



PRIVATE WEALTH CAPITAL LIMITED

REGISTERED OFFICE: 4th Floor Wing B Parkfield Place, Muthangari Drive, Off Waiyaki Way | P.O Box 14283 - 00800 | Nairobi

ANNUAL FINANCIAL STATEMENTS FOR THE YEAR ENDED DECEMBER 2022

The directors of Private Wealth Capital Limited, submit their report together with the audited financial statements of the company for the period ended 31 December 2022.

OUR HISTORY

Private Wealth Capital Limited is an African Investment Advisory and Corporate Financial Advisory firm headquartered in Nairobi. Founded in 2010 initially as a Fixed Income Trading House, Private Wealth Capital grew to become a leading Fixed Income Investment Advisory and Debt Capital Market player with just over Ksh.220 billion (USD.2 billion) Debt Capital Raised and millions in Fixed Income Assets Under Advisory.

The firm also has a track record advising on Equity Capital Raising transactions amounting to over Ksh.30b (Usd. 250million) and M&A exits and buyout transactions approximately Ksh.3.3 billion (Usd.30 million).

Private Wealth Capital is licensed by the Capital Markets Authority as an Authorise Securities Dealer and Investment Advisor.

OUR PRODUCTS

- Fixed Income Investment Advisory (FIIA)** - We offer a wide array of fixed income strategies for both institutional and private clients for fixed income securities such as investment-grade or high-yield corporate bonds, government bonds.
- Corporate Financial Advisory (CFA)** - Our team of experienced advisors work with clients to maximize the success of all business transactions, including mergers, acquisitions, capital raising, due diligence, valuations.
- Fixed Income - Sales & Trading (FIST)** - Our fixed income team provides investors with the tools they need to manage their daily cash and long-term investments.

STATEMENT OF COMPREHENSIVE INCOME			
	Notes	2022	2021
		Kshs.	Kshs.
Revenue	4	21,210,809	29,703,062
Operating expenses	5	(15,662,968)	(19,535,654)
Profit before tax		5,547,841	10,167,408
Tax charge	7(a)	(757,391)	(2,608,576)
Profit after tax		4,790,449	7,558,832

STATEMENT OF FINANCIAL POSITION			
	Notes	2022	2021
		Kshs.	Kshs.
Non-current assets			
Property and equipment	8	2,515,258	451,941
Current assets			
Other financial assets	9	27,783,623	25,267,190
Cash and cash equivalents	10	1,068	42,434
Trade and other receivables	12	391,252	-
		28,175,943	25,309,624
Total assets		30,691,201	25,761,565
Equity and liabilities			
Equity			
Share capital	11	2,500,000	2,500,000
Retained earnings		12,349,282	7,558,832
		14,849,282	10,058,832
Current liabilities			
Trade and other payables	13	14,648,402	14,566,607
Tax payable	7c	1,193,517	1,136,126
		15,841,920	15,702,733
Total equity and liabilities		30,691,201	25,761,565

STATEMENT OF CHANGES IN EQUITY			
	Share capital	Retained earnings	Total
	Kshs.	Kshs.	Kshs.
Year ended 31 December 2022			
As at 1st January	2,500,000	7,558,832	10,058,832
Total comprehensive income for the year	-	4,790,449	4,790,449
As at 31 December	<u>2,500,000</u>	<u>12,349,282</u>	<u>14,849,282</u>
Year ended 31 December 2021			
Share capital issued	2,500,000	-	2,500,000
Total comprehensive income for the year	-	7,558,832	7,558,832
As at 31 December	<u>2,500,000</u>	<u>7,558,832</u>	<u>10,058,832</u>

STATEMENT OF CASH FLOWS AS AT 31 DECEMBER			
	Notes	2022	2021
		Kshs.	Kshs.
Cash flow from operating activities			
Profit for the year		5,547,841	10,167,408
Adjustments for:			
Depreciation charge	8	72,457	50,216
Operating cash flow before working capital changes		5,620,298	10,217,624
Changes in working capital			
Marketable securities		(2,516,433)	(25,267,190)
Trade and other receivables		(391,252)	-
Trade and other payables		81,797	14,566,607
Cash generated from/ (used in) operations		2,794,409	(482,958)
Income tax paid		(700,000)	(1,472,451)

Net cash generated from/(used in) operating activities		2,094,409	(1,955,409)
Cash flows from investing activities			
Purchase of equipment	8	(2,135,775)	(502,157)
Net cash flows used in investing activities		(2,135,775)	(502,157)
Cash flows from financing activities			
Receipt from share capital issued		-	2,500,000
Net cash flows from financing activities		-	2,500,000
Net (decrease)/increase in cash and cash equivalents		(41,366)	42,434
Cash and cash equivalents at beginning of the year		42,434	-
Cash and cash equivalents at the end of the year	10	1,068	42,434

MESSAGE FROM THE CHIEF EXECUTIVE OFFICER

As a firm, we are very pleased with our team performance, our clients' support and the resilience demonstrated by the business in the last two years. Our goal was to thrive and continue to provide our customers with excellent service despite the difficult economic environment over the last two years.



MR. THOMAS KABAKI WAMWEA

Moving into 2023, our strategy has shifted to focus on growth and leveraging on the opportunities at our disposal that will enhance our performance both in Corporate Finance and Fixed Income.