

AUDITED FINANCIAL STATEMENTS AND DISCLOSURES AS AT 31 DECEMBER 2025

I STATEMENT OF FINANCIAL POSITION

	BANK 31 DEC 2024 Shs '000 (Audited)	BANK 31 DEC 2025 Shs '000 (Audited)	GROUP 31 DEC 2024 Shs '000 (Audited)	GROUP 31 DEC 2025 Shs '000 (Audited)
A ASSETS				
1 Cash (both local and foreign)	179,017	182,300	179,017	182,300
2 Balances due from Central Bank of Kenya	731,430	833,876	731,430	833,876
3 Kenya Government and other securities held for dealing purposes	-	-	-	-
4 Financial Assets at fair value through profit and loss	531,178	4,684,074	531,178	4,684,074
5 Investment Securities				
a) Held to Maturity:	4,215,557	4,247,958	4,236,539	4,268,925
a. Kenya Government Securities	4,215,557	4,247,958	4,236,539	4,268,925
b. Other securities	-	-	-	-
b) Available for sale:	456,781	704,031	456,781	704,031
a. Kenya Government Securities	456,781	704,031	456,781	704,031
b. Other securities	-	-	-	-
6 Deposits and balances due from local banking institutions	3,095,332	1,601,932	3,095,332	1,601,932
7 Deposits and balances due from banking institutions abroad	165,626	426,840	165,626	426,840
8 Tax recoverable	61,268	45,649	63,340	48,218
9 Loans and advances to customers (net)	10,944,078	12,126,230	10,944,078	12,126,230
10 Balances due from banking institutions in the group	-	-	-	-
11 Investments in associates	268,490	-	268,490	-
12 Investments in subsidiary companies	32,048	35,525	-	-
13 Investment in joint ventures	-	-	-	-
14 Investment properties	-	-	-	-
15 Property, plant and equipment	142,886	170,163	142,886	170,163
16 Prepaid lease rentals	109,193	123,516	109,193	123,516
17 Intangible assets	17,910	5,583	17,910	5,583
18 Deferred tax asset	124,679	118,658	124,980	118,989
19 Retirement benefit asset	-	-	-	-
20 Other assets	157,422	204,335	157,422	204,335
21 TOTAL ASSETS	21,233,095	25,510,670	21,224,402	25,499,012
B LIABILITIES				
22 Balances due to Central Bank of Kenya	2,975,551	2,674,788	2,975,551	2,674,788
23 Customer deposits	12,088,415	16,256,670	12,053,520	16,221,633
24 Deposits and balances due to local banking institutions	1,541,544	1,712,921	1,541,544	1,712,921
25 Deposits and balances due to foreign banking institutions	-	-	-	-
26 Other money market deposits	-	-	-	-
27 Borrowed funds	-	-	-	-
28 Balances due to banking institutions in the group	330,457	538,376	330,457	538,376
29 Tax payable	-	-	-	-
30 Dividends payable	-	-	-	-
31 Deferred tax liability	-	-	-	-
32 Retirement benefit liability	-	-	-	-
33 Other liabilities	431,768	363,445	433,869	365,528
34 TOTAL LIABILITIES	17,367,735	21,546,200	17,334,941	21,513,246
C SHAREHOLDERS' EQUITY				
35 Paid up/Assigned capital	1,042,500	1,042,500	1,042,500	1,042,500
36 Share Premium(discount)	-	-	-	-
37 Revaluation reserves	392,946	372,767	392,946	372,767
38 Retained earnings	1,098,821	1,117,609	1,122,722	1,138,905
39 Statutory loan loss reserve	1,331,013	1,431,313	1,331,013	1,431,313
40 Other reserves	280	281	280	281
41 Proposed Dividends	-	-	-	-
42 Capital grants	-	-	-	-
43 TOTAL SHAREHOLDERS' EQUITY	3,865,360	3,964,470	3,889,461	3,985,766
44 Minority Interest	-	-	-	-
45 TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY	21,233,095	25,510,670	21,224,402	25,499,012

II STATEMENT OF COMPREHENSIVE INCOME

	BANK 31 DEC 2024 Shs '000 (Audited)	BANK 31 DEC 2025 Shs '000 (Audited)	GROUP 31 DEC 2024 Shs '000 (Audited)	GROUP 31 DEC 2025 Shs '000 (Audited)
1 INTEREST INCOME				
1.1 Loans and advances	1,265,072	1,219,526	1,265,072	1,219,526
1.2 Government securities	491,313	916,878	493,548	919,113
1.3 Deposits and placements with banking institutions	151,651	95,769	151,651	95,769
1.4 Other interest income	-	-	-	-
1.5 Total Interest Income	1,908,036	2,232,173	1,910,271	2,234,408
2 INTEREST EXPENSES				
2.1 Customer deposits	1,208,107	1,431,360	1,207,547	1,430,592
2.2 Deposits and placements from banking institutions	442,860	306,224	442,860	306,224
2.3 Other Interest expenses	36,909	59,557	36,909	59,557
2.4 Total Interest Expenses	1,687,876	1,797,141	1,687,316	1,796,373
3 NET INTEREST INCOME	220,160	435,032	222,955	438,035
4 NON-OPERATING INCOME				
4.1 Fees and commissions income on loans & advances	5,229	10,800	5,229	10,800
4.2 Other fees and commissions income	10,424	10,553	10,424	10,553
4.3 Foreign exchange trading income	12,435	14,035	12,435	14,035
4.4 Dividend income	-	-	-	-
4.5 Other income	45,513	148,854	45,513	148,854
5 TOTAL OPERATING INCOME	73,601	184,242	73,601	184,242
6 OTHER OPERATING EXPENSES				
6.1 Loan loss provision	(292,728)	(41,903)	(292,793)	(41,903)
6.2 Staff costs	214,420	218,869	214,420	218,869
6.3 Directors' emoluments	17,310	25,225	17,410	25,325
6.4 Rental charges	-	-	-	-
6.5 Depreciation on property and equipment	70,290	53,281	70,290	53,281
6.6 Amortisation charges	-	-	-	-
6.7 Other operating expenses	214,261	221,753	215,065	223,662
6.8 Total other operating Expenses	223,553	477,225	224,392	479,234
7 Profit before tax and exceptional items	70,408	142,049	72,364	143,043
8 Exceptional items				
9 Profit after exceptional items	70,408	142,049	72,364	143,043
10 Current tax	15,679	(15,679)	15,083	(16,031)
11 Deferred tax	(4,416)	(7,082)	(4,386)	(7,052)
12 Profit after tax and exceptional items	81,671	119,288	83,041	119,960
13 13.0 Gains/(losses) from translating the financial Minority Interest	-	-	-	-
14 Profit after tax, exceptional items and minority interest	81,671	119,288	83,041	119,960
15 Other Comprehensive Income				
15.1 Gains/(Losses) from translating the financial statements of foreign operations	-	-	-	-
15.2 Fair value changes in available-for-sale financial assets	-	(21,240)	-	(21,240)
15.3 Revaluation Surplus on property, plant and equipment	-	-	-	-
15.4 Share of other comprehensive income of associates	-	-	-	-
15.5 Income tax relating to components of other comprehensive income	-	1,062	-	1,062
16 Other comprehensive income for the year net of tax	-	(20,178)	-	(20,178)
17 Total comprehensive income for the year	81,671	99,110	83,041	99,782

III OTHER DISCLOSURES

	31 DEC 2024 Shs '000 (Audited)	31 DEC 2025 Shs '000 (Audited)
1) NON-PERFORMING LOANS AND ADVANCES		
a) Gross non-performing loans and advances less:	2,706,734	2,765,788
b) Interest in suspense	398,103	422,312
c) Total Non-Performing Loans and Advances (a-b) less:	2,308,631	2,343,476
d) Loan loss provisions	1,623,788	1,639,058
e) Net Non-performing loans and advances(c-d)	684,843	704,418
f) Discounted value of securities	684,843	704,418
g) Net NPLs exposure(e-f)	-	-
2) Insider Loans and Advances		
a) Directors, shareholders and associates	200,001	250,381
b) Employees	288,083	200,290
c) Total Insider Loans, Advances and other facilities	488,084	450,671
3) Off-Balance Sheet Items		
a) Letters of credit, guarantees, acceptances	588,075	682,143
b) Forwards, swaps, and options	118,991	73,727
c) Other contingent liabilities	92	92
d) Total Contingent Liabilities	707,158	755,962
4) Capital Strength		
a) Core capital	2,141,401	2,160,389
b) Minimum Statutory Capital	1,000,000	3,000,000
c) excess	1,141,401	(839,611)
d) Supplementary capital	282,181	294,628
e) Total capital (a+d)	2,423,582	2,455,017
f) Total risk weighted assets	14,715,556	16,114,892
g) Core capital/total deposit liabilities	17.9%	13.3%
h) Minimum Statutory Ratio	8.0%	8.0%
i) excess(g-h)	9.7%	5.3%
j) Core capital/total risk weighted assets	14.6%	13.4%
k) Minimum Statutory Ratio	10.5%	10.5%
l) excess(j-k)	4.1%	2.9%
m) Total capital/total risk weighted assets	16.5%	15.2%
n) Minimum Statutory Ratio	14.5%	14.5%
o) excess(m-n)	2.0%	0.7%
5) Liquidity		
a) Liquidity Ratio	35.0%	45.6%
b) Minimum Statutory Ratio	20.0%	20.0%
c) excess(a-b)	15.0%	25.6%

Message from the Directors

These financial statements are extracts from the books of the institution as audited by BDO East Africa, Kenya on behalf of The Auditor-General and received unqualified opinion. The complete set of audited financial statements, statutory and qualitative disclosures can be accessed on the institution's website-www.devbank.com. They may also be accessed at the institutions head office located at Finance house, Loita street, Nairobi.

Shareholders have provided firm commitments to bridge the capital gap through an ongoing Rights Issue, and the Bank expects to achieve compliance with the minimum core capital requirement by 31st March 2026. The Bank remains compliant with key regulatory ratios, as disclosed in these financial statements.

SIGNED:
JOHNSON KINITI
CHIEF EXECUTIVE

BARBARA LUNANI
DIRECTOR