



PRESS RELEASE

PR. No 138/2023

SOCIETE GENERALE GHANA PLC (SOGECH) –

2022 AUDITED FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2022

SOGECH has released its 2022 Audited Financial Statements for the year ended December 31, 2022, as per attached.

Issued in Accra, this 28th.
Day of April 2023.

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att'd.

Distribution:

1. All LDMS
2. General Public
3. Company Secretary, SOGECH
4. NTHC Registrars, (Registrars for SOGECH shares)
5. GSE Securities Depository
6. Securities & Exchange Commission
7. Custodian
8. GSE Council Members
9. GSE Notice Board

For enquiries, contact:

Head of Listings, GSE on 0302 669908, 669914, 669935

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SOCIETE GENERALE GHANA PLC

2022 AUDITED FINANCIAL STATEMENTS

SUMMARY STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

FOR THE YEAR ENDED 31 DECEMBER 2022

	2022 GH¢	2021 GH¢
Interest income	659,497,229	510,992,929
Interest expense	(134,930,676)	(109,990,417)
Net interest income	524,566,553	401,002,512
Fees & commission income	105,172,123	77,475,216
Fees & commission expense	(36,313,952)	(27,252,208)
Net fees and commission income	68,858,171	50,223,008
Net trading revenue	95,734,001	40,793,352
Net income from other financial instruments carried at fair value	64,104,688	52,835,645
Other operating income	48,318,570	91,439,536
Total other operating income	208,157,259	185,068,533
Operating income	801,581,983	636,294,053
Net impairment loss on financial assets	(284,737,040)	(33,407,581)
Operating income net of impairment charges	516,844,943	602,886,472
Personnel expense	(171,621,011)	(135,516,867)
Depreciation and amortization	(39,433,935)	(34,807,599)
Other operating expenses	(137,405,680)	(150,595,307)
Profit before income tax	168,384,317	281,966,699
Income tax expense	(59,544,391)	(97,637,066)
Profit after tax expense	108,839,926	184,329,633
Other comprehensive income		
Items that may be reclassified subsequently to profit or loss		
Debt instruments at fair value through other comprehensive income-	(507,879)	(689,424)
Less tax	126,970	172,356
Other comprehensive income, net of income tax	(380,909)	(517,069)
Total comprehensive income for the year	108,459,017	183,812,564
Earnings per share:		
Basic earnings per share (GH¢)	0.153	0.260
Diluted earnings per share (GH¢)	0.153	0.260

SUMMARY STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 31 DECEMBER 2022

	2022 GH¢	2021 GH¢
Operating activities		
Operating profit before taxation	168,384,317	281,966,699
Adjustments for:		
Impairment provision	285,979,329	42,426,979
Fair value adjustment on equity investment	(626,166)	27,729
Fair value adjustment on non pledged trading assets	352,927	(498,926)
Depreciation and amortization	39,433,935	34,807,599
Other non cash adjustments	-	253,314
Derivative revaluation	(229,289,648)	40,509,648
Unrealized loss on forex revaluation	60,711,093	1,320,467
Operating profit before working capital changes	324,945,787	400,813,510
Changes in operating and other assets and liabilities		
Change in non-pledged trading assets	128,645,946	(74,760,878)
Change in loans and advances to customers	(799,755,478)	27,865,665
Change in other assets	(50,665,064)	7,878,602
Change in deposit from banks	(771,103)	(2,029,437)
Change in deposit from customers	848,427,517	(90,202,638)
Change in other liabilities	194,731,051	54,684,493
	320,612,869	(76,564,193)
Income tax paid	(86,323,504)	(113,593,324)
Net cash flows generated from operating activities	559,235,152	210,655,993
Cash flow from investing activities		
Purchase of investment securities	(794,670,777)	(1,032,517,701)
Matured investment securities	1,356,764,169	97,146,284
Purchase of property, plant and equipment	(35,324,571)	(9,976,896)
Purchase of intangible assets	(37,116,220)	(3,096,344)
Net cash flows generated from/(used in) investing activities	489,652,601	(948,444,658)
Cash flow from financing activities		
Proceeds from borrowings	53,869,563	235,912,636
Repayment of borrowings	(5,718,075)	(13,314,795)
Dividend paid	(48,386,529)	(80,842,116)
Net cash flows generated from financing activities	(235,041)	141,755,726
Change in cash and cash equivalents	1,048,652,712	(596,032,940)
Net foreign exchange and revaluation difference	(60,711,093)	(1,320,467)
Cash & cash equivalents at 1 January	964,630,209	1,561,983,616
Cash and cash equivalents at 31 December	1,952,571,828	964,630,209
Operational cash flows from interest:		
Interest received	589,588,536	442,305,271
Interest paid	128,714,797	111,201,903

SUMMARY STATEMENT OF FINANCIAL POSITION

AS AT 31 DECEMBER 2022

	2022 GH¢	2021 GH¢
Assets		
Cash and cash equivalents	1,950,873,066	963,960,922
Non-pledged trading assets	14,157,407	143,156,280
Derivative financial assets	188,780,000	-
Debt instruments at fair value through other comprehensive income	43,784,934	87,240,744
Debt instruments at amortised cost	796,556,383	1,383,955,004
Loans and advances to customers	3,102,993,067	2,504,366,677
Equity investments	3,549,552	2,923,386
Deferred tax assets	89,859,093	27,010,706
Property, plant and equipment	292,785,473	255,268,418
Intangible assets	10,499,595	15,009,794
Other assets	101,997,533	54,130,188
Total assets	6,595,836,103	5,437,022,119
Liabilities		
Derivative financial liabilities	-	40,509,648
Deposits from banks	1,145,398	1,916,501
Deposits from customers	4,239,568,200	3,391,140,683
Borrowings	642,585,961	588,864,628
Current tax liabilities	57,267,488	21,325,184
Other liabilities	566,631,231	364,700,138
Total liabilities	5,507,198,278	4,408,456,782
Shareholders' fund		
Stated capital	404,245,427	404,245,427
Retained earnings	240,555,598	207,312,183
Revaluation reserve	123,670,260	123,670,260
Statutory reserve	319,728,614	292,518,632
Other reserves	437,926	818,835
Total shareholders' fund	1,088,637,825	1,028,565,337
Total liabilities and shareholders' fund	6,595,836,103	5,437,022,119

The accompanying notes form an integral part of these financial statements.
Approved by the Board and signed on its behalf as follows:



Margaret Boateng Sekyere
(Board Chair)
27 April 2023



Francis Awua-Kyerematen
(Audit & Accounts Committee Chairman)
27 April 2023

SUMMARY STATEMENT OF CHANGES IN EQUITY

FOR THE YEAR ENDED 31 DECEMBER 2022

	Stated capital GH¢	Retained earnings GH¢	Revaluation reserve GH¢	Statutory reserve GH¢	Other reserves GH¢	Total shareholders' equity GH¢
For the year ended 31 December 2022						
Balance as at 1 January 2022	404,245,427	207,312,183	123,670,260	292,518,632	818,835	1,028,565,337
Movements during the year:						
Profit for the year	-	108,839,926	-	-	-	108,839,926
Other movements in equity:						
Debt Instruments at FVOCI	-	-	-	-	(380,909)	(380,909)
Dividend	-	(48,386,529)	-	-	-	(48,386,529)
Transfer to statutory reserve	-	(27,209,982)	-	27,209,982	-	-
Balance as at 31 December 2022	404,245,427	240,555,598	123,670,260	319,728,614	437,926	1,088,637,825
For the year ended 31 December 2021						
Balance as at 1 January 2021	404,245,427	149,907,074	123,670,260	246,436,224	1,335,904	925,594,889
Movements during the year:						
Profit for the year	-	184,329,633	-	-	-	184,329,633
Other movements in equity:						
Debt Instruments at FVOCI	-	-	-	-	(517,069)	(517,069)
Dividend	-	(80,842,116)	-	-	-	(80,842,116)
Transfer to statutory reserve	-	(46,082,408)	-	46,082,408	-	-
Balance as at 31 December 2021	404,245,427	207,312,183	123,670,260	292,518,632	818,835	1,028,565,337

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 applicable accounting standards have been followed subject to any material departures, disclosed and explained in the financial statements.
- Prepare the financial statements on a going concern basis unless it is inappropriate to presume that the company 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 Bank and Specialized Deposit Taking Institutions Act, 2016 (Act 930) and 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.

The above statement should be read in conjunction with the statement of the auditor's responsibilities which is made with a view to distinguishing, for shareholders, the respective responsibilities of the Directors and the Auditors in relation to the financial statements

NOTES TO THE SUMMARY FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2022

REPORTING ENTITY

Societe Generale Ghana PLC (the Bank) is a limited liability company incorporated in Ghana 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 principal activities of the Bank are described in the Directors' Report. 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 COMPLIANCE

These financial statements of the Bank have been prepared in accordance with International Financial Reporting Standards (IFRS) as issued by the International Accounting Standards Board (IASB) and accounting requirement 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 adapted by the bank 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

	2022	2021
Capital Adequacy Ratio	16.00%	22.38%
Common Equity Tier 1 / RWA	14.72%	20.79%
Leverage Ratio	10.16%	12.57%
Loan Loss Provision Ratio	11.93%	8.35%
Liquidity Ratio	88.36%	108.78%
Gross Non-performing Loan Ratio	13.48%	7.58%
Off-Balance Sheet Exposures (GH¢'M)	1,893.06	1,079.86

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, policies and limits.
4. Over the year under review, the Board of Directors have assessed the dominant risks faced by the bank as generally stable over a three year period.

DEFAULTS IN STATUTORY LIQUIDITY

	2022	2021
Number of Defaults in Statutory Liquidity	Nil	Nil
Sanctions	Nil	Nil

REGULATORY BREACHES

The Bank was fined an amount of GH¢ 252,000 by the Bank of Ghana (BoG) in respect of regulatory breaches in relation to the breach of BOG directives and late submission of returns.

INDEPENDENT AUDITOR'S REPORT ON SUMMARY FINANCIAL STATEMENTS TO THE SHAREHOLDERS OF SOCIETE GENERALE GHANA PLC

Opinion

The summary financial statements of Societe Generale Ghana PLC, which comprise the summary statement of financial position as at 31 December 2022, the summary statements of profit or loss and other comprehensive income, the summary statement of changes in equity and the summary statement of cash flows for the year then ended, and related notes, are derived from the audited financial statements of Societe Generale Ghana PLC for the year ended 31 December 2022.

In our opinion, the accompanying summary financial statements are consistent, in all material respects, with the audited financial statements of Societe Generale Ghana PLC and are in accordance with the requirements of the Bank of Ghana Guide for Financial Publication for Banks and BOG Licensed Financial Institutions.

The summary financial statements

The summary financial statements do not contain all the disclosures required by the International Financial Reporting Standards and the requirements of the Companies Act, 2019 (Act 992) and the Banks and Specialised Deposit-Taking Institutions Act, 2016 (Act 930) as applicable to annual financial statements. Reading the summary financial statements and the auditor's report thereon, therefore, is not a substitute for reading the audited financial statements of Societe Generale Ghana PLC and the auditor's report thereon. The summary financial statements and the audited financial statements do not reflect the effect of events that occurred subsequent to the date of our report on the audited financial statements.

The audited financial statements and our report thereon

We expressed an unmodified audit opinion on the audited financial statements in our report dated 28 April 2023. That report also includes the communication of other key audit matters as reported in the auditor's report of the audited financial statements. Key audit matters are those matters that in our professional judgements, were of most significance in our audit of the financial statements of 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 requirements of the Bank of Ghana Guide for Financial Publication for Banks and BOG Licensed Financial Institutions.

Auditor's responsibility

Our responsibility is to express an opinion on whether the summary financial statements are consistent, in all material respects, with 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.

Report on other legal and regulatory requirements

In accordance with our full audit report, we confirm that:

- The Bank generally complied with the provisions of the Companies Act, 2019 (Act 992).
- The Bank generally complied with the provisions of the Banks and Specialised Deposit-Taking Institutions Act, 2016 (Act 930).

The engagement partner on the audit resulting in this independent auditor's report is Emmanuel Martey (ICAG/P/1476)

Deloitte & Touche

For and on behalf Deloitte & Touche (ICAG/F/2023/129)

Chartered Accountants

The Deloitte Place, Plot No. 71

Off George Walker Bush Highway

Accra - Ghana

28 April 2023