

## QUARTERLY FINANCIAL STATEMENTS AND DISCLOSURES AS AT 31 MARCH 2024

I STATEMENT OF FINANCIAL POSITION	BANK	BANK	BANK	GROUP	GROUP	GROUP
	31 MAR 2023	31 DEC 2023	31 MAR 2024	31 MAR 2023	31 DEC 2023	31 MAR 2024
	Shs '000	Shs '000	Shs '000	Shs '000	Shs '000	Shs '000
	(Unaudited)	Audited	(Unaudited)	(Unaudited)	Audited	(Unaudited)
<b>A ASSETS</b>						
1 Cash (both local and foreign)	66,226	131,606	89,105	66,226	131,606	89,105
2 Balances due from Central Bank of Kenya	551,511	584,797	619,761	551,511	584,797	619,761
3 Kenya Government and other securities held for dealing purposes	-	-	-	-	-	-
4 Financial Assets at fair value through profit and loss	191,867	184,960	182,722	191,867	184,960	182,722
5 Investment Securities						
<b>a) Held to Maturity:</b>	<b>3,694,412</b>	<b>3,574,626</b>	<b>3,506,207</b>	<b>3,715,983</b>	<b>3,595,624</b>	<b>3,527,763</b>
a. Kenya Government Securities	3,694,412	3,574,626	3,506,207	3,715,983	3,595,624	3,527,763
b. Other securities	-	-	-	-	-	-
<b>b) Available for sale:</b>	<b>456,781</b>	<b>456,781</b>	<b>456,781</b>	<b>456,781</b>	<b>456,781</b>	<b>456,781</b>
a. Kenya Government Securities	456,781	456,781	456,781	456,781	456,781	456,781
b. Other securities	-	-	-	-	-	-
6 Deposits and balances due from local banking institutions	2,015,541	2,380,025	2,079,949	2,015,541	2,380,025	2,079,949
7 Deposits and balances due from banking institutions abroad	184,564	265,240	346,871	184,564	265,240	346,871
8 Tax recoverable	30,677	45,589	38,639	32,827	47,478	40,374
9 Loans and advances to customers (net)	9,374,592	10,435,215	10,352,335	9,374,592	10,435,215	10,352,335
10 Balances due from banking institutions in the group	-	-	-	-	-	-
11 Investments in associates	268,490	268,490	268,490	268,490	268,490	268,490
12 Investments in subsidiary companies	32,048	32,048	32,048	-	-	-
13 Investment in joint ventures	-	-	-	-	-	-
14 Investment properties	-	-	-	-	-	-
15 Property, plant and equipment	116,749	138,317	138,779	116,749	138,317	138,779
16 Prepaid lease rentals	104,931	109,347	105,365	104,931	109,347	105,365
17 Intangible assets	-	-	-	-	-	-
18 Deferred tax asset	117,264	129,095	129,094	117,505	129,366	129,365
19 Retirement benefit asset	-	-	-	-	-	-
20 Other assets	52,181	104,179	136,344	52,294	104,179	136,457
21 <b>TOTAL ASSETS</b>	<b>17,257,834</b>	<b>18,840,315</b>	<b>18,482,390</b>	<b>17,249,861</b>	<b>18,831,425</b>	<b>18,474,017</b>
<b>B LIABILITIES</b>						
22 Balances due to Central Bank of Kenya	3,346,869	3,331,055	3,279,729	3,346,869	3,331,055	3,279,729
23 Customer deposits	7,217,914	8,282,172	8,410,883	7,187,377	8,248,780	8,377,477
24 Deposits and balances due to local banking institutions	2,137,036	2,660,638	2,220,934	2,137,036	2,660,638	2,220,934
25 Deposits and balances due to foreign banking institutions	-	-	-	-	-	-
26 Other money market deposits	-	-	-	-	-	-
27 Borrowed funds	422,693	384,163	370,965	422,693	384,163	370,965
28 Balances due to banking institutions in the group	-	-	-	-	-	-
29 Tax payable	-	-	-	-	-	-
30 Dividends payable	-	-	-	-	-	-
31 Deferred tax liability	-	-	-	-	-	-
32 Retirement benefit liability	-	-	-	-	-	-
33 Other liabilities	381,727	398,598	399,972	383,196	400,369	401,866
34 <b>TOTAL LIABILITIES</b>	<b>13,506,239</b>	<b>15,056,626</b>	<b>14,682,483</b>	<b>13,477,171</b>	<b>15,025,005</b>	<b>14,650,971</b>
<b>C SHAREHOLDERS' EQUITY</b>						
35 Paid up/Assigned capital	1,042,500	1,042,500	1,042,500	1,042,500	1,042,500	1,042,500
36 Share Premium (discount)	-	-	-	-	-	-
37 Revaluation reserves	392,946	392,945	392,945	392,946	392,945	392,945
38 Retained earnings	1,318,251	1,234,556	1,173,053	1,339,346	1,257,287	1,196,192
39 Statutory loan loss reserve	997,617	1,113,407	1,191,128	997,617	1,113,407	1,191,128
40 Other reserves	281	281	281	281	281	281
41 Proposed Dividends	-	-	-	-	-	-
42 Capital grants	-	-	-	-	-	-
43 <b>TOTAL SHAREHOLDERS' EQUITY</b>	<b>3,751,595</b>	<b>3,783,689</b>	<b>3,799,907</b>	<b>3,772,690</b>	<b>3,806,420</b>	<b>3,823,046</b>
44 Minority Interest	-	-	-	-	-	-
45 <b>TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY</b>	<b>17,257,834</b>	<b>18,840,315</b>	<b>18,482,390</b>	<b>17,249,861</b>	<b>18,831,425</b>	<b>18,474,017</b>
<b>II STATEMENT OF COMPREHENSIVE INCOME</b>						
1 <b>INTEREST INCOME</b>						
1.1 Loans and advances	161,167	968,971	280,525	161,167	968,971	280,525
1.2 Government securities	107,491	434,338	109,331	108,050	436,573	109,890
1.3 Deposits and placements with banking institutions	20,608	102,050	29,921	20,608	102,050	29,921
1.4 Other interest income	-	-	-	-	-	-
1.5 <b>Total Interest Income</b>	<b>289,266</b>	<b>1,505,359</b>	<b>419,777</b>	<b>289,825</b>	<b>1,507,594</b>	<b>420,336</b>
2 <b>INTEREST EXPENSES</b>						
2.1 Customer deposits	168,982	784,087	255,183	168,844	785,529	255,045
2.2 Deposits and placements from banking institutions	66,678	330,670	109,449	66,678	330,670	109,449
2.3 Other Interest expenses	5,103	38,771	9,447	5,103	38,771	9,447
2.4 <b>Total Interest Expenses</b>	<b>240,763</b>	<b>1,153,528</b>	<b>374,079</b>	<b>240,625</b>	<b>1,152,970</b>	<b>373,941</b>
3 <b>NET INTEREST INCOME</b>	<b>48,503</b>	<b>351,831</b>	<b>45,698</b>	<b>49,200</b>	<b>354,624</b>	<b>46,395</b>
4 <b>NON-OPERATING INCOME</b>						
4.1 Fees and commissions income on loans & advances	1,908	8,167	730	1,908	8,167	730
4.2 Other fees and commissions income	2,031	9,094	2,817	2,031	9,094	2,817
4.3 Foreign exchange trading income	2,465	2,647	2,097	2,465	2,647	2,097
4.4 Dividend income	-	-	-	-	-	-
4.5 Other income	-31	186	-	-31	186	-
4.6 <b>Total Non-Interest Income</b>	<b>6,373</b>	<b>20,094</b>	<b>5,644</b>	<b>6,373</b>	<b>20,094</b>	<b>5,644</b>
5 <b>TOTAL OPERATING INCOME</b>	<b>54,876</b>	<b>371,925</b>	<b>51,342</b>	<b>55,573</b>	<b>374,718</b>	<b>52,039</b>
6 <b>OTHER OPERATING EXPENSES</b>						
6.1 Loan loss provision	(55,685)	(111,701)	(83,711)	(55,685)	(113,001)	(83,776)
6.2 Staff costs	39,402	183,927	48,296	39,402	183,927	48,296
6.3 Directors' emoluments	3,558	18,723	3,054	3,583	18,823	3,079
6.4 Rental charges	-	-	-	-	-	-
6.5 Depreciation on property and equipment	13,174	61,035	17,892	13,174	61,035	17,892
6.6 Amortisation charges	-	-	-	-	-	-
6.7 Other operating expenses	34,693	194,849	42,642	34,832	195,974	42,797
6.8 <b>Total other operating Expenses</b>	<b>35,142</b>	<b>346,833</b>	<b>28,173</b>	<b>35,306</b>	<b>346,758</b>	<b>28,288</b>
7 <b>Profit before tax and exceptional items</b>	<b>19,734</b>	<b>25,092</b>	<b>23,169</b>	<b>20,267</b>	<b>27,960</b>	<b>23,751</b>
8 Exceptional items	-	-	-	-	-	-
9 <b>Profit after exceptional items</b>	<b>19,734</b>	<b>25,092</b>	<b>23,169</b>	<b>20,267</b>	<b>27,960</b>	<b>23,751</b>
10 Current tax	(5,920)	8,991	(6,951)	(6,080)	8,131	(7,125)
11 Deferred tax	-	11,830	-	-	11,830	-
12 <b>Profit after tax and exceptional items</b>	<b>13,814</b>	<b>45,913</b>	<b>16,218</b>	<b>14,187</b>	<b>47,921</b>	<b>16,626</b>
13.0 Gains/(Losses) from translating the financial Gains/(Losses) from translating the financial Minority Interest	-	-	-	-	-	-
13 <b>Profit after tax, exceptional items and minority interest</b>	<b>13,814</b>	<b>45,913</b>	<b>16,218</b>	<b>14,187</b>	<b>47,921</b>	<b>16,626</b>
14 <b>Other Comprehensive Income</b>						
15.1 Gains/(Losses) from translating the financial statements of foreign operations	-	-	-	-	-	-
15.2 Fair value changes in available-for-sale financial assets	-	-	-	-	-	-
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	-	-	-	-	-	-
16 <b>Other comprehensive income for the year net of tax</b>	-	-	-	-	-	-
17 <b>Total comprehensive income for the year</b>	<b>13,814</b>	<b>45,913</b>	<b>16,218</b>	<b>14,187</b>	<b>47,921</b>	<b>16,626</b>
<b>III OTHER DISCLOSURES</b>						
	<b>31 MAR 2023</b>	<b>31 DEC 2023</b>	<b>31 MAR 2024</b>			
	<b>Shs '000</b>	<b>Shs '000</b>	<b>Shs '000</b>			
	(Unaudited)	Audited	(Unaudited)			
1) <b>NON-PERFORMING LOANS AND ADVANCES</b>						
a) <b>Gross non-performing loans and advances less:</b>	2,627,757	2,674,591	2,591,164			
b) Interest in suspense	388,279	409,530	413,121			
c) <b>Total Non-Performing Loans and Advances [a-b] less:</b>	<b>2,239,478</b>	<b>2,265,061</b>	<b>2,178,043</b>			
d) Loan loss provisions	1,577,987	1,643,228	1,641,967			
e) <b>Net Non-performing loans and advances [c-d]</b>	<b>661,491</b>	<b>621,833</b>	<b>536,076</b>			
f) <b>Discounted value of securities</b>	661,491	621,833	536,076			
g) <b>Net NPLs exposure [e-f]</b>	-	-	-			
2) <b>Insider Loans and Advances</b>						
a) Directors, shareholders and associates	224,493	167,414	177,661			
b) Employees	262,150	266,216	262,082			
c) <b>Total Insider Loans, Advances and other facilities</b>	<b>486,643</b>	<b>433,630</b>	<b>439,743</b>			
3) <b>Off-Balance Sheet Items</b>						
a) Letters of credit, guarantees, acceptances	1,182,901	594,685	596,900			
b) Forwards, swaps, and options	31,690	350,845	129,140			
c) Other contingent liabilities	92	92	92			
d) <b>Total Contingent Liabilities</b>	<b>1,214,683</b>	<b>945,622</b>	<b>726,132</b>			
4) <b>Capital Strength</b>						
a) Core capital	2,354,125	2,277,337	2,207,724			
b) Minimum Statutory Capital	1,000,000	1,000,000	1,000,000			
c) excess	1,354,125	1,277,337	1,207,724			
d) Supplementary capital	252,754	250,061	254,139			
e) Total capital [a+d]	2,606,879	2,527,398	2,461,863			
f) Total risk weighted assets	12,361,374	12,145,943	12,472,179			
g) Core capital/total deposit liabilities	32.0%	27.4%	25.8%			
h) Minimum Statutory Ratio	8.0%	8.0%	8.0%			
i) excess [g-h]	24.0%	19.4%	17.8%			
j) Core capital/total risk weighted assets	19.0%	18.7%	17.7%			
k) Minimum Statutory Ratio	10.5%	10.5%	10.5%			
l) excess [j-k]	8.5%	8.2%	7.2%			
m) Total capital/total risk weighted assets	21.1%	20.6%	19.7%			
n) Minimum Statutory Ratio	14.5%	14.5%	14.5%			
o) excess [m-n]	6.6%	6.3%	5.2%			
p) Adjusted Core Capital/Total Deposits Liabilities	32.5%	-	-			
q) Adjusted Core Capital/Total Risk Weighted Assets	19.3%	-	-			
r) Adjusted Total Capital/Total Risk Weighted Assets	21.3%	-	-			
5) <b>Liquidity</b>						
a) Liquidity Ratio	21.1%	21.5%	21.2%			
b) Minimum Statutory Ratio	20.0%	20.0%	20.0%			
c) excess [a-b]	1.1%	1.5%	1.2%			

**Message from the Directors:**

These financial statements are extracts from the books of the institution. The complete set of quarterly financial