

Summary directors' remuneration report

For the year ended	31 December 2020 Shs' 000	31 December 2019 Shs' 000
Aggregate directors' emoluments	348,989	182,682

Summary consolidated statement of profit or loss

For the year ended	31 December 2020 Shs' millions	31 December 2019 Shs' millions
Net interest income	61,770	50,580
Net fee and commission income	10,101	11,573
Other income	15,070	9,078
Gain from bargain purchase	1,177	-
Fair value loss on loan notes at FVTPL	(3,239)	(1,000)
Credit impairment losses	(22,626)	(3,458)
Net operating income	62,253	66,773
Operating expenses	(40,083)	(35,295)
Profit before income tax	22,170	31,478
Income tax expense	(2,070)	(8,917)
Profit for the year	20,100	22,561

Summary consolidated statement of other comprehensive income

For the year ended	31 December 2020 Shs' millions	31 December 2019 Shs' millions
Profit for the year	20,100	22,561
Other comprehensive income:		
FVOCI investment securities, net of tax	2,964	2,630
Re-measurement of defined benefit obligation, net of tax	(445)	-
Exchange differences on translation of foreign operations	221	(824)
Other comprehensive income for the year	2,740	1,806
Total comprehensive income for the year, net of tax	22,840	24,367
Earnings per share (basic and diluted) (Shs)	5.24	5.93

Summary consolidated statement of financial position

At	31 December 2020 Shs' millions	31 December 2019 Shs' millions
Assets		
Cash, deposits and balances due from financial institutions	247,093	86,434
Derivative financial assets	438	472
Investment securities	217,408	172,208
Due from related parties	-	19
Current income tax	279	152
Loans and advances to customers	477,847	366,440
Other assets	19,660	12,745
Property and equipment	15,904	11,031
Right-of-use assets	6,090	7,342
Investment properties	5,576	-
Intangible assets	11,591	10,347
Deferred income tax	13,207	6,492
Total assets	1,015,093	673,682
Liabilities		
Due to related parties	114	-
Deposits from customers	740,801	482,752
Borrowed funds	97,148	56,714
Other liabilities	26,316	12,865
Employee benefit obligations	2,405	-
Lease liabilities	6,688	7,496
Current income tax	1,641	1,928
Deferred income tax	1,339	150
Total liabilities	876,452	561,905
Equity		
Share capital	1,887	1,887
Share premium	15,325	16,063
Retained earnings and other reserves	114,964	92,769
Equity attributable to owners of the Company	132,176	110,719
Non-controlling interests	6,465	1,058
Total equity	138,641	111,777
Total equity and liabilities	1,015,093	673,682

Summary consolidated statement of changes in equity

	Attributable to owners of the parent					Total equity Shs' millions
	Share capital Shs' millions	Share premium Shs' millions	Revenue and other reserves Shs' millions	Total Shs' millions	Non-controlling interests Shs' millions	
Year ended 31 December 2020						
At start of year	1,887	16,063	92,769	110,719	1,058	111,777
Non-controlling interests acquired from business combinations	-	-	-	-	5,759	5,759
Other adjustments	-	(738)	-	(738)	-	(738)
Equity transactions with Non-controlling interests	-	-	(335)	(335)	(662)	(997)
Profit for the year	-	-	19,790	19,790	310	20,100
Other comprehensive income	-	-	2,740	2,740	-	2,740
At end of year	1,887	15,325	114,964	132,176	6,465	138,641
Year ended 31 December 2019						
At start of year	1,887	16,063	76,124	94,074	883	94,957
Profit for the year	-	-	22,386	22,386	175	22,561
Other comprehensive income	-	-	1,806	1,806	-	1,806
Final 2018 dividend declared and paid	-	-	(7,547)	(7,547)	-	(7,547)
At end of year	1,887	16,063	92,769	110,719	1,058	111,777

Summary consolidated statement of cash flows

For the year ended	31 December 2020 Shs' millions	31 December 2019 Shs' millions
Cash flows from operations	111,381	32,476
Income taxes paid	(10,393)	(8,487)
Net cash flows from operating activities	100,988	23,989
Net cash flows from investing activities	22,999	(12,398)
Net cash flows from financing activities	32,145	(1,384)
Net increase in cash and cash equivalents	156,132	10,207
Cash and cash equivalents at start of year	70,780	60,573
Cash and cash equivalents at end of year	226,912	70,780

Message from the directors

The Directors do not recommend payment of a dividend.

Key audit matters:

- Expected credit losses on loans and advances at amortised cost
- Accounting for the acquisition of a subsidiary

The above financial statements are extracts from the records of the Group. They were approved for issue by the Board of Directors on 26th March 2021 and signed on its behalf by:



Dr. James Mwangi, CBS
Group Managing Director & CEO



Mary Wamae
Group Executive Director

INDEPENDENT AUDITOR'S REPORT ON THE SUMMARY FINANCIAL STATEMENTS TO THE SHAREHOLDERS OF EQUITY GROUP HOLDINGS PLC

Opinion

We have audited the summary financial statements of Equity Group Holdings Plc, which comprise the summary consolidated statement of financial position at 31st December 2020 and the summary consolidated statements of profit or loss, other comprehensive income, changes in equity and cash flows for the year then ended which are derived from the audited financial statements of Equity Group Holdings Plc and its subsidiaries (together, the "Group") for the year ended 31st December 2020. The Group's financial statements are prepared in accordance with International Financial Reporting Standards and the Companies Act, 2015.

In our opinion the accompanying summary financial statements are consistent, in all material respects, with the audited financial statements of the Group which are prepared in accordance with International Financial Reporting Standards and the Companies Act, 2015.

The summary directors' remuneration report is derived from the directors' remuneration report for the year ended 31st December 2020.

Summary financial statements and directors' remuneration report

The summary financial statements do not contain all the disclosures required by International Financial Reporting Standards and in the manner required by the Companies Act, 2015. In addition, the summary directors' remuneration report does not contain all the disclosures required by the Companies (General) (Amendment) (No.2) Regulations 2017.

Reading the summary financial statements, the summary directors' remuneration report and the auditor's report thereon, therefore, is not a substitute for reading the audited financial statements, the directors' remuneration report and the auditor's report thereon. The summary financial statements, the summary directors' remuneration report and the audited financial statements do not reflect the effects 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 audit report dated 29th March 2021 and also confirmed that the auditable part of the directors' remuneration report was prepared in accordance with the Companies Act, 2015. That audit report also includes the communication of key audit matters. Key audit matters are those matters that, in our professional judgement, 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 and the summary directors' remuneration report in accordance with the International Financial Reporting Standards and Companies Act 2015.





Auditor's responsibility

Our responsibility is to express an opinion on whether the summary financial statements and the summary directors' remuneration report 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.



**Certified Public Accountants,
Nairobi
29th March 2021**

**FCPA Richard Njoroge, Practicing certificate No. P/1244
Signing partner responsible for the independent audit**

 <ul style="list-style-type: none"> Best Bank in Africa Best Digital Bank in Africa Excellence in Leadership in Africa 	 <p>Africa's SME Bank of the Year, 2018, 2019 & 2020</p>	 <ul style="list-style-type: none"> Position 20 globally on Return on Assets Position 62 globally on Soundness (Capital Assets Ratio) Position 55 globally on profits on Capital Position 754 largest bank globally 	 <ul style="list-style-type: none"> Best Overall Winner - 1st Runners Up Most Innovative Bank - Winner Best in Sustainable Finance 2nd Runners Up
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