

SOCIETE GENERALE GHANA PLC

UNAUDITED FINANCIAL STATEMENTS

FOR THE QUARTER ENDED 31 MARCH 2021

STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

FOR THE QUARTER ENDED 31 MARCH 2021

	2021 GH¢	2020 GH¢
Interest income	118,299,159	119,550,028
Interest expense	(26,816,697)	(25,208,320)
Net interest income	91,482,463	94,341,708
Fees & commission income	21,678,495	22,390,047
Fees & commission expense	(5,123,338)	(5,274,477)
Net fees and commission income	16,555,156	17,115,570
Net trading revenue	9,037,624	14,468,668
Net income from other financial instruments carried at fair value	13,358,032	11,354,977
Other operating expense	(1,425,042)	(5,484,501)
Total other operating income	20,970,614	20,339,144
Operating income	129,008,233	131,796,422
Net impairment loss on financial assets	6,080,991	1,060,501
Personnel expense	(34,321,059)	(32,918,844)
Depreciation and amortization	(8,341,322)	(8,791,467)
Other expenses	(41,540,610)	(37,568,807)
Profit before income tax	50,886,234	53,577,805
Income tax expenses	(15,480,930)	(16,131,284)
Profit after tax expense	35,405,304	37,446,521
Other comprehensive income for the period		
Fair value on available for sale financial instrument	1,535,809	-
Less tax	(383,952)	-
Other comprehensive income, net of income tax	1,151,857	-
Total comprehensive income for the period	36,557,161	37,446,521
Earnings per share:		
Basic and diluted earnings per share (GH¢)	GH¢0.20p	GH¢0.21

STATEMENT OF CASH FLOWS

FOR THE QUARTER ENDED 31 MARCH 2021

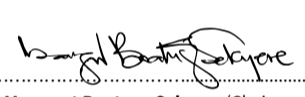
	2021 GH¢	2020 GH¢
Cash flow from Operating activities		
Operating profit before taxation	50,886,234	53,577,804
Adjustments for:		
Impairment provision	(5,484,388)	(85,321,539)
Fair value adjustment on equity investment	(303,265)	735,236
Fair value on available for sale instrument	(245,396)	-
Fair value adjustment on non pledged trading assets	(328,381)	371,880
Depreciation and amortization	8,341,322	8,791,467
Unrealized gains/losses on forex and revaluations	1,272,350	5,912,391
Profit/ loss on sales of property, plant and equipment	-	-
Operating profit before working capital changes	54,138,476	(15,932,761)
Changes in operating and other assets and liabilities		
Change in non-pledged trading assets	(53,985,640)	(8,263,106)
Change in loans and advances to customers	288,170,241	29,520,371
Change in other assets	7,102,687	(8,867,260)
Change in derivative liabilities held for risk management	18,393,626	21,497,905
Change in deposit from banks	(1,041,942)	(12,380,808)
Change in deposit from customers	(41,302,863)	(196,261,098)
Change in other liabilities	(886,606)	16,533,792
	216,449,503	(158,220,204)
Income tax paid	(14,682,105)	(16,281,629)
Net cash generated from operating activities	255,905,874	(190,434,595)
Cash flow from investing activities		
Change in investment securities	(492,866,245)	(620,718,011)
Investments (other than securities)	303,266	(735,236)
Purchase of property, plant and equipment	6,460,468	(10,826,065)
Purchase of intangible assets	(9,890,016)	(55,816)
Proceeds from sale of property, plant and equipment	-	-
Net cash generated/(used in) from investing activities	(495,992,527)	(632,335,128)
Cash flow from financing activities		
Dividend paid	-	-
Change in borrowings	(6,421,625)	221,845,772
Net cash used in financing activities	(6,421,625)	221,845,772
Change in cash and cash equivalents	(246,508,280)	(600,923,950)
Net foreign exchange difference	(1,272,350)	(5,912,391)
Cash & cash equivalents as at 1 January	1,561,983,616	1,295,640,731
Cash and cash equivalents as at 31 March	1,314,202,986	688,804,390
Operational cash flows from interest:		
Interest received	95,799,678	124,820,737
Interest paid	25,450,407	22,222,688

STATEMENT OF FINANCIAL POSITION

AS AT 31 MARCH 2021

	2021 GH¢	2020 GH¢
Assets		
Cash and cash equivalents	1,314,202,986	688,804,390
Non-pledged trading assets	122,210,497	65,415,162
Debt instruments at fair value through other comprehensive income	91,601,458	-
Debt instruments at amortised cost	937,814,386	703,823,003
Loans and advances to customers	2,280,020,822	2,699,195,168
Investments (other than securities)	12,236,464	8,862,900
Other assets	59,408,832	71,381,495
Property, plant and equipment	276,370,715	293,185,152
Intangible assets	10,730,081	1,502,446
Deferred tax assets	16,208,744	2,584,604
Total assets	5,120,804,985	4,534,754,320
Liabilities		
Deposits from banks	2,903,996	13,294,582
Deposits from customers	3,440,040,458	2,973,444,873
Borrowings	359,845,162	399,541,749
Derivative liabilities held for risk management	18,393,626	21,497,905
Current tax liabilities	27,389,310	37,914,359
Other liabilities	311,416,287	249,652,900
Total liabilities	4,159,988,839	3,695,346,368
Shareholders' fund		
Stated capital	404,245,427	404,245,427
Income surplus	176,461,052	84,885,009
Revaluation reserve	123,670,260	123,670,260
Statutory reserve	255,287,550	226,607,256
Other reserves	1,151,857	-
Total shareholders' fund	960,816,146	839,407,952
Total liabilities and shareholders' fund	5,120,804,985	4,534,754,320

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


Margaret Boateng Sekyere (Chairperson)


Hakim Ouzzani (Managing Director)

STATEMENT OF CHANGES IN EQUITY

FOR THE QUARTER ENDED 31 MARCH 2021

	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 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 period	-	35,405,304	-	-	-	35,405,304
Other comprehensive income	-	-	-	-	-	-
Other movements in equity	-	-	-	-	(184,047)	(184,047)
Transfer to statutory reserve	-	(8,851,326)	-	8,851,326	-	-
Balance as at 31 March 2021	404,245,427	176,461,052	123,670,260	255,287,550	1,151,857	960,816,146

	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 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 year:						
Profit for the period	-	37,446,521	-	-	-	37,446,521
Other comprehensive income	-	-	-	-	-	-
Other movements in equity:	-	-	-	-	-	-
Transfer to statutory reserve	-	(18,723,261)	-	18,723,261	-	-
Balance as at 31 March 2020	404,245,427	84,885,009	123,670,260	226,607,256	-	839,407,952

NOTES TO THE SUMMARY FINANCIAL STATEMENTS FOR THE QUARTER ENDED 31 MARCH 2021

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 2021

STATEMENT OF COMPLIANCE

The financial statements of the Bank for the quarter ended 31 March 2021 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

	2021	2020
Capital adequacy ratio	18.24	17.71
Non-performing loan ratio	7.38	5.63
Leverage ratio	10.99	10.72
Liquidity ratio	99.98	75.53

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.

DEFAULTS IN STATUTORY LIQUIDITY

	2021	2020
Number of defaults in statutory liquidity	NIL	1
Sanctions (GHS)	NIL	37,734

