

# AUDITED SUMMARISED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2022

## KEY HIGHLIGHTS

Profit for the Year  
**64.4%** ↑

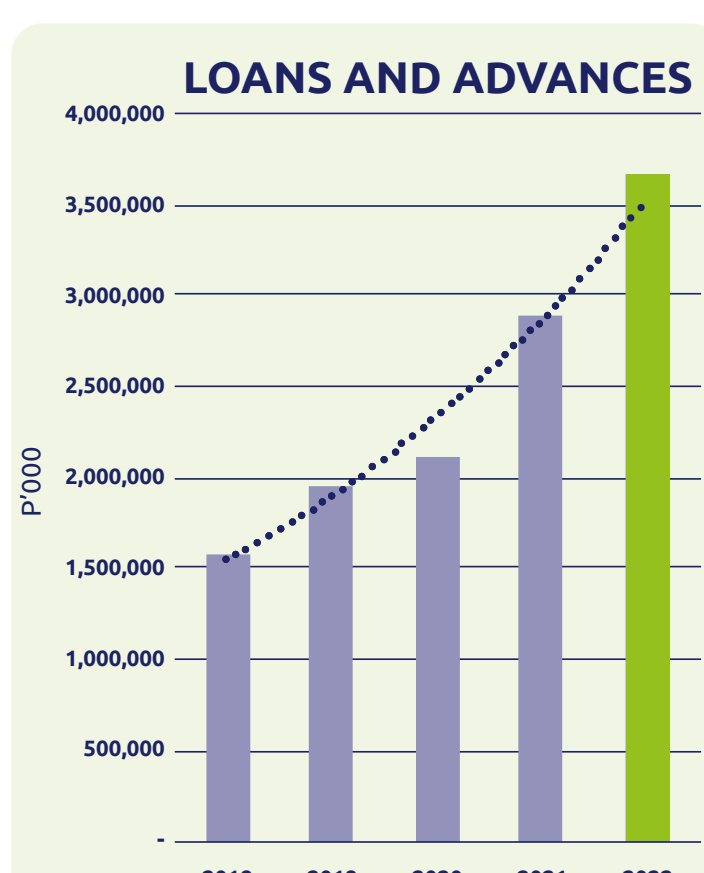
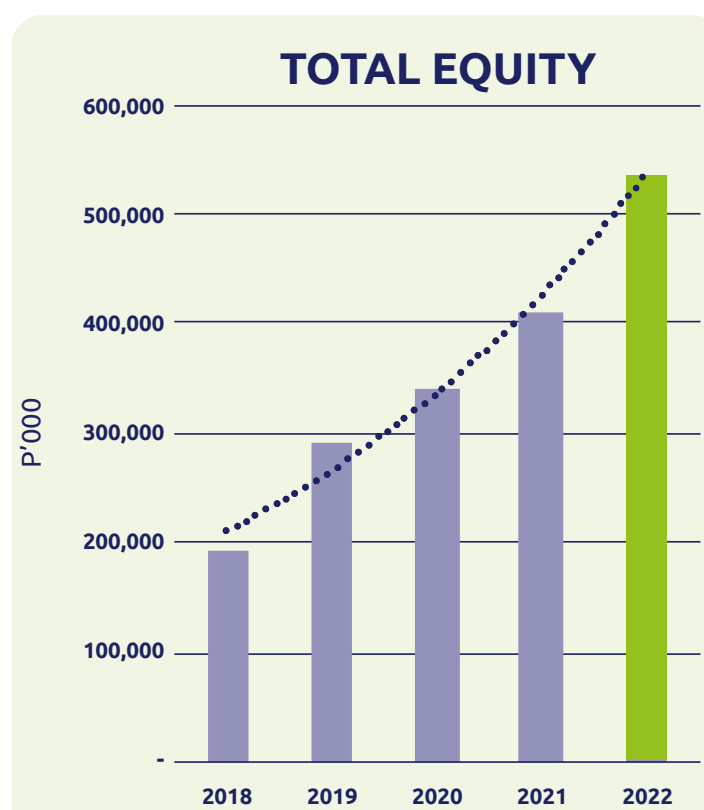
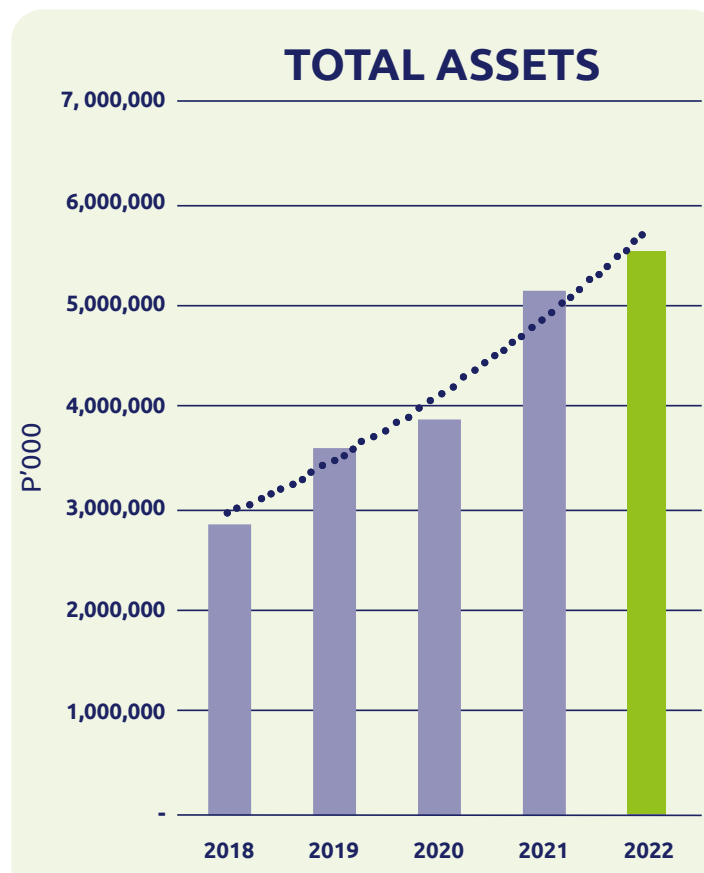
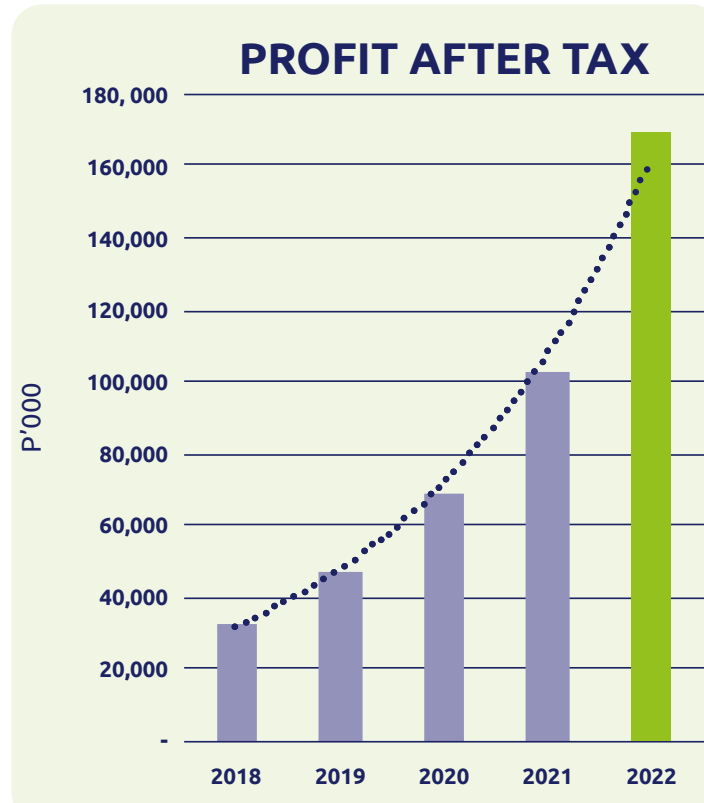
Net Interest Income  
**38.7%** ↑

Loans and advances  
**26.9%** ↑

Return on Equity (ROE)  
**35.9%**

Return on Assets (ROA)  
**3.2%**

Capital Adequacy (CAR)  
**19.3%**



### CONSOLIDATED STATEMENTS OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME FOR THE YEAR ENDED 31 DECEMBER 2022 IN BOTSWANA PULA

	Group*	Company	
	31-Dec-22	31-Dec-22	31-Dec-21
Interest income	530,591,506	530,591,506	362,862,465
Interest expense	(180,715,537)	(180,715,537)	(110,621,867)
<b>Net interest income</b>	<b>349,875,969</b>	<b>349,875,969</b>	<b>252,240,598</b>
Net fees and commission income	27,007,562	20,622,377	18,666,418
Gain on foreign exchange transactions	46,703,997	46,703,997	40,557,005
Other operating income	4,502,649	5,081,436	702,890
<b>Non-interest income</b>	<b>78,214,208</b>	<b>72,407,810</b>	<b>59,926,313</b>
<b>Total operating income</b>	<b>428,090,178</b>	<b>422,283,779</b>	<b>312,166,911</b>
Staff costs	82,622,268	82,622,268	74,586,956
Premises and equipment costs	4,204,162	4,204,162	3,609,110
Information technology costs	11,358,482	11,358,482	8,740,272
Depreciation and amortisation	11,530,316	11,530,316	10,648,709
Administration and general expenses	58,010,318	58,138,028	32,221,660
Shared services costs	25,053,433	25,053,433	18,067,563
<b>Total operating expenses</b>	<b>192,778,979</b>	<b>192,906,689</b>	<b>147,874,271</b>
<b>Profit before impairment losses on financial assets</b>	<b>235,311,199</b>	<b>229,377,090</b>	<b>164,292,641</b>
Net impairment losses on financial assets	(17,947,719)	(17,947,719)	(28,385,565)
<b>Profit before income tax expense</b>	<b>217,363,480</b>	<b>211,429,371</b>	<b>135,907,076</b>
Income tax expense	(48,050,276)	(46,747,974)	(32,912,201)
<b>Profit for the year</b>	<b>169,313,203</b>	<b>164,681,397</b>	<b>102,994,874</b>
Other comprehensive income			
<i>Items that will not be reclassified subsequently to profit or loss</i>			
Revaluation surplus on fixed assets	2,469,774	2,469,774	-
Deferred tax on revaluation of property	(543,350)	(543,350)	-
<b>Total other comprehensive income for the year</b>	<b>1,926,424</b>	<b>1,926,424</b>	<b>-</b>
<b>Total comprehensive income for the year</b>	<b>171,239,627</b>	<b>166,607,821</b>	<b>102,994,874</b>

### CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY FOR THE YEAR ENDED 31 DECEMBER 2022 IN BOTSWANA PULA

	STATED CAPITAL	PROPERTY REVALUATION RESERVE	CREDIT LOSS RESERVE	RETAINED EARNINGS	TOTAL EQUITY
<b>Opening Balance 1 January 2021</b>	140,000,000	3,006,111	15,289,391	184,334,642	<b>342,630,144</b>
Profit for the year	-	-	-	102,994,874	<b>102,994,874</b>
<b>Transaction with owners of the Bank</b>					
Dividends paid	-	-	-	(34,862,234)	<b>(34,862,234)</b>
<b>Balance as at 31 December 2021</b>	<b>140,000,000</b>	<b>3,006,111</b>	<b>15,289,391</b>	<b>252,467,282</b>	<b>410,762,785</b>
Opening Balance 1 January 2022 - Company	140,000,000	3,006,111	15,289,391	252,467,282	<b>410,762,785</b>
Retained earnings of subsidiary company at 1 January 2022	-	-	-	2,530,311	<b>2,530,311</b>
Consolidated balances as at 1 January 2022	<b>140,000,000</b>	<b>3,006,111</b>	<b>15,289,391</b>	<b>254,997,593</b>	<b>413,293,096</b>
Profit for the year	-	-	-	169,313,203	<b>169,313,203</b>
<b>Other comprehensive income</b>					
Revaluation surplus on buildings, net of tax	-	1,926,424	-	-	<b>1,926,424</b>
<b>Transaction with owners of the Bank</b>					
Dividends paid	-	-	-	(51,497,438)	<b>(51,497,438)</b>
<b>Balance as at 31 December 2022</b>	<b>140,000,000</b>	<b>4,932,535</b>	<b>15,289,391</b>	<b>372,813,358</b>	<b>533,035,285</b>

### CONSOLIDATED STATEMENTS OF FINANCIAL POSITION AT 31 DECEMBER 2022 IN BOTSWANA PULA

	Group*	Company	
	31-Dec-22	31-Dec-22	31-Dec-21
<b>ASSETS</b>			
Cash and cash equivalents	1,489,385,521	1,489,385,521	1,223,765,387
Investment securities	147,560,498	147,560,498	251,990,912
Repurchase agreements	113,278,612	113,278,612	689,803,566
Investment in subsidiary company	-	1,000,000	30,000
Loans and advances to customers	3,658,943,806	3,658,943,806	2,884,406,349
Other assets	62,055,552	61,700,355	47,309,534
Property, equipment, and intangible assets	77,866,553	77,866,553	71,998,743
Right-of-use-assets	7,184,878	7,184,878	1,511,332
Current tax assets	-	-	4,354,751
Deferred tax assets	1,601	-	-
<b>Total assets</b>	<b>5,556,277,021</b>	<b>5,556,920,223</b>	<b>5,175,170,574</b>
<b>Liabilities</b>			
Deposits from customers	4,486,475,859	4,495,307,483	3,713,004,433
Balances due to other banks	240,593,469	240,593,469	769,682,463
Lease liabilities	7,811,713	7,811,713	2,479,674
Other liabilities	87,051,490	86,915,829	56,973,191
Current tax liabilities	4,506,147	3,615,503	-
Deferred tax liabilities	11,913,537	11,913,537	7,992,467
Subordinated debt	158,757,521	158,757,521	188,143,561
Preference shares	26,132,000	26,132,000	26,132,000
<b>Total liabilities</b>	<b>5,023,241,736</b>	<b>5,031,047,055</b>	<b>4,764,407,789</b>
<b>Equity</b>			
Stated capital	140,000,000	140,000,000	140,000,000
Property revaluation reserve	4,932,535	4,932,535	3,006,111
Credit loss reserve	15,289,391	15,289,391	15,289,391
Retained earnings	372,813,359	365,651,242	252,467,283
<b>Total equity</b>	<b>533,035,285</b>	<b>525,873,168</b>	<b>410,762,785</b>
<b>Total liabilities and equity</b>	<b>5,556,277,021</b>	<b>5,556,920,223</b>	<b>5,175,170,574</b>

### CONSOLIDATED STATEMENTS OF CASH FLOWS FOR THE YEAR ENDED 31 DECEMBER 2022 IN BOTSWANA PULA

	Group*	Company	
	31-Dec-22	31-Dec-22	31-Dec-21
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>			
Interest and non-interest income	609,028,452	603,222,054	424,002,559
Interest paid	(137,136,388)	(137,136,388)	(105,002,583)
Cash paid to suppliers and employees	(157,169,851)	(157,978,457)	(180,702,260)
Income taxes paid	(36,417,241)	(35,400,000)	(30,965,210)
<b>Net cash generated from operating activities</b>	<b>278,304,972</b>	<b>272,707,209</b>	<b>107,332,506</b>
Net movement in loans and advances to customers	(788,941,415)	(788,941,415)	(786,274,398)
Net movement in deposit balances	730,664,657	739,496,281	669,521,772
Net movement in repurchase agreements	575,657,356	575,657,356	(404,287,094)
Net movement in balances due to other banks	(529,088,994)	(529,088,994)	492,697,427
<b>Net cash generated from investing activities</b>	<b>266,596,576</b>	<b>269,830,437</b>	<b>78,990,213</b>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>			
Disposal of investment securities	104,338,075	104,338,075	45,321,476
Subscription of shares in subsidiary company	-	(970,000)	(29,900)
Acquisition of property, equipment and intangible assets	(12,621,871)	(12,621,871)	(4,219,730)
Proceeds from disposal of equipment	60,600	60,600	-
<b>Net cash generated from investing activities</b>	<b>91,776,804</b>	<b>90,806,804</b>	<b>41,071,846</b>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>			
Dividends paid	(51,497,438)	(51,497,438)	(34,862,234)
Repayment of finance lease liability	(2,562,473)	(2,562,473)	(2,038,893)
Interest on lease liability	(579,004)	(579,004)	(401,297)
Repayment of borrowings	(30,000,000)	(30,000,000)	-
<b>Net cash used in financing activities</b>	<b>(84,638,915)</b>	<b>(84,638,915)</b>	<b>(37,302,424)</b>
<b>Net increase in cash and cash equivalents</b>	<b>273,734,465</b>	<b>275,998,326</b>	<b>82,759,635</b>
Cash and cash equivalents at beginning of the year	1,226,029,248	1,223,765,387	1,107,851,433
Effects of changes in exchange rates	(10,378,192)	(10,378,192)	33,154,319
<b>Cash and cash equivalents at end of the year</b>	<b>1,489,385,521</b>	<b>1,489,385,521</b>	<b>1,223,765,387</b>

\*The Group comprises of First Capital Bank Limited (Botswana) and its subsidiary, Jetwig Enterprises Proprietary Limited.