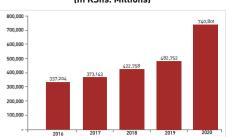
#### EQUITY GROUP HOLDINGS PLC AUDITED FINANCIAL STATEMENTS AND OTHER DISCLOSURES FOR THE YEAR ENDED 31<sup>ST</sup> DECEMBER 2020

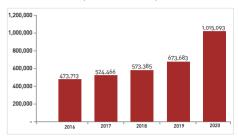
| EQUITY GROUP HOLDINGS PLC AUDITED FINANCIAL STATEMENTS AND OTHER DISCLOSURES FOR THE YEAR ENDED $31^{ m ST}$ DE   |   |  |   |                                     |  |  |
|---|---|--|---|-------------------------------------|--|--|
|   | EQUITY BANK (KENYA) LIMITED  BANK             |  | EQUITY GROUP HOLDINGS PLC COMPANY GROUP   |                                     |  |  |
| STATEMENT OF FINANCIAL POSITION AS AT   | 31st Dec 2019<br>Shs. '000'                   | 31st Dec 2020<br>Shs. '000'                                  | 31st Dec 2019<br>Shs. '000'               | 31st Dec 2020<br>Shs. '000'         | 31st Dec 2019<br>Shs. '000'                            | 31st Dec 2020<br>Shs. '000'  |
| A. ASSETS   | (Audited)                                     | (Audited)  | (Audited)                                 | (Audited)                           | (Audited)  | (Audited)  |
| Cash Iboth local & foreign]     Balances due from Cenfral Bank of Kenya     Kenya Government and other securities held for dealing purposes     Kenya Government and the securities held for dealing purposes   | 10,294,829<br>22,299,710                      | 13,027,022<br>16,633,521<br>-                                | 12,693,971<br>-<br>-                      | 8,818,038<br>-<br>-                 | 25,499,983<br>22,299,710<br>-                          | 44,484,008<br>16,633,521<br>-  |
| 4. Fináncial assets at fair value through profit and loss 5. Investment securities: a) Held to maturity:  | 154,964,387<br>15,798,028                     | 195,157,006<br>13,390,327                                    | -   | -                                   | 172,208,187<br>21,572,268                              | 217,407,885<br>15,842,417  |
| a. Kenya Government securities     b. Other securities     b) Available for sale:   | 15,183,690<br>614,338<br><b>139,166,359</b>   | 13,390,327   | -   | -                                   | 15,183,690<br>6,388,578<br><b>150,635,919</b>          | 13,390,327<br>2,452,090  |
| a. Kenya Government securities b. Other securities  | 123,389,271<br>15,777,088<br>4,000,974        | <b>181,766,679</b><br>162,290,072<br>19,476,607<br>2,516,400 | -   | -                                   | 123,389,271<br>27,246,648<br>7,202,000                 | 162,309,318<br>39,256,150<br>29,543,160  |
| <ol> <li>Deposits and balances due from banking institutions abroad</li> <li>Tax recoverable</li> <li>Loans and advances to customers (net)</li> </ol>  | 6,800,293<br>276,863,043                      | 80,808,444<br>-<br>313,065,151<br>1,493,361                  | 36,935                                    | 54,326                              | 31,432,500<br>152,328<br>366,440,456                   | 162,309,318<br>39,256,150<br>29,543,160<br>156,432,181<br>279,439<br>477,847,189 |
| Balances due from group companies     Il. Investments in associates     Investments in subsidiary companies   | 925,602                                       | 1,493,361  | 60,535<br>-<br>66,786,117                 | 39,265<br>80,451,544                | 19,100   |  |
| Investments in joint ventures     14. Investment properties     15. Property and equipment  | 5,725,566                                     | 5,334,684  | 12,455                                    | 11,814                              | -<br>11,030,843  | 5,575,912<br>15,903,898  |
| <ul><li>16. Prepaid lease rentals</li><li>17. Intangible assets</li><li>18. Deferred tax asset</li></ul>  | 6,191,571<br>5,064,277                        | 6,496,942<br>11,268,837                                      | 84,481                                    | 90,055                              | 7,244,414<br>6,491,884                                 | 9,621,193<br>13,206,930  |
| <ul><li>19. Retirement benefit asset</li><li>20. Other assets</li><li>21. TOTAL ASSETS</li></ul>  | 14,394,985<br><b>507,525,237</b>              | 14,848,399<br><b>667,649,767</b>                             | 159,065<br><b>79,833,559</b>              | 511,702<br>89,976,744               | 23,661,136<br><b>673,682,541</b>                       | 28,157,999<br>1,015,093,315  |
| B. LIABILITIES 22. Balances due to Central Bank of Kenya  | 200 (00 500                                   | /0/ E/0 400  |   | -                                   | /00 FF0 40 -   | -  |
| Customer deposits     Deposits and balances due to local banking institutions     Deposits and balances due to foreign banking institutions   | 380,603,583                                   | 496,748,100  | -   | -                                   | 482,752,134  | 740,800,779  |
| Other money market deposits     Balances due to group companies     Balances due to group companies     The proper surface of the surfac | 534,216<br>41,542,934<br>176,118<br>1,257,482 | 5,674,800<br>64,279,082<br>742,777<br>720,990                | 618,649                                   | 10,937,529<br>440,830               | 113,414<br>56,600,944<br>-<br>1,928,201                | 9,927,450<br>87,220,864<br>113,704<br>1,640,859                                  |
| 29. Tax payable 30. Dividends payable 31. Deferred tax (iability 32. Retirement benefit liability   | 1,237,462                                     | 720,770  | -   |                                     | 149,708  | 1,338,555<br>2,404,916   |
| 33. Other liabilities 34. TOTAL LIABILITIES   | 13,496,534<br><b>437,610,867</b>              | 12,786,598<br><b>580,952,347</b>                             | 38,511<br><b>657,160</b>                  | 11,378,359                          | 20,361,475<br><b>561,905,876</b>                       | 33,005,388<br><b>876,452,515</b>   |
| C. SHAREHOLDERS' FUNDS 35. Paid up / assigned capital 36. Share premium / (discount)  | 30,000,000                                    | 30,000,000<br>9,964,132                                      | 1,886,837                                 | 1,886,837                           | 1,886,837  | 1,886,837  |
| 37. Revaluation reserve 38. Retained earnings / accumulated losses  | 9,964,132<br>2,380,913<br>27,569,325          | 5,160,545<br>41,572,743                                      | 16,062,607<br>61,226,955                  | 15,325,264<br>61,386,284            | 16,062,607<br>(7,118,600)<br>99,149,659                | 15,325,264<br>(4,378,592)<br>118,765,898<br>576,960                              |
| 39. Statutory loan lõss reserve<br>40. Other reserves<br>41. Proposed dividends<br>42. Non controlling interests  |   |  | -   | -                                   | 738,780<br>-<br>1,057,382                              | 6,464,433  |
| 42. NOTCH CHINDRY HERES 43. TOTAL SHAREHOLDERS' FUNDS 44. TOTAL LIABILITIES AND SHAREHOLDERS' FUNDS   | 69,914,370<br>507,525,237                     | 86,697,420<br>667,649,767                                    | 79,176,399<br>79,833,559                  | 78,598,385<br>89,976,744            | 111,776,665<br>673,682,541                             | 138,640,800<br>1,015,093,315   |
| STATEMENT OF COMPREHENSIVE INCOME  1. INTEREST INCOME   | , ,   |  |   | , ,                                 |  | , , ,  |
| 1.1 Loans and advances     1.2 Government securities     1.3 Deposits and placements with banking institutions  | 28,835,285<br>15,658,672<br>799,441           | 34,069,068<br>19,086,254<br>247,435                          | -<br>181,752                              | -<br>-<br>422,924                   | 41,458,529<br>16,872,322<br>1,201,517                  | 52,033,992<br>20,936,048<br>548,485  |
| 1.4 Other interest income 1.5 Total interest income   | 190,439<br><b>45,483,837</b>                  | 246,308<br>53,649,065  | 181,752                                   | 422,924                             | 59,722,807   | 548,485<br>246,308<br>73,764,833   |
| 2. INTEREST EXPENSES 2.1 Customer deposits 2.2 Deposits and placements from hapking institutions.   | 7,908,835                                     | 10,602,273<br>69,538   | :   | :                                   | 11,072,280<br>698,524                                  | 13,717,169   |
| 2.2 Deposits and placements from banking institutions     3.3 Other interest expense     2.4 Total interest expenses  | 139,496<br>3,020,094<br><b>11,068,425</b>     | 2,956,656<br>13,628,467                                      | -   | 12,529<br><b>12,529</b>             | 698,524<br>2,969,642<br><b>14,740,446</b>              | 1,324,960<br>3,573,913<br>18,616,042   |
| 3. NET INTEREST INCOME 4. NON_INTEREST INCOME   | 34,415,412                                    | 40,020,598   | 181,752                                   | 410,395                             | 44,982,361   | 55,148,791   |
| <ul> <li>4.1 Fees and commissions income on loans &amp; advances</li> <li>4.2 Other fees and commissions income</li> <li>4.3 Foreign exchange trading income</li> </ul>   | 5,017,215<br>10,371,202<br>2,312,072          | 5,770,609<br>8,384,805<br>3,690,302                          | 10 500 000                                |                                     | 5,596,635<br>15,608,742<br>3,503,661                   | 6,619,616<br>16,052,314<br>6,210,112   |
| 4.4 Dividénd incomé 4.5 Other income 4.6 Total non-interest income  | 3,032,367<br><b>20,732,856</b>                | 5,932,193<br><b>23,777,909</b>                               | 12,500,000<br>58,586<br><b>12,558,586</b> | 606,800<br>10,046<br><b>616,846</b> | 6,071,015<br><b>30,780,053</b>                         | 9,626,039<br><b>38,508,081</b>   |
| 5. TOTAL OPERATING INCOME  6. OPERATING EXPENSES  | 55,148,268                                    | 63,798,507   | 12,740,338                                | 1,027,241                           | 75,762,414   | 93,656,872   |
| 6.1 Loan loss provision     6.2 Staff costs     6.3 Directors' emoluments   | 3,969,783<br>8,579,853<br>18,865              | 23,357,937<br>9,694,384<br>22,685                            | 960<br>11,073<br>75,631                   | 28,328<br>24,906                    | 5,302,566<br>12,808,766<br>143,460                     | 26,631,273<br>15,418,429<br>123,778<br>377,478<br>5,349,609<br>1,251,548         |
| Rental charges     S Depreciation on property and equipment     A Minoritisation charges  | 180,994<br>2,918,655<br>1,111,474             | 212,461<br>2,897,288<br>1,014,002                            | 2,058<br>354                              | 3,530<br>1,797                      | 425,178<br>4,754,343<br>1,266,816                      | 377,478<br>5,349,609<br>1,251,548  |
| 6.7 Other operating expenses 6.8 Total operating expenses   | 12,394,979<br><b>29,174,603</b>               | 12,392,407<br><b>49,591,164</b>                              | 320,014<br><b>410,090</b>                 | 753,238<br><b>811,799</b>           | 19,583,855<br><b>44,284,984</b>                        | 72,664,472   |
| 7. Profit / (loss) before tax and exceptional items 8. Exceptional items-Gain on bargain purchase 9. Profit / (loss) after exceptional items  | 25,973,665<br>-<br>25,973,665                 | 14,207,343   | 12,330,248                                | 215,442                             | 31,477,430   | 20,992,400<br>1,177,390<br>22,169,790  |
| 10. Current tax<br>11. Deferred tax   | [8,476,145]<br>1,246,224                      | <b>14,207,343</b><br>(7,599,106)<br>7,395,831                | (68,255)<br>1,485                         | <b>215,442</b><br>(61,687)<br>5,574 | <b>31,477,430</b><br>(10,023,375)<br>1,106,659         | (10,306,675)<br>8,236,431  |
| Profit / (loss) after tax and exceptional items     12.1 Minority Interest     Profit / (loss) after tax and exceptional items and minority interest  | 18,743,744<br>-<br>18,743,744                 | 14,004,068<br>-<br>14,004,068                                | 12,263,478<br>-<br>12,263,478             | 159,329<br>-<br>159,329             | 22,560,714<br>(174,737)<br>22,385,977                  | 20,099,546<br>(310,148)<br>19,789,398  |
| 14. Other comprehensive income  | -   | -  | -   | -                                   | (824,487)  | (224,348)  |
| 14.1 Gains / (losses) from translating the financial statements of foreign operations 14.2 Fair value changes in available-for-sale financial assets 14.3 Revaluation surplus on property and equipment 14.4 Share of other comprehensive income of associates  | 2,584,056<br>-<br>-                           | 2,779,632  | :   | -                                   | 2,630,066<br>-<br>-                                    | 2,964,356<br>-<br>-  |
| <ul> <li>14.5 Income tax relating to components of other comprehensive income</li> <li>15. Other comprehensive income for the year net of tax</li> <li>16. Total comprehensive income for the year</li> </ul>   | 2,584,056<br>21,327,800                       | 2,779,632  | - 12 2/2 /70                              | 159,329                             | 1,805,579  | 2,740,008<br>22,839,554  |
| Earnings per share - basic & diluted<br>Dividend per share - declared   | 624.79<br>400.00                              | <b>16,783,700</b><br>466.80                                  | <b>12,263,478</b><br>3.25                 | 0.04                                | <b>24,366,293</b><br>5.93                              | 5.24   |
| OTHER DISCLOSURES  1) NON PERFORMING LOANS AND ADVANCES a) Gross non performing loans and advances  | 24 194 042                                    | 12 82/ 11/   |   |                                     | 27. 272 002  | 59, <u>3</u> 92,899  |
| a) Gross non performing loans and advances b) Less interest in suspense c) Total non-performing loans and advances (a-b)  | 26,184,843<br>3,595,537<br><b>22,589,306</b>  | 42,824,644<br>6,157,258<br><b>36,667,386</b>                 |   | -                                   | 36,273,992<br>4,299,222<br><b>31,974,770</b>           | 8,765,884<br><b>50,627,015</b>   |
| d) Less loan loss provision  e) Net non- performing loans (c-d)   | 10,105,423<br><b>12,483,883</b>               | 22,350,223<br>14,317,163                                     | -   | -                                   | 12,937,708<br>19,037,062                               | 28,296,995<br><b>22,330,020</b>  |
| f) Discounted value of securities g) Net NPLs exposure (e-f)  | 11,341,973<br><b>1,141,910</b>                | 14,317,163   | -   | -                                   | 17,897,872<br><b>1,139,190</b>                         | 22,330,020   |
| 2) INSIDER LOANS AND ADVANCES a) Directors, shareholders and associates b) Employees  | 3,001,441<br>4,997,039                        | 4,635,346<br>5,776,376                                       | :   | :                                   | 3,188,958<br>6,484,656                                 | 5,484,014<br>7,919,910   |
| c) Total insider loans and advances and other facilities 3) OFF-BALANCE SHEET ITEMS   | 7,998,480                                     | 10,411,722   | -   | -                                   | 9,673,614  | 13,403,924   |
| a) Letter of credit, guarantees and acceptances b) Forwards,swaps and options c) Other contigent liabilities  | 72,277,376<br>32,137,299                      | 73,879,069<br>35,124,888                                     | Ė   | -                                   | 83,225,929<br>32,809,333                               | 104,002,031<br>35,124,888  |
| d) Total contigent liabilities 4) CAPITAL STRENGTH  | 104,414,675                                   | 109,003,957  | -   | -                                   | 116,035,262  | 139,126,919  |
| a) Core capital b) Minimum statutory capital  | <b>62,469,024</b><br>1,000,000                | <b>70,268,038</b><br>1,000,000                               | :   | :                                   | <b>107,504,675</b><br>4,173,124                        | <b>119,668,525</b><br>4,173,124  |
| c) Excess / (deficiency)<br>d) Supplementary capital<br>e) Total capital (a+d)  | 61,469,024<br>20,270,000<br>82,739,024        | <b>69,268,038</b><br>21,850,000<br><b>92,118,038</b>         | -   | :                                   | <b>103,331,551</b><br>21,032,684<br><b>128,537,359</b> | 115,495,401<br>33,609,907<br>153,278,432   |
| f) Total risk weighted assets<br>Ratios   | 475,759,743                                   | 566,959,169  | -   | -                                   | 601,744,216  | 809,585,432  |
| g) Core capital / total deposit liabilities<br>h) Minimum statutory ratio<br>i) Excess / (deficiency) (g-h)   | <b>16.4%</b><br>8.0%<br><b>8.4%</b>           | <b>14.1%</b><br>8.0%<br><b>6.1%</b>                          | :   |                                     | <b>22.3%</b><br>8.0%<br><b>14.3%</b>                   | <b>16.2%</b><br>8.0%<br><b>8.2%</b>  |
| j) Core capital / total risk weighted assets k) Minimum statutory ratio U Excess / (deficiency) (jk)  | <b>13.1%</b><br>10.5%                         | <b>12.4%</b><br>10.5%  | :   | :                                   | <b>17.9%</b><br>10.5%                                  | <b>14.8%</b><br>10.5%  |
| m) Total capital/ total risk weighted assets n) Minimum statutory ratio   | <b>2.6%</b><br><b>17.4%</b><br>14.5%          | <b>1.9%</b><br><b>16.2%</b><br>14.5%                         | -   | -                                   | <b>7.4%</b><br><b>21.4%</b><br>14.5%                   | <b>4.3%</b><br><b>18.9%</b><br>14.5%   |
| o) Excess / (deficiency) (m-n) p) Adjusted core capital / total deposit liabilities*  | 2.9%<br>16.7%                                 | 1.7%<br>14.2%  |   | -                                   | 6.9%<br>22.7%  | 4.4%<br>16.2%  |
| q) Adjusted core capital / total risk weighted assets* r) Adjusted total capital / total risk weighted assets*  | 13.3%<br>17.6%                                | 12.5%<br>16.3%   | :   | -                                   | 18.2%<br>21.7%   | 14.8%<br>19.0%   |
| 5) Liquidity ratio b) Minimum statutory ratio   | <b>54.7%</b> 20.0%                            | <b>73.1%</b> 20.0%   | :   |                                     | <b>52.1%</b> 20.0%                                     | <b>59.3%</b><br>20.0%  |
| c) Excess / (deficiency) (a-b)  | 34.7%   | 53.1%  | nd Equity Group Holdings Pla              | are regulated by the Central        | 32.1%  | 39.3%  |
|   |   |  |   |                                     |  |  |



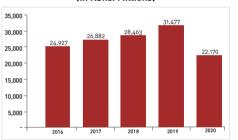
# GROWTH IN DEPOSITS (In KShs. Millions)



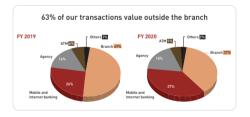
# GROWTH IN TOTAL ASSETS (In KShs. Millions)



### GROWTH IN PROFIT BEFORE TAX (In KShs. Millions)







\*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.

#### Dividend

The Board of Directors do not recommend payment of a dividend in respect of the year ended 31 December 2020.

#### Message from the Directors

The above Statement of Comprehensive Income and Statement of Financial Position are extracts of financial statements audited by PricewaterhouseCoopers [PwC]. They can be assessed on the company's website www.equitygroupholdings.com/investor-relations. To get a full picture of the Group's performance, the complete set of audited financial statements will be available on www.equitygroupholdings.com/investor-relations after 15 April 2021 or from the Company Secretary at our offices at Equity Centre, 9th Floor, Hospital Road, Upper Hill.



Group Managing Director & CEO



Mary Wamae Group Executive Director

