



# 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 30TH SEPTEMBER 2023

I STATEMENT OF FINANCIAL POSITION	30th Sept. 2022 Shs. '000 (Unaudited)	31st Dec. 2022 Shs. '000 (Audited)	31st Mar. 2023 Shs. '000 (Unaudited)	30th June 2023 Shs. '000 (Unaudited)	30th Sept. 2023 Shs. '000 (Unaudited)
<b>A. ASSETS</b>					
1 Cash (both local and foreign)	88,043	99,065	138,669	112,588	81,334
2 Balances due from Central Bank of Kenya	1,210,569	1,084,084	1,071,536	975,145	1,217,491
3 Kenya Government and other securities held for dealing purposes	-	-	-	-	-
4 Financial Assets at fair value through profit and loss	-	-	-	-	-
5 <b>Investment Securities:</b>	<b>20,892,638</b>	<b>20,406,899</b>	<b>19,999,071</b>	<b>19,391,091</b>	<b>19,147,364</b>
(a) <b>Amortised costs:</b>	<b>20,892,638</b>	<b>20,406,899</b>	<b>19,999,071</b>	<b>19,391,091</b>	<b>19,147,364</b>
a. Kenya Government securities	20,892,638	20,406,899	19,999,071	19,391,091	19,147,364
b. Other securities	-	-	-	-	-
(b) <b>Fair value through OCI:</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
a. Kenya Government securities	-	-	-	-	-
b. Other securities	-	-	-	-	-
6 Deposits and balances due from local banking institutions	437,457	857,644	529,472	562,230	593,524
7 Deposits and balances due from banking institutions abroad	307,796	305,816	1,571,839	2,919,606	644,365
8 Tax recoverable	212,895	212,895	183,816	215,072	209,421
9 Loans and advances to customers (net)	6,373,967	6,835,168	7,521,216	8,658,386	8,694,965
30 Balances due from banking institutions in the group	324,959	160,102	386,287	550,835	4,008,952
11 Investment in associates	-	-	-	-	-
12 Investment in subsidiary companies	-	-	-	-	-
13 Investment in joint ventures	-	-	-	-	-
14 Investment properties	-	-	-	-	-
15 Property and equipment	374,824	531,686	541,158	508,961	527,273
16 Prepaid lease rentals	-	42,659	39,871	44,156	52,168
17 Intangible assets	-	-	-	-	-
18 Deferred tax asset	249,755	245,838	245,838	245,838	245,838
19 Retirement benefit asset	-	-	-	-	-
20 Other assets	215,286	105,145	157,828	350,717	261,854
<b>21 TOTAL ASSETS</b>	<b>30,688,169</b>	<b>30,855,524</b>	<b>32,336,603</b>	<b>34,534,627</b>	<b>35,684,549</b>
<b>B. LIABILITIES</b>					
22 Balances due to Central Bank of Kenya	-	199,980	-	-	-
23 Customer deposits	26,177,967	25,721,721	27,308,317	28,601,807	30,504,819
24 Deposits and balances due to local banking institutions	895,000	1,285,016	950,000	1,330,000	1,150,000
25 Deposits and balances due to banking institutions abroad	170,208	87,960	322,023	492,247	68,478
26 Other money market deposits	-	-	-	-	-
27 Borrowed funds	-	-	-	-	-
28 Balances due to banking institutions in the group	48,387	275,228	280,278	352,634	385,984
29 Tax payable	-	-	-	-	-
30 Dividends payable	-	-	-	-	-
31 Deferred tax liability	-	-	-	-	-
32 Retirement benefit liability	8,929	4,956	5,314	5,641	5,946
33 Other liabilities	292,727	114,384	245,544	463,625	329,485
<b>34 TOTAL LIABILITIES</b>	<b>27,593,218</b>	<b>27,689,245</b>	<b>29,111,386</b>	<b>31,245,954</b>	<b>32,444,712</b>
<b>C. SHAREHOLDERS' EQUITY</b>					
35 Paid up / assigned capital	350,000	350,000	350,000	350,000	350,000
36 Share premium / (discount)	-	-	-	-	-
37 Revaluation reserve	-	-	-	-	-
38 Retained earnings / (accumulated losses)	2,565,773	2,663,357	2,743,273	2,848,115	2,798,824
39 Statutory loan loss reserve	179,198	152,922	131,944	90,558	101,013
40 Other reserves	-	-	-	-	-
41 Proposed dividends	-	-	-	-	-
42 Capital grants	-	-	-	-	-
<b>43 TOTAL SHAREHOLDERS' FUNDS</b>	<b>3,094,971</b>	<b>3,166,279</b>	<b>3,225,217</b>	<b>3,288,673</b>	<b>3,239,397</b>
<b>44 TOTAL LIABILITIES AND SHAREHOLDERS' FUNDS</b>	<b>30,688,169</b>	<b>30,855,524</b>	<b>32,336,603</b>	<b>34,534,627</b>	<b>35,684,549</b>

### II STATEMENT OF COMPREHENSIVE INCOME

<b>1 INTEREST INCOME</b>					
1.1 Loans and advances	365,156	572,687	165,794	361,128	578,561
1.2 Government securities	1,450,611	1,978,458	506,584	1,025,030	1,537,163
1.3 Deposits and placements with banking institutions	3,623	11,558	11,231	44,436	95,285
1.4 Other interest income	-	-	-	-	-
<b>1.5 Total interest income</b>	<b>1,819,390</b>	<b>2,562,683</b>	<b>683,609</b>	<b>1,430,594</b>	<b>2,210,999</b>
<b>2 INTEREST EXPENSE</b>					
2.1 Customer deposits	921,393	1,240,267	326,250	672,139	1,053,155
2.2 Deposits and placements from banking institutions	40,824	57,279	25,870	59,376	92,213
2.3 Other interest expense	-	5,187	983	2,777	4,120
<b>2.4 Total interest expense</b>	<b>962,217</b>	<b>1,302,683</b>	<b>352,903</b>	<b>734,292</b>	<b>1,149,488</b>
<b>3 NET INTEREST INCOME / (LOSS)</b>	<b>857,173</b>	<b>1,260,000</b>	<b>330,706</b>	<b>696,302</b>	<b>1,061,511</b>
<b>4 OTHER OPERATING INCOME</b>					
4.1 Fees and Commissions on loans and advances	26,668	14,374	6,746	7,536	9,543
4.2 Other fees and Commissions	11,464	22,757	7,166	21,695	29,671
4.3 Foreign exchange trading income / (loss)	84,376	114,619	33,229	62,324	88,065
4.4 Dividend income	-	-	-	-	-
4.5 Other income	23,216	48,645	11,030	25,497	38,833
<b>4.6 Total other operating income</b>	<b>145,724</b>	<b>200,395</b>	<b>58,171</b>	<b>117,052</b>	<b>166,112</b>
<b>5 TOTAL OPERATING INCOME</b>	<b>1,002,897</b>	<b>1,460,395</b>	<b>388,877</b>	<b>813,354</b>	<b>1,227,623</b>
<b>6 OPERATING EXPENSES</b>					
6.1 Loan loss provision	39,447	126,645	1,953	6,997	(35,085)
6.2 Staff costs	271,746	355,183	105,574	212,696	323,388
6.3 Directors' emoluments	-	-	-	-	-
6.4 Rental charges	-	7,085	1,795	1,851	2,776
6.5 Depreciation charge on property and equipment	21,497	43,598	11,281	25,302	40,348
6.6 Amortisation charges	-	932	262	798	1,334
6.7 Other operating expenses	351,598	445,337	140,142	275,074	435,483
<b>6.8 Total operating expenses</b>	<b>684,288</b>	<b>978,770</b>	<b>261,011</b>	<b>522,718</b>	<b>768,242</b>
<b>7 Profit / (loss) before tax and exceptional items</b>	<b>318,609</b>	<b>481,625</b>	<b>127,866</b>	<b>290,636</b>	<b>459,381</b>
8 Exceptional items	-	-	-	-	-
<b>9 Profit / (loss) after exceptional items</b>	<b>318,609</b>	<b>481,625</b>	<b>127,866</b>	<b>290,636</b>	<b>459,381</b>
10 Current tax	(120,472)	(162,001)	(47,950)	(105,878)	(172,268)
11 Deferred tax	-	(3,918)	-	-	-
<b>12 Profit / (loss) after tax and exceptional items</b>	<b>198,137</b>	<b>295,706</b>	<b>79,916</b>	<b>184,758</b>	<b>287,113</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>-</b>	<b>-</b>	<b>-</b>
<b>15 TOTAL COMPREHENSIVE INCOME FOR THE YEAR</b>	<b>198,137</b>	<b>295,706</b>	<b>79,916</b>	<b>184,758</b>	<b>287,113</b>

### III OTHER DISCLOSURES

<b>1 NON-PERFORMING LOANS AND ADVANCES</b>					
a) <b>Gross non-performing loans and advances</b>	<b>786,000</b>	<b>740,322</b>	<b>525,603</b>	<b>631,327</b>	<b>555,582</b>
b) Less: Interest in suspense	224,266	182,115	134,106	152,419	161,570
<b>c) Total non-performing loans and advances [a-b]</b>	<b>561,734</b>	<b>558,207</b>	<b>391,497</b>	<b>478,908</b>	<b>394,012</b>
d) Less: Loan loss provisions	361,526	367,747	262,087	265,824	268,124
<b>e) Net non-performing loans [c-d]</b>	<b>200,208</b>	<b>190,460</b>	<b>129,410</b>	<b>213,084</b>	<b>125,888</b>
f) Discounted value of securities	200,208	190,460	129,410	213,084	125,888
<b>g) Net NPLs exposure [e-f]</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>

### 22 INSIDER LOANS AND ADVANCES

a) Directors, shareholders and associates	23,774	25,414	42,887	39,129	45,414
b) Employees	119,404	120,402	171,827	204,253	201,891
<b>c) Total insider loans, advances and other facilities</b>	<b>143,177</b>	<b>145,816</b>	<b>214,714</b>	<b>243,382</b>	<b>247,305</b>

### 3 OFF-BALANCE SHEET ITEMS

a) Letters of credit, guarantees, acceptances	537,903	614,621	822,504	791,632	613,979
b) Forwards, swaps, and options	-	-	-	-	-
c) Other contingent liabilities	257,501	245,667	33,855	34,779	48,467
<b>d) Total contingent liabilities</b>	<b>795,404</b>	<b>860,288</b>	<b>856,359</b>	<b>826,411</b>	<b>662,446</b>

### 4 CAPITAL STRENGTH

a) <b>Core capital</b>	<b>2,566,950</b>	<b>2,767,519</b>	<b>2,807,477</b>	<b>2,859,898</b>	<b>2,749,430</b>
b) Minimum statutory capital	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000
<b>c) Excess / (deficiency) [a-b]</b>	<b>1,566,950</b>	<b>1,767,519</b>	<b>1,807,477</b>	<b>1,859,898</b>	<b>1,749,430</b>
d) Supplementary capital	179,198	152,922	131,944	90,558	101,013
<b>e) Total capital [a+d]</b>	<b>2,746,148</b>	<b>2,920,441</b>	<b>2,939,421</b>	<b>2,950,456</b>	<b>2,850,443</b>
<b>f) Total risk weighted assets</b>	<b>9,551,240</b>	<b>9,456,369</b>	<b>10,305,819</b>	<b>11,320,630</b>	<b>11,266,629</b>
<b>g) Core capital / Total deposit liabilities</b>	<b>9.81%</b>	<b>10.76%</b>	<b>10.28%</b>	<b>10.00%</b>	<b>9.01%</b>
h) Minimum statutory ratio	8.00%	8.00%	8.00%	8.00%	8.00%
<b>i) Excess / (deficiency) [g-h]</b>	<b>1.81%</b>	<b>2.76%</b>	<b>2.28%</b>	<b>2.00%</b>	<b>1.01%</b>
<b>j) Core capital / Total risk weighted assets</b>	<b>26.88%</b>	<b>29.27%</b>	<b>27.24%</b>	<b>25.26%</b>	<b>24.40%</b>
k) Minimum statutory ratio	10.50%	10.50%	10.50%	10.50%	10.50%
<b>l) Excess / (deficiency) [j-k]</b>	<b>16.38%</b>	<b>18.77%</b>	<b>16.74%</b>	<b>14.76%</b>	<b>13.90%</b>
<b>m) Total capital / Total risk weighted assets</b>	<b>28.75%</b>	<b>30.88%</b>	<b>28.52%</b>	<b>26.06%</b>	<b>25.30%</b>
n) Minimum statutory ratio	14.50%	14.50%	14.50%	14.50%	14.50%
<b>o) Excess / (deficiency) [m-n]</b>	<b>14.25%</b>	<b>16.38%</b>	<b>14.02%</b>	<b>11.56%</b>	<b>10.80%</b>

### 5 LIQUIDITY

a) <b>Liquidity ratio</b>	<b>83.70%</b>	<b>85.0%</b>	<b>85.2%</b>	<b>77.4%</b>	<b>78.30%</b>
b) Minimum statutory ratio	20.00%	20.00%	20.00%	20.00%	20.00%
<b>c) Excess / (deficiency) [a-b]</b>	<b>63.70%</b>	<b>64.98%</b>	<b>65.19%</b>	<b>57.00%</b>	<b>58.30%</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

**Joseph Ngei**  
CHIEF FINANCE OFFICER

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