

<b>A) Statement of Comprehensive Income</b>		
	<b>Year ended December 31, 2020</b>	Year ended December 31, 2019 *Restated*
	(Kshs '000')	(Kshs '000')
1.0 Income		
1.1 Brokerage Commissions	<b>251,114</b>	<b>205,849</b>
1.2 Interest Income	1,483	2,699
1.3 Exchange gains/(loss)	3,309	353
1.4 Other Income <b>(Mark to Market revaluation)</b>	(24,565)	9,834
<b>1.5 Total Income</b>	<b>231,341</b>	<b>218,735</b>
<b>2.0 Expenses</b>		
2.1 Direct expenses	59,130	66,447
2.2 Professional fees	8,683	1,715
2.3 Legal fees	1,684	1,225
2.4 Employee costs	132,972	72,627
2.5 Directors Emoluments	1,970	3,537
2.6 Operational and Administrative expenses	127,405	72,705
2.7 Depreciation expenses	20,269	8,736
<b>2.8 Total Expenses</b>	<b>352,113</b>	<b>226,992</b>
<b>3.0 Operating Profit/Loss</b>	<b>(120,772)</b>	<b>(8,257)</b>
4.0 Finance Costs	(4,389)	(2,097)
<b>5.0 Profit/loss Before tax</b>	<b>(125,161)</b>	<b>(10,354)</b>
6.0 Tax	35,952	2,407
<b>7.0 Profit /loss after tax</b>	<b>(89,209)</b>	<b>(7,947)</b>

<b>B) Statement of Financial Position</b>		
	<b>Year ended December 31, 2020</b>	Year ended December 31, 2019 *Restated*
	(Kshs '000')	(Kshs '000')
<b>1.0 Non Current Assets</b>		
1.1 Property Plant & Equipment	15,812	20,568
1.2 Deferred Tax Asset	52,778	16,859
1.3 Prepaid operating leases	47,891	49,996
<b>1.4 Total Non Current Assets</b>	<b>116,481</b>	<b>87,423</b>
<b>2.0 Current Assets</b>		
2.1 Prepayments	13,140	30,350
2.2 Total Clients cash and bank balances	136,963	244,518
2.3 Office cash and bank balances	240,683	215,255
<b>2.4 Total Current Assets</b>	<b>390,786</b>	<b>490,123</b>
<b>2.5 TOTAL ASSETS</b>	<b>507,267</b>	<b>577,546</b>
<b>3.0 Share Capital And Reserves</b>		
3.1 Paid Up Ordinary Share Capital	174,882	30,500
3.2 Revenue reserves	(136,818)	(41,531)
3.3 Others <b>(share application pending allotment)</b>	-	90,612
<b>3.4 Total Shareholders funds</b>	<b>38,064</b>	<b>79,581</b>
<b>4.0 Non-Current liabilities</b>	<b>107,823</b>	<b>90,612</b>
4.1 Other non - Current liabilities (Lease Liability)	45,644	45,084
<b>4.2 Total Non-current liabilities</b>	<b>153,467</b>	<b>135,696</b>
<b>5.0 Current Liabilities</b>		
5.1 Clients creditors	135,762	212,285
5.2 Amounts due to related parties	150,378	207,421
5.3 Accrued expenses	20,477	26,514
5.4 Lease obligations	9,118	6,437
5.5 Tax payable	-	224
<b>5.6 Total Current Liabilities</b>	<b>315,735</b>	<b>452,881</b>
<b>5.7 TOTAL EQUITY AND LIABILITIES</b>	<b>507,266</b>	<b>668,158</b>

<b>OTHER DISCLOSURES</b>		
<b>1. Capital Strength</b>		
a. Paid Up Capital	174,882	30,500
b. Minimum Capital Required	30,000	30,000
(a-b) Excess /Deficiency	144,882	500
<b>2. Shareholders Funds</b>		
a. Total Shareholders Funds	38,064	79,581
b. Minimum Shareholders' Funds required	30,000	30,000
(a-b) Excess/ Deficiency	8,064	49,581
<b>3. Liquid Capital</b>		
For Investment Banks, Stock Brokers and Dealers		
a. Liquid Capital	71,028	59,794
b. Minimum Liquid Capital (the higher of Kshs 30 M and 8% of liabilities)	30,000	32,491
(a-b) Excess/Deficiency	41,028	27,303
<b>4. Clients Funds (Where applicable)</b>		
a. Total Clients Creditors	(135,762)	(212,285)
b. Total Clients' Cash and bank balances	136,963	244,518
c. Excess / Deficiency	<b>1,201</b>	<b>32,233</b>

The above are extracts from the audited financial statements of EGM Securities Limited for the year ended 31st December 2020 approved by the Board for issue and publication on 31st March 2021.

**Mwangi Karume**  
Chairman

**Anne Pauline Ngonyo Njenga**  
Director

EGM Securities Limited is a Non-Dealing Online Foreign Exchange Broker incorporated in Kenya on December 21, 2016 under the Companies Act 2015 and licenced and regulated by the Capital Markets Authority in Kenya under License Number 107.