



# Habib Bank AG Zurich

## Kenya Branches

Incorporated in Switzerland (1967)

(Head Office : 59 Weinbergstrasse, Zurich, Switzerland)

### AUDITED FINANCIAL STATEMENTS AND OTHER DISCLOSURES FOR THE YEAR ENDED 31 DECEMBER 2025

I STATEMENT OF FINANCIAL POSITION	31st Dec. 2024 Shs.000 (Audited)	31st Dec. 2025 Shs.000 (Audited)
<b>A. ASSETS</b>		
1 Cash (both local and foreign)	96,606	99,493
2 Balances due from Central Bank of Kenya	1,405,655	2,117,317
3 Kenya Government and other securities held for dealing purposes	-	-
4 Financial Assets at fair value through profit and loss	-	-
<b>5 Investment Securities:</b>	<b>24,638,261</b>	<b>26,377,612</b>
a) Kenya Government securities	24,638,261	26,377,612
b) Other securities	24,638,261	26,377,612
<b>(b) Fair value through OCI:</b>		
a) Kenya Government securities	-	-
b) Other securities	-	-
6 Deposits and balances due from local banking institutions	226	727,034
7 Deposits and balances due from banking institutions abroad	348,155	358,571
8 Tax recoverable	248,397	184,251
9 Loans and advances to customers (net)	6,230,721	5,369,467
10 Balances due from banking institutions in the group	3,976,954	4,807,435
11 Investment in associates	-	-
12 Investment in subsidiary companies	-	-
13 Investment in joint ventures	-	-
14 Investment properties	-	-
15 Property and equipment	532,710	389,171
16 Prepaid lease rentals	57,512	99,731
17 Intangible assets	-	-
18 Deferred tax asset	129,811	141,234
19 Retirement benefit asset	-	-
20 Other assets	188,156	204,553
<b>21 TOTAL ASSETS</b>	<b>37,853,164</b>	<b>40,875,869</b>
<b>B. LIABILITIES</b>		
22 Balances due to Central Bank of Kenya	-	-
23 Customer deposits	33,378,524	36,230,847
24 Deposits and balances due to local banking institutions	905,295	-
25 Deposits and balances due to banking institutions abroad	-	9,710
26 Other money market deposits	-	-
27 Borrowed funds	-	-
28 Balances due to banking institutions in the group	3,919	125,042
29 Tax payable	-	-
30 Dividends payable	-	-
31 Deferred tax liability	-	-
32 Retirement benefit liability	-	-
33 Other liabilities	188,543	413,452
<b>34 TOTAL LIABILITIES</b>	<b>34,476,281</b>	<b>36,779,051</b>
<b>C. SHAREHOLDERS' EQUITY</b>		
35 Paid up / assigned capital	350,000	350,000
36 Share premium / (discount)	-	-
37 Revaluation reserve	-	-
38 Retained earnings / (accumulated losses)	2,908,184	3,634,470
39 Statutory loan loss reserve	118,699	112,348
40 Other reserves	-	-
41 Proposed dividends	-	-
42 Capital grants	-	-
<b>43 TOTAL SHAREHOLDERS' FUNDS</b>	<b>3,376,883</b>	<b>4,096,818</b>
<b>44 TOTAL LIABILITIES AND SHAREHOLDERS' FUNDS</b>	<b>37,853,164</b>	<b>40,875,869</b>
<b>II STATEMENT OF COMPREHENSIVE INCOME</b>		
<b>1 INTEREST INCOME</b>		
1.1 Loans and advances	876,899	666,754
1.2 Government securities	2,863,967	3,296,512
1.3 Deposits and placements with banking institutions	314,298	365,351
1.4 Other interest income	-	-
<b>1.5 Total interest income</b>	<b>4,055,164</b>	<b>4,328,617</b>
<b>2 INTEREST EXPENSE</b>		
2.1 Customer deposits	2,340,825	2,063,712
2.2 Deposits and placements from banking institutions	176,829	83,193
2.3 Other interest expense	6,529	11,193
<b>2.4 Total interest expense</b>	<b>2,523,983</b>	<b>2,158,098</b>
<b>3 NET INTEREST INCOME / (LOSS)</b>	<b>1,531,181</b>	<b>2,170,519</b>
<b>4 OTHER OPERATING INCOME</b>		
4.1 Fees and Commissions on loans and advances	13,537	10,073
4.2 Other fees and Commissions	50,471	43,445
4.3 Foreign exchange trading income / (loss)	138,442	57,345
4.4 Dividend income	-	-
4.5 Other income	18,997	90,900
<b>4.6 Total other operating income</b>	<b>221,447</b>	<b>201,763</b>
<b>5 TOTAL OPERATING INCOME</b>	<b>1,752,628</b>	<b>2,372,282</b>
<b>6 OPERATING EXPENSES</b>		
6.1 Loan loss provision	(74,204)	29,885
6.2 Staff costs	489,144	515,887
6.3 Directors' emoluments	570	2,280
6.4 Rental charges	-	-
6.5 Depreciation charge on property and equipment	78,240	71,487
6.6 Amortisation charges	-	-
6.7 Other operating expenses	665,751	821,081
<b>6.8 Total operating expenses</b>	<b>1,159,501</b>	<b>1,440,620</b>
<b>7 Profit / (loss) before tax and exceptional items</b>	<b>593,127</b>	<b>931,662</b>
8 Exceptional items	593,127	931,662
<b>9 Profit / (loss) after exceptional items</b>	<b>593,127</b>	<b>931,662</b>
10 Current tax	(171,626)	(223,150)
11 Deferred tax	(21,909)	11,423
<b>12 Profit / (loss) after tax and exceptional items</b>	<b>399,592</b>	<b>719,935</b>
<b>13 Other comprehensive income</b>		
13.1 Gains / (losses) from translating the financial statements of foreign operations	-	-
13.2 Fair value changes in FVOCI financial assets	-	-
13.4 Revaluation surplus on property and equipment	-	-
13.5 Share of other comprehensive income of associates	-	-
13.6 Income tax relating to components of other comprehensive income	-	-
<b>14 Other comprehensive income for the year net of tax</b>	<b>-</b>	<b>-</b>
<b>15 TOTAL COMPREHENSIVE INCOME FOR THE YEAR</b>	<b>399,592</b>	<b>719,935</b>
<b>III OTHER DISCLOSURES</b>		
<b>1 NON-PERFORMING LOANS AND ADVANCES</b>		
a) Gross non-performing loans and advances	518,115	406,797
b) Less: Interest in suspense	153,467	129,212
<b>c) Total non-performing loans and advances (a-b)</b>	<b>364,648</b>	<b>277,585</b>
d) Less: Loan loss provisions	255,415	277,585
<b>e) Net non-performing loans (c-d)</b>	<b>109,233</b>	<b>-</b>
f) Discounted value of securities	109,233	-
<b>g) Net NPLs exposure (e-f)</b>	<b>-</b>	<b>-</b>
<b>2 INSIDER LOANS AND ADVANCES</b>		
a) Directors, shareholders and associates	62,968	50,408
b) Employees	219,860	219,600
<b>c) Total insider loans, advances and other facilities</b>	<b>282,828</b>	<b>270,008</b>
<b>3 OFF-BALANCE SHEET ITEMS</b>		
a) Letters of credit, guarantees, acceptances	832,346	814,071
b) Forwards, swaps, and options	1,575,109	22,770
c) Other contingent liabilities	239,916	44,435
<b>d) Total contingent liabilities</b>	<b>2,647,371</b>	<b>881,276</b>
<b>4 CAPITAL STRENGTH</b>		
a) Core capital	3,128,373	3,843,236
b) Minimum statutory capital	1,000,000	3,000,000
<b>c) Excess / (deficiency) (a-b)</b>	<b>2,128,373</b>	<b>843,236</b>
d) Supplementary capital	118,699	112,438
<b>e) Total capital (a+d)</b>	<b>3,247,072</b>	<b>3,955,674</b>
<b>f) Total risk weighted assets</b>	<b>10,111,729</b>	<b>10,544,487</b>
<b>g) Core capital / Total deposit liabilities</b>	<b>9.4%</b>	<b>10.6%</b>
h) Minimum statutory ratio	8.0%	8.0%
<b>i) Excess / (deficiency) (g-h)</b>	<b>1.4%</b>	<b>2.6%</b>
<b>j) Core capital / Total risk weighted assets</b>	<b>30.9%</b>	<b>36.4%</b>
k) Minimum statutory ratio	10.5%	10.5%
<b>l) Excess / (deficiency) (j-k)</b>	<b>20.4%</b>	<b>25.9%</b>
<b>m) Total capital / Total risk weighted assets</b>	<b>32.1%</b>	<b>37.5%</b>
n) Minimum statutory ratio	14.5%	14.5%
<b>o) Excess / (deficiency) (m-n)</b>	<b>17.6%</b>	<b>23.0%</b>
<b>5 LIQUIDITY</b>		
a) Liquidity ratio	88.2%	94.0%
b) Minimum statutory ratio	20.0%	20.0%
<b>c) Excess / (deficiency) (a-b)</b>	<b>68.2%</b>	<b>74.0%</b>

The above statement of financial position, statement of comprehensive income and other disclosures are extracts from the records of the Bank. These financial statements have been audited by KPMG Kenya and have received unqualified opinion. The complete set of the audited financial statements, statutory and qualitative disclosures can be accessed on the institutions website www.habibbank.com. They may also be accessed at the institutions head office located at Habib House, Koinange Street, Nairobi. The financial statements were approved by the Local Executive Committee on 12 March 2026 and signed on its behalf by..

Signed:  
Asim M Basharullah  
CHIEF EXECUTIVE OFFICER

Joseph Ngei  
CHIEF FINANCIAL OFFICER

Kenya Branches: Koinange Street, Industrial Area, Westlands, Karen-Nairobi and Nkrumah Road -Mombasa  
Branches and Affiliates in other countries: Switzerland, Canada, Hong Kong, Pakistan, South Africa, United Kingdom, UAE, China, Türkiye and Bangladesh.

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