## **EQUITY GROUP HOLDINGS PLC** UNAUDITED FINANCIAL STATEMENTS AND OTHER DISCLOSURES FOR PERIOD ENDED 31<sup>st</sup> MARCH, 2020

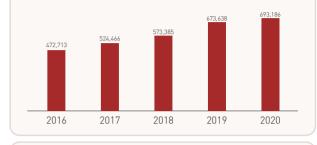
EQUITY GROUP HOLDINGS PLC

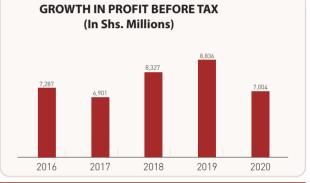
Equity Centre, 9th floor • Tel: +254 763 063 000 • Email: info@equitygroupholdings.com | www.equitygroupholdings.com = Equity Group Holdings Pic and Equity Bank [Kenya] Limited are regulated by The Central Bank of Kenya





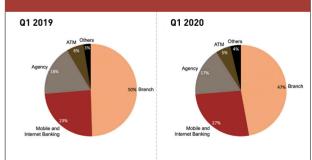
**GROWTH IN TOTAL ASSETS** (In Shs. Millions)





97% of our transactions outside the branch Q1 2019 Q1 2020 Mobile and Internet Banking Mobile and Internet Banking

53% of our transactions value outside the branch



\*The adjusted capital ratios include the expected credit loss provisions added back to capital in line with the CBK guidance note issued in April 2018 on implementation of IFRS 9.

These financial statements are extracts from the books of the institution. The complete set of financial statements, statutory and qualitative disclosures can be accessed on the Institution's website www.equitygroupholdings.com. They may also be accessed at the institution's head office located at Equity Centre, 9th floor, Hospital Road Upper Hill.







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Signed: Dr. James Mwangi Group CEO & Managing Director

Signed: Prof. Isaac Macharia Group Non- Executive Vice Chairman

	EQUITY BANK (KENYA) LIMITED			COMPANY			GROUP		
STATEMENT OF FINANCIAL POSITION AS AT	31st Mar	BANK 31st Dec	31st Mar	31st Mar	31st Dec	31st Mar	31st Mar	31st Dec	31st Mar
STATEMENT OF FINANCIAL PUSITION AS AT	2019 KShs. '000'	2019 KShs. '000'	2020 KShs. '000'	2019 KShs. '000'	2019 KShs. '000'	2020 KShs. '000'	2019 KShs. '000'	2019 KShs. '000'	2020 KShs. '000'
	(Unaudited)	(Audited)	(Unaudited)	(Unaudited)	(Audited)	(Unaudited)	(Unaudited)	(Audited)	(Unaudited)
A. ASSETS 1. Cash (both local & foreign)	8,126,722	10,294,829	10,691,593	7,820,024	12,693,971	13,056,741	21,831,374	25,499,983	24,702,503
2. Balances due from Central Bank of Kenya 3. Kenya Government and other securities held for dealing purposes	21,473,114	22,299,710	15,375,969	-	-	-	21,473,115	22,299,710	15,375,969
4. Financial assets at fair value through profit and loss	- 159,057,445	- 154,964,387	-	-	-	-	-	-	- 189,878,441
5. Investment securities: a) Held to maturity:	16,352,580	15,798,028	173,241,943 15,813,900	-	-	-	169,650,576 20,534,556	172,208,187 21,572,268	18,660,039
a. Kenya Government securities b. Other securities	15,740,865 611,715	15,183,690 614,338	15,196,620 617,280	-	-	-	15,740,865 4,793,691	15,183,690 6,388,578	15,196,620 3,463,419
b) Available for sale:	142,704,865	139,166,359	157,428,043	-	-	-	149,116,020	150,635,919	171,218,402
a. Kenya Government securities b. Other securities	122,186,813 20,518,052	123,389,271 15,777,088	142,385,141 15,042,902			-	122,186,813 26,929,207	123,389,271 27,246,648	142,385,141 28,833,261
6. Deposits and balances due from local banking institutions	3,995,840	4,000,974	2,579,500	-	-	-	8,933,078	7,202,000	15,472,363
7. Deposits and balances due from banking institutions abroad 8. Tax recoverable	12,373,894	6,800,293	8,793,030	-	- 36,935	-	32,479,634 71,917	31,432,500 152,328	19,616,267 115,701
9. Loans and advances to customers (net) 10. Balances due from group companies	229,289,421 870,594	276,863,043 925,602	284,234,137 4,688,379	- 108,499	- 60,535	92,861	305,535,628	366,440,456 19,100	379,215,389
11. Investments in associates			4,000,377	-	-	-	-	-	-
12. Investments in subsidiary companies 13. Investments in joint ventures	-	1		66,786,117	66,786,117	70,193,742		-	-
14. Investment properties	-	-	-	-	-	-	-	-	-
15. Property and equipment 16. Prepaid lease rentals	4,935,701 12,134	5,725,566	5,727,060		12,455	12,516	11,692,358 91,705	11,030,843	11,374,618
17. Intangible assets	6,594,611	6,191,571	6,708,922	-	-	-	7,135,794	7,244,414	7,713,921
18. Deferred tax asset 19. Retirement benefit asset	4,925,505	5,064,277	6,016,906 -	82,996	84,481	84,481	6,189,780	6,491,884	7,469,869
20. Other assets 21.TOTAL ASSETS	13,589,117 465,244,098	14,394,985 507,525,237	12,628,819 530,686,258	197,475 74,995,111	159,065 79,833,559	155,239 83,595,580	20,582,376 605,667,335	23,661,136 673,682,541	22,250,654 693,185,695
B. LIABILITIES	403,244,070	307,323,237	330,000,230	74,773,111	77,000,007	03,373,300	003,007,033	073,002,341	073,103,073
22. Balances due to Central Bank of Kenya	-	-	-	-	-	-	-	-	-
23. Customer deposits 24. Deposits and balances due to local banking institutions	345,431,001	380,603,583	399,431,891				428,509,100	482,752,134	499,328,941
25. Deposits and balances due to foreign banking institutions		-	-	-	-	-	-	-	-
26. Other money market deposits 27. Borrowed funds	3,357,276 35,925,544	534,216 41,542,934	5,026,430 39,832,786	-	-	-	3,672,457 50,969,467	113,414 56,600,944	2,513,660 52,593,634
28. Balances due to group companies 29. Tax payable	352,764 1,661,942	176,118 1,257,482	434,925 3,355,773	438,287 7,704	618,649	4,086,124 38,789	110,401 2,143,337	1,928,201	74,804 4,169,437
30. Dividends payable			-	7,547,350			7,547,350	-	-
31. Deferred tax liability 32. Retirement benefit liability	1			-	-	-	59,451 -	149,708	138,590
33. Other liabilities	10,976,697	13,496,535	9,975,964	2,823	38,511	16,567	17,219,046	20,361,475	17,963,108
34. TOTAL LIABILITIES C. SHAREHOLDERS' FUNDS	397,705,224	437,610,867	458,057,769	7,996,164	657,160	4,141,480	510,230,609	561,905,876	576,782,174
35. Paid up / assigned capital	30,000,000	30,000,000	30,000,000	1,886,837	1,886,837	1,886,837	1,886,837	1,886,837	1,886,837
36. Share premium / (discount)	9,964,132	9,964,132	9,964,132	16,062,607	16,062,607	16,062,607	16,062,607	16,062,607	16,062,607
<ol> <li>Revaluation reserve</li> <li>Retained earnings / accumulated losses</li> </ol>	1,717,780 25,856,962	2,380,913 27,569,325	1,246,547 31,417,810	49,049,503	- 61,226,955	- 61,504,656	(7,077,231) 83,639,507	(7,118,600) 99,149,659	(7,816,667) 104,433,749
39. Statutory loan loss reserve	-	-	-	-	-	-	-	738,780	738,780
40. Other reserves 41. Proposed dividends	-								
42. Non controlling interests 43. TOTAL SHAREHOLDERS' FUNDS	67,538,874	- 69,914,370	- 72,628,489	- 66,998,947	- 79,176,399	79,454,100	925,006 95,436,726	1,057,382 111,776,665	1,098,215 116,403,521
44. TOTAL LIABILITIES AND SHAREHOLDERS' FUNDS	465,244,098	507,525,237	530,686,258	74,995,111	79,833,559	83,595,580	605,667,335	673,682,541	693,185,695
STATEMENT OF COMPREHENSIVE INCOME									
1. INTEREST INCOME	4 102 400	20 025 205	7 202 272				0.049.107	(1 (59 529	10 747 244
1.1 Loans and advances 1.2 Government securities	6,182,698 3,888,273	28,835,285 15,658,672	7,293,372 4,156,241	-	-	-	9,068,197 4,144,630	41,458,529 16,872,322	10,767,246 4,516,558
1.3 Deposits and placements with banking institutions 1.4 Other interest Income	77,445 16,573	799,441 190,439	106,398 16,386	125,046	181,752	255,095	265,768 18,431	1,201,517 190,439	119,210 20,198
1.5 Total interest income	10,164,989	45,483,837	11,572,397	125,046	181,752	255,095	13,497,025	59,722,807	15,423,212
2. INTEREST EXPENSES									
2.1 Customer deposits 2.2 Deposits and placements from banking institutions	1,846,755 18,141	7,908,835 139,496	2,443,905 7,101	-	-	-	2,519,673 160,944	11,072,280 698,524	2,821,123 130,191
2.3 Other interest expense	421,666	3,020,094	747,591	-	-	-	380,786	2,969,642	926,737
2.4 Total interest expenses 3. NET INTEREST INCOME	2,286,562 7,878,427	11,068,425 34,415,412	3,198,597 8,373,800	125,046	181,752	255,095	3,061,403	14,740,446 44,982,361	3,878,051 11,545,161
4. NON-INTEREST INCOME									
4.1 Fees and commissions income on loans & advances 4.2 Other fees and commissions income	1,234,266 2,313,988	5,017,215 10,371,202	1,284,960 2,664,907	-	-	-	1,376,051 3,427,850	5,596,635 15,608,742	1,401,477 4,002,812
4.2 Other rees and commissions income 4.3 Foreign exchange trading income	495,173	2,312,072	695,548	-	-	-	815,453	3,503,661	1,094,954
4.4 Dividend income 4.5 Other income	- 765,882	- 3,032,367	- 1,006,254	- 13,597	12,500,000 58,586	100,000 32,326	- 1,562,446	6,071,015	- 1.813.918
4.6 Total non-interest income	4,809,309	20,732,856	5,651,669	13,597	12,558,586	132,326	7,181,799	30,780,053	8,313,161
5. TOTAL OPERATING INCOME 6. OPERATING EXPENSES	12,687,736	55,148,268	14,025,469	138,643	12,740,338	387,421	17,617,422	75,762,414	19,858,322
6.1 Loan loss provision	200,885	3,969,783	2,629,002	-	960	-	409,892	5,302,566	3,116,721
6.2 Staff costs	1,618,892	8,579,853	2,033,679	-	11,073	4,705	2,629,583	12,808,766	3,233,191
6.3 Directors' emoluments 6.4 Rental charges	1,503 364,192	18,865 180,994	4,478 58,342	2,402	75,631 2,058	5,096	15,076 672,812	143,460 425,178	21,714 100,858
6.5 Depreciation on property and equipment 6.6 Ammortisation charges	492,263 296,101	2,918,655 1,111,474	758,079 251,133	-	354	413	782,981 338,526	4,754,343 1,266,816	1,236,542 321,481
6.7 Other operating expenses	2,526,048	12,394,979	3,296,454	13,346	320,014	23,351	3,932,286	19,583,855	4,824,154
6.8 Total operating expenses 7.0 Profit / (loss) before tax and exceptional items	5,499,884 7,187,852	29,174,603 25,973,665	9,031,167 4,994,302	15,748 122,895	410,090 12,330,248	33,565 353,856	8,781,156 8,836,266	44,284,984 31,477,430	12,854,661 7,003,661
8.0 Exceptional items-share of profit of associate	-	· · · · ·	-	-		-	-		-
9.0 Profit / (loss) after exceptional items 10. Current tax	7,187,852 (2,156,355)	25,973,665 (8,476,145)	4,994,302 (2.098,291)	122,895 (36,868)	12,330,248 (68,255)	353,856 (76,157)	8,836,266 (2,601,305)	31,477,430 (10,023,375)	7,003,661 (2,671,465)
11. Deferred tax	-	1,246,224	952,629	-	1,485	-	(39,518)	1,106,659	992,727
12. Profit / (loss) after tax and exceptional items 12.1 Minority Interest	5,031,497	18,743,744	3,848,640	86,027	12,263,479	277,699	6,195,443 (42,362)	22,560,714 [174,737]	5,324,923 (40,833)
<ol> <li>Profit / (loss) after tax and exceptional items and minority interest</li> <li>Other comprehensive income</li> </ol>	5,031,497	18,743,744	3,848,640	86,027	12,263,479	277,699	6,153,081	22,385,977	5,284,090
14.1 Gains / (losses) from translating the financial statements of foreign operations	-		-	-	-	-	(85,300)	[824,487]	398,823
14.2 Fair value changes in available for sale financial assets 14.3 Revaluation surplus on property and equipment	1,920,923	2,584,056	(1,134,366)	-	-	-	1,932,249	2,630,066	(1,096,890)
14.4 Share of other comprehensive income of associates	-								-
14.5 Income tax relating to components of other comprehensive income 15. Other comprehensive income for the year net of tax	1,920,923	2,584,056	- (1,134,366)		-		1,846,949	1,805,579	(698,067)
16. Total comprehensive income for the year EARNINGS PER SHARE-BASIC & DILUTED	6,952,420 167.72	21,327,800 624.79	2,714,274 128.29	86,027 0.02	12,263,479 3.25	277,699 0.07	8,042,392 1.64	24,366,293 5.93	4,626,856 1.41
EARNINGS PER SHARE-BASIC & DILUTED DIVIDEND PER SHARE-DECLARED	167.72	624.79 400.00	128.29	0.02	3.25	0.07	1.64	5.93	-
OTHER DISCLOSURES									
1) NON-PERFORMING LOANS AND ADVANCES a) Gross non performing loans and advances	20,813,759	26,184,843	32.166.812				29,391,233	36,273,992	44,648,014
b) Less interest in suspense	2,688,326	3,595,537	4,512,192				3,299,529	4,299,222	5,381,185
<ul> <li>c) Total non-performing loans and advances (a-b)</li> <li>d) Less loan loss provision</li> </ul>	18,125,433 6,580,511	22,589,306 10,105,423	27,654,620 11,621,681		-	-	26,091,704 9,594,471	31,974,769 12,937,708	39,266,829 15,078,139
e) Net non-performing loans (c-d)	11,544,922	12,483,883	16,032,939	-		-	16,497,233	19,037,062	24,188,690
f) Discounted value of securities g) Net NPLs exposure (e-f)	10,599,971 944,951	11,341,973 1,141,910	14,834,534 1,198,405	-	-	-	15,554,614 942,619	17,897,872 1,139,190	22,082,387 2,106,303
2) INSIDER LOANS AND ADVANCES a) Directors, shareholders and associates	3,106,431	3,001,441	3,180,962				3,223,437	3,188,958	3,366,758
b) Employees	4,933,146	4,997,039	4,997,314				6,225,935	6,484,656	6,503,435
c) Total insider loans and advances and other facilities 3) OFF BALANCE SHEET ITEMS	8,039,577	7,998,480	8,178,276	•	•	•	9,449,372	9,673,614	9,870,193
a) Letter of credit, guarantees and acceptances	71,804,101	72,277,376	76,635,876				89,863,618	83,225,929	93,159,724
b) Forwards, swaps and options	22,803,148	32,137,299	40,321,292	-	-	-	22,853,541	32,809,333	40,321,292
<ul> <li>c) Other contigent liabilities</li> <li>d) Total contigent liabilities</li> </ul>	94,607,249	104,414,675	- 116,957,168		-	-	112,717,159	116,035,262	- 133,481,016
4) CAPITAL STRENGTH					_				
a) Core capital b) Minimum statutory capital	58,379,841 1,000,000	62,469,024 1,000,000	63,440,715 1,000,000		-	-	89,198,906 4,173,124	107,504,675 4,173,124	109,148,317 4,173,124
c) Excess / (defficiency) d) Supplementary capital	57,379,841 10,080,000	61,469,024 20,270,000	62,440,715 21,060,000	-	-	-	85,025,782 10,080,000	103,331,551 21,032,684	104,975,193 21,843,884
e) Total capital (a+d)	68,459,841	82,739,024	84,500,715	-	-	-	99,278,906	128,537,359	130,992,201
f) Total risk weighted assets Ratios	417,550,332	475,759,743	503,597,408	-	-	-	513,774,194	601,744,216	623,443,415
Ratios g) Core capital / total deposit liabilities	16.9%	16.4%	15.9%	_	_	_	20.8%	22.3%	21.9%
h) Minimum statutory ratio	8.0%	8.0%	8.0%				8.0%	8.0%	8.0%
i) Excess / (deficiency) (g-h) j) Core capital / total risk weighted assets	8.9% 14.0%	8.4% 13.1%	7.9% 12.6%			-	12.8% 17.4%	14.3% 17.9%	13.9% 17.5%
k) Minimum statutory ratio	10.5%	10.5%	10.5%	-	-	-	10.5% 6.9%	10.5% 7.4%	10.5%
L) Excess / (deficiency) (j-k) m) Total capital/ total risk weighted assets	3.5% 16.4%	2.6% 17.4%	2.1% 16.8%			-	19.3%	21.4%	7.0% 21.0%
n) Minimum statutory ratio o) Excess / (deficiency) (m-n)	14.5% 1.9%	14.5% <b>2.9%</b>	14.5% <b>2.3%</b>	-	-	-	14.5% <b>4.8%</b>	14.5% <b>6.9%</b>	14.5% 6.5%
(p) Adjusted core capital / total deposit liabilities* (q) Adjusted core capital / total risk weighted assets*	18.4% 17.6%	16.7% 13.3%	16.0% 12.7%			-	22.4% 18.7%	22.7% 18.2%	22.2% 17.8%
(r) Adjusted total capital / total risk weighted assets*	18.4%	17.6%	16.9%	-	-	-	20.6%	21.7%	21.3%
5) LIQUIDITY							PP 111	P0.44	P4 111
a) Liquidity ratio b) Minimum statutory ratio	61.3% 20.0%	<b>54.7%</b> 20.0%	<b>54.9%</b> 20.0%	-	-	-	57.4% 20.0%	52.1% 20.0%	51.6% 20.0%
c) Excess / (deficiency) (a-b)	41.3%	34.7%	34.9%	-	-	-	37.4%	32.1%	31.6%
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