-	-	65,553	65,553
Grade 7 (Doubtful)	-	-	350,085	350,085
Grade 8 (Loss)	-	-	192,220	192,220
Total Gross Amount	29,432,956	186,115	607,858	30,226,929
Allowance for ECL	(270,930)	(1,066)	(108,716)	(380,712)
Carrying Amount	29,162,026	185,049	499,142	29,846,217
Loss Allowance				

	Stage 1	Stage 2	Stage 3	Total
	GH¢	GH¢	GH¢	GH¢
Balance at 1 January	185,894	8,504	810,177	1,004,575
12 - months ECL	270,930	-	-	270,930
Lifetime ECL not Credit - Impaired	-	1,066	-	1,066
Lifetime ECL Credit - Impaired	-	-	108,716	108,716
Balance at 31 December	270,930	1,066	108,716	380,712
Charge for the year	85,036	(7,438)	(701,461)	(623,863)

Loans and Advances 2024

	Stage 1	Stage 2	Stage 3	Total
	GH¢	GH¢	GH¢	GH¢
Grade 1 - 3 Low (Fair Risk)	18,589,448	-	-	18,589,448
Grade 4 - 5 (Watch List)	-	85,039	-	85,039
Grade 6 (Substandard)	-	-	72,773	72,773
Grade 7 (Doubtful)	-	-	93,567	93,567
Grade 8 (Loss)	-	-	172,442	172,442
Total Gross Amount	18,589,448	85,039	338,782	19,013,270
Allowance for ECL	(185,894)	(8,504)	(810,177)	(1,004,575)
Carrying Amount	18,403,553	76,535	(471,394)	18,008,695

Loss Allowance

	Stage 1	Stage 2	Stage 3	Total
	GH¢	GH¢	GH¢	GH¢
Balance at 1 January			757,356	757,356
12 - months ECL	185,894	-	-	185,894
Lifetime ECL not Credit - Impaired	-	8,504	-	8,504
Lifetime ECL Credit - Impaired	-	-	810,177	810,177
Balance at 31 December	185,894	8,504	810,177	1,004,575
Charge for the year	185,894	8,504	52,8202	47,219

34. Taxation

Year	Balance b/d	Charge	Payment	Adjustment	Balance c/d
	GH¢	GH¢	GH¢	GH¢	GH¢
2023	22,961	701,704	(500,000)	-	224,665
2024	224,665	1,091,148	(1,200,117)	(24,548)	91,148
2025	91,148	2,343,881	(2,459,949)	243,801	218,881
	338,774	4,136,733	(4,160,066)	219,253	534,694

	2025	2024
	GH¢	GH¢
Corporate Tax Paid		
Previous Year's		
Outstandings	334,949	-
Current Year	2,125,000	-
	2,459,949	-

35. Property Plant & Equipment

2025	Buildings GH¢	Office Computers GH¢	Furniture, Fixtures & Fittings GH¢	Office Equipment GH¢	Motor Bikes GH¢	Motor Vehicles GH¢	Land GH¢	Bungalow WIP GH¢	Total GH¢
Balance	1,226,468	402,888	314,671	773,692	147,882	2,263,655	35,000	10,300	5,174,556
Addition	-	146,888	136,018	549,321	92,724	1,491,971	80,000	596,884	3,093,806
Fully Depreciated	-	-	-	-	-	-	-	-	-
	1,226,468	549,776	450,689	1,323,013	240,606	3,755,626	115,000	607,184	8,268,362
Depreciation									
Balance	277,718	152,505	106,276	345,895	56,383	331,098	-	-	1,269,870
Charge for the year	61,323	122,821	100,041	242,845	70,997	626,736			1,224,763
Fully Depreciated	-	-	-	-	-	-	-	-	-
	339,041	275,326	206,317	588,735	127,380	957,834	-	-	2,494,633
Carrying Amount at 31st December 2025	887,427	274,450	244,372	734,278	113,226	2,797,792	115,000	607,184	5,773,729
Carrying Amount at 31st December 2024	948,750	250,382	208,395	427,802	91,499	1,932,557	35,000	10,300	3,904,686

35. Property Plant & Equipment

2024	Buildings GH¢	Office Computers GH¢	Furniture, Fixtures & Fittings GH¢	Office Equipment GH¢	Motor Bikes GH¢	Motor Vehicles GH¢	Land GH¢	Bungalow WIP GH¢	Total GH¢
Balance	1,226,468	165,446	153,783	483,449	55,130	324,392			2,408,669
Addition	-	237,441	160,888	290,242	92,752	1,939,263	35,000	10,300	2,765,886
Reclassification	-	-		-	-	-			-
Fully Depreciated	-	-	-	-	-	-	-	-	-
Balance at End	1,226,468	402,888	314,671	773,692	147,882	2,263655	35,000	10,300	5,129,255
Depreciation									
Balance	254,866	89,707	57,348	219,509	27,979	136,742	-	-	786,151
Charge for the year	22,851	62,799	48,928	126,380	28,404	194,355	-	-	483,718
Adjustment		-	-	-	-	-			
Fully Depreciated	-				-	-	-	-	-
Balance at End	277,718	152,505	106,276	345,890	56,383	331,098	-	-	1,269,869
Carrying Amount at 31st December 2024	948,750	250,382	208,395	427,802	91,499	1,932,557	35,000	10,300	3,904,686
Carrying Amount at 31st December 2023	971,602	75,740	96,435	263,940	27,151	187,650	-	-	1,622,517

36. Subsequent Events

The Financial Statements reflect material events arising after the reporting date and relates to the year under review.

37. Contingencies

Claims and litigation / Legal Proceedings

There were no pending legal cases against the Bank which could result in a loss or contingent liability. There was no legal opinion on the amount of claim, if any, that the Bank could be made to suffer on any one of the suits.

Contingent liabilities

In the ordinary course of business, the Bank did conduct business involving guarantees and did not engage in letters of credits and acceptances. These facilities are offset by corresponding obligations of third parties.

Nature of contingent liabilities

Guarantees are generally written by a Bank to support performance by a customer to third parties. The Bank will only be required to meet these obligations in the event of the customer's default.

Letters of credit commit the Bank to make payment to third parties, on production of documents, which are subsequently reimbursed by customers.

An acceptance is an undertaking by the Bank to pay a bill of exchange drawn on the customer. The Bank expects most acceptances to be presented and reimbursed by the customer immediately.

38. Related parties

a. Transactions with Directors

Loan Balances

Transactions in the normal course of business with directors who are hereby referred to as related party. The outstanding loan balances and deposits for the year are as follows:

	2025	2024
	GH¢	GH¢
	Closing Balances	Closing Balances
Loans and Advances to Directors	0.00	0.00
Fixed Deposits from Directors	0.00	0.00
	Maximum Balance	Maximum Balance
Maximum Amount of Loans granted		
to Directors during the year	0.00	0.00
Mortgage Lending and Other Secured Loans		
Other Loans		
Directors Remuneration during the year	0.00	0.00

b. Short-Term Directors' Benefits

The Bank does not have any share options policy in place for its directors.
There were no Mortgages and therefore no Secured Loans granted over any Properties of borrowers.

c. Loan and Advances to Directors and their Associates

The Bank has entered into transactions with its directors and their Associates, Associate's Companies or Directors as follows:

	2025	2024
	GH¢	GH¢
Gross Amount at 1 January	0.00	0.00
Loans Disbursed	0.00	0.00
Interest Charged	0.00	0.00
Total	0.00	0.00
Cash Received	0.00	0.00
Net Movement in Overdraft Balances	0.00	0.00
Net Amount at 31 December	0.00	0.00

All the transactions with the Related Parties are priced on arm's length basis and have been entered into in the normal course of business.

d. Directors' shareholding

Name	Number of Shareholding	Percentage Holding
William Abayateye	23,660	0.42%
Afram Kwasi	22,698	0.40%
Linda Nyarko Yeboah	19,576	0.35%
Asum-Kwarteng Ahensah	15,281	0.27%
Dr. Adjei-Hene George	11,840	0.25%
Moses Kofi Soga	28,484	0.6%

39. Transactions with key management personnel

a. The Bank's key management personnel include directors (executive and non-executive) and members of the executive committee. Transactions in the normal course of business with these people who are hereby referred to as related party as follows:

Key Management Shareholding

Name	Number of Shareholding	Percentage Holding
Kofi Acheampong	6,192	0.11%
Joseph Kumah	27,460	0.48%
Eric Drobo	500	0.02%
Mark Asante	2,114	0.04%
Baffour Agyei	4,254	0.07%
Benjamin Ayisi	706	0.01%
Dennis Amankona	18,916	0.33%
Rosemond Awusi	2,705	0.05%

	2025(GH¢)	2024(GH¢)
	Closing Balances	Closing Balances
Loans and Advances to Key Management	617,856.84	375,858.38
Fixed Deposits from Key Management	0.00	0,00
	Maximum Balance	Maximum Balance
Maximum Amount of Loans granted to Key Management during the year	200,000.00	150,000.00
Mortgage Lending and Other Secured Loans	0.00	0.00
Other Loans	0.00	0.00
Key Management Remuneration during the year	852,427.75	819,572.64

	2025	2024
	GH¢	GH¢
Gross Amount at 1 January	251,190	105.777
Loans Disbursed	400,000	521,600
Interest Charged	198,469.34	69,167
Total	849,659	590,872.78
Cash Received	231,801.96	215014.40
Net Movement in Overdraft Balances		
Net Amount at 31 December	617,857.04	375,858.38

All transactions other than with related parties are priced in an arm's length basis and was entered into in the normal course of business.

b. Short-Term Employee Benefits

The Bank does not have any share options policy in place for its Key Management Personnel and other employees. There were no Mortgages and therefore no Secured Loans granted over any Properties of borrowers.

40. List of Related Parties - Directors

Name of Director	Qualification	Position	Role in other Institutions
Afram Kwasi	MBA Accounting and Finance, Fcca,	Chairman	Not Applicable
Asum-Kwarteng Ahensah	M.Sc. Devt Planning and Mgt; Post-Graduate Dip. Regional Dev't Planning & Mgt; Bsc. (Hon) Development Planning	Vice Chairman	Not Applicable
William Abayateye	Degree In Theology	Director	Not Applicable
Dr. George Adjei-Henne	Phd.Art Ed., MA. Art Ed., BA Arts.	Director	Not Applicable
Linda Nyarko-Yeboah	Master Of Arts in Educational Leadership and Management, Master of Arts in Gender, Peace and Security, Bachelor of Arts in Political Science And Study Of Religions	Director	Not Applicable

Key Management Personnel

Name	Qualification	Position
Kofi Acheampong	M.Sc. Industrial Finance & Investment, Acib, Cgma Adv. Dip	Chief Executive Officer
Kumah Joseph	Bcom (Accounting)	Operations Manager
Drobo Eric	Mba Banking & Finance, Bcom (Acc)	Credit Manager
Mark Asante	BCom (Accounting), MBa Supply Chain Management and Logistics	Internal Auditor
Baffour Agyei	MBa (Accounting), Ba Accounting	Head Of Compliance
Benjamin Ayisi Osei	BSc Computing	I T Manager

36. Capital Commitments

There were no capital commitments as of 31 December 2025 (2024: Nil)

37. Country analysis

All assets and liabilities of the Bank are held in Ghana.

38. Comparative figures

Where necessary, figures within notes have been restated to either conform to changes in presentation in the current year or for the adoption of new IFRS requirement.

39. Analysis of Shareholdings

a. Number of shareholders

The Bank has Six Thousand, Six Hundred and Twenty-Nine ordinary shareholders at 31 December 2025 distributed as follows:

Category	Number of Shareholders	Number of Share	Percentage Holding (%)
1-1,000	6,065	1,322,670	26.8%
1,001-5,000	444	897,707	18.19%
5,001-10,000	72	505,677	10.24%
Over 10,000	48	1,436,762	44.77%
Total	6,629.00	4,162,816	100.00%

b. List of Twenty (20) Largest Shareholders

Account Name	Type	No. of Shares	Percentage Holding	ShareValue
1. Adjei Eric	Ordinary Shares	808,242	14.19	404,120.88
2. Lymin Creek PLC	Ordinary Shares	241,820	4.25	117,318.73
3. Japekrom Traditional Council	Ordinary Shares	101,273	1.78	50,612.37
4. Sasah Wiredu Kofi	Ordinary Shares	91,664	1.61	38,981.52
5. Baba Kwesi Emmanuel	Ordinary Shares	80,851	1.42	33,340.38
6. Yeboah Sampson Kwaku	Ordinary Shares	60,000	1.05	30,000.00
7. Johnson Ofori-Asubonteng	Ordinary Shares	56,602	0.99	21,481.07
8. Saana Bediatuo Nyarko - Dabie	Ordinary Shares	54,655	0.96	20,909.88
9. Vivian Mfodwaa Gyan	Ordinary Shares	46,687	0.82	16,707.55
10. Barus Siaka	Ordinary Shares	45,520	0.80	22,760.00
11. Nsrawudi Kwame Nicholas	Ordinary Shares	41,565	0.73	14,308.03
12. Siaka Ibrahim	Ordinary Shares	40,000	0.70	20,000.00
13. Godfrey Lord Kwasi Crentsil	Ordinary Shares	40,000	0.70	20,000.00
14. Minta-Jacobs AlbertaadelaidAfua	Ordinary Shares	40,000	0.70	20,000.00
15. Siaka Wagyilie	Ordinary Shares	40,000	0.70	20,000.00
16. Yeboah Kwaku Micheal	Ordinary Shares	39,800	0.70	19,900.00
17. Soga Kofi Moses	Ordinary Shares	38,484	0.68	13,081.29
18. Samuel Dadzie	Ordinary Shares	36,637	0.64	18,058.59
19. Atta Gyamfi	Ordinary Shares	34,581	0.61	17,202.08
20. Kwame Adjei Obey	Ordinary Shares	32,006	0.56	16,000.01

Capital Allowance Computation

Year of Assessment 2025

	Class 1	Class 2	Class 3	Class 4	Total
	40%	30%	20%	10%	
Written Down Value at Start	172,141	127,412	797,590	354,833	
Disposals					
Additions	146,888	92,724	685,339	-	
Total	319,029	220,136	1,482,929	354,833	
Capital Allowance	(127,611)	(66,041)	(296,586)	(88,708)	(578,946)
Written Down Value at End	191,417	154,095	1,186,343	266,125	1,797,980

Tax Computation

Year of Assessment	2025	
	GH¢	GH¢
Net Profit/(Loss) as per Account		9,258,000
Provision for Impairment	(623,863)	
Provision for Depreciation	1,224,763	
Donations	95,571	696,471
Adjusted Profit/(Loss)		9,954,471
Capital Allowance		(578,946)
Chargeable Income		9,375,525
Tax Charged at 25%		2,343,881

VALUE ADDED STATEMENT

For The Year Ended 31st December, 2025

	2025	2024
	GH¢	GH¢
Interest earned and other Operating Income	29,083,926	19,023,368
Direct Cost of Service and Other Costs	(7,807,892)	(6,719,676)
Value Added by Banking Services	21,276,034	12,303,692
Non-Banking Income	-	-
Impairment Losses	623,863	573,922
Valued Added	21,899,897	12,877,614
Distributed as follows		
To Employees		
Directors	272,716	208,210
Other Employees	7,471,155	5,426,808
	7,743,871	5,635,018
To Government		
Income Tax	2,806,781	1,328,874
Rates	-	-
	2,806,781	1,328,874
To Providers of Capital		
Finance Costs (Interest paid on Borrowings)	3,596,921	1,946,501
Dividend Payments	-	-
	3,596,921	1,946,501
Retention		
Depreciation and Amortisation	1,301,105	541,569
Retained Earnings	6,451,219	3,425,653
Transfer to Statutory Reserve	806,402	856,413
Transfer to Other Funds	-	-
Transfer to Retained Earnings	5,644,816	2,569,240
	6,451,219	3,425,653

I/ we ____being a shareholder(s) of

Suma Rural Bank Plc, transitioning to Suma Community Bank Plc, hereby, appoint __________

__________________________________as my/our proxy to vote on my/our behalf at the

Annual General Meeting of the Bank to be held at the Suma Presby Church, Suma-Ahenkro

on Saturday, 19th September, 2026 at 10:00 a.m. prompt and at any adjournment thereof.

Signed the______________________________ day of______________________ 2026.

NOTE:

Completed Proxy form should reach the Secretary, Suma Rural Bank Plc., not less than Forty-eight (48) hours prior to the meeting time.