

The Board of Directors of Equity Group Holdings Plc is pleased to announce the audited results of the Group for the year ended 31 December 2022



Summary directors' remuneration report

For the year ended	31 December 2022 Shs' 000	31 December 2021 Shs' 000
Aggregate directors' emoluments	321,656	227,975

Summary consolidated statement of profit or loss

For the year ended	31 December 2022 Shs' millions	31 December 2021 Shs' millions
Net interest income	94,893	76,531
Net fee and commission income	19,650	14,586
Other income	20,490	13,793
Fair value loss on loan notes at FVTPL	(385)	(128)
Credit impairment losses	(13,352)	(4,784)
Net operating income	121,296	99,998
Operating expenses	(61,452)	(48,117)
Profit before income tax	59,844	51,881
Income tax expense	(13,741)	(11,809)
Profit for the year	46,103	40,072

Summary consolidated statement of other comprehensive income

For the year ended	31 December 2022 Shs' millions	31 December 2021 Shs' millions
Profit for the year	46,103	40,072
Other comprehensive income:		
FVOCI investment securities, net of tax	(29,019)	(7,098)
Re-measurement of defined benefit obligation, net of tax	(573)	787
Exchange differences on translation of foreign operations	2,936	4,173
Other comprehensive income for the year	(26,656)	(2,138)
Total comprehensive income for the year, net of tax	19,447	37,934
Earnings per share (basic and diluted) (Shs)	11.90	10.38

Summary consolidated statement of financial position

At	31 December 2022 Shs' millions	31 December 2021 Shs' millions
Assets		
Cash, deposits and balances due from financial institutions	232,369	242,782
Derivative financial assets	873	313
Investment securities	393,984	394,101
Due from related parties	101	160
Current income tax	1,728	562
Loans and advances to customers	706,588	587,775
Policy holders' assets	1,485	-
Other assets	34,710	22,607
Property and equipment	18,899	15,200
Right-of-use assets	8,173	8,090
Investment properties	6,115	5,581
Intangible assets	14,741	12,803
Deferred income tax	27,244	14,940
Total assets	1,447,010	1,304,914
Liabilities		
Due to related parties	-	-
Deposits from customers	1,052,162	958,977
Borrowed funds	157,542	128,340
Other liabilities	37,705	29,341
Employee benefit obligations	1,856	1,269
Lease liabilities	9,127	8,900
Insurance contract liabilities	2,935	-
Current income tax	1,830	925
Deferred income tax	1,642	971
Total liabilities	1,264,799	1,128,723
Equity		
Share capital	1,887	1,887
Share premium	15,325	15,325
Retained earnings and other reserves	158,983	151,956
Equity attributable to owners of the Company	176,195	169,168
Non-controlling interests	6,016	7,023
Total equity	182,211	176,191
Total equity and liabilities	1,447,010	1,304,914

Summary consolidated statement of changes in equity

	Attributable to owners of the parent				Non-controlling interests Shs' millions	Total equity Shs' millions
	Share capital Shs' millions	Share premium Shs' millions	Revenue and other reserves Shs' millions	Total Shs' millions		
Year ended 31 December 2022						
At start of year	1,887	15,325	151,956	169,168	7,023	176,191
Other adjustments	-	-	(581)	(581)	-	(581)
Rights issue	-	-	(150)	(150)	-	(150)
Equity transactions with Non-controlling interests	-	-	39	39	(1,414)	(1,375)
Profit for the year	-	-	44,894	44,894	1,209	46,103
Other comprehensive income	-	-	(25,854)	(25,854)	(802)	(26,656)
Dividends declared and paid	-	-	(11,321)	(11,321)	-	(11,321)
At end of year	1,887	15,325	158,983	176,195	6,016	182,211
Year ended 31 December 2021						
At start of year	1,887	15,325	114,964	132,176	6,465	138,641
Equity transactions with Non-controlling interests	-	-	(245)	(245)	(139)	(384)
Profit for the year	-	-	39,175	39,175	897	40,072
Other comprehensive income	-	-	(1,938)	(1,938)	(200)	(2,138)
At end of year	1,887	15,325	151,956	169,168	7,023	176,191

Summary consolidated statement of cash flows

For the year ended	31 December 2022 Shs' millions	31 December 2021 Shs' millions
Cash flows from operations	10,792	137,219
Income taxes paid	(12,692)	(12,195)
Net cash flows from operating activities	(1,900)	125,024
Net cash flows from investing activities	(46,268)	(189,386)
Net cash flows from financing activities	5,605	27,815
Net increase / (decrease) in cash and cash equivalents	(42,563)	(36,547)
Cash and cash equivalents at start of year	190,365	226,912
Cash and cash equivalents at end of year	147,802	190,365

Proposed Dividend

The Directors recommend payment of dividend of Shillings four (Shs. 4.00) per share (2021: Shs. 3.00) for each ordinary share on the issued and paid-up share capital of the company for the financial year ended 31 December 2022.

Annual General Meeting

The annual general meeting will be held on 21st June 2023. Details will be communicated in due course.

Key Audit Matters:

1. Expected credit losses on loans and advances at amortised cost

The above financial statements are extracts from the records of the Group. They were approved for issue by the Board of Directors on 27th March 2023 and signed on its behalf by:


Prof. Isaac Macharia
Non-Executive Chairman


Dr. James Njuguna Mwangi
Group Managing Director & CEO

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 31 December 2022 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 31 December 2022. 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 31 December 2022.

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)) Regulation 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 27 March 2023 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.



CPA Bernice Kimacia, Practicing Certificate Number 1457
Engagement partner responsible for the audit

For and on behalf of PricewaterhouseCoopers LLP
Certified Public Accountants
Nairobi

14th April 2023

