

## STATEMENT OF FINANCIAL POSITION

	BANK			GROUP		
	30th June 2022 Shs. '000' Unaudited	31st Dec. 2022 Shs. '000' Audited	31st March 2023 Shs. '000' Unaudited	30th June 2022 Shs. '000' Unaudited	31st Dec. 2022 Shs. '000' Audited	30th June 2023 Shs. '000' Unaudited
<b>ASSETS</b>						
Cash (both Local & Foreign)	522,690	598,971	491,555	588,951	688,873	597,367
Balances due from Central Bank of Kenya	4,837,204	5,319,643	4,242,947	4,897,956	4,837,204	5,319,643
Kenya Government and other securities held for dealing purposes	-	-	-	-	-	-
Financial Assets at fair value through profit and loss	-	-	-	-	-	-
Investment Securities:	-	-	-	-	-	-
a) Held to Maturity:	<b>50,143,180</b>	<b>44,439,485</b>	<b>39,928,494</b>	<b>43,070,721</b>	<b>51,261,381</b>	<b>45,830,535</b>
a. Kenya Government securities	50,143,180	44,439,485	39,928,494	43,070,721	51,261,381	45,830,535
b. Other securities	-	-	-	-	-	-
b) Available for sale:	<b>23,415,941</b>	<b>31,445,670</b>	<b>37,235,288</b>	<b>35,705,275</b>	<b>24,448,356</b>	<b>32,348,600</b>
a. Kenya Government securities	17,980,365	26,174,792	29,935,595	25,373,993	18,835,096	27,007,748
b. Other securities	5,435,576	5,270,878	7,299,693	10,331,282	5,613,260	5,340,852
Deposits and balances due from local banking institutions	3,200,638	3,625,701	6,012,048	2,974,536	3,541,909	3,671,510
Deposits and balances due from banking institutions abroad	7,398,906	7,389,282	9,152,441	16,790,445	7,398,906	7,389,282
Tax recoverable	34,957	12,755	18,216	18,973	73,170	65,049
Loans and advances to customers (net)	37,834,084	40,923,643	45,272,839	48,747,591	37,867,716	40,950,360
Balances due from banking institutions in the group	-	-	-	-	-	-
Investments in associates	-	-	-	-	-	-
Investments in subsidiary companies	1,405,692	1,405,692	1,405,692	1,405,692	-	-
Investments in joint ventures	-	-	-	-	-	-
Investment properties	-	-	-	-	-	-
Property and equipment	1,955,468	2,319,254	2,234,613	2,225,820	2,284,760	2,636,432
Prepaid lease rentals	-	-	-	-	-	-
Intangible assets	154,990	107,504	114,314	144,708	815,198	766,622
Deferred tax asset	357	1,141,467	1,141,468	1,141,468	357	1,141,467
Retirement benefit asset	-	-	-	-	-	-
Other assets	1,008,636	1,673,828	1,280,955	1,644,031	1,752,301	2,258,656
<b>TOTAL ASSETS</b>	<b>131,912,743</b>	<b>140,402,895</b>	<b>148,530,870</b>	<b>159,356,167</b>	<b>134,970,131</b>	<b>142,975,523</b>
<b>LIABILITIES</b>						
Balances due to Central Bank of Kenya	-	-	-	-	-	-
Customer deposits	101,314,824	107,582,199	113,952,129	121,269,097	101,303,978	107,185,228
Deposits and balances due to local banking institutions	-	-	-	-	-	-
Deposits and balances due to foreign banking institutions	33,939	4,485	10,459	18,271	33,939	4,485
Other money market deposits	-	-	-	-	-	-
Borrowed funds	-	-	-	-	-	-
Balances due to banking institutions in the group	-	-	-	-	-	-
Tax payable	16,000	50,461	254,278	-	16,000	-
Dividends payable	-	-	-	-	-	-
Deferred tax liability	-	-	-	-	64,200	68,767
Retirement benefit liability	-	-	-	-	-	-
Other liabilities	765,625	1,432,472	878,276	907,632	2,444,533	2,753,536
<b>TOTAL LIABILITIES</b>	<b>102,130,388</b>	<b>109,019,156</b>	<b>115,145,603</b>	<b>122,195,000</b>	<b>103,862,650</b>	<b>110,012,016</b>
<b>SHAREHOLDERS' FUNDS</b>						
Paid up /Assigned capital	6,649,390	6,649,390	6,649,390	6,649,390	6,649,390	6,649,390
Share premium/(discount)	5,230,109	5,230,109	5,230,109	5,230,109	5,230,109	5,230,109
Revaluation reserves	3,439,534	3,665,376	5,744,594	8,425,753	3,563,088	4,750,952
Retained earnings/Accumulated losses	14,110,300	14,388,693	15,408,152	16,502,893	14,922,677	14,443,754
Statutory loan loss reserves	353,022	353,022	353,022	353,022	353,022	353,022
Other Reserves	-	-	-	-	-	-
Proposed dividends	-	1,097,149	-	-	-	1,097,149
Capital grants	-	-	-	-	-	-
<b>TOTAL SHAREHOLDERS' FUNDS</b>	<b>29,782,355</b>	<b>31,383,739</b>	<b>33,385,267</b>	<b>37,161,167</b>	<b>30,718,286</b>	<b>32,524,376</b>
Minority Interest	-	-	-	-	389,195	439,131
<b>TOTAL LIABILITIES AND SHAREHOLDERS' FUNDS</b>	<b>131,912,743</b>	<b>140,402,895</b>	<b>148,530,870</b>	<b>159,356,167</b>	<b>134,970,131</b>	<b>142,975,523</b>

## OTHER DISCLOSURES

<b>NON-PERFORMING LOANS AND ADVANCES</b>						
(a) Gross Non-performing loans and advances	5,085,320	5,870,236	5,774,133	6,081,094	5,085,320	5,870,236
(b) Less: Interest in Suspense	923,426	852,797	873,149	946,838	923,426	852,797
(c) <b>Total Non-Performing Loans and Advances (a-b)</b>	<b>4,161,894</b>	<b>5,017,439</b>	<b>4,900,984</b>	<b>5,134,256</b>	<b>4,161,894</b>	<b>5,017,439</b>
(d) Less: Loan Loss Provision	2,757,361	2,692,502	2,586,428	2,657,519	2,757,361	2,692,502
(e) <b>Net Non-Performing Loans and Advances (c-d)</b>	<b>1,404,533</b>	<b>2,324,937</b>	<b>2,314,556</b>	<b>2,476,737</b>	<b>1,404,533</b>	<b>2,324,937</b>
(f) Discounted Value of Securities	1,404,533	2,324,937	2,104,623	1,961,697	1,404,533	2,324,937
(g) <b>Net NPLs Exposure (e-f)</b>	<b>-</b>	<b>-</b>	<b>209,933</b>	<b>515,040</b>	<b>-</b>	<b>515,040</b>
<b>INSIDER LOANS AND ADVANCES</b>						
(a) Directors, Shareholders and Associates	3,290,005	3,880,753	4,493,359	5,164,177	3,290,005	3,880,753
(b) Employees	461,221	481,905	543,455	544,182	461,221	481,905
(c) <b>Total Insider Loans and Advances and other facilities</b>	<b>3,751,226</b>	<b>4,362,658</b>	<b>5,036,814</b>	<b>5,708,359</b>	<b>3,751,226</b>	<b>4,362,658</b>
<b>OFF-BALANCE SHEET ITEMS</b>						
(a) Letters of credit, guarantees, acceptances	9,207,025	10,321,504	11,040,216	11,158,120	9,207,025	10,321,504
(b) Forwards, swaps and options	8,466,553	7,695,643	15,012,629	23,192,067	8,466,553	7,695,643
(c) Other contingent liabilities	2,041,258	2,060,223	1,564,522	2,182,283	2,041,258	2,060,223
(d) <b>Total Contingent Liabilities</b>	<b>19,714,836</b>	<b>20,077,370</b>	<b>27,617,367</b>	<b>36,532,470</b>	<b>19,714,836</b>	<b>20,077,370</b>
<b>CAPITAL STRENGTH</b>						
(a) Core capital	24,078,594	25,221,433	25,654,372	26,134,187		
(b) Minimum Statutory Capital	1,000,000	1,000,000	1,000,000	1,000,000		
(c) Excess/(Deficiency) (a-b)	23,078,594	24,221,433	24,654,372	25,134,187		
(d) Supplementary Capital	353,022	353,022	353,022	353,022		
(e) <b>Total Capital (a+d)</b>	<b>24,431,616</b>	<b>25,574,455</b>	<b>26,007,394</b>	<b>26,487,209</b>		
(f) Total risk weighted assets	63,093,197	72,071,335	80,108,227	82,061,005		
(g) <b>Core Capital/Total deposits Liabilities</b>	<b>23.8%</b>	<b>23.4%</b>	<b>22.5%</b>	<b>21.5%</b>		
(h) Minimum statutory Ratio	8.0%	8.0%	8.0%	8.0%		
(i) Excess/(Deficiency) (g-h)	15.8%	15.4%	14.5%	13.5%		
(j) <b>Core Capital / total risk weighted assets</b>	<b>38.2%</b>	<b>35.0%</b>	<b>32.0%</b>	<b>31.8%</b>		
(k) Minimum Statutory Ratio	10.5%	10.5%	10.5%	10.5%		
(l) Excess (Deficiency) (j-k)	27.7%	24.5%	21.5%	21.3%		
(m) <b>Total Capital/total risk weighted assets</b>	<b>38.7%</b>	<b>35.5%</b>	<b>32.5%</b>	<b>32.3%</b>		
(n) Minimum statutory Ratio	14.5%	14.5%	14.5%	14.5%		
(o) Excess/(Deficiency) (m-n)	24.2%	21.0%	18.0%	17.8%		
<b>LIQUIDITY</b>						
(a) <b>Liquidity Ratio</b>	<b>80.4%</b>	<b>79.7%</b>	<b>74.9%</b>	<b>73.6%</b>		
(b) Minimum Statutory Ratio	20.0%	20.0%	20.0%	20.0%		
(c) <b>Excess (Deficiency) (a-b)</b>	<b>60.4%</b>	<b>59.7%</b>	<b>54.9%</b>	<b>53.6%</b>		

## STATEMENT OF COMPREHENSIVE INCOME

	BANK			GROUP		
	30th June 2022 Shs. '000' Unaudited	31st Dec. 2022 Shs. '000' Audited	31st March 2023 Shs. '000' Unaudited	30th June 2022 Shs. '000' Unaudited	31st Dec. 2022 Shs. '000' Audited	30th June 2023 Shs. '000' Unaudited
<b>INTEREST INCOME</b>						
Loans and advances	1,914,523	4,177,259	1,142,867	2,433,936	1,914,523	4,177,259
Government securities	3,408,475	7,232,535	1,973,825	3,967,260	3,408,475	7,232,535
Deposits and placements with banking institutions	83,842	302,097	159,334	403,272	83,842	302,097
Other interest income	42,992	86,551	12,311	25,603	42,992	86,551
<b>Total interest income</b>	<b>5,449,832</b>	<b>11,798,442</b>	<b>3,288,337</b>	<b>6,830,071</b>	<b>5,449,832</b>	<b>11,798,442</b>
<b>INTEREST EXPENSE</b>						
Customer deposits	2,765,858	5,900,348	1,726,430	3,675,070	2,765,858	5,900,348
Deposits and placement from banking institutions	403	798	850	1,196	403	798
Other interest expenses	-	-	-	-	-	-
<b>Total interest expenses</b>	<b>2,766,261</b>	<b>5,901,146</b>	<b>1,727,280</b>	<b>3,676,266</b>	<b>2,766,261</b>	<b>5,901,146</b>
<b>NET INTEREST INCOME/(LOSS)</b>	<b>2,683,571</b>	<b>5,897,296</b>	<b>1,561,057</b>	<b>3,153,805</b>	<b>2,683,571</b>	<b>5,897,296</b>
<b>NON-INTEREST INCOME</b>						
Fees and commissions on loans and advances	62,392	146,745	39,413	75,854	62,392	146,745
Other fees and commissions	155,550	324,148	85,549	187,924	155,550	324,148
Foreign exchange trading income/(Loss)	234,345	504,265	230,701	503,664	234,345	504,265
Dividend Income	212,278	322,589	16,953	397,857	52,458	162,769
Other income	36,118	75,167	19,256	47,865	742,882	1,555,309
<b>Total Non-interest income</b>	<b>700,683</b>	<b>1,372,914</b>	<b>391,872</b>	<b>1,213,164</b>	<b>1,247,627</b>	<b>2,693,236</b>
<b>TOTAL OPERATING INCOME</b>	<b>3,384,254</b>	<b>7,270,210</b>	<b>1,952,929</b>	<b>4,366,969</b>	<b>3,931,198</b>	<b>8,590,532</b>
<b>OTHER OPERATING EXPENSES</b>						
Loan loss provision	210,612	638,411	43,194	186,157	210,612	635,415
Staff costs	750,098	1,614,725	430,824	919,481	750,098	1,820,636
Directors' emoluments	69,717	148,294	31,756	70,683	69,717	155,530
Rental charges	27,073	51,033	12,412	25,586	27,073	51,076
Depreciation charge on property and equipment	153,058	180,128	91,351	221,703	153,058	199,436
Amortisation charges	-	51,580	-	-	-	51,580
Other operating expenses	478,599	1,062,996	278,930	736,156	1,015,828	1,874,689
<b>Total Other Operating Expenses</b>	<b>1,689,157</b>	<b>3,747,167</b>	<b>888,467</b>	<b>2,159,766</b>	<b>2,226,386</b>	<b>4,788,362</b>
<b>Profit/(loss) Before Tax and Exceptional Items</b>	<b>1,695,097</b>	<b>3,523,043</b>	<b>1,064,462</b>	<b>2,207,203</b>	<b>1,704,812</b>	<b>3,802,170</b>
Exceptional Items	-	-	-	-	-	-
<b>Profit/(Loss) After Exceptional Items</b>	<b>1,695,097</b>	<b>3,523,043</b>	<b>1,064,462</b>	<b>2,207,203</b>	<b>1,704,812</b>	<b>3,802,170</b>
Current Tax	82,200	172,399	45,000	93,000	133,995	241,110
Deferred Tax	(54,000)	(190,503)	-	-	(54,000)	(190,046)
<b>Profit/(Loss) After Tax and Exceptional Items</b>	<b>1,666,897</b>	<b>3,541,147</b>	<b>1,019,462</b>	<b>2,114,203</b>	<b>1,624,817</b>	<b>3,751,106</b>
Minority Interest	-	-	-	-	20,879	69,348
<b>Profit/(loss) after tax, exceptional items and Minority Interest</b>	<b>1,666,897</b>	<b>3,541,147</b>	<b>1,019,462</b>	<b>2,114,203</b>	<b>1</b>	