



**PRESS RELEASE**

**PR. No 371/2019**

**SOCIETE GENERALE GHANA LIMITED (SOGEGH) -  
UNAUDITED FINANCIAL STATEMENTS  
FOR THE THIRD QUARTER ENDING 30 SEPTEMBER 2019**

SOGEGH has released its unaudited Financial Statements for the third quarter ending September 30, 2019 as per the attached.

Issued in Accra, this 23<sup>rd</sup>  
day of October, 2019.

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att'd.

**Distribution:**

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

**For enquiries, contact:**

**Head Listing, GSE on 0302 669908, 669914, 669935**

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# SOCIETE GENERALE GHANA LIMITED

## UNAUDITED FINANCIAL STATEMENTS FOR THE QUARTER ENDED 30TH SEPTEMBER 2019

### STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME FOR THE QUARTER ENDED 30TH SEPTEMBER 2019

	2019 GH¢	2018 GH¢
Interest Income	321,644,105	251,641,170
Interest Expense	(63,196,659)	(54,860,462)
<b>Net Interest Income</b>	<b>258,447,446</b>	<b>196,780,708</b>
Fees & Commission Income	64,952,236	62,644,206
Fees & Commission Expense	(15,531,692)	(13,874,941)
<b>Net Fees and Commission Income</b>	<b>49,420,544</b>	<b>48,769,265</b>
Net Trading Revenue	28,678,635	25,778,323
Net income from other financial instruments carried at fair value	28,446,605	15,269,715
Other Operating Income	12,225,133	8,929,780
<b>Total Other Operating Income</b>	<b>69,350,373</b>	<b>49,977,818</b>
<b>Operating Income</b>	<b>377,218,363</b>	<b>295,527,791</b>
Net impairment loss on financial assets	(45,171,056)	(39,952,002)
Personnel Expense	(90,565,373)	(83,729,788)
Depreciation and Amortization	(24,650,840)	(16,520,754)
Other Expenses	(99,501,316)	(80,914,251)
<b>Profit before Income Tax</b>	<b>117,329,778</b>	<b>74,410,996</b>
Income Tax Expenses	(34,859,746)	(22,853,154)
<b>Profit after Tax Expense</b>	<b>82,470,032</b>	<b>51,557,842</b>
<b>Other comprehensive income, net of income tax</b>		
Items that may be reclassified subsequently to profit or loss:		
- Available for sale financial assets		
Net fair value gain on available-for-sale financial assets during the year	-	(6,899,238)
<b>Total Comprehensive Income for the period</b>	<b>-</b>	<b>44,658,604</b>
<b>Earnings Per Share:</b>		
Basic and diluted earnings per share (GH¢)	<b>GH¢ 15.5p</b>	GH¢ 13.7p

### STATEMENT OF FINANCIAL POSITION AS AT 30TH SEPTEMBER 2019

	2019 GH¢	2018 GH¢
<b>Assets</b>		
Cash and Cash Equivalents	417,386,998	484,734,586
Non-Pledged Trading assets	86,338,735	69,433,136
Investment securities	669,343,584	649,557,570
Loans and Advances to Customers	2,506,893,580	1,586,656,249
Investments (other than securities)	2,807,042	2,181,558
Derivative assets held for risk management	-	22,081,345
Other Assets	49,209,860	48,872,287
Property, Plant and Equipment	294,496,996	286,182,092
Intangible Assets	2,058,024	1,848,847
<b>Total Assets</b>	<b>4,028,534,819</b>	<b>3,151,547,670</b>
<b>Liabilities</b>		
Deposits from banks	16,768,072	14,334,329
Deposits from customers	2,701,589,840	2,267,539,861
Borrowings	274,404,953	159,222,195
Current tax liabilities	12,064,350	7,157,558
Derivative liabilities held for risk management	6,013,303	-
Other Liabilities	235,793,016	160,252,421
Deferred Tax Liabilities	26,012,007	23,308,316
<b>Total Liabilities</b>	<b>3,272,645,541</b>	<b>2,631,814,680</b>
<b>Shareholders' Fund</b>		
Stated Capital	404,245,427	235,302,925
Income Surplus	43,125,673	27,772,701
Revaluation Reserve	123,670,260	123,670,260
Statutory Reserve	184,847,918	138,405,680
Other Reserves	-	(5,418,576)
<b>Total Shareholders' Fund</b>	<b>755,889,278</b>	<b>519,732,990</b>
<b>Total Liabilities and Shareholders' Fund</b>	<b>4,028,534,819</b>	<b>3,151,547,670</b>

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



Kofi Ampim (Board Chairman)



Hakim Ouzzani (Managing Director)

### STATEMENT OF CASHFLOWS FOR THE QUARTER ENDED 30TH SEPTEMBER 2019

	2019 GH¢	2018 GH¢
<b>Cash flow from Operating Activities</b>		
Operating Profit before Taxation	117,329,778	74,410,996
<b>Adjustments for:</b>		
Depreciation and Amortization	24,650,840	16,520,754
Unrealized Losses on forex and revaluations	(10,099,947)	(5,386,841)
Profit on Sales of Property, Plant and Equipment	(624,124)	(24,701)
<b>Operating Profit before Working Capital Changes</b>	<b>131,256,548</b>	<b>85,520,207</b>
<b>Changes in Operating and Other Assets and Liabilities</b>		
Change in Non-Pledged Trading assets	(10,487,796)	4,529,330
Change in Loans and Advances to Customers	(841,609,379)	(214,085,033)
Change in Other Assets	(5,547,392)	(17,764,151)
Change in Derivative assets held for risk management	-	(22,081,345)
Change in Derivative Liabilities held for risk management	6,013,303	-
Change in Borrowings	(75,208,452)	55,037,641
Change in Deposit from Banks	13,100,701	8,737,766
Change in Deposit from Customers	540,207,242	279,241,116
Change in Other Liabilities	61,692,534	27,274,701
	(311,839,238)	120,890,025
Income Tax Paid	(29,749,244)	(29,824,309)
<b>Net Cash Generated from Operating Activities</b>	<b>(210,331,934)</b>	<b>176,585,923</b>
<b>Cash flow from Investing Activities</b>		
Change in Investment securities	22,073,690	(424,828,400)
Investments (other than securities)	-	(287,898)
Purchase of Property, Plant and Equipment	(17,809,706)	(22,610,589)
Purchase of Intangible Assets	(392,052)	(795,591)
Proceeds from Sale of Property, Plant and Equipment	678,227	25,008
<b>Net Cash generated/(used in) from Investing Activities</b>	<b>4,550,158</b>	<b>(448,497,470)</b>
<b>Cash flow from Financing Activities</b>		
Dividend Paid	(28,365,655)	-
Financing of Bonus Issue	-	(6,798,336)
<b>Net Cash used in Financing Activities</b>	<b>(28,365,655)</b>	<b>(6,798,336)</b>
Change in Cash and Cash Equivalents	(234,147,431)	(278,709,883)
Net Foreign Exchange Difference	9,698,375	5,692,870
Cash & Cash Equivalents as at 1 January	641,836,054	757,751,599
<b>Cash and Cash Equivalents as at 30th September 2019</b>	<b>417,386,998</b>	<b>484,734,586</b>
<b>Operational Cash Flows from Interest:</b>		
Interest Received	289,410,642	229,988,859
Interest Paid	63,017,665	49,527,665

### STATEMENT OF CHANGES IN EQUITY FOR THE QUARTER ENDED 30TH SEPTEMBER 2019

	Stated Capital	Income Surplus	Revaluation Reserve	Statutory Reserve	Other Reserves	Total shareholders' Equity
	GH¢	GH¢	GH¢	GH¢	GH¢	GH¢
Balance as at 1 January 2019	404,245,427	30,256,311	123,670,260	143,612,902	-	701,784,900
Movements during the Quarter:	-	-	-	-	-	-
Profit for the period	-	82,470,033	-	-	-	82,470,033
Other comprehensive income	-	-	-	-	-	-
Other Movements in Equity	-	-	-	-	-	-
Dividend Paid	-	(28,365,655)	-	-	-	(28,365,655)
Transfer to Statutory Reserve	-	(41,235,016)	-	41,235,016	-	-
<b>Balance as at 30th September 2019</b>	<b>404,245,427</b>	<b>43,125,673</b>	<b>123,670,260</b>	<b>184,847,918</b>	<b>-</b>	<b>755,889,278</b>

### STATEMENT OF CHANGES IN EQUITY FOR THE QUARTER ENDED 30TH SEPTEMBER 2018

	Stated Capital	Income Surplus	Revaluation Reserve	Statutory Reserve	Other Reserves	Total shareholders' Equity
	GH¢	GH¢	GH¢	GH¢	GH¢	GH¢
Balance as at 1 January 2018	138,302,925	142,772,417	123,670,260	112,626,759	1,480,662	518,853,023
Movements during the Quarter:	-	-	-	-	-	-
Profit for the period	-	51,557,842	-	-	-	51,557,842
Other comprehensive income	-	-	-	-	(6,899,238)	(6,899,238)
Other Movements in Equity	-	-	-	-	-	-
Bonus Issue	97,000,000	(97,000,000)	-	-	-	-
Expenses on Bonus Issue	-	(6,798,336)	-	-	-	(6,798,336)
Transfer to Statutory Reserve	-	(25,778,921.00)	-	25,778,921	-	-
Transfer to General Regulatory Credit Reserve	-	-	-	-	-	-
IFRS 9 First Time Application Impact	-	(36,980,301)	-	-	-	(36,980,301)
<b>Balance as at 30th September 2019</b>	<b>235,302,925</b>	<b>27,772,701</b>	<b>123,670,260</b>	<b>138,405,680</b>	<b>(5,418,576)</b>	<b>519,732,990</b>

## NOTES TO THE SUMMARY FINANCIAL STATEMENTS FOR THE QUARTER ENDED 30TH SEPTEMBER 2019

### THE REPORTING ENTITY

Societe Generale Ghana Limited is a public limited liability company incorporated under the Companies Act of Ghana 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 Banks and Specialised 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.

## NOTES TO THE SUMMARY FINANCIAL STATEMENTS FOR THE QUARTER ENDED 30TH SEPTEMBER 2019

### Statement of compliance

The financial statements of the Bank for the quarter ended 30th September 2019 have been prepared in accordance with International Financial Reporting Standards (IFRS) as issued by the International Accounting Standards Board (IASB).

### Accounting policies

The accounting policies adopted are consistent with those of the previous financial year. However in 2019, IAS 17 which was used for the classification and measurement of Leases has been replaced by IFRS 16.

### Basis of preparation

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

### QUANTITATIVE DISCLOSURES

	2019	2018
Capital Adequacy Ratio	19.0	15.4
Non-Performing Loan Ratio	9.5	14.0

### 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.

#### Liquidity Breaches

The bank complied with all liquidity regulations within the quarter.