



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 2022

I STATEMENT OF FINANCIAL POSITION		30th June 2021 Shs. '000 (Unaudited)	31st Dec. 2021 Shs. '000 (Audited)	31st March 2022 Shs. '000 (Unaudited)	30th June 2022 Shs. '000 (Unaudited)
A. ASSETS					
1	Cash (both local and foreign)	63,175	81,038	88,079	73,415
2	Balances due from Central Bank of Kenya	805,675	843,548	810,361	963,182
3	Kenya Government and other securities held for dealing purposes	-	-	-	-
4	Financial assets at fair value through profit and loss	-	-	-	-
5	Investment securities:	19,445,909	20,122,613	20,692,349	20,340,646
	(a) Amortised cost:	19,445,909	20,122,613	20,692,349	20,340,646
	a. Kenya Government securities	-	-	-	-
	b. Other securities	19,445,909	20,122,613	20,692,349	20,340,646
	(b) Fair value through OCI:	-	-	-	-
	a. Kenya Government securities	-	-	-	-
	b. Other securities	-	-	-	-
6	Deposits and balances due from local banking institutions	-	123,017	90,792	56,168
7	Deposits and balances due from banking institutions abroad	220,534	262,161	557,611	305,146
8	Tax recoverable	125,346	190,664	190,664	281,681
9	Loans and advances to customers (net)	5,956,309	5,840,875	6,142,881	6,421,976
10	Balances due from banking institutions in the group	380,015	194,369	406,292	383,786
11	Investment in associates	-	-	-	-
12	Investment in subsidiary companies	-	-	-	-
13	Investment in joint ventures	-	-	-	-
14	Investment properties	-	-	-	-
15	Property and equipment	318,349	370,762	365,585	385,388
16	Prepaid lease rentals	-	-	-	-
17	Intangible assets	-	-	-	-
18	Deferred tax asset	206,492	249,755	249,755	249,755
19	Retirement benefit asset	-	-	-	-
20	Other assets	272,478	275,161	314,687	328,699
21	TOTAL ASSETS	27,794,282	28,553,963	29,909,062	29,789,842
B. LIABILITIES					
22	Balances due to Central Bank of Kenya	-	-	-	-
23	Customer deposits	22,911,168	23,683,972	24,993,983	24,726,131
24	Deposits and balances due to local banking institutions	300,425	855,469	150,005	790,000
25	Deposits and balances due to banking institutions abroad	15,550	43,984	48,877	-
26	Other money market deposits	-	-	-	-
27	Borrowed funds	-	-	-	-
28	Balances due to banking institutions in the group	955,695	507,916	923,854	284,950
29	Tax payable	-	-	-	-
30	Dividends payable	-	-	-	-
31	Deferred tax liability	-	-	-	-
32	Retirement benefit liability	11,370	16,270	16,482	8,714
33	Other liabilities	262,907	118,885	290,023	393,004
34	TOTAL LIABILITIES	24,457,115	25,226,496	26,423,224	26,202,799
C. SHAREHOLDERS' EQUITY					
35	Paid up / assigned capital	350,000	350,000	350,000	350,000
36	Share premium / (discount)	-	-	-	-
37	Revaluation surplus	-	-	-	-
38	Retained earnings / (accumulated losses)	2,786,615	2,658,046	2,982,037	3,050,837
39	Statutory loan loss reserve	200,552	319,421	153,801	186,206
40	Other reserves	-	-	-	-
41	Proposed dividends	-	-	-	-
42	Capital grants	-	-	-	-
43	TOTAL SHAREHOLDERS' FUNDS	3,337,167	3,327,467	3,485,838	3,587,043
44	TOTAL LIABILITIES AND SHAREHOLDERS' FUNDS	27,794,282	28,553,963	29,909,062	29,789,842
II STATEMENT OF COMPREHENSIVE INCOME					
1 INTEREST INCOME					
1.1	Loans and advances	223,681	514,828	109,396	231,952
1.2	Government securities	890,547	1,840,029	467,665	953,332
1.3	Deposits and placements with banking institutions	657	1,585	539	1,254
1.4	Other interest income	-	-	-	-
1.5	Total interest income	1,114,885	2,356,442	577,600	1,186,538
2 INTEREST EXPENSE					
2.1	Customer deposits	507,950	1,052,043	297,358	600,987
2.2	Deposits and placements from banking institutions	19,562	39,953	10,547	25,689
2.3	Other interest expense	1,332	3,707	607	1,122
2.4	Total interest expense	528,844	1,095,703	308,512	627,802
3	NET INTEREST INCOME / (LOSS)	586,039	1,260,739	269,088	558,736
4 OTHER OPERATING INCOME					
4.1	Fees and commissions on loans and advances	2,594	9,329	8,558	11,187
4.2	Other fees and commissions	15,783	41,753	8,293	17,129
4.3	Foreign exchange trading income / (loss)	14,675	46,807	12,660	51,708
4.4	Dividend income	-	-	-	-
4.5	Other income	8,189	19,704	7,663	12,351
4.6	Total other operating income	41,241	117,593	37,174	92,375
5	TOTAL OPERATING INCOME	627,280	1,378,332	306,262	651,111
6 OPERATING EXPENSES					
6.1	Loan loss provision	21,372	44,055	10,055	27,911
6.2	Staff costs	163,635	330,178	86,526	179,604
6.3	Directors' emoluments	-	-	-	-
6.4	Rental charges	5,769	1,752	-	-
6.5	Depreciation charge on property and equipment	20,013	48,589	10,497	20,778
6.6	Amortisation charges	354	2,944	259	798
6.7	Other operating expenses	202,532	408,388	106,733	222,747
6.8	Total operating expenses	413,675	835,906	214,070	451,838
7	Profit / (loss) before tax and exceptional items	213,605	542,426	92,192	199,273
8 Exceptional items					
9	Profit / (loss) after exceptional items	213,605	542,426	92,192	199,273
10	Current tax	(80,102)	(162,054)	(34,572)	(74,727)
11	Deferred tax	-	43,263	-	-
12	Profit / (loss) after tax and exceptional items	133,503	423,635	57,620	124,546
13 Other comprehensive income					
13.1	Gains / (losses) from translating the financial statements of foreign operations	-	-	-	-
13.2	Fair value changes in FVOCI financial assets	-	-	-	-
13.3	Revaluation surplus on property 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	133,503	423,635	57,620	124,546
III OTHER DISCLOSURES					
1 NON-PERFORMING LOANS AND ADVANCES					
a)	Gross non-performing loans and advances	837,370	739,193	753,824	770,478
b)	Less: Interest in suspense	208,357	174,357	190,902	208,050
c)	Total non-performing loans and advances (a-b)	629,013	564,836	562,922	562,428
d)	Less: Loan loss provisions	242,245	266,745	329,008	349,586
e)	Net non-performing loans (c-d)	386,768	298,091	233,914	212,842
f)	Discounted value of securities	386,768	298,091	233,914	212,842
g)	Net NPLs exposure (e-f)	-	-	-	-
2 INSIDER LOANS AND ADVANCES					
a)	Directors, shareholders and associates	13,291	10,548	14,412	14,026
b)	Employees	92,367	101,005	104,184	117,272
c)	Total insider loans, advances and other facilities	105,658	111,553	118,596	131,298
3 OFF-BALANCE SHEET ITEMS					
a)	Letters of credit, guarantees, acceptances	715,569	503,822	684,927	575,604
b)	Forwards, swaps, and options	-	-	-	-
c)	Other contingent liabilities	21,093	316,110	47,817	152,878
d)	Total contingent liabilities	736,662	819,932	732,744	728,482
4 CAPITAL STRENGTH					
a)	Core capital	2,856,338	2,750,374	3,045,556	3,080,894
b)	Minimum statutory capital	1,000,000	1,000,000	1,000,000	1,000,000
c)	Excess / (deficiency) [a-b]	1,856,338	1,750,374	2,045,556	2,080,894
d)	Supplementary capital	200,552	319,421	153,801	186,206
e)	Total capital (a+d)	3,056,890	3,069,795	3,199,357	3,267,100
f)	Total risk weighted assets	9,788,139	8,902,061	10,138,149	9,505,256
g)	Core capital / Total deposit liabilities	12.48%	11.61%	12.19%	12.46%
h)	Minimum statutory ratio	8.00%	8.00%	8.00%	8.00%
i)	Excess / (deficiency) [g-h]	4.48%	3.61%	4.19%	4.46%
j)	Core capital / Total risk weighted assets	29.18%	30.90%	30.04%	32.41%
k)	Minimum statutory ratio	10.50%	10.50%	10.50%	10.50%
l)	Excess / (deficiency) [j-k]	18.68%	20.40%	19.54%	21.91%
m)	Total capital / Total risk weighted assets	31.23%	34.48%	31.56%	34.37%
n)	Minimum statutory ratio	14.50%	14.50%	14.50%	14.50%
o)	Excess / (deficiency) [m-n]	16.73%	19.98%	17.06%	19.87%
p)	Adjusted core capital / Total deposit liabilities*	12.37%	11.61%	12.19%	12.46%
q)	Adjusted core capital / Total risk weighted assets*	28.94%	30.90%	30.04%	32.41%
r)	Adjusted total capital / Total risk weighted assets*	30.99%	34.48%	31.56%	34.37%
5 LIQUIDITY					
a)	Liquidity ratio	82.91%	84.98%	85.19%	83.85%
b)	Minimum statutory ratio	20.00%	20.00%	20.00%	20.00%
c)	Excess / (deficiency) [a-b]	62.91%	64.98%	65.19%	63.85%

* 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 M Basharullah
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Shahzad Sultan
Manager

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