

**UN-AUDITED FINANCIAL STATEMENTS AND OTHER DISCLOSURES AS AT 31<sup>ST</sup> MARCH 2021****I. STATEMENT OF FINANCIAL POSITION**

	BANK			GROUP		
	31 <sup>st</sup> March 2020 Shs '000	31 <sup>st</sup> Dec 2020 Shs '000	31 <sup>st</sup> March 2021 Shs '000	31 <sup>st</sup> March 2020 Shs '000	31 <sup>st</sup> Dec 2020 Shs '000	31 <sup>st</sup> March 2021 Shs '000
	(Un-Audited)	(Audited)	(Un-Audited)	(Un-Audited)	(Audited)	(Un-Audited)
<b>A. ASSETS</b>						
1 Cash (both local and foreign)	145,039	173,883	185,531	810,944	1,033,171	1,355,961
2 Balances with Central Bank of Kenya	802,235	1,235,709	754,678	802,235	1,235,709	754,678
3 Kenya Government and other securities held for dealing purposes	-	-	-	-	-	-
4 Financial Assets at fair value through profit and loss	-	-	-	-	-	-
5 Investment Securities:						
a) Held to Maturity:						
i) Kenya Government securities	506,525	2,390,662	2,194,673	506,525	2,390,662	2,194,673
ii) Other securities	-	-	-	3,451,644	5,024,114	5,872,068
b) Available for sale						
i) Kenya Government securities	9,316,288	8,189,195	9,390,798	9,316,288	8,189,195	9,390,798
ii) Other securities	-	-	-	-	-	-
6 Deposits and balances due from local banking institutions	227,855	518,465	77,981	227,855	518,465	77,981
7 Deposits and balances due from banking institutions abroad	54,475	413,963	363,827	2,587,833	5,120,640	3,744,660
8 Tax recoverable	-	-	-	-	-	-
9 Loans and advances to customers (net)	12,732,581	13,081,720	13,467,715	19,948,037	21,356,171	21,332,506
10 Balances due from banking institutions in the group	21,597	39,760	907	919,240	374,932	192,490
11 Investments in associates	-	-	-	-	-	-
12 Investments in subsidiary companies	3,375,990	3,375,990	3,375,990	-	-	-
13 Investments in Joint Ventures	-	-	-	-	-	-
14 Investment properties	-	-	-	-	-	-
15 Property, plant and equipment	582,667	532,228	504,455	1,426,264	1,347,121	1,286,679
16 Prepaid lease rentals	-	-	-	-	-	-
17 Intangible assets	140,787	114,168	106,694	339,691	290,405	274,994
18 Deferred tax asset	306,588	449,239	450,519	493,582	612,691	654,734
19 Retirement benefit asset	-	-	-	-	-	-
20 Other assets	394,920	752,361	766,291	707,598	1,054,008	1,005,038
<b>21 TOTAL ASSETS</b>	<b>28,607,547</b>	<b>31,267,343</b>	<b>31,640,059</b>	<b>41,537,736</b>	<b>48,547,284</b>	<b>48,137,260</b>
<b>B. LIABILITIES</b>						
22 Balances due to Central Bank of Kenya	-	-	-	-	-	-
23 Customer deposits	17,891,235	21,313,803	21,529,505	31,142,340	37,487,728	36,871,094
24 Deposits and balances due to local banking institutions	315,000	-	-	315,000	-	-
25 Deposits and balances due to foreign banking institutions	91,476	2,467	4,831	103,040	2,466	4,831
26 Other money market deposits	-	-	-	-	-	-
27 Borrowed funds	-	-	-	-	-	107,345
28 Balances due to banking institutions in the group	772,950	2,385	6,604	-	2,421	-
29 Tax payable	147,014	44,787	87,503	197,834	111,030	135,148
30 Dividends Payable	-	-	-	-	-	-
31 Deferred tax liability	-	-	-	51,805	-	31,971
32 Retirement benefit liability	-	-	-	-	-	-
33 Other liabilities	494,914	714,870	725,856	1,289,725	1,776,668	1,581,916
<b>34 TOTAL LIABILITIES</b>	<b>19,712,589</b>	<b>22,078,312</b>	<b>22,354,299</b>	<b>33,099,744</b>	<b>39,380,313</b>	<b>38,732,305</b>
<b>C. SHAREHOLDERS' EQUITY</b>						
35 Paid up/Assigned capital	1,280,934	1,280,934	1,280,934	1,280,934	1,280,934	1,280,934
36 Share premium/(discount)	4,225,323	4,225,323	4,225,323	4,225,323	4,225,323	4,225,323
37 Revaluation reserves	13,526	17,720	14,733	13,526	17,720	14,734
38 Retained earnings/Accumulated Losses	3,073,393	3,282,683	3,358,182	2,866,660	3,387,079	3,583,841
39 Statutory Loan Loss Reserve	301,782	382,371	406,588	301,782	435,465	459,681
40 Other Reserves	-	-	-	(323,700)	(262,035)	(246,147)
41 Proposed dividends	-	-	-	-	-	-
42 Non controlling Interest	-	-	-	73,466	82,485	86,589
43 Capital grants	-	-	-	-	-	-
<b>44 TOTAL SHAREHOLDERS' EQUITY</b>	<b>8,894,958</b>	<b>9,189,031</b>	<b>9,285,760</b>	<b>8,437,991</b>	<b>9,166,971</b>	<b>9,404,955</b>
<b>45 TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY</b>	<b>28,607,547</b>	<b>31,267,343</b>	<b>31,640,059</b>	<b>41,537,736</b>	<b>48,547,284</b>	<b>48,137,260</b>

**II. STATEMENT OF COMPREHENSIVE INCOME**

	BANK			GROUP		
	31 <sup>st</sup> March 2020 Shs '000	31 <sup>st</sup> Dec 2020 Shs '000	31 <sup>st</sup> March 2021 Shs '000	31 <sup>st</sup> March 2020 Shs '000	31 <sup>st</sup> Dec 2020 Shs '000	31 <sup>st</sup> March 2021 Shs '000
	(Un-Audited)	(Audited)	(Un-Audited)	(Un-Audited)	(Audited)	(Un-Audited)
<b>1.0 INTEREST INCOME</b>						
1.1 Loans and advances	449,047	1,407,700	428,837	707,466	2,553,067	712,136
1.2 Government securities	218,042	930,234	241,470	273,782	1,233,365	339,741
1.3 Deposits and placements with banking institutions	2,080	13,829	3,641	40,868	124,261	24,129
1.4 Other Interest Income	1,431	10,507	529	1,431	10,507	529
<b>1.5 Total Interest Income</b>	<b>670,600</b>	<b>2,362,270</b>	<b>674,477</b>	<b>1,023,547</b>	<b>3,921,200</b>	<b>1,076,535</b>
<b>2.0 INTEREST EXPENSES</b>						
2.1 Customer deposits	197,395	813,276	229,995	265,952	1,089,789	295,755
2.2 Deposits and placements from banking institutions	10,548	26,358	1,352	11,505	30,144	3,367
2.3 Other Interest Expenses	6,204	39,890	8,983	6,204	99,609	8,983
<b>2.4 Total Interest Expenses</b>	<b>214,147</b>	<b>879,524</b>	<b>240,330</b>	<b>283,661</b>	<b>1,219,542</b>	<b>308,105</b>
<b>3.0 NET INTEREST INCOME/(LOSS)</b>	<b>456,453</b>	<b>1,482,746</b>	<b>434,147</b>	<b>739,886</b>	<b>2,701,658</b>	<b>768,430</b>
<b>4.0 OTHER OPERATING INCOME</b>						
4.1 Fees and commissions on loans and advances	36,987	161,587	33,582	75,870	247,447	65,831
4.2 Other Fees and Commissions	39,049	152,473	48,081	106,853	550,757	129,349
4.3 Foreign exchange trading income (loss)	28,837	200,793	33,755	77,826	465,048	99,038
4.4 Dividend Income	402	5,683	393	3,936	26,280	783
4.5 Other income	-	-	-	-	-	-
4.6 Goodwill on Acquisition of subsidiary	-	-	-	-	-	-
<b>4.6 Total Non-Interest Income</b>	<b>105,275</b>	<b>520,536</b>	<b>115,811</b>	<b>264,485</b>	<b>1,289,532</b>	<b>295,001</b>
<b>5.0 TOTAL OPERATING INCOME</b>	<b>561,728</b>	<b>2,003,282</b>	<b>549,958</b>	<b>1,004,371</b>	<b>3,991,190</b>	<b>1,063,431</b>
<b>6.0 OPERATING EXPENSES</b>						
6.1 Loan Loss Provision	170,017	453,499	100,635	198,955	615,195	107,641
6.2 Staff costs	76,859	361,622	100,047	193,208	870,742	229,353
6.3 Directors' emoluments	13,800	29,383	6,916	33,265	57,048	22,560
6.4 Rentals Charges	14,331	38,983	11,270	15,312	181,474	13,152
6.5 Depreciation charge on property and equipment	50,867	80,080	46,114	94,960	157,526	86,756
6.6 Amortisation Charges	10,232	38,569	9,076	22,117	88,254	22,012
6.7 Other operating expenses	106,018	507,755	133,448	204,203	906,679	230,150
<b>6.8 Total Operating Expenses</b>	<b>442,124</b>	<b>1,509,891</b>	<b>407,506</b>	<b>762,020</b>	<b>2,876,918</b>	<b>711,624</b>
<b>7.0 Profit/(Loss) before tax and exceptional items</b>	<b>119,604</b>	<b>493,391</b>	<b>142,452</b>	<b>242,351</b>	<b>1,114,272</b>	<b>351,807</b>
<b>8.0 Exceptional items</b>						
9.0 Profit/(Loss) after exceptional items	119,604	493,391	142,452	242,351	1,114,272	351,807
10.0 Current tax	(35,881)	(264,238)	(42,735)	(71,922)	(453,677)	(97,635)
11.0 Deferred tax	-	144,448	-	-	154,543	-
<b>12.0 Profit/(Loss) after tax and exceptional items</b>	<b>83,723</b>	<b>373,601</b>	<b>99,717</b>	<b>170,429</b>	<b>815,138</b>	<b>254,172</b>
<b>13.0 Other Comprehensive Income</b>						
13.1 Gains/(Losses) from translating the financial statements of foreign operations	-	-	-	47,234	133,566	8,986
13.2 Fair value changes in available-for-sale financial assets	3,495	7,688	(2,986)	3,495	7,688	(2,986)
13.3 Revaluation surplus on Property, plant and equipment	-	-	-	-	-	-
13.4 Share of other comprehensive income of associates	-	-	-	-	-	-
13.5 Income tax relating to components of other comprehensive income	-	-	-	-	-	-
<b>14 Other comprehensive income for the year net of tax</b>	<b>3,495</b>	<b>7,688</b>	<b>(2,986)</b>	<b>50,729</b>	<b>141,254</b>	<b>6,000</b>
<b>15 Total comprehensive income for the year</b>	<b>87,218</b>	<b>381,289</b>	<b>96,731</b>	<b>221,158</b>	<b>956,392</b>	<b>260,172</b>
<b>Attributable to:</b>						
Non Controlling Interest	-	-	-	3,852	14,999	4,104
Equity Holders of the Parent	-	-	-	217,306	941,393	256,068

**III. OTHER DISCLOSURES**

	BANK			GROUP		
	31 <sup>st</sup> March 2020 Shs '000	31 <sup>st</sup> Dec 2020 Shs '000	31 <sup>st</sup> March 2021 Shs '000	31 <sup>st</sup> March 2020 Shs '000	31 <sup>st</sup> Dec 2020 Shs '000	31 <sup>st</sup> March 2021 Shs '000
	(Un-Audited)	(Audited)	(Un-Audited)	(Un-Audited)	(Audited)	(Un-Audited)
<b>1) NON-PERFORMING LOANS AND ADVANCES</b>						
a) Gross non-performing loans and advances	3,038,580	3,268,625	2,831,772	3,320,541	3,550,662	3,094,027
Less:						
b) Interest in Suspense	647,077	866,247	867,692	702,676	930,316	922,727
<b>c) Total Non-Performing Loans and Advances (a-b)</b>	<b>2,391,503</b>	<b>2,402,378</b>	<b>1,964,080</b>	<b>2,617,865</b>	<b>2,620,346</b>	<b>2,171,300</b>
Less:						
d) Loan Loss Provisions	1,142,459	1,519,463	1,146,548	1,289,841	1,714,248	1,337,508
e) Net Non-Performing Loans (c-d)	1,249,044	882,915	817,532	1,328,024	906,098	833,792
f) Discounted Value of Securities	1,249,044	882,915	817,532	1,328,024	906,098	833,792
<b>g) Net NPLs Exposure (e-f)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>2) Insider Loans and Advances</b>						
a) Directors, shareholders and associates	2,575	880	941	3,896	1,598	1,520
b) Employees	18,167	12,719	9,165	65,301	59,145	59,304
<b>c) Total Insider Loans and Advances and Other Facilities</b>	<b>20,742</b>	<b>13,599</b>	<b>10,106</b>	<b>69,197</b>	<b>60,743</b>	<b>60,824</b>
<b>3) Off-Balance Sheet Items</b>						
a) Letters of credit, guarantees, acceptances	1,713,807	1,852,973	2,993,863	6,530,168	6,426,523	7,408,869
b) Forwards, swaps and options	1,947,867	1,336,981	1,036,402	1,947,867	1,336,981	1,036,402
c) Other contingent liabilities	1,235,072	833,067	726,652	2,082,885	1,667,434	1,615,488
<b>d) Total Contingent Liabilities</b>	<b>4,896,746</b>	<b>4,022,021</b>	<b>4,756,917</b>	<b>10,560,921</b>	<b>9,430,938</b>	<b>10,060,759</b>
<b>4) Capital Strength</b>						
a) Core capital	5,161,797	5,412,950	5,438,592	8,336,695	8,883,959	9,020,423
b) Minimum Statutory Capital	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000
c) Excess/(Deficiency)	4,161,797	4,412,950	4,438,592	7,336,695	7,883,959	8,020,423
d) Supplementary Capital	240,593	259,925	273,243	240,593	259,925	273,243
<b>e) Total capital (a+d)</b>	<b>5,402,390</b>	<b>5,672,875</b>	<b>5,711,835</b>	<b>8,577,288</b>	<b>9,143,884</b>	<b>9,293,666</b>
f) Total risk weighted assets	19,247,405					