



NCBA Group PLC Summary Audited Financial Results for the Year ended 31 December 2020

SUMMARY CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME	2020 Shs '000	2019 Shs '000
Net interest income	36,009,092	21,536,642
Credit Impairment Charges	(20,094,371)	(5,635,308)
Net Interest income after credit impairment charges	15,914,721	15,901,334
Net fee and commission income	3,338,124	3,042,082
Net trading income	5,480,912	3,032,077
Other operating income	937,851	4,778,149
NET OPERATING INCOME	25,671,608	26,753,642
Operating expenses	(20,847,567)	(15,583,963)
PROFIT BEFORE SHARE OF ASSOCIATE'S PROFIT	4,824,041	11,169,679
Share of associates profit	157,880	143,880
PROFIT BEFORE INCOME TAX	4,981,921	11,313,559
Income tax expense	(411,054)	(3,471,783)
PROFIT FOR THE YEAR	4,570,867	7,841,776
OTHER COMPREHENSIVE INCOME FOR THE YEAR NET OF TAX	723,836	(87,664)
TOTAL COMPREHENSIVE INCOME FOR THE YEAR	5,294,703	7,754,112
EARNINGS PER SHARE - BASIC AND DILUTED	Shs 2.77	Shs 7.45

SUMMARY CONSOLIDATED STATEMENT OF FINANCIAL POSITION		
ASSET		
Cash and balances with Central Banks	34,511,770	37,195,306
Due from banking institutions	41,664,359	25,556,324
Government securities	158,182,019	137,039,426
Loans and advances to customers	247,506,956	248,885,318
Current and deferred income tax	10,391,484	7,353,453
Investments	10,977,270	13,260,865
Property, equipment and intangible assets	13,262,456	15,227,206
Others assets	11,372,067	10,199,518
TOTAL ASSETS	527,868,381	494,717,416
LIABILITIES		
Customer deposits	421,504,454	378,237,043
Due to banking institutions	6,303,343	10,892,910
Borrowings	13,319,474	22,081,245
Current and deferred income tax	29,663	34,367
Other liabilities	14,163,150	16,212,026
TOTAL LIABILITIES	455,320,084	427,457,591
EQUITY		
Capital and reserves attributable to equity holders of the bank		
Share capital	8,237,598	7,488,725
Share premium	21,424,322	22,179,426
Revenue reserves	39,038,741	35,962,429
Proposed dividends	2,471,279	2,246,618
Other reserves	1,176,578	(884,591)
Total capital & reserves attributable to equity holders of the Bank	72,348,518	66,992,607
Non-controlling interests	199,779	267,218
Total equity	72,548,297	67,259,825
Total liabilities and equity	527,868,381	494,717,416

SUMMARY CONSOLIDATED STATEMENT OF CHANGES IN EQUITY								
	Share capital Shs'000	Share premium Shs'000	Revenue reserves Shs'000	Proposed dividends Shs'000	Other reserves Shs'000	Capital and reserves attributable to equity holders of the Group Shs'000	Non controlling interests Shs'000	Total Shs'000
At 1 January 2019	3,519,701	2,373,994	23,215,651	1,665,480	(167,015)	30,607,811	-	30,607,811
Adjustment on initial application of IFRS 16 net of tax	-	-	(160,234)	-	-	(160,234)	-	(160,234)
Profit for the year	-	-	7,821,491	-	-	7,821,491	20,285	7,841,776
Other comprehensive income for the year:	-	-	-	-	(87,664)	(87,664)	-	(87,664)
Total comprehensive income for the year	-	-	7,821,491	-	(87,664)	7,733,827	20,285	7,754,112
Final Dividend for 2018 paid	-	-	-	(1,665,480)	-	(1,665,480)	-	(1,665,480)
Final Proposed dividend 2019	-	-	(2,246,618)	2,246,618	-	-	-	-
Other transactions with owners, recorded directly through equity	3,969,024	19,805,432	7,332,139	-	(629,912)	30,476,683	246,933	30,723,616
At 31 December 2019	7,488,725	22,179,426	35,962,429	2,246,618	(884,591)	66,992,607	267,218	67,259,825
At 1 January 2020	7,488,725	22,179,426	35,962,429	2,246,618	(884,591)	66,992,607	267,218	67,259,825
Profit for the year	-	-	4,638,306	-	-	4,638,306	(67,439)	4,570,867
Other comprehensive income for the year:	-	-	-	-	723,836	723,836	-	723,836
Total comprehensive income for the year	-	-	4,638,306	-	723,836	5,362,142	(67,439)	5,294,703
Final Dividend for 2019 rescinded	-	-	2,246,618	(2,246,618)	-	-	-	-
Final Proposed dividend 2020	-	-	(2,471,279)	2,471,279	-	-	-	-
Other transactions with owners, recorded directly through equity	748,873	(755,104)	(1,337,333)	-	1,337,333	(6,231)	-	(6,231)
At 31 December 2020	8,237,598	21,424,322	39,038,741	2,471,279	1,176,578	72,348,518	199,779	72,548,297

SUMMARY CONSOLIDATED STATEMENT OF CASH FLOWS	2020 Shs '000	2019 Shs '000
Net cash generated from operating activities	48,386,092	25,394,007
Net cash used in investing activities	(19,288,581)	(13,444,491)
Net cash (used in) / generated from financing activities	(12,628,238)	730,855
NET INCREASE IN CASH AND CASH EQUIVALENTS	16,469,273	12,680,371
CASH AND CASH EQUIVALENTS AT 1 JANUARY	41,376,089	28,695,718
CASH AND CASH EQUIVALENTS AT 31 DECEMBER	57,845,362	41,376,089

SUMMARY DIRECTORS' REMUNERATION REPORT

The directors' remuneration for the year was Shs 305,506,000 (2019: Shs 208,798,000).

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

Opinion

We have audited the summary financial statements of NCBA Group PLC, which comprise the summary consolidated statement of financial position at 31 December 2020 and the summary consolidated statements of comprehensive income, changes in equity and cash flows for the year then ended which are derived from the audited financial statements of NCBA Group PLC and its subsidiaries (together, the "Group") for the year ended 31 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 (IFRS) and the Companies Act, 2015.

The summary directors' remuneration report is derived from the directors' remuneration report for the year ended 31 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 26 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.

FCPA Richard Njoroge, Practicing Certificate Number 1244
Engagement partner responsible for the audit

For and on behalf of PricewaterhouseCoopers LLP
Certified Public Accountants
Nairobi

17 May 2021

DIRECTORS' COMMENTARY

These summary consolidated financial statements and summary directors' remuneration report are extracts from the audited group financial statements and directors' report for the year ended 31 December 2020 and have been prepared as required by the Kenyan companies Act, 2015 and the Capital Markets (Securities) (Public offers, Listing and Disclosures) Regulations, 2002 – amended 2017, and criteria developed by the Company's Directors which is based on common practice for listed entities in Kenya. The criteria entails presenting subtotals and condensing some of the line items from the audited group financial statements, as indicated in the captions used in the summary consolidated financial statements. These summary consolidated financial statements do not contain additional information derived from the Directors' report.

A complete set of the audited group financial statements including explanatory notes can be accessed on the institution's website www.ncbagroup.com.

The audited group financial statements were approved by the Board of Directors on 26 March 2021.

Summary of Key Audit Matters

The key audit matters raised by the auditor were on:

- Estimation of expected credit losses on loans and advances
- Information Technology systems and controls over financial reporting

BY ORDER OF THE BOARD
WAWERU MATHENGE
GROUP COMPANY SECRETARY
NCBA GROUP PLC