



PRESS RELEASE

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**SOCIETE GENERALE GHANA PLC (SOGEGH) -
UNAUDITED FINANCIAL STATEMENTS FOR THE THIRD
QUARTER ENDING 30 SEPTEMBER 2020**

SOGEGH has released its Unaudited financial statements for the third quarter ending 30 September, 2020 as per the attached.

Issued in Accra, this 26th
day of October, 2020.

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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 of Listings, GSE on 0302 669908, 669914, 669935

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SOCIETE GENERALE GHANA LIMITED

UNAUDITED FINANCIAL STATEMENTS FOR THE QUARTER ENDED 30 SEPTEMBER 2020

STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

FOR THE QUARTER ENDED 30 SEPTEMBER 2020

	2020 GH¢	2019 GH¢
Interest income	369,707,762	321,644,105
Interest expense	(85,597,559)	(63,196,659)
Net interest income	284,110,203	258,447,446
Fees & commission income	66,203,268	64,952,236
Fees & commission expense	(14,441,718)	(15,531,692)
Net fees and commission income	51,761,550	49,420,544
Net trading revenue	34,357,966	28,678,635
Net income from other financial instruments carried at fair value	39,957,718	28,446,605
Other operating income/loss	(4,708,889)	12,225,133
Total other operating income	69,606,795	69,350,373
Operating income	405,478,548	377,218,363
Net impairment loss on financial assets	(34,369,489)	(45,171,056)
Personnel expense	(95,420,435)	(90,565,373)
Depreciation and amortization	(25,571,799)	(24,650,840)
Other expenses	(114,062,922)	(99,501,316)
Profit before income tax	136,053,903	117,329,778
Income tax expenses	(42,532,685)	(34,859,746)
Profit after tax expense	93,521,218	82,470,032
Other comprehensive income, net of income tax	-	-
Total comprehensive income for the period	93,521,218	82,470,032
Earnings per share:		
Basic and diluted earnings per share (GH¢)	GH¢0.18p	GH¢ 0.16p

STATEMENT OF FINANCIAL POSITION

AS AT 30 SEPTEMBER 2020

	2020 GH¢	2019 GH¢
Assets		
Cash and cash equivalents	897,739,328	417,386,998
Non-pledged trading assets	83,985,044	86,338,735
Investment securities	1,075,449,487	669,343,584
Loans and advances to customers	2,659,481,653	2,506,893,580
Investments (other than securities)	12,539,730	2,807,042
Other assets	72,056,885	49,209,860
Property, plant and equipment	292,738,364	294,496,996
Intangible assets	1,531,548	2,058,024
Deferred tax assets	12,739,860	-
Total assets	5,108,261,899	4,028,534,819
Liabilities		
Deposits from banks	2,776,793	16,768,072
Deposits from customers	3,422,633,926	2,701,589,840
Borrowings	427,651,842	274,404,953
Derivative liabilities held for risk management	27,851,474	6,013,303
Current tax liabilities	32,945,661	12,064,350
Other liabilities	298,919,554	235,793,016
Deferred tax liabilities	-	26,012,007
Total liabilities	4,212,779,250	3,272,645,541
Shareholders' Fund		
Stated capital	404,245,427	404,245,427
Income surplus	136,302,663	43,125,673
Revaluation reserve	123,670,260	123,670,260
Statutory reserve	231,264,299	184,847,918
Total shareholders' Fund	895,482,649	755,889,278
Total liabilities and shareholders' Fund	5,108,261,899	4,028,534,819

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


Kofi Ampim (Chairman)


Hakim Ouzzani (Managing Director)

STATEMENT OF CASH FLOWS

FOR THE QUARTER ENDED 30 SEPTEMBER 2020

	2020 GH¢	2019 GH¢
Cash flow from operating activities		
Operating profit before taxation	136,053,903	117,329,778
Adjustments for:		
Depreciation and amortization	25,571,799	24,650,840
Unrealized gains/losses on forex and revaluations	5,504,525	(10,099,946)
Profit/ loss on sales of property, plant and equipment	(2,560)	(624,124)
Operating profit before working capital changes	167,127,667	131,256,548
Changes in operating and other assets and liabilities		
Change in non-pledged trading assets	(26,461,108)	(10,487,796)
Change in loans and advances to customers	(16,087,652)	(841,609,379)
Change in other assets	(9,542,650)	(5,547,392)
Change in derivative liabilities held for risk management	27,851,474	6,013,303
Change in deposit from banks	(22,898,597)	13,100,701
Change in deposit from customers	252,927,955	540,207,242
Change in other liabilities	65,800,445	61,692,534
	271,589,867	(236,630,787)
Income tax paid	(57,806,984)	(29,749,244)
Net cash generated from operating activities	380,910,550	(135,123,483)
Cash flow from investing activities		
Change in investment securities	(992,344,495)	22,073,690
Investments (other than securities)	(3,676,830)	-
Purchase of property, plant and equipment	(26,298,961)	(17,809,706)
Purchase of intangible assets	(945,567)	(392,052)
Proceeds from sale of property, plant and equipment	2,560	678,227
Net cash generated/(used in) from investing activities	(1,023,263,293)	4,550,159
Cash flow from financing activities		
Dividend paid	-	(28,365,655)
Change in borrowings	249,955,865	(75,208,452)
Net cash used in financing activities	249,955,865	(103,574,070)
Change in cash and cash equivalents	(392,396,878)	(234,147,431)
Net foreign exchange difference	(5,504,525)	9,698,375
Cash & cash equivalents as at 1 January	1,295,640,731	641,836,054
Cash and cash equivalents as at 30 September 2020	897,739,328	417,386,998
Operational cash flows from interest:		
Interest received	287,311,488	289,410,642
Interest paid	82,603,379	63,017,665

STATEMENT OF CHANGES IN EQUITY

FOR THE QUARTER ENDED 30 SEPTEMBER 2020

	Stated capital GH¢	Income surplus GH¢	Revaluation reserve GH¢	Statutory reserve GH¢	Total shareholders' funds GH¢
For the Quarter ended 30 September 2020					
Balance as at 1 January 2020	404,245,427	66,161,749	123,670,260	207,883,995	801,961,431
Movements during the Quarter :	-	-	-	-	-
Profit for the period	-	93,521,218	-	-	93,521,218
Other comprehensive income	-	-	-	-	-
Other movements in equity	-	-	-	-	-
Transfer to statutory reserve	-	(23,380,304)	-	23,380,304	-
Dividend paid	-	-	-	-	-
Balance as at 30 September 2020	404,245,427	136,302,663	123,670,260	231,264,299	895,482,649

	Stated capital GH¢	Income surplus GH¢	Revaluation reserve GH¢	Statutory reserve GH¢	Total shareholders' funds GH¢
For the Quarter ended 30 September 2019					
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	-
Balance as at 30 September 2019	404,245,427	43,125,673	123,670,260	184,847,918	755,889,278

NOTES TO THE SUMMARY FINANCIAL STATEMENTS FOR THE QUARTER ENDED 30 SEPTEMBER 2020 THE REPORTING ENTITY

Societe Generale Ghana Limited 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, Royal 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 2020

Statement of compliance

The financial statements of the Bank for the quarter ended 30 September 2020 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

	2020	2019
Capital adequacy ratio	17.8	16.4
Non-performing loan ratio	6.6	9.5
Leverage ratio	9.2	9.9
Liquid ratio	72.3	73.9

QUALITATIVE DISCLOSURES RISK MANAGEMENT

1. The Bank is exposed to the following risks: credit, liquidity, interest rate, market and other operational risks. Over a 3 year period, these risks have been relatively stable with a decreasing outlook.
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.

DEFAULTS IN STATUTORY LIQUIDITY

	2020	2019
Number of defaults in Statutory Liquidity	1	Nil
Sanctions (GHS)	37,734	Nil