

REPORT OF THE DIRECTORS

The directors present their report together with the audited summary financial statements for the year ended 31 December 2021.

Directors' responsibility statement

The directors are responsible for the preparation of the summary financial statements that give a true and fair view of the Bank, comprising the summary statement of financial position at 31 December 2021, and the summary statement of comprehensive income, changes in equity and cash flows for the year then ended, which are derived from the audited financial statements of AccessBank Liberia Limited for the year ended 31 December 2021. The audited financial statements were prepared in accordance with International Financial Reporting Standards and in the manner required by the Associations Law, Title 5, Liberia Code of Laws Revised and the New Financial Institutions Act of 1999. In addition, the directors are responsible for the preparation of the report of the directors.

Going Concern

The directors have made an assessment of the ability of the Company to continue as going concerns and have no reason to believe that the business will not be going concerns in the year ahead.

Nature of business

The Bank is licensed to operate as a Bank under the New Financial Institutions Act of 1999. There was no change in the nature of the Bank's business during the year.

Summary Financial statements review

The financial results of the Bank for the years ended 31 December 2021 and 31 December 2020 are set out in the audited summary financial statements, highlights of which are as follows:

(All amounts are in thousands of Liberian Dollars)

	2021	2020
Profit/(loss) before tax	84,702	(6,893)
Profit/(loss) after tax	26,439	(8,188)
Total Assets	5,941,632	6,497,004
Total Liabilities	4,486,133	4,925,000
Total Equity	1,455,499	1,572,004

The Directors do not recommend the payment of dividend for the year ended 31 December 2021 (2020: Nil).

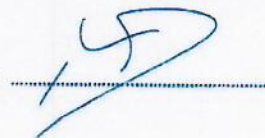
Approval of the summary financial statements

The audited summary financial statements of the Bank were approved on 8 August 2022 by the Board of Directors.

Name of Director: Dr Bernd Zattler



Name of Director: Roberto Randrianarison



INDEPENDENT AUDITORS' REPORT ON THE SUMMARY FINANCIAL STATEMENTS

To the Members of AccessBank Liberia Limited

Opinion

The summary financial statements, which comprise the summary statement of financial position at 31 December 2021, and the summary statements of comprehensive income, changes in equity and cash flows for the year then ended and related notes, are derived from the audited financial statements of AccessBank Liberia Limited for the year ended 31 December 2021.

In our opinion, the accompanying summary financial statements are a fair summary of the audited financial statements, in accordance with the basis described in note 2.1.

Summary Financial Statements

The summary financial statements do not contain all the disclosures required by International Financial Reporting Standards and in the manner required by the Association Law, Title 5, Liberian Code of Laws Revised and the New Financial Institution Act of 1999 applied in the preparation of the audited financial statements of AccessBank Liberia Limited. Reading the summary financial statements and our report thereon, therefore, is not a substitute for reading the audited financial statements and our report thereon.

The Audited Financial Statements and Our Report Thereon

We expressed an unmodified audit opinion on the audited financial statements in our report dated 8 August 2022. That report also includes the communication of key audit matters. Key audit matters are those matters that in our professional judgement, were of most significance in our audit of the audited financial statements for the current period.

Directors' Responsibility for the Summary Financial Statements

The directors are responsible for the preparation of the summary financial statements in accordance with the basis described in the note 2.1.

Auditors' Responsibility

Our responsibility is to express an opinion on whether the summary financial statements are a fair summary of the audited financial statements based on our procedures, which were conducted in accordance with International Standard on Auditing (ISA) 810 (Revised), *Engagements to Report on Summary Financial Statements*.

The engagement partners on the audit resulting in this independent auditors' report are P. Ernest Parker, Jr on behalf of Parker and Company LLC and Ekow Annobil (ICAG/P/1624) on behalf of KPMG:

KPMG

For and on behalf of:
KPMG:(ICAG/F/2022/038)
CHARTERED ACCOUNTANTS
13 YIYIWA DRIVE,
ABELENKPE P O BOX GP 242
ACCRA
8 August 2022

PARKER & COMPANY, LLC

For and on behalf of:
PARKER AND COMPANY LLC
CERTIFIED PUBLIC ACCOUNTANTS
P O BOX 1921, MAMBA POINT
MONROVIA
LIBERIA
8 August 2022

ACCESSBANK LIBERIA LIMITED
NOTES FORMING PART OF THE AUDITED SUMMARY FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2021

1 General Information

AccessBank Liberia Limited (the "Bank"), is a limited liability company incorporated and domiciled in the City of Monrovia, Republic of Liberia. Its registered office is at 20th Street, Sinkor, Tubman Boulevard, P. O. Box 1230, City of Monrovia, Republic of Liberia. Its parent and ultimate holding company is Access Microfinance Holding AG, incorporated in Germany. The principal activities of the Bank, as a commercial microfinance bank, is providing financial services to micro, small and medium sized enterprises in form of loans and deposit-taking services.

2 Basis of Preparation

2.1 Basis of accounting

Management identified and presented the most pertinent and useful financial data for inclusion in the Summary Financial Statements prepared for the Central Bank Liberia (CBL) as required by the Prudential Regulation No. CBL/RSD/008/2017. The accounting policies applied in the preparation of the audited financial statements, from which the summary financial statements were derived, are in terms of International Financial Reporting Standards and are consistent with the accounting policies applied in the preparation of the previous annual audited financial statements. The annual audited financial statements are available for inspection at the Head Office of Company of AccessBank Liberia Limited located at 20th Street, Sinkor, Tubman Boulevard, Monrovia or on the Bank's website.

The audited summary financial statements have been prepared on a historical cost basis, except financial instruments that have been measured at fair value through profit or loss.

2.2 Functional and presentation currency

Items included in the audited summary financial statements are translated using the currency of the primary economic environment in which the Bank operates (functional currency). The Bank's functional currency is the United States Dollars while the presentation currency is the Liberian Dollars in accordance with the Central Bank of Liberia regulation on the publication on financial statement which requires all banks to present their financial statements in Liberian Dollars. The audited summary financial statements are presented in Liberian Dollars and all values are rounded to the nearest thousand Dollars, except when otherwise indicated.

3 Summary of significant accounting policies

The principal accounting policies have been consistently applied in the preparation of these audited summary financial statements.

4 Critical accounting estimates and judgements

In the preparation of the annual financial statements, management is required to make judgements, estimates and assumptions that affect reported income, expenses, assets and liabilities. Use of available information and the application of judgement is inherent in the formation of estimates. Actual results in the future could differ from these estimates, which may be material to the financial statements within the next financial period. The impact of such revisions is recognized in the period in which the estimates are revised, and any future period impacted.

ACCESSBANK LIBERIA LIMITED
SUMMARY FINANCIAL STATEMENTS PREPARED
FROM THE AUDITED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2021



AUDITED SUMMARY STATEMENT OF FINANCIAL POSITION

(All amounts are in thousands of Liberian Dollars)

	At December 31	
	2021	2020
Assets		
Cash and cash equivalents	2,360,162	2,978,880
Investment securities	105,962	113,542
Loans and advances to banks	623,381	623,857
Loans and advances to customers	1,902,811	1,716,932
Other financial assets	129,157	206,665
Other non-financial assets	114,496	36,681
Current tax assets	14,186	112,791
Property and equipment	438,965	557,351
Intangible Assets	150,976	116,695
Deferred tax assets	<u>101,536</u>	<u>33,610</u>
Total Assets	<u>5,941,632</u>	<u>6,497,004</u>
Liabilities		
Current tax liability	11,060	-
Loan from banks and other financial institutions	890,267	1,074,943
Deposit from customers	3,111,840	3,427,687
Other financial liabilities	175,805	103,175
Derivative liabilities	115,557	141,133
Other non - financial liabilities	43,011	30,096
Provisions for legal claims	10,421	6,471
Lease liability	<u>128,172</u>	<u>141,495</u>
Total Liabilities	<u>4,486,133</u>	<u>4,925,000</u>
Equity		
Stated Capital	804,641	804,641
Statutory reserves	99,559	93,218
Translation reserve	835,062	1,018,816
Retained earnings	<u>(283,763)</u>	<u>(344,671)</u>
Total equity	<u>1,455,499</u>	<u>1,572,004</u>
Total liabilities and equity	<u>5,941,632</u>	<u>6,497,004</u>

The summary financial statements do not contain untrue statements, misleading facts or omit material facts to the best of our knowledge.

Name of Director: Dr Bernd Zattler

Signature:

Name of Director: Roberto Randrianarison

Signature:

ACCESSBANK LIBERIA LIMITED
SUMMARY FINANCIAL STATEMENTS PREPARED
FROM THE AUDITED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2021



AUDITED SUMMARY STATEMENT OF COMPREHENSIVE INCOME

(All amounts are in thousands of Liberian Dollars)

	Year ended December 31	
	2021	2020
Interest revenue using the effective interest method	1,264,861	1,303,625
Interest revenue on derivatives	11,286	16,297
Interest expense	(196,717)	(246,779)
Net interest income before allowance of impairment losses	1,079,430	1,073,143
Impairment charge on financial assets	(43,940)	(152,830)
Net income	1,035,490	920,313
Fees and commission income	145,576	189,999
Fees and commission expense	(8,110)	(12,553)
Net result from foreign exchange operations	(10,827)	23,476
Loss on financial instruments at fair value through profit or loss	(4,411)	(68,947)
Net operating income	1,157,718	1,052,288
Other operating income	55,429	169,949
Total operating income	1,213,147	1,222,237
Personnel expenses	(569,327)	(513,402)
Depreciation and amortisation	(144,866)	(167,546)
Other administrative expense	(400,596)	(538,545)
Other operating expenses	(13,656)	(9,637)
Profit/(loss) before tax	84,702	(6,893)
Income tax	(58,263)	(1,295)
Profit/(loss) for the year	26,439	(8,188)
Other comprehensive income		
<i>Items that may never be reclassified to profit/loss</i>		
Foreign currency translation differences	(183,754)	(227,146)
Total other comprehensive income	(183,754)	(227,146)
Total comprehensive income	(157,315)	(235,334)

ACCESSBANK LIBERIA LIMITED
SUMMARY FINANCIAL STATEMENTS PREPARED
FROM THE AUDITED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2021



AUDITED SUMMARY STATEMENT OF CHANGES IN EQUITY

(All amounts are in thousands of Liberian Dollars)

	Stated Capital	Statutory Reserve	Retained Earnings	Translation reserve	Total
Balance at 1 January 2020	804,641	93,218	(336,483)	1,245,962	1,807,338
<i>Total comprehensive income</i>					
Loss for the year	-	-	(8,188)	-	(8,188)
Exchange difference on translation				(227,146)	(227,146)
Total comprehensive income	-	-	(8,188)	(227,146)	(235,334)
Balance at 31 December 2020	804,641	93,218	(344,671)	1,018,816	1,572,004
Balance at 1 January 2021	804,641	93,218	(344,671)	1,018,816	1,572,004
<i>Total comprehensive income</i>					
Profit for the year	-	-	26,439	-	26,439
Exchange difference on translation	-	-	-	(183,754)	(183,754)
Total comprehensive income	-	-	26,439	(183,754)	(157,315)
Transfer to statutory reserves	-	6,341	(6,341)	-	-
	-	6,341	(6,341)	-	-
<i>Transactions with shareholders</i>					
Waiver of liability from parent company	-	-	54,773	-	54,773
Tax effect			(13,963)		(13,963)
Total transactions with shareholders	-	-	40,810	-	40,810
Balance at 31 December 2021	804,641	99,559	(283,763)	835,062	1,455,499

ACCESSBANK LIBERIA LIMITED
SUMMARY FINANCIAL STATEMENTS PREPARED
FROM THE AUDITED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2021



AUDITED SUMMARY STATEMENT OF CASH FLOWS

(All amounts are in thousands of Liberian Dollars)

	Year ended December 31	
	2021	2020
Profit/(loss) after tax	26,439	(8,188)
Adjustments for non-cash items:		
Losses on financial assets at fair value through profit or loss	4,411	68,947
Impairment charge on financial assets	102,812	167,137
Depreciation and amortization	144,866	167,546
Gain on disposal of property and equipment	-	(1,914)
*Interest income	(1,272,638)	(1,319,922)
Interest expense	196,717	246,779
Tax expense	58,263	1,295
Exchange difference	(360,843)	(154,111)
	<u>(1,099,973)</u>	<u>(832,431)</u>
Changes in working capital		
Loans and advances to customers	(70,852)	841,239
Loans and advances to banks	(710)	274,539
Other financial assets	77,508	(157,146)
Other non-financial assets	(77,815)	(2,732)
Loans from banks and other financial institutions	(181,571)	(674,103)
Deposit from customers	(305,383)	(3,212)
Other financial liabilities	72,630	(18,542)
Other non-financial liabilities	12,915	(15,669)
Derivative liabilities	(40,343)	230,364
Provisions	5,369	4,519
	<u>(1,608,225)</u>	<u>(353,174)</u>
Interest received	1,271,326	1,416,648
Income tax paid	(30,487)	(30,044)
Interest paid	(196,652)	(279,328)
Net cash (used in)/from operating activities	<u>(564,038)</u>	<u>754,102</u>
Cash flow from investing activities		
Purchase of property and equipment	(47,293)	(40,935)
Purchase of intangible assets	(95,392)	(25,729)
Proceed from disposal of property and equipment	107	2,351
Proceeds from redemption of investment securities	102,757	400,000
Purchase of investment securities	(100,000)	-
Net cash (used in)/(from) investing activities	<u>(139,821)</u>	<u>335,687</u>
Cash flow from financing activities		
Payment of lease liabilities	(3,805)	(5,831)
Net cash used in financing activities	<u>(3,805)</u>	<u>(5,831)</u>
Net decrease in cash and cash equivalents	(707,664)	1,083,958
Cash and cash equivalents at January 1	2,978,880	1,908,257
Effects on changes in exchange rate on cash and cash equivalent held	88,946	(13,335)
Cash and cash equivalents at December 31	<u>2,360,162</u>	<u>2,978,880</u>

* This excludes accrued interest income of L\$ 3.5million for investments with original maturities less than 3 months from date of purchase.