

SOCIETE GENERALE GHANA PLC

UNAUDITED FINANCIAL STATEMENTS

FOR THE QUARTER ENDED 31 MARCH 2023

STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

FOR THE QUARTER ENDED 31 MARCH 2023
(ALL AMOUNTS ARE IN THOUSANDS OF GHANA CEDIS UNLESS STATED OTHERWISE)

	2023 GH¢	2022 GH¢
Interest Income	239,479	133,875
Interest Expense	(51,796)	(27,178)
Net interest income	187,683	106,697
Fees & Commission Income	31,267	20,898
Fees & Commission Expense	(13,094)	(7,764)
Net fees and commission income	18,173	13,134
Net Trading Revenue	59,068	11,366
Net income from other financial instruments carried at fair value	21,749	13,981
Other Operating Income	23,671	16,143
Total other operating income	104,488	41,490
Operating income	310,344	161,321
Net impairment loss on financial assets	(63,054)	(19,958)
Personnel Expense	(56,169)	(37,596)
Depreciation and Amortization	(10,586)	(9,635)
Other Operating Expenses	(68,212)	(45,601)
Profit before income tax	112,324	48,531
Income Tax Expenses	(38,772)	(16,849)
Profit after tax expense	73,552	31,682
Other comprehensive income for the period		
Items that may be reclassified subsequently to profit or loss	-	-
Debt instruments at fair value through other comprehensive income	-	1,110
Less tax	-	(278)
Other comprehensive income, net of income tax	-	833
Total Comprehensive Income for the period	73,552	32,515
Earnings per share:		
Basic and diluted earnings per share (GH¢)	GH¢0.41p	GH¢0.18p

STATEMENT OF FINANCIAL POSITION

AS AT 31 MARCH 2023

	2023 GH¢	2022 GH¢
Assets		
Cash and Cash Equivalents	1,480,564	1,313,670
Non-Pledged Trading assets	3,688	149,541
Debt instruments at fair value through other comprehensive income	-	90,880
Debt instruments at amortised cost	2,168,539	1,383,782
Loans and Advances to Customers	3,252,617	2,706,410
Equity Investments	3,550	2,923
Derivative assets held for risk management	187,547	94,927
Other Assets	104,386	72,892
Property, Plant and Equipment	289,222	297,057
Intangible Assets	9,883	13,591
Deferred Tax Assets	89,185	30,312
Total assets	7,589,180	6,155,986
Liabilities		
Deposits from banks	146,576	2,348
Deposits from customers	4,620,944	4,040,546
Borrowings	908,757	563,004
Derivative liabilities held for risk management	13,330	-
Current tax liabilities	71,068	18,384
Other Liabilities	664,528	471,443
Total liabilities	6,425,203	5,095,725
Shareholders' fund		
Stated Capital	404,245	404,245
Retained Earnings	297,389	231,074
Revaluation Reserve	123,670	123,670
Statutory Reserve	338,673	300,439
Other reserves	-	833
Total shareholders' fund	1,163,977	1,060,261
Total liabilities and shareholders' fund	7,589,180	6,155,986

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

STATEMENT OF CASH FLOWS

FOR THE QUARTER ENDED 31 MARCH 2023

	2023 GH¢	2022 GH¢
Cash flow from Operating activities		
Operating Profit before Taxation	112,324	48,531
Adjustments for:		
Impairment provision	63,624	19,987
Fair value Adjustment on Non Pledged Trading Assets	(407)	(1,514)
Depreciation and Amortization	10,586	9,635
Derivative revaluation	14,562	(135,437)
Unrealized gains on forex revaluation	(20,554)	(3,411)
Operating profit before Working Capital Changes	180,136	(62,209)
Changes in operating and other assets and liabilities		
Change in Non-Pledged Trading assets	13,289	(4,871)
Change in Loans and Advances to Customers	(213,723)	(221,200)
Change in Other Assets	(2,389)	(18,761)
Change in Deposit from Banks	145,431	432
Change in Deposit from Customers	382,387	649,405
Change in Other Liabilities	97,701	107,167
	422,696	512,172
Income tax paid	(25,349)	(23,097)
Net cash generated from operating activities	577,484	426,866
Cash flow from investing activities		
Purchase of investment securities	(2,063,856)	(1,266,298)
Matured investment securities	735,292	1,263,563
Purchase of Property, Plant and Equipment	(5,244)	(49,792)
Purchase of Intangible Assets	(1,163)	(213)
Net cash generated/(used in) from investing activities	(1,334,971)	(52,740)
Cash flow from financing activities		
Proceeds from borrowings	268,381	(29,940)
Repayment of borrowings	(2,210)	4,079
Net cash used in financing activities	266,171	(25,861)
Change in Cash and Cash Equivalents	(491,316)	348,265
Net Foreign Exchange Difference	20,554	3,411
Cash & Cash Equivalents as at 1 January	1,952,572	964,630
Cash and Cash Equivalents as at 31 March	1,481,810	1,316,307
Operational cash flows from interest:		
Interest received	278,299	158,059
Interest paid	47,590	26,640

STATEMENT OF CHANGES IN EQUITY

FOR THE THE QUARTER ENDED 31 MARCH 2023

	Stated Capital GH¢	Income surplus GH¢	Revaluation Reserve GH¢	Statutory reserve GH¢	Other reserves GH¢	Total shareholders' equity GH¢
For the Quarter ended 31 March 2023						
Balance as at 1 January 2023	404,245	242,225	123,670	320,285	438	1,090,863
Movements during the Quarter:						
Profit for the period	-	73,552	-	-	-	73,552
Other movements in equity:						
Debt instruments at FVOCI	-	-	-	-	(438)	(438)
Transfer to statutory reserve	-	(18,388)	-	18,388	-	-
Dividend Paid	-	-	-	-	-	-
Balance as at 31 March 2023	404,245	297,389	123,670	338,673	-	1,163,977

	Stated Capital GH¢	Income surplus GH¢	Revaluation Reserve GH¢	Statutory reserve GH¢	Other reserves GH¢	Total shareholders' equity GH¢
For the Quarter ended 31 March 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	-	31,682	-	-	-	31,682
Other movements in equity:						
Debt instruments at FVOCI	-	-	-	-	14	14
Transfer to statutory reserve	-	(7,920)	-	7,920	-	-
Dividend Paid	-	-	-	-	-	-
Balance as at 31 March 2022	404,245	231,074	123,670	300,439	833	1,060,261

NOTES TO THE SUMMARY FINANCIAL STATEMENTS FOR THE QUARTER ENDED 31 MARCH 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 31 MARCH 2023

STATEMENT OF COMPLIANCE

The financial statements of the Bank for the year ended 31 March 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 and other related laws in Ghana.

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	14.15	19.47
Non-Performing Loan Ratio	14.85	7.24
Leverage Ratio	6.74	11.04
Liquidity Ratio	111.69	95.68

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