



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 2023

I STATEMENT OF FINANCIAL POSITION		31st Dec. 2023 KShs '000 (Audited)	31st Dec. 2022 KShs '000 (Audited)
A. ASSETS			
1	Cash (both local and foreign)	66,408	99,065
2	Balances due from Central Bank of Kenya	1,255,016	1,084,084
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	18,706,819	20,406,899
	b. Other securities	-	-
	(b) Available for sale	-	-
	a. Kenya Government securities	-	-
	b. Other securities	-	-
6	Deposits and balances due from local banking institutions	28	857,644
7	Deposits and balances due from banking institutions abroad	499,383	305,616
8	Tax recoverable	251,210	181,618
9	Loans and advances to customers (net)	8,935,849	6,835,168
10	Balances due from banking institutions in the group	5,461,593	160,102
11	Investment in associates	-	-
12	Investment in subsidiary companies	-	-
13	Investment in joint ventures	-	-
14	Investment properties	-	-
15	Property, plant and equipment	569,746	531,686
16	Prepaid lease rentals	59,807	42,659
17	Intangible assets	-	-
18	Deferred tax asset	151,720	245,838
19	Retirement benefit asset	-	-
20	Other assets	167,478	105,145
21	TOTAL ASSETS	36,125,057	30,855,524
B. LIABILITIES			
22	Balances due to Central Bank of Kenya	700,000	199,980
23	Customer deposits	30,773,247	25,721,721
24	Deposits and balances due to local banking institutions	949,513	1,285,016
25	Deposits and balances due to banking institutions abroad	185,257	87,960
26	Other money market deposits	-	-
27	Borrowed funds	-	-
28	Balances due to banking institutions in the group	333,995	275,228
29	Tax payable	-	-
30	Dividends payable	-	-
31	Deferred tax liability	-	-
32	Retirement benefit liability	7,391	4,956
33	Other liabilities	128,983	114,384
34	TOTAL LIABILITY	33,078,386	27,689,245
C. SHAREHOLDERS' EQUITY			
35	Paid up/Assigned capital	350,000	350,000
36	Share premium/(discount)	-	-
37	Revaluation reserves	-	-
38	Retained earnings/Accumulated losses	2,626,228	2,663,357
39	Statutory loan loss reserve	70,443	152,922
40	Other reserves	-	-
41	Proposed dividends	-	-
42	Capital grants	-	-
43	TOTAL SHAREHOLDERS' FUNDS	3,046,671	3,166,279
44	TOTAL LIABILITIES AND SHAREHOLDERS' FUNDS	36,125,057	30,855,524
II STATEMENT OF COMPREHENSIVE INCOME			
1 INTEREST INCOME			
1.1	Loans and advances	809,712	572,667
1.2	Government securities	2,098,919	1,978,458
1.3	Deposits and placements with banking institutions	165,030	11,558
1.4	Other interest income	-	-
1.5	Total interest income	3,073,661	2,562,683
2 INTEREST EXPENSES			
2.1	Customer deposits	1,499,890	1,240,267
2.2	Deposits and placements from banking institutions	144,714	57,279
2.3	Other interest expenses	21,696	5,137
2.4	Total interest expenses	1,666,290	1,302,683
3 NET INTEREST INCOME/(LOSS)		1,407,371	1,260,000
4 OTHER OPERATING INCOME			
4.1	Fees and commissions on loans and advances	12,501	14,374
4.2	Other fees and commissions	47,746	22,757
4.3	Foreign exchange trading income/(Loss)	116,734	114,619
4.4	Dividend income	-	-
4.5	Other income	37,940	48,645
4.6	Total other operating income	214,921	200,395
5 TOTAL OPERATING INCOME		1,622,292	1,460,395
6 OPERATING EXPENSES			
6.1	Loan loss provision	(8,577)	126,645
6.2	Staff costs	423,749	355,183
6.3	Directors' emoluments	-	-
6.4	Rental charges	676	7,085
6.5	Depreciation charge on property and equipment	40,227	43,588
6.6	Amortisation charges	-	932
6.7	Other operating expenses	649,266	445,338
6.8	Total operating expenses	1,105,341	978,771
7 PROFIT/(LOSS) BEFORE TAX AND EXCEPTIONAL ITEMS		516,951	481,624
8	Exceptional items	-	-
9 PROFIT/(LOSS) AFTER EXCEPTIONAL ITEMS		516,951	481,624
10	Current tax	(224,610)	(182,001)
11	Deferred tax	(94,118)	(3,918)
12 PROFIT/(LOSS) AFTER TAX AND EXCEPTIONAL ITEMS		198,223	295,705
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, plant 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		198,223	295,705
III OTHER DISCLOSURES			
1) NON-PERFORMING LOANS AND ADVANCES			
a) Gross non-performing loans and advances		579,196	740,322
Less:			
b) Interest in suspense		168,659	182,115
c) Total non-performing loans and advances (a-b)		410,537	558,207
Less:			
d) Loan loss provisions		272,432	367,747
e) Net non-performing Loans (c-d)		138,105	190,460
f) Discounted value of securities		138,105	190,460
g) Net NPLs exposure (e-f)		-	-
2) INSIDER LOANS AND ADVANCES			
a) Directors, shareholders and associates		61,776	25,414
b) Employees		190,504	120,402
c) Total insider loans, advances and other facilities		252,280	145,816
3) OFF-BALANCE SHEET ITEMS			
a) Letters of credit, guarantees, acceptances		708,994	614,621
b) Forwards, swaps, and options		-	-
c) Other contingent liabilities		96,405	245,667
d) Total contingent liabilities		805,399	860,288
4) CAPITAL STRENGTH			
a) Core capital		2,824,508	2,767,519
b) Minimum statutory capital		1,000,000	1,000,000
c) Excess/(deficiency) (a-b)		1,824,508	1,767,519
d) Supplementary capital		70,443	152,922
e) Total capital (a+d)		2,894,951	2,920,441
f) Total risk weighted assets		12,049,603	9,456,369
g) Core capital/total deposit liabilities		9.2%	10.8%
h) Minimum statutory ratio		8.0%	8.0%
i) Excess/(deficiency) (g-h)		1.2%	2.8%
j) Core capital/total risk weighted assets		23.4%	29.3%
k) Minimum statutory ratio		10.5%	10.5%
l) Excess/(deficiency) (j-k)		12.9%	18.8%
m) Total capital/total risk weighted assets		24.0%	30.9%
n) Minimum statutory ratio		14.5%	14.5%
o) Excess/(deficiency) (m-n)		9.5%	16.4%
5) LIQUIDITY			
a) Liquidity ratio		77.1%	81.7%
b) Minimum statutory ratio		20.0%	20.0%
c) Excess/(deficiency) (a-b)		57.1%	61.7%

The above statement of financial position, statement of comprehensive income and other disclosures are extracts from the records of the Bank. These financial statements have been audited by KPMG Kenya and have received unqualified opinion. The complete set of the audited 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. The financial statements were approved by the Local Executive Committee on 14 March 2024 and signed on its behalf by:

Asim Basharullah
Chief Executive Officer

Joseph Ngei
Chief Financial 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

Service with Security