



Habib Bank AG Zurich

Kenya Branches

Incorporated in Switzerland (1967)

(Head Office : 59 Weinbergstrasse, Zurich, Switzerland)

QUARTERLY FINANCIAL STATEMENTS AND OTHER DISCLOSURES FOR THE PERIOD ENDED 31 MARCH 2023

I STATEMENT OF FINANCIAL POSITION	31st March 2022	31st December 2022	31st March 2023
	Shs. 000 (Unaudited)	Shs. 000 (Audited)	Shs. 000 (Unaudited)
A. ASSETS			
1 Cash (both local and foreign)	88,079	99,065	138,669
2 Balances due from Central Bank of Kenya	810,361	1,084,084	1,071,536
3 Kenya Government and other securities held for dealing purposes	-	-	-
4 Financial assets at fair value through profit and loss	-	-	-
5 Investment securities:			
(i) Amortised cost:			
a. Kenya Government securities	20,692,349	20,406,899	19,999,071
b. Other securities	-	-	-
(ii) Fair value through other comprehensive income (FVOCI)			
a. Kenya Government securities	-	-	-
b. Other securities	-	-	-
6 Deposits and balances due from local banking institutions	90,792	857,644	529,472
7 Deposits and balances due from banking institutions abroad	557,611	305,616	1,571,839
8 Tax recoverable	190,664	181,618	133,816
9 Loans and advances to customers (net)	6,042,130	6,835,168	7,521,218
10 Balances due from banking institutions in the group	406,298	160,102	386,287
11 Investment in associates	-	-	-
12 Investment in subsidiary companies	-	-	-
13 Investment in joint ventures	-	-	-
14 Investment properties	-	-	-
15 Property and equipment	365,586	531,686	541,158
16 Prepaid lease rentals	35,150	42,659	39,871
17 Intangible assets	-	-	-
18 Deferred tax asset	249,755	245,838	245,838
19 Retirement benefit asset	-	-	-
20 Other assets	279,537	105,145	157,828
21 TOTAL ASSETS	29,808,312	30,855,524	32,336,603
B. LIABILITIES			
22 Balances due to Central Bank of Kenya	-	199,980	-
23 Customer deposits	24,993,983	25,721,721	27,308,317
24 Deposits and balances due to local banking institutions	150,005	1,285,016	950,000
25 Deposits and balances due to banking institutions abroad	48,877	87,960	322,023
26 Other money market deposits	-	-	-
27 Borrowed funds	-	-	-
28 Balances due to banking institutions in the group	923,854	275,228	280,278
29 Tax payable	-	-	-
30 Dividends payable	-	-	-
31 Deferred tax liability	-	-	-
32 Retirement benefit liability	16,482	4,956	5,314
33 Other liabilities	290,023	114,384	245,454
34 TOTAL LIABILITIES	26,423,225	27,689,245	29,111,386
C. SHAREHOLDERS' EQUITY			
35 Paid up / assigned capital	350,000	350,000	350,000
36 Share premium / (discount)	-	-	-
37 Revaluation reserve	-	-	-
38 Retained earnings / accumulated losses	2,715,666	2,663,357	2,743,273
39 Statutory loan loss reserve	319,421	152,922	131,944
40 Other reserves	-	-	-
41 Proposed dividends	-	-	-
42 Capital grants	-	-	-
43 TOTAL SHAREHOLDERS' FUNDS	3,385,087	3,166,279	3,225,217
44 TOTAL LIABILITIES AND SHAREHOLDERS' FUNDS	29,808,312	30,855,524	32,336,603

II STATEMENT OF COMPREHENSIVE INCOME	31st March 2022	31st December 2022	31st March 2023
	Shs. 000 (Unaudited)	Shs. 000 (Audited)	Shs. 000 (Unaudited)
1 INTEREST INCOME			
1.1 Loans and advances	109,396	572,667	165,794
1.2 Government securities	467,665	1,978,458	506,584
1.3 Deposits and placements with banking institutions	539	11,558	11,231
1.4 Other interest income	-	-	-
1.5 Total interest income	577,600	2,562,683	683,609
2 INTEREST EXPENSE			
2.1 Customer deposits	297,358	1,240,267	326,250
2.2 Deposits and placements from banking institutions	10,547	57,279	25,670
2.3 Other interest expense	607	5,137	983
2.4 Total interest expense	308,512	1,302,683	352,903
3 NET INTEREST INCOME / (LOSS)	269,088	1,260,000	330,706
4 OTHER OPERATING INCOME			
4.1 Fees and commissions on loans and advances	8,558	14,374	6,746
4.2 Other fees and commissions	8,293	22,757	7,164
4.3 Foreign exchange trading income / (loss)	12,660	114,619	33,229
4.4 Dividend income	-	-	-
4.5 Other income	7,663	48,645	11,030
4.6 Total other operating income	37,174	200,395	58,171
5 TOTAL OPERATING INCOME	306,262	1,460,395	388,877
6 OPERATING EXPENSES			
6.1 Loan loss provision	10,055	126,645	1,953
6.2 Staff costs	86,526	355,183	105,574
6.3 Directors' emoluments	-	-	-
6.4 Rental charges	-	7,085	1,799
6.5 Depreciation charge on property and equipment	10,497	43,588	11,281
6.6 Amortisation charges	259	932	262
6.7 Other operating expenses	106,732	445,337	140,142
6.8 Total operating expenses	214,070	978,770	261,011
7 Profit / (loss) before tax and exceptional items	92,192	481,625	127,866
8 Exceptional items	-	-	-
9 Profit / (loss) after exceptional items	92,192	481,625	127,866
10 Current tax	(34,572)	(182,001)	(47,950)
11 Deferred tax	-	(3,918)	-
12 Profit / (loss) after tax and exceptional items	57,620	295,706	79,916
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	-	-	-
13.3 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	-	-	-
14 Other comprehensive income for the year net of tax	-	-	-
15 TOTAL COMPREHENSIVE INCOME FOR THE YEAR	57,620	295,706	79,916

III OTHER DISCLOSURES	31st March 2022	31st Dec. 2022	31st March 2023
	Shs. 000 (Unaudited)	Shs. 000 (Audited)	Shs. 000 (Unaudited)
1 NON-PERFORMING LOANS AND ADVANCES			
a) Gross non-performing loans and advances	753,824	740,322	525,603
Less:			
b) Interest in suspense	190,902	182,115	134,106
c) Total non-performing loans and advances (a-b)	562,922	558,207	391,497
Less:			
d) Loan loss provisions	277,567	367,747	262,087
e) Net non-performing loans (c-d)	285,355	190,460	129,410
f) Discounted value of securities	285,355	190,460	129,410
g) Net NPLs exposure (e-f)	-	-	-
2 INSIDER LOANS AND ADVANCES			
a) Directors, shareholders and associates	14,412	25,414	42,887
b) Employees	104,184	120,402	171,827
c) Total insider loans, advances and other facilities	118,596	145,816	214,714
3 OFF-BALANCE SHEET ITEMS			
a) Letters of credit, guarantees, acceptances	684,927	614,621	822,504
b) Forwards, swaps, and options	-	-	-
c) Other contingent liabilities	47,817	245,667	33,855
d) Total contingent liabilities	732,744	860,288	856,359
4 CAPITAL STRENGTH			
a) Core capital	2,779,185	2,767,519	2,807,477
b) Minimum statutory capital	1,000,000	1,000,000	1,000,000
c) Excess/(deficiency) [a-b]	1,779,185	1,767,519	1,807,477
d) Supplementary capital	319,421	152,922	131,944
e) Total capital (a+d)	3,098,606	2,920,441	2,939,421
f) Total risk weighted assets	10,138,149	9,456,369	10,305,819
g) Core capital/total deposit liabilities	11.12%	10.80%	10.28%
h) Minimum statutory ratio	8.00%	8.00%	8.00%
i) Excess/(deficiency) [g-h]	3.12%	2.80%	2.28%
j) Core capital/total risk weighted assets	27.41%	29.27%	27.24%
k) Minimum statutory ratio	10.50%	10.50%	10.50%
l) Excess/(deficiency) [j-k]	16.91%	18.77%	16.74%
m) Total capital/total risk weighted assets	30.56%	30.88%	28.52%
n) Minimum statutory ratio	14.50%	14.50%	14.50%
o) Excess/(deficiency) [m-n]	16.06%	16.38%	14.02%
p) Adjusted core capital /total deposit liabilities*	11.12%	10.80%	10.28%
q) Adjusted core capital /total risk weighted assets*	27.41%	29.27%	27.24%
r) Adjusted total capital /total risk weighted assets*	30.56%	30.88%	28.52%
5 LIQUIDITY			
a) Liquidity ratio	85.19%	81.70%	80.50%
b) Minimum statutory ratio	20.00%	20.00%	20.00%
c) Excess/(deficiency) [a-b]	65.19%	61.70%	60.50%

* The adjusted capital ratios include the expected credit loss provisions added back to capital in line with CBK guidance issued in April 2018 on implementation of IFRS 9.

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 institutions website www.habibbank.com

They may also be accessed at the institutions head office located at Habib House, Koinange street, Nairobi.

Signed: Asim Basharullah
CHIEF EXECUTIVE OFFICER

Signed: Joseph Ngei
CHIEF FINANCIAL OFFICER

Kenya Branches: Koinange Street, Industrial Area, Westlands Nairobi and Nkrumah Road Mombasa
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