



# 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 2022

I STATEMENT OF FINANCIAL POSITION		31st Dec. 2022	31st Dec. 2021
		Shs.000 (Audited)	Shs.000 (Audited)
<b>A. ASSETS</b>			
1	Cash (both local and foreign)	99,065	81,038
2	Balances due from Central Bank of Kenya	1,084,084	843,548
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:		
	a. Kenya Government securities	20,406,899	20,122,613
	b. Other securities	-	-
	(b) Available for sale		
	a. Kenya Government securities	-	-
	b. Other securities	-	-
6	Deposits and balances due from local banking institutions	857,644	123,017
7	Deposits and balances due from banking institutions abroad	305,616	262,161
8	Tax recoverable	181,618	190,664
9	Loans and advances to customers (net)	6,835,168	5,840,875
10	Balances due from banking institutions in the group	160,102	194,389
11	Investment in associates	-	-
12	Investment in subsidiary companies	-	-
13	Investment in joint ventures	-	-
14	Investment properties	-	-
15	Property, plant and equipment	531,686	370,762
16	Prepaid lease rentals	42,659	38,904
17	Intangible assets	-	-
18	Deferred tax asset	245,838	249,755
19	Retirement benefit asset	-	-
20	Other assets	105,145	236,257
<b>21</b>	<b>TOTAL ASSETS</b>	<b>30,855,524</b>	<b>28,553,963</b>
<b>B. LIABILITIES</b>			
22	Balances due to Central Bank of Kenya	199,980	-
23	Customer deposits	25,721,721	23,683,972
24	Deposits and balances due to local banking institutions	1,285,016	855,469
25	Deposits and balances due to banking institutions abroad	87,900	43,984
26	Other money market deposits	-	-
27	Borrowed funds	-	-
28	Balances due to banking institutions in the group	275,228	507,916
29	Tax payable	-	-
30	Dividends payable	-	-
31	Deferred tax liability	-	-
32	Retirement benefit liability	4,956	16,270
33	Other liabilities	114,384	118,885
<b>34</b>	<b>TOTAL LIABILITY</b>	<b>27,689,245</b>	<b>25,226,496</b>
<b>C. SHAREHOLDERS' EQUITY</b>			
35	Paid up/assigned capital	350,000	350,000
36	Share premium/(discount)	-	-
37	Revaluation reserves	-	-
38	Retained earnings/accumulated losses	2,663,357	2,658,046
39	Statutory loan loss reserve	152,922	319,421
40	Other reserves	-	-
41	Proposed dividends	-	-
42	Capital grants	-	-
<b>43</b>	<b>TOTAL SHAREHOLDERS' FUNDS</b>	<b>3,166,279</b>	<b>3,327,467</b>
<b>44</b>	<b>TOTAL LIABILITIES AND SHAREHOLDERS' FUNDS</b>	<b>30,855,524</b>	<b>28,553,963</b>

  

II STATEMENT OF COMPREHENSIVE INCOME		31st Dec. 2022	31st Dec. 2021
		Shs.000 (Audited)	Shs.000 (Audited)
<b>1 INTEREST INCOME</b>			
1.1	Loans and advances	572,667	514,828
1.2	Government securities	1,978,458	1,840,029
1.3	Deposits and placements with banking institutions	11,558	1,585
1.4	Other interest income	-	-
<b>1.5 Total interest income</b>		<b>2,562,683</b>	<b>2,356,442</b>
<b>2 INTEREST EXPENSES</b>			
2.1	Customer deposits	1,240,267	1,052,043
2.2	Deposits and placements from banking institutions	5,279	39,953
2.3	Other interest expenses	5,137	3,707
<b>2.4 Total interest expense</b>		<b>1,302,683</b>	<b>1,095,703</b>
<b>3 NET INTEREST INCOME/(LOSS)</b>		<b>1,260,000</b>	<b>1,260,739</b>
<b>4 OTHER OPERATING INCOME</b>			
4.1	Fees and commissions on loans and advances	14,374	9,329
4.2	Other fees and commissions	22,757	27,824
4.3	Foreign exchange trading income/(loss)	114,619	46,807
4.4	Dividend income	-	-
4.5	Other income	48,645	33,633
<b>4.6 Total other operating income</b>		<b>200,395</b>	<b>117,593</b>
<b>5 TOTAL OPERATING INCOME</b>		<b>1,460,395</b>	<b>1,378,332</b>
<b>6 OPERATING EXPENSES</b>			
6.1	Loan loss provision	126,645	44,055
6.2	Staff costs	355,183	330,178
6.3	Directors' emoluments	-	-
6.4	Rental charges	7,085	1,752
6.5	Depreciation charge on property and equipment	43,588	48,589
6.6	Amortisation charges	932	2,944
6.7	Other operating expenses	445,338	408,368
<b>6.8 Total operating expenses</b>		<b>978,771</b>	<b>835,906</b>
<b>7 PROFIT/(LOSS) BEFORE TAX AND EXCEPTIONAL ITEMS</b>		<b>481,624</b>	<b>542,426</b>
<b>8 EXCEPTIONAL ITEMS</b>			
<b>9 PROFIT/(LOSS) AFTER EXCEPTIONAL ITEMS</b>		<b>481,624</b>	<b>542,426</b>
10	Current tax	(182,001)	(162,054)
11	Deferred tax	(3,918)	43,263
<b>12 PROFIT/(LOSS) AFTER TAX AND EXCEPTIONAL ITEMS</b>		<b>295,705</b>	<b>423,635</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 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	-	-
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>295,705</b>	<b>423,635</b>

  

III OTHER DISCLOSURES		31st Dec. 2022	31st Dec. 2021
		Shs.000 (Audited)	Shs.000 (Audited)
<b>1 NON-PERFORMING LOANS AND ADVANCES</b>			
<b>a) Gross non-performing loans and advances</b>		<b>740,322</b>	<b>739,193</b>
Less:			
b)	Interest in suspense	182,115	174,357
<b>c) Total non-performing loans and advances (a-b)</b>		<b>558,207</b>	<b>564,836</b>
Less:			
d)	Loan loss provisions	367,747	268,745
<b>e) Net non-performing loans (c-d)</b>		<b>190,460</b>	<b>296,091</b>
f)	Discounted value of securities	190,460	298,091
<b>g) Net NPLs exposure (e-f)</b>		<b>-</b>	<b>-</b>
<b>2 INSIDER LOANS AND ADVANCES</b>			
a)	Directors, shareholders and associates	25,414	10,548
b)	Employees	120,402	101,005
<b>c) Total insider loans, advances and other facilities</b>		<b>145,816</b>	<b>111,553</b>
<b>OFF-BALANCE SHEET ITEMS</b>			
a)	Letters of credit, guarantees, acceptances	614,621	503,822
b)	Forwards, swaps, and options	-	-
c)	Other contingent liabilities	245,667	316,110
<b>d) Total contingent liabilities</b>		<b>860,288</b>	<b>819,932</b>
<b>4 CAPITAL STRENGTH</b>			
<b>a) Core capital</b>		<b>2,767,519</b>	<b>2,750,374</b>
b)	Minimum statutory capital	1,000,000	1,000,000
<b>c) Excess/(deficiency) (a-b)</b>		<b>1,767,519</b>	<b>1,750,374</b>
d)	Supplementary capital	152,922	319,421
<b>e) Total capital (a+d)</b>		<b>2,920,441</b>	<b>3,069,795</b>
<b>f) Total risk weighted assets</b>		<b>9,456,369</b>	<b>8,902,060</b>
<b>g) Core capital/total deposit liabilities</b>		<b>10.8%</b>	<b>11.6%</b>
h)	Minimum statutory ratio	8.0%	8.0%
<b>i) Excess/(deficiency) (g-h)</b>		<b>2.8%</b>	<b>3.6%</b>
<b>j) Core capital/total risk weighted assets</b>		<b>29.3%</b>	<b>30.9%</b>
k)	Minimum statutory ratio	10.5%	10.5%
<b>l) Excess/(deficiency) (j-k)</b>		<b>18.8%</b>	<b>20.4%</b>
<b>m) Total capital/total risk weighted assets</b>		<b>30.9%</b>	<b>34.5%</b>
n)	Minimum statutory ratio	14.5%	14.5%
<b>o) Excess/(deficiency) (m-n)</b>		<b>16.4%</b>	<b>20.0%</b>
<b>p) Adjusted core capital /total deposit liabilities*</b>		<b>10.8%</b>	<b>11.6%</b>
<b>q) Adjusted core capital /total risk weighted assets*</b>		<b>29.3%</b>	<b>30.9%</b>
<b>r) Adjusted total capital /total risk weighted assets*</b>		<b>30.9%</b>	<b>34.5%</b>
<b>5) LIQUIDITY</b>			
<b>a) Liquidity ratio</b>		<b>81.7%</b>	<b>85.1%</b>
b)	Minimum statutory ratio	20.0%	20.0%
<b>c) Excess/(deficiency) (a-b)</b>		<b>61.7%</b>	<b>65.1%</b>

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](http://www.habibbank.com)

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

Signed: **Asim M Basharullah**  
Chief Executive Officer

Signed: **Joseph Ngei**  
Chief Finance Officer

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

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