

SOCIETE GENERALE GHANA PLC

UNAUDITED FINANCIAL STATEMENTS

FOR THE QUARTER YEAR ENDED 30 SEPTEMBER 2023

STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

FOR THE QUARTER YEAR ENDED 30 SEPTEMBER 2023

(ALL AMOUNTS ARE IN THOUSANDS OF GHANA CEDIS UNLESS STATED OTHERWISE)

	2023 GH¢	2022 GH¢
Interest income	775,239	452,550
Interest expense	(162,639)	(84,901)
Net interest income	612,600	367,649
Fees & commission income	94,747	74,124
Fees & commission expense	(41,723)	(23,694)
Net fees and commission income	53,024	50,430
Net trading revenue	93,864	36,677
Net income from other financial instruments carried at fair value	89,450	49,796
Other operating income	22,246	47,217
Total other operating income	205,560	133,690
Operating income	871,184	551,769
Net impairment loss on financial assets	(46,683)	(33,744)
Operating income net of impairment charges	824,501	518,025
Personnel expense	(161,939)	(122,892)
Depreciation and amortization	(38,336)	(29,128)
Other operating expenses	(207,496)	(136,401)
Profit before income tax	416,730	229,604
Income tax expense	(144,355)	(81,183)
Profit after tax expense	272,375	148,421
Other comprehensive income for the period		
Debt instruments at fair value through other comprehensive income-net changes in fair value	-	(2,606)
Total comprehensive income for the period	272,375	145,815
Earnings per share:		
Basic and diluted earnings per share (GH¢)	GH¢0.51p	GH¢0.28p

STATEMENT OF FINANCIAL POSITION

AS AT 30 SEPTEMBER 2023

	2023 GH¢	2022 GH¢
Assets		
Cash and cash equivalents	1,417,348	1,662,692
Non-pledged trading assets	1,701	53,693
Derivative financial assets	-	309,734
Debt instruments at fair value through other comprehensive income	-	87,102
Debt instruments at amortised cost	2,509,489	1,285,848
Loans and advances to customers	3,667,619	3,213,014
Equity investments	3,550	2,923
Deferred tax assets	130,313	32,802
Property, plant and equipment	251,214	293,909
Intangible assets	49,976	11,439
Other assets	166,436	66,649
Total assets	8,197,646	7,019,805
Liabilities		
Derivative financial liabilities	43,624	9,494
Deposits from banks	13,779	2,094
Deposits from customers	4,902,043	4,202,040
Borrowings	1,029,399	1,055,714
Deferred tax liabilities	44,313	-
Current tax liabilities	67,117	47,179
Other liabilities	736,796	578,110
Total liabilities	6,837,071	5,894,631
Shareholders' fund		
Stated capital	404,245	404,245
Retained earnings	444,837	270,241
Revaluation reserve	123,670	123,670
Statutory reserve	387,823	329,624
Other reserves	-	(2,606)
Total shareholders' fund	1,360,575	1,125,174
Total liabilities and shareholders' fund	8,197,646	7,019,805

STATEMENT OF CASH FLOWS

FOR THE QUARTER ENDED 30 SEPTEMBER 2023

	2023 GH¢	2022 GH¢
Operating activities		
Operating profit before taxation	416,730	229,604
Adjustments for:		
Impairment provision	51,030	34,563
Fair value adjustment on non-pledged trading assets	(382)	1,066
Depreciation and amortization	38,336	29,128
Derivative revaluation	232,404	(340,749)
Unrealized gain/losses on forex revaluation	(18,756)	277
Operating profit before working capital changes	719,362	(46,111)
Changes in operating and other assets and liabilities		
Change in non-pledged trading assets	12,838	88,398
Change in loans and advances to customers	(617,051)	(740,163)
Change in other assets	(62,705)	(12,519)
Change in deposit from banks	12,634	177
Change in deposit from customers	662,475	810,899
Change in other liabilities	170,919	211,292
Income tax paid	(130,500)	(59,979)
Net cash flows generated from operating activities	767,972	251,994
Cash flow from investing activities		
Purchase of investment securities	(2,406,075)	(1,257,993)
Matured investment securities	736,423	1,352,383
Purchase of property, plant and equipment	(20,794)	(27,847)
Purchase of intangible assets	(15,447)	(36,351)
Net cash generated from/(used in) investing activities	(1,705,893)	30,192
Cash flow from financing activities		
Proceeds from borrowings	418,600	467,747
Repayment of borrowings	(33,521)	(898)
Dividend paid	-	(48,387)
Net cash flows generated from financing activities	385,079	418,462
Change in cash and cash equivalents	(552,842)	700,648
Net foreign exchange and revaluation difference	18,756	(277)
Cash & cash equivalents as at 1 January	1,952,572	964,630
Cash and cash equivalents as at 30 September	1,418,486	1,665,001
Operational cash flows from interest:		
Interest received	799,725	423,908
Interest paid	157,656	83,756

THE FINANCIAL STATEMENTS DO NOT CONTAIN UNTRUE STATEMENTS, MISLEADING FACTS OR OMIT MATERIAL FACTS TO THE BEST OF OUR KNOWLEDGE.



Margaret Boateng Sekyere
(Board Chair)



Hakim Ouzzani
(Managing Director)

STATEMENT OF CHANGES IN EQUITY

FOR THE QUARTER ENDED 30 SEPTEMBER 2023

	Stated capital GH¢	Retained earnings GH¢	Revaluation reserve GH¢	Statutory reserve GH¢	Other reserves GH¢	Total shareholders' equity GH¢
For the the Quarter Ended 30 September 2023						
Balance as at 1 January 2023	404,245	240,556	123,670	319,729	438	1,088,638
Movements during the Quarter :						
Profit for the period	-	272,375	-	-	-	272,375
Other movements in equity:						
Debt instruments at FVOCI	-	-	-	-	(438)	(438)
Transfer to statutory reserve	-	(68,094)	-	68,094	-	-
Dividend paid	-	-	-	-	-	-
Balance as at 30 September 2023	404,245	444,837	123,670	387,823	-	1,360,575
For the the Quarter Ended 30 September 2022						
Balance as at 1 January 2022	404,245	207,312	123,670	292,519	819	1,028,565
Movements during the Quarter :						
Profit for the period	-	148,421	-	-	-	148,421
Other movements in equity:						
Debt instruments at FVOCI	-	-	-	-	(3,425)	(3,425)
Transfer to statutory reserve	-	(37,105)	-	37,105	-	-
Dividend paid	-	(48,387)	-	-	-	(48,387)
Balance as at 30 September 2022	404,245	270,241	123,670	329,624	(2,606)	1,125,174

NOTES TO THE SUMMARY FINANCIAL STATEMENTS FOR THE QUARTER ENDED 30 SEPTEMBER 2023

REPORTING ENTITY

Societe Generale Ghana PLC is a public limited liability company incorporated under the Companies Act, 2019 (Act 992) . The bank is domiciled in Ghana with its registered office at 2nd Crescent, Royalt Castle Road, Ring Road Central, Accra. The bank is authorized and licensed to carry out the business of banking and provides retail banking, corporate banking, investment banking and other financial intermediation activities and specialized financing activities such as leasing and consumer credits through its network of branches and outlets including divisions across Ghana.

The Societe Generale (Group), a bank incorporated in France, is the ultimate parent of the Bank. The Bank is listed on the Ghana Stock Exchange (GSE). This has enabled the equity shares of the Bank to be traded publicly on the GSE.

STATEMENT OF DIRECTORS' RESPONSIBILITIES

The directors are responsible for preparing financial statements for each financial period which give a true and fair view of the state of affairs of the bank at the end of the period and of the profit or loss of the bank for that period. In preparing those financial statements, the directors are required to:

- Select suitable accounting policies and then apply them consistently.
- Make judgments and estimates that are reasonable and prudent.
- State whether the applicable accounting standards have been followed.
- Ensure that the financial statements are prepared on the going concern basis unless it is inappropriate to presume that the bank will continue in business.

The Directors are responsible for ensuring that the company keeps accounting records which disclose with reasonable accuracy the financial position of the company and which enable them to ensure that the financial statements comply with the Companies Act, 2019 (Act 992) and the Banking and Specialised Deposit Taking Institutions Act, 2016 (Act 930) and the International Financial Reporting Standards. They are responsible for safeguarding the assets of the bank and hence for taking steps for the prevention and detection of fraud and other irregularities.

NOTES TO THE SUMMARY FINANCIAL STATEMENTS FOR THE QUARTER ENDED 30 SEPTEMBER 2023

STATEMENT OF COMPLIANCE

The financial statements of the Bank quarter ended 30 September 2023 have been prepared in accordance with International Financial Reporting Standards (IFRS) as issued by the International Accounting Standards Board (IASB) and accounting requirements as dictated by the guide for financial publication 2017 issued by the Bank of Ghana. Except as otherwise specified by the guide for financial publication, the financial statements were prepared in accordance with IFRS.

ACCOUNTING POLICIES

The accounting policies adopted are consistent with those of the previous financial year.

BASIS OF PREPARATION

The financial statements of the Bank have been prepared on a historical cost basis, except for Financial assets and liabilities held-for-trading, Derivative financial instruments and Equity investments which are at fair value. Land and buildings are also carried under the revaluation model.

QUANTITATIVE DISCLOSURES

	2023	2022
Capital Adequacy Ratio	15.13	15.93
Non-Performing Loan Ratio	12.43	6.87
Leverage Ratio	7.63	8.72
Liquidity Ratio	109.64	92.25

QUALITATIVE DISCLOSURES

RISK MANAGEMENT

1. The Bank is exposed to the following risks: credit, liquidity, interest rate, market and other operational risks.
2. The risks inherent in the Bank's activities are managed through a process of ongoing identification, measurement and monitoring, subject to risk limits and other controls. This process of risk management is critical to the Bank's continuing profitability and each individual within the Bank is accountable for the risk exposures relating to his or her responsibilities.
3. The Board of Directors is responsible for the overall risk management approach and for approving the risk management strategies and principles. In addition, there are Risk Committees that have the overall responsibility for the development of risk strategy and implementing principles, frameworks, polices and limits.

DEFAULTS IN STATUTORY LIQUIDITY

	2023	2022
Number of Defaults in Statutory Liquidity	NIL	NIL
Sanctions (GHS)	NIL	NIL