Habib Bank AG Zurich

Kenya Branches

Incorporated in Switzerland (1967)

(Head Office : 59 Weinbergstrasse, Zurich, Switzerland)

QUARTERLY FINANCIAL STATEMENTS AND OTHER DISCLOSURES AS AT 30TH JUNE 2026

I	STATEMENT OF FINANCIAL POSITION	30th Jun. 2025 Shs. '000 (UnAudited)	31st Dec. 2025 Shs. '000 (Audited)	31st Mar. 2026 Shs. '000 (Unaudited)	30th Jun. 2026 Shs. '000 (Unaudited)
A.	**ASSETS**				
1	Cash (both local and foreign)	100,770	99,493	111,808	85,451
2	Balances due from Central Bank of Kenya	5,128,362	2,117,317	2,181,674	2,312,645
3	Kenya Government and other securities held for dealing purposes	-	-	-	-
4	Financial assets at fair value through profit and loss	-	-	-	-
5	**Investment securities:**	-	-	-	-
	(a) Amortised cost:	-	-	-	-
	a. Kenya Government securities	22,612,902	26,377,612	28,573,367	28,928,739
	b. Other securities	-	-	-	-
	(b) Fair value through other comprehensive income (FVOCI)	-	-	-	-
	a. Kenya Government securities	-	-	-	-
	b. Other securities	-	-	-	-
6	Deposits and balances due from local banking institutions	250,891	727,034	1,669,030	2,108,312
7	Deposits and balances due from banking institutions abroad	251,851	358,571	284,371	205,179
8	Tax recoverable	215,539	184,251	117,138	206,441
9	Loans and advances to customers (net)	5,768,801	5,369,467	5,424,336	5,336,909
10	Balances due from banking institutions in the group	4,039,466	4,807,435	3,843,373	4,217,241
11	Investment in associates	-	-	-	-
12	Investment in subsidiary companies	-	-	-	-
13	Investment in joint ventures	-	-	-	-
14	Investment properties	-	-	-	-
15	Property and equipment	529,412	389,171	410,711	409,601
16	Prepaid lease rentals	33,512	99,731	85,962	83,823
17	Intangible assets	-	-	-	-
18	Deferred tax asset	129,811	141,234	141,234	141,234
19	Retirement benefit asset	-	-	-	-
20	Other assets	160,115	204,553	261,778	525,166
21	**TOTAL ASSETS**	**39,221,432**	**40,875,869**	**43,104,782**	**44,560,741**
B.	**LIABILITIES**				
22	Balances due to Central Bank of Kenya	-	-	-	-
23	Customer deposits	35,093,093	36,230,847	38,161,133	39,313,143
24	Deposits and balances due to local banking institutions	-	-	-	-
25	Deposits and balances due to banking institutions abroad	-	9,710	70,207	7,700
26	Other money market deposits	-	-	-	-
27	Borrowed funds	-	-	-	-
28	Balances due to banking institutions in the group	87,133	125,042	64,614	36,971
29	Tax payable	-	-	-	-
30	Dividends payable	-	-	-	-
31	Deferred tax liability	-	-	-	-
32	Retirement benefit liability	-	-	-	-
33	Other liabilities	353,457	413,452	579,693	818,176
34	**TOTAL LIABILITIES**	**35,533,683**	**36,779,051**	**38,875,647**	**40,175,990**
C.	**SHAREHOLDERS` EQUITY**				
35	Paid up / assigned capital	350,000	350,000	350,000	350,000
36	Share premium / (discount)	-	-	-	-
37	Revaluation reserve	-	-	-	-
38	Retained earnings / accumulated losses	3,202,817	3,634,470	3,766,788	3,922,403
39	Statutory loan loss reserve	134,932	112,348	112,347	112,348
40	Other reserves	-	-	-	-
41	Proposed dividends	-	-	-	-
42	Capital grants	-	-	-	-
43	**TOTAL SHAREHOLDERS` FUNDS**	**3,687,749**	**4,096,818**	**4,229,135**	**4,384,751**
44	**TOTAL LIABILITIES AND SHAREHOLDERS` FUNDS**	**39,221,432**	**40,875,869**	**43,104,782**	**44,560,741**

II	STATEMENT OF COMPREHENSIVE INCOME	30th Jun. 2025	31st Dec. 2025	31st Mar. 2026	30th Jun. 2026
1	**INTEREST INCOME**				
	1.1 Loans and advances	368,383	666,754	139,995	271,572
	1.2 Government securities	1,707,414	3,296,512	799,676	1,616,331
	1.3 Deposits and placements with banking institutions	148,003	365,351	80,315	178,448
	1.4 Other interest income	-	-	-	-
	1.5 Total interest income	**2,223,800**	**4,328,617**	**1,019,986**	**2,066,351**
2	**INTEREST EXPENSE**				
	2.1 Customer deposits	1,082,558	2,063,712	465,896	954,046
	2.2 Deposits and placements from banking institutions	76,559	83,193	607	1,237
	2.3 Other interest expense	2,423	11,193	2,907	19,354
	2.4 Total interest expense	**1,161,540**	**2,158,098**	**469,410**	**974,637**
3	**NET INTEREST INCOME / (LOSS)**	**1,062,260**	**2,170,519**	**550,576**	**1,091,714**
4	**OTHER OPERATING INCOME**				
	4.1 Fees and commissions on loans and advances	6,372	10,073	2,251	4,801
	4.2 Other fees and commissions	13,333	43,445	7,313	16,816
	4.3 Foreign exchange trading income / (loss)	25,740	57,345	12,227	21,976
	4.4 Dividend income	-	-	-	-
	4.5 Other income	20,540	90,900	7,641	16,395
	4.6 Total other operating income	**65,985**	**201,763**	**29,432**	**59,988**
5	**TOTAL OPERATING INCOME**	**1,128,245**	**2,372,282**	**580,008**	**1,151,702**
6	**OPERATING EXPENSES**				
	6.1 Loan loss provision	32,567	29,885	(27)	(1,772)
	6.2 Staff costs	265,014	515,887	147,643	292,547
	6.3 Directors` emoluments	1,140	2,280	570	1,140
	6.4 Rental charges	6,634	-	-	-
	6.5 Depreciation charge on property and equipment	36,477	71,487	17,605	36,054
	6.6.Amortisation charges	-	-	-	-
	6.7 Other operating expenses	365,440	821,081	197,741	385,533
	6.8 Total operating expenses	**707,272**	**1,440,620**	**363,532**	**713,502**
7	**Profit / (loss) before tax and exceptional items**	**420,973**	**931,662**	**216,476**	**438,200**
8	Exceptional items	-	-	-	-
9	**Profit / (loss) after exceptional items**	**420,973**	**931,662**	**216,476**	**438,200**
10	Current tax	(126,340)	(223,150)	(65,361)	(131,470)
11	Deferred tax	-	11,423	-	-
12	**Profit / (loss) after tax and exceptional items**	**294,633**	**719,935**	**151,115**	**306,730**
13	**Other comprehensive income**				
	13.1 Gains / (losses) from translating the financial statements of foreign operations	-	-	-	-
	13.2 Fair value changes in available-for-sale 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	-	-	-	-
14	**Other comprehensive income for the year net of tax**	-	-	-	-
15	**TOTAL COMPREHENSIVE INCOME FOR THE YEAR**	**294,633**	**719,935**	**151,115**	**306,730**

III	OTHER DISCLOSURES	30th Jun. 2025	31st Dec. 2025	31st Mar. 2026	30th Jun. 2026
1.	**NON-PERFORMING LOANS AND ADVANCES**				
	a) Gross non-performing loans and advances	**523,458**	**406,797**	**403,929**	**403,992**
	Less:				
	b) Interest in suspense	141,272	129,212	124,789	122,618
	c) Total non-performing loans and advances (a-b)	**382,186**	**277,585**	**279,140**	**281,374**
	Less:				
	d) Loan loss provisions	265,231	277,585	279,140	281,374
	e) Net non-performing Loans (c-d)	**116,955**	**-**	**-**	**-**
	f) Discounted value of securities	116,955	-	-	-
	g) Net NPLs exposure (e-f)	**-**	**-**	**-**	**-**
2.	**INSIDER LOANS AND ADVANCES**				
	a) Directors, shareholders and associates	58,458	50,408	50,092	40,297
	b) Employees	212,716	219,600	217,337	214,659
	c) Total insider loans, advances and other facilities	**271,174**	**270,008**	**267,429**	**254,956**
3.	**OFF-BALANCE SHEET ITEMS**				
	a) Letters of credit, guarantees, and acceptances	726,638	814,071	584,818	631,546
	b) Forwards, swaps, and options	1,087,025	22,770	901,738	297,703
	c) Other contingent liabilities	43,265	44,435	37,509	41,693
	d) Total contingent liabilities	**1,856,928**	**881,276**	**1,524,065**	**970,942**
4.	**CAPITAL STRENGTH**				
	a) Core capital	**3,275,689**	**3,843,236**	**3,899,997**	**3,977,804**
	b) Minimum statutory capital	1,000,000	3,000,000	3,000,000	3,000,000
	c) Excess / (deficiency) (a-b)	**2,275,689**	**843,236**	**899,997**	**977,804**
	d) Supplementary capital	134,932	112,438	112,347	112,348
	e) Total capital (a+d)	**3,410,621**	**3,955,674**	**4,012,344**	**4,090,152**
	f) Total risk weighted assets	**9,813,010**	**10,544,487**	**10,122,794**	**10,425,337**
	g) Core capital / Total deposit liabilities	**9.3%**	**10.6%**	**10.2%**	**10.1%**
	h) Minimum statutory ratio	8.0%	8.0%	8.0%	8.0%
	i) Excess / (deficiency) (g-h)	**1.3%**	**2.6%**	**2.2%**	**2.1%**
	j) Core capital / Total risk weighted assets	**33.4%**	**36.4%**	**38.5%**	**38.2%**
	k) Minimum statutory ratio	10.5%	10.5%	10.5%	10.5%
	l) Excess / (deficiency) (j-k)	**22.9%**	**25.9%**	**28.0%**	**27.7%**
	m) Total capital / Total risk weighted assets	**34.8%**	**37.5%**	**39.6%**	**39.2%**
	n) Minimum statutory ratio	14.5%	14.5%	14.5%	14.5%
	o) Excess / (deficiency) (m-n)	**20.3%**	**23.0%**	**25.1%**	**24.7%**
5.	**LIQUIDITY**				
	a) Liquidity ratio	**91.2%**	**94.0%**	**94.5%**	**94.5%**
	b) Minimum statutory ratio	20.0%	20.0%	20.0%	20.0%
	c) Excess/(deficiency) (a-b)	**71.2%**	**74.0%**	**74.5%**	**74.5%**

The financial statements are extracts from the books of the institution. The complete set of quarterly financial statements, statutory and qualitative disclosures can be accessed on the institution's website: ***www.habibbank.com***.

They may also be accessed at the institution's head office located at Habib House, Koinange Street, Nairobi.

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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