

Summary directors' remuneration report

For the year ended	31 December 2017	31 December 2016
	Shs' 000	Shs' 000
Aggregate directors' emoluments	130,774	163,986

Summary consolidated statement of profit or loss

For the year ended	31 December 2017	31 December 2016
	Shs' millions	Shs' millions
Net interest income	37,569	44,924
Provision for impairment losses on loans and advances	(2,716)	(6,102)
Net interest income after loan impairment charges	34,853	38,822
Net fee and commission income	16,342	12,032
Net foreign exchange and other operating income	7,596	4,337
Net operating income	58,791	55,191
Operating expenses	(31,909)	(30,264)
Profit before income tax	26,882	24,927
Income tax expense	(7,964)	(8,324)
Profit for the year	18,918	16,603

Summary consolidated statement of other comprehensive income

For the year ended	31 December 2017	31 December 2016
	Shs' millions	Shs' millions
Profit for the year	18,918	16,603
Other comprehensive income:		
Available-for-sale investment securities	1,297	686
Exchange differences on translation of foreign operations	(1,502)	98
Other comprehensive income for the year	(205)	784
Total comprehensive income for the year, net of tax	18,713	17,387
Earnings per share (basic and diluted) (Shs)	5.00	4.26

Summary consolidated statement of changes in equity

	Share capital	Share premium	Retained earnings and other reserves	Total	Non-controlling interests	Total equity
	Shs' millions	Shs' millions	Shs' millions	Shs' millions	Shs' millions	Shs' millions
Year ended 31 December 2017						
At start of year	1,887	16,063	63,325	81,275	701	81,976
Profit for the year	-	-	18,869	18,869	49	18,918
Other comprehensive income	-	-	(205)	(205)	-	(205)
Final 2016 dividend declared and paid	-	-	(7,547)	(7,547)	-	(7,547)
At end of year	1,887	16,063	74,442	92,392	750	93,142
Year ended 31 December 2016						
At start of year	1,887	16,063	53,542	71,492	644	72,136
Profit for the year	-	-	16,546	16,546	57	16,603
Other comprehensive income	-	-	784	784	-	784
Final 2015 dividend declared and paid	-	-	(7,547)	(7,547)	-	(7,547)
At end of year	1,887	16,063	63,325	81,275	701	81,976

Summary consolidated statement of cash flows

For the year ended	31 December 2017	31 December 2016
	Shs' millions	Shs' millions
Cash generated from operations	60,824	67,173
Income taxes paid	(9,852)	(7,420)
Net cash generated from operating activities	50,972	59,753
Net cash used in investing activities	(29,870)	(63,231)
Net cash used in financing activities	(8,053)	(6,363)
Net increase / (decrease) in cash and cash equivalents	13,049	(9,841)
At start of year	55,533	65,374
At end of year	68,582	55,533

Summary consolidated statement of financial position

As at	31 December 2017	31 December 2016
	Shs' millions	Shs' millions
Assets		
Cash, deposits and balances due from financial institutions	79,621	64,446
Derivative financial asset	253	79
Investment securities	128,002	100,589
Due from related parties	449	383
Current income tax	2,193	150
Loans and advances to customers	279,092	266,068
Other assets	10,631	15,359
Property and equipment	10,865	13,754
Intangible assets (including goodwill)	10,099	9,510
Deferred income tax	2,706	3,260
Prepaid leases	554	115
Total assets	524,465	473,713
Liabilities		
Deposits from customers	373,143	337,204
Borrowed funds	47,873	45,969
Other liabilities	9,832	7,879
Current income tax	411	507
Deferred income tax	64	178
Total liabilities	431,323	391,737
Equity		
Share capital	1,887	1,887
Share premium	16,063	16,063
Retained earnings and other reserves	74,442	63,325
Equity attributable to owners of the Company	92,392	81,275
Non-controlling interests	750	701
Total equity	93,142	81,976
Total equity and liabilities	524,465	473,713

The above financial statements are extracts from the records of the Group. They were approved for issue by the Board of Directors on 21 March 2018 and signed on its behalf by:



Dr. James Mwangi
Group Managing Director & CEO



Mary Wamae
Director

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

Opinion

The summary financial statements, which comprise the summary consolidated statement of financial position at 31 December 2017 and the summary consolidated statements of profit or loss, other comprehensive income, changes in equity and cash flows for the year then ended are derived from the audited financial statements of Equity Group Holdings Plc and its subsidiaries (together, the "Group") for the year ended 31 December 2017.

In our opinion the accompanying summary financial statements are consistent, in all material respects, with the audited financial statements of the Group.

The summary directors' remuneration report is derived from the directors' remuneration report for the year ended 31 December 2017.

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 Kenyan Companies Act, 2015. In addition, the summary directors' remuneration report does not contain all the disclosures required by the Kenyan Companies Act 2015 (General) (Amendment) 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 29 March 2018 and also confirmed that the auditable part of the directors' remuneration report was prepared in accordance with the Kenyan 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 Kenyan 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.

The engagement partner responsible for the audit resulting in this independent auditor's report is FCPA Richard Njoroge-Practising Certificate Number 1244.



Certified Public Accountants, Nairobi
26 April 2018