

**Audited financial results of the Companies for the year ended 31st December 2019**
**NCBA INVESTMENT BANK LIMITED**

| STATEMENT OF COMPREHENSIVE INCOME                       |  | 31st Dec 2019    | 31st Dec 2018    |
|---|--|------------------|------------------|
|   |  | Audited Shs '000 | Audited Shs '000 |
| <b>INCOME</b>   |  |                  |                  |
| Brokerage commissions                                   |  | 18,210           | -                |
| Advisory / consultancy fees                             |  | 66,673           | 39,819           |
| Interest income   |  | 8,575            | 6,368            |
| Dividend income   |  | 50,033           | 221              |
| Fund management fees                                    |  | 45,860           | -                |
| Exchange loss   |  | (59)             | (80)             |
| Unrealized loss on investments                          |  | (256)            | (3,152)          |
| Other income  |  | 172              | -                |
| <b>Total income</b>                                     |  | <b>189,207</b>   | <b>43,176</b>    |
| <b>Expenses</b>   |  |                  |                  |
| Professional fees                                       |  | 2,057            | -                |
| Employee costs  |  | 75,503           | 34,169           |
| Directors emoluments                                    |  | 2,230            | 3,040            |
| Operational and administrative expenses                 |  | 23,888           | 7,440            |
| Depreciation expenses                                   |  | 719              | -                |
| Amortization expenses                                   |  | 771              | -                |
| Other expenses  |  | 15,189           | 2,254            |
| <b>Total expenses</b>                                   |  | <b>120,358</b>   | <b>46,903</b>    |
| <b>Operating profit / (loss)</b>                        |  | <b>68,849</b>    | <b>(3,727)</b>   |
| Finance costs   |  | -                | -                |
| <b>Profit / (Loss) before tax and exceptional items</b> |  | <b>68,849</b>    | <b>(3,727)</b>   |
| Exceptional items                                       |  | (18,426)         | -                |
| <b>Profit before tax</b>                                |  | <b>50,424</b>    | <b>(3,727)</b>   |
| Income tax credit                                       |  | 9,567            | 73               |
| <b>Profit after tax</b>                                 |  | <b>59,991</b>    | <b>(3,654)</b>   |
| Other comprehensive income, net of tax                  |  | 4,410            | -                |
| <b>Total comprehensive income/(loss) for the year</b>   |  | <b>64,401</b>    | <b>(3,654)</b>   |

| STATEMENT OF FINANCIAL POSITION                   |  | 31st Dec 2019    | 31st Dec 2018    |
|---|--|------------------|------------------|
|   |  | Audited Shs '000 | Audited Shs '000 |
| <b>Non-current assets</b>                         |  |                  |                  |
| Property plant and equipment                      |  | 7,963            | -                |
| Investment in subsidiary companies                |  | -                | 456,923          |
| Deferred tax asset                                |  | 43,686           | 33,448           |
| Intangible assets                                 |  | 8,469            | -                |
| Right of use assets                               |  | 30,514           | -                |
| Investments or deposits in CDSC                   |  | 7,080            | -                |
| <b>Total non-current assets</b>                   |  | <b>97,712</b>    | <b>490,371</b>   |
| <b>Current assets</b>                             |  |                  |                  |
| Client debtors                                    |  | 11,733           | 11,216           |
| Amounts due from other stockbrokers               |  | 2,819            | -                |
| Other trade receivables                           |  | 72,635           | 1,211            |
| Prepayments                                       |  | 11,805           | 45               |
| Investments in equities / fixed income securities |  | 99,393           | 3,647            |
| Total clients cash and bank balances              |  | 214,629          | -                |
| Office cash and bank balances                     |  | 364,356          | 59,163           |
| Current income tax                                |  | 32,563           | 34,705           |
| <b>Total current assets</b>                       |  | <b>809,932</b>   | <b>109,987</b>   |
| <b>TOTAL ASSETS</b>                               |  | <b>907,644</b>   | <b>600,358</b>   |

**STATEMENT OF FINANCIAL POSITION CONT...**

|                                      |  | 31st Dec 2019    | 31st Dec 2018    |
|--------------------------------------|--|------------------|------------------|
|                                      |  | Audited Shs '000 | Audited Shs '000 |
| <b>Share Capital And Reserves</b>    |  |                  |                  |
| Paid-up ordinary share capital       |  | 300,000          | 300,000          |
| Preference share capital             |  | 200,000          | 200,000          |
| Revenue reserves                     |  | 30,669           | 95,678           |
| Revaluation reserves                 |  | 4,410            | -                |
| Proposed dividends                   |  | 75,000           | -                |
| <b>Total shareholders funds</b>      |  | <b>610,079</b>   | <b>595,678</b>   |
| <b>Current Liabilities</b>           |  |                  |                  |
| Non-Current liabilities              |  | -                | -                |
| Lease Liability                      |  | 30,103           | -                |
| <b>Total Non-Current liabilities</b> |  | <b>30,103</b>    | <b>-</b>         |
| <b>Other current liabilities</b>     |  |                  |                  |
| Current liabilities                  |  | -                | -                |
| Clients creditors                    |  | 208,105          | -                |
| Amounts due to related parties       |  | 6,722            | -                |
| Other current liabilities            |  | 52,635           | 4,680            |
| <b>Total current liabilities</b>     |  | <b>267,462</b>   | <b>4,680</b>     |
| <b>TOTAL EQUITY AND LIABILITIES</b>  |  | <b>907,644</b>   | <b>600,358</b>   |

**OTHER DISCLOSURES**

|  |  |         |         |
|--|--|---------|---------|
| <b>1. Capital Strength</b>   |  |         |         |
| a. Paid-up capital   |  | 300,000 | 300,000 |
| b. Minimum capital required  |  | 250,000 | 250,000 |
| c. Excess/(deficiency) (a-b)   |  | 50,000  | 50,000  |
| <b>2. Shareholders' funds</b>  |  |         |         |
| a. Total shareholders' funds   |  | 610,079 | 595,678 |
| b. Minimum shareholders' funds required                                  |  | 250,000 | 250,000 |
| c. Excess/(deficiency) (a-b)   |  | 360,079 | 345,678 |
| <b>3. Liquid capital</b>   |  |         |         |
| a. Liquid capital  |  | 409,377 | 71,952  |
| b. Minimum liquid capital (the higher of Kshs 30M and 8% of liabilities) |  | 30,000  | 30,000  |
| c. Excess/(deficiency) (a-b)   |  | 379,377 | 41,952  |
| <b>6. Clients funds</b>  |  |         |         |
| a. Total clients' creditors  |  | 208,105 | -       |
| b. Total clients' cash and bank balances                                 |  | 214,629 | -       |
| c. Excess/(deficiency) (b-a)   |  | 6,524   | -       |

**NCBA UNIT TRUST FUNDS**

| A) STATEMENT OF COMPREHENSIVE INCOME          | EQUITY FUND      |                  | MONEY MARKET FUND |                  | DOLLAR INVESTMENT FUND |                |
|---|------------------|------------------|-------------------|------------------|------------------------|----------------|
|   | 31st Dec, 2019   | 31st Dec, 2018   | 31st Dec, 2019    | 31st Dec, 2018   | 31st Dec, 2019         | 31st Dec, 2018 |
|   | Audited Shs '000 | Audited Shs '000 | Audited Shs '000  | Audited Shs '000 | Audited Usd            | Audited Usd    |
| <b>INCOME</b>                                 |                  |                  |                   |                  |                        |                |
| Interest income                               | 2,069            | 2,430            | 600,828           | 435,702          | 198,186                | 9,873          |
| Dividend income                               | 3,449            | 2,908            | -                 | -                | -                      | -              |
| <b>Total income</b>                           | <b>5,518</b>     | <b>5,338</b>     | <b>600,828</b>    | <b>435,702</b>   | <b>198,186</b>         | <b>9,873</b>   |
| Unrealized loss/(gains) on investments        | 10,770           | (10,442)         | 15,300            | (1,760)          | (41,747)               | -              |
| <b>Total comprehensive income</b>             | <b>16,288</b>    | <b>(5,104)</b>   | <b>616,128</b>    | <b>433,942</b>   | <b>156,439</b>         | <b>9,873</b>   |
| <b>OPERATING EXPENSES</b>                     |                  |                  |                   |                  |                        |                |
| Professional fees                             | 2,742            | 3,278            | 157,174           | 112,649          | 62,320                 | 3,418          |
| Operational and Administrative expenses       | 329              | 54               | 812               | 715              | -                      | -              |
| <b>Total expenses</b>                         | <b>3,071</b>     | <b>3,332</b>     | <b>157,986</b>    | <b>113,364</b>   | <b>62,320</b>          | <b>3,418</b>   |
| <b>Operating Loss (Profit)</b>                | <b>13,217</b>    | <b>(8,436)</b>   | <b>458,142</b>    | <b>320,578</b>   | <b>94,119</b>          | <b>6,455</b>   |
| Provision for impaired assets                 | -                | -                | (16,314)          | -                | -                      | -              |
| <b>Profit(loss) before income tax expense</b> | <b>13,217</b>    | <b>(8,436)</b>   | <b>441,828</b>    | <b>320,578</b>   | <b>94,119</b>          | <b>6,455</b>   |
| Income tax expense                            | -                | (510)            | -                 | (60,610)         | -                      | -              |
| <b>Profit (loss) after income tax expense</b> | <b>13,217</b>    | <b>(8,946)</b>   | <b>441,828</b>    | <b>259,968</b>   | <b>94,119</b>          | <b>6,455</b>   |

**B) STATEMENT OF FINANCIAL POSITION**

|  | 31st Dec, 2019   | 31st Dec, 2018   | 31st Dec, 2019   | 31st Dec, 2018   | 31st Dec, 2019   | 31st Dec, 2018   |
|--|------------------|------------------|------------------|------------------|------------------|------------------|
|  | Audited Shs '000 | Audited Shs '000 | Audited Shs '000 | Audited Shs '000 | Audited Usd      | Audited Usd      |
| <b>ASSETS</b>                                    |                  |                  |                  |                  |                  |                  |
| <b>Non-current assets</b>                        |                  |                  |                  |                  |                  |                  |
| Investment in quoted securities                  | 66,231           | 45,934           | -                | -                | -                | -                |
| Investment in government securities              | 963              | 6,183            | 3,761,848        | 2,913,588        | 2,669,403        | 805,992          |
| Investment in corporate bonds                    | 2,011            | 4,092            | 339,449          | 348,941          | -                | -                |
| Investment in bank deposits                      | 11,686           | 21,793           | 2,343,325        | 1,695,135        | 3,972,496        | 835,911          |
| <b>Total non-current assets</b>                  | <b>80,891</b>    | <b>78,002</b>    | <b>6,444,622</b> | <b>4,957,664</b> | <b>6,641,899</b> | <b>1,641,903</b> |
| <b>Current assets</b>                            |                  |                  |                  |                  |                  |                  |
| Clients cash and bank balances                   | 890              | 181              | 169              | 448              | 340              | 261              |
| Client debtors                                   | -                | -                | -                | -                | -                | -                |
| <b>Total current assets</b>                      | <b>890</b>       | <b>181</b>       | <b>169</b>       | <b>448</b>       | <b>340</b>       | <b>261</b>       |
| <b>TOTAL ASSETS</b>                              | <b>81,781</b>    | <b>78,183</b>    | <b>6,444,791</b> | <b>4,958,112</b> | <b>6,642,239</b> | <b>1,642,164</b> |
| <b>Non-current liabilities</b>                   |                  |                  |                  |                  |                  |                  |
| Unit holders' funds                              | 81,460           | 77,556           | 6,429,849        | 4,946,914        | 6,583,384        | 1,638,746        |
| <b>Total non-current liabilities</b>             | <b>81,460</b>    | <b>77,556</b>    | <b>6,429,849</b> | <b>4,946,914</b> | <b>6,583,384</b> | <b>1,638,746</b> |
| <b>Current liabilities</b>                       |                  |                  |                  |                  |                  |                  |
| Accrued expenses                                 | 321              | 627              | 14,942           | 11,198           | 58,855           | 3,418            |
| <b>Total current liabilities</b>                 | <b>321</b>       | <b>627</b>       | <b>14,942</b>    | <b>11,198</b>    | <b>58,855</b>    | <b>3,418</b>     |
| <b>TOTAL UNIT HOLDERS' FUNDS AND LIABILITIES</b> | <b>81,781</b>    | <b>78,183</b>    | <b>6,444,791</b> | <b>4,958,112</b> | <b>6,642,239</b> | <b>1,642,164</b> |

**NIC SECURITIES LIMITED**

| STATEMENT OF COMPREHENSIVE INCOME            |  | 31st Dec 2019    | 31st Dec 2018    |
|--|--|------------------|------------------|
|  |  | Audited Shs '000 | Audited Shs '000 |
| <b>INCOME</b>                                |  |                  |                  |
| Brokerage commissions                        |  | 34,249           | 66,384           |
| Interest income                              |  | 14,459           | 28,612           |
| Dividend income                              |  | 1,629            | 1,092            |
| Other income                                 |  | 6,812            | 6,326            |
| <b>Total income</b>                          |  | <b>57,149</b>    | <b>102,414</b>   |
| <b>Expenses</b>                              |  |                  |                  |
| Legal fees                                   |  | 31               | -                |
| Employee costs                               |  | 43,509           | 56,145           |
| Directors emoluments                         |  | 2,230            | 3,040            |
| Operational and Administrative expenses      |  | 17,275           | 21,977           |
| Amortization expenses                        |  | 1,085            | 593              |
| <b>Total expenses</b>                        |  | <b>64,131</b>    | <b>81,755</b>    |
| <b>Operating Profit</b>                      |  | <b>(6,982)</b>   | <b>20,659</b>    |
| Finance Costs                                |  | -                | -                |
| <b>(Loss) / Profit before tax</b>            |  | <b>(6,982)</b>   | <b>20,659</b>    |
| Exceptional Item                             |  | (312,102)        | -                |
| <b>(Loss) / Profit before tax</b>            |  | <b>319,083</b>   | <b>20,659</b>    |
| Income Tax charge                            |  | (22,218)         | (6,964)          |
| <b>(Loss) / Profit after tax</b>             |  | <b>(341,301)</b> | <b>13,995</b>    |
| Other comprehensive income, net of tax       |  | (14,000)         | (18,025)         |
| <b>Total comprehensive loss for the year</b> |  | <b>(355,301)</b> | <b>(4,330)</b>   |

| STATEMENT OF FINANCIAL POSITION        |  | 31st Dec 2019    | 31st Dec 2018    |
|--|--|------------------|------------------|
|  |  | Audited Shs '000 | Audited Shs '000 |
| <b>Non-current assets</b>              |  |                  |                  |
| Deferred tax asset                     |  | -                | 17,880           |
| Investments or deposits in CDSC/NSE    |  | -                | 7,080            |
| Intangible assets                      |  | -                | 1,305            |
| <b>Total non-current assets</b>        |  | <b>-</b>         | <b>26,265</b>    |
| <b>Current Assets</b>                  |  |                  |                  |
| Client debtors                         |  | -                | 1,982            |
| Amount due from other stockbrokers     |  | -                | -                |
| Other trade receivables                |  | -                | 5,288            |
| Prepayments                            |  | -                | 4,625            |
| Investments in Equities / Fixed income |  | -                | 51,925           |
| Total clients cash and bank balances   |  | -                | 89,225           |
| Office cash and bank balances          |  | -                | 324,416          |
| Other current assets                   |  | 8,795            | 10,161           |
| <b>Total current assets</b>            |  | <b>8,795</b>     | <b>487,622</b>   |
| <b>TOTAL ASSETS</b>                    |  | <b>8,795</b>     | <b>513,887</b>   |

**STATEMENT OF FINANCIAL POSITION CONT...**

|                                      |  | 31st Dec 2019    | 31st Dec 2018    |
|--------------------------------------|--|------------------|------------------|
|                                      |  | Audited Shs '000 | Audited Shs '000 |
| <b>Share Capital and Reserves</b>    |  |                  |                  |
| Paid-up ordinary share capital       |  | 300,000          | 300,000          |
| Revenue reserves                     |  | (291,205)        | 64,084           |
| Revaluation reserves                 |  | -                | 50,013           |
| <b>Total shareholders funds</b>      |  | <b>8,795</b>     | <b>414,097</b>   |
| <b>Non-Current liabilities</b>       |  |                  |                  |
| <b>Total Non-current liabilities</b> |  | <b>-</b>         | <b>-</b>         |
| <b>Current Liabilities</b>           |  |                  |                  |
| Client creditors                     |  | -                | 79,133           |
| Amount due to other stockbrokers     |  | -                | 7,286            |
| Amounts due to related parties       |  | -                | -                |
| Accrued expenses                     |  | -                | 10,147           |
| Other current liabilities            |  | -                | 3,224            |
| <b>Total current liabilities</b>     |  | <b>-</b>         | <b>99,790</b>    |
| <b>TOTAL EQUITY AND LIABILITIES</b>  |  | <b>8,795</b>     | <b>513,887</b>   |

**OTHER DISCLOSURES**

|  |  |          |         |
|--|--|----------|---------|
| <b>1. Capital Strength</b>   |  |          |         |
| a. Paid-up capital   |  | 300,000  | 300,000 |
| b. Minimum capital required  |  | 50,000   | 50,000  |
| c. Excess / (Deficiency) (a-b)   |  | 250,000  | 250,000 |
| <b>2. Shareholders Funds</b>   |  |          |         |
| a. Total shareholders' funds   |  | 8,795    | 364,084 |
| b. Minimum shareholders' funds required                                  |  | 50,000   | 50,000  |
| c. Excess / (Deficiency) (a-b)   |  | (41,205) | 314,084 |
| <b>3. Liquid Capital</b>   |  |          |         |
| a. Liquid Capital  |  | -        | 359,118 |
| b. Minimum Liquid Capital (the higher of Kshs 30M and 8% of liabilities) |  | 30,000   | 30,000  |
| c. Excess / (Deficiency) (a-b)   |  | (30,000) | 329,118 |
| <b>6. Clients Funds</b>  |  |          |         |
| a. Total clients' creditors  |  | -        | 86,419  |
| b. Total clients' cash and bank balances                                 |  | -        | 89,225  |
| c. Excess / (Deficiency) (b-a)   |  | -        | 2,806   |

**CBA CAPITAL LIMITED**

| STATEMENT OF COMPREHENSIVE INCOME              |  | 31st Dec 2019    | 31st Dec 2018    |
|--|--|------------------|------------------|
|  |  | Audited Shs '000 | Audited Shs '000 |
| <b>INCOME</b>                                  |  |                  |                  |
| Brokerage commissions                          |  | 17,045           | 18,638           |
| Advisory/consultancy fees                      |  | 31,700           | 28,473           |
| Interest income                                |  | 1,500            | 6,274            |
| Fund management fees                           |  | 122,151          | 132,171          |
| Other Income                                   |  | 7,715            | -                |
| <b>Total income</b>                            |  | <b>180,111</b>   | <b>185,556</b>   |
| <b>OPERATING EXPENSES</b>                      |  |                  |                  |
| Professional fees                              |  | 4,815            | 7,064            |
| Employee costs                                 |  | 48,296           | 75,924           |
| Operational and administrative expenses        |  | 33,146           | 48,077           |
| Depreciation Expenses                          |  | 595              | 450              |
| Amortisation Expenses                          |  | 1,301            | 1,734            |
| <b>Total expenses</b>                          |  | <b>88,153</b>    | <b>133,249</b>   |
| <b>Operating Profit</b>                        |  | <b>91,958</b>    | <b>52,307</b>    |
| <b>Profit before tax and exceptional items</b> |  | <b>91,958</b>    | <b>52,307</b>    |
| Exceptional items                              |  | (126,395)        | -                |
| <b>(Loss) / Profit before tax</b>              |  | <b>(34,437)</b>  | <b>52,307</b>    |
| Income Tax charge                              |  | (45,433)         | (16,940)         |
| <b>(Loss) / Profit after tax</b>               |  | <b>(79,870)</b>  | <b>35</b>        |