

UNAUDITED QUARTERLY FINANCIAL STATEMENTS AND OTHER DISCLOSURES FOR THE PERIOD ENDED 30 JUNE 2021

I STATEMENT OF FINANCIAL POSITION AS AT					III OTHER DISCLOSURES				
	30 Jun 2020	31 Dec 2020	31 Mar 2021	30 Jun 2021		30 Jun 2020	31 Dec 2020	31 Mar 2021	30 Jun 2021
	UNAUDITED	AUDITED	UNAUDITED	UNAUDITED		UNAUDITED	AUDITED	UNAUDITED	UNAUDITED
	Shs.'000'	Shs.'000'	Shs.'000'	Shs.'000'		Shs.'000'	Shs.'000'	Shs.'000'	Shs.'000'
A ASSETS					1.0 Non-Performing Loans and Advances				
1 Cash (both local and foreign)	55,339	57,089	74,609	79,247	a) Gross non-performing loans and advances	803,324	790,359	513,262	516,626
2 Balances due from Central Bank of Kenya	557,735	710,484	971,868	592,989	b) Less: interest in suspense	55,728	56,394	52,407	54,166
3 Kenya Government and other securities held for dealing purposes	-	-	-	-	c) Total Non-Performing Loans and Advances (a-b)	747,596	733,965	460,855	462,460
4 Financial Assets at fair value through profit and loss	-	-	-	-	d) Less: loan loss provision	152,897	176,440	195,050	207,811
5 Investment Securities:					e) Net Non-Performing Loans and Advances (c-d)	594,699	557,525	265,805	254,649
a) Held to Maturity:					f) Discounted value of Securities	594,699	557,525	265,805	254,649
(i) Kenya Government securities	1,727,156	1,883,473	2,100,075	3,162,882	g) Net NPLs Exposure (e-f)	-	-	-	-
(ii) Other securities	-	-	-	-	2.0 Insider Loans and Advances				
b) Available for sale:					a) Directors, shareholders and associates	308,295	162,476	219,518	206,844
(i) Kenya Government securities	-	320,865	308,610	318,605	b) Employees	82,292	82,047	96,732	107,600
(ii) Other securities	-	-	-	-	c) Total Insider Loans and Advances and Other Facilities	390,587	244,523	316,250	314,444
6 Deposits and balances due from local banking institutions	100,270	150,235	672,444	351,214	3.0 Off-Balance Sheet Items				
7 Deposits and balances due from banking institutions abroad	145,992	61,161	81,125	112,238	a) Letters of credit, guarantees, acceptances	536,243	630,785	1,136,867	1,473,066
8 Tax recoverable	-	-	-	-	b) Forward, swaps and options	44,299	2,752	64,694	-
9 Loans and advances to customers (net)	6,958,079	7,279,704	4,903,485	5,085,258	c) Other contingent liabilities	-	-	-	26,801
10 Balances due from banking institutions in the group	-	-	-	-	d) Total Contingent Liabilities	580,542	633,537	1,201,561	1,499,867
11 Investments in associates	-	-	-	-	4.0 Capital Strength				
12 Investments in subsidiary companies	-	-	-	-	a) Core capital	1,106,087	1,208,784	1,223,262	1,236,235
13 Investment in joint ventures	-	-	-	-	b) Minimum Statutory Capital	1,000,000	1,000,000	1,000,000	1,000,000
14 Investment properties	-	-	-	-	c) Excess/(Deficiency)	106,087	208,784	223,262	236,235
15 Property and equipment	209,402	196,020	193,578	185,656	d) Supplementary capital	7,336	12,336	12,336	12,336
16 Prepaid Lease rentals	71,996	71,513	71,272	71,030	e) Total capital (a+d)	1,113,423	1,221,120	1,235,598	1,248,571
17 Intangible assets - (computer software)	33,915	31,234	31,913	33,124	f) Total risk weighted assets	4,060,175	4,371,091	4,166,545	4,696,193
18 Deferred tax asset	75,306	104,967	104,967	104,967	g) Core capital/total deposit liabilities	12.5%	12.7%	14.9%	14.2%
19 Retirement benefit asset	-	-	-	-	h) Minimum Statutory Ratio	8.0%	8.0%	8.0%	8.0%
20 Other assets	252,233	154,858	170,464	162,191	i) Excess/(Deficiency)	4.5%	4.7%	6.9%	6.2%
21 TOTAL ASSETS	10,187,423	11,021,603	9,684,410	10,259,401	j) Core capital/total risk weighted assets	27.2%	27.7%	29.4%	26.3%
B LIABILITIES					k) Minimum Statutory Ratio	10.5%	10.5%	10.5%	10.5%
22 Balances due to Central Bank of Kenya	-	-	-	-	l) Excess/(Deficiency)	16.7%	17.2%	18.9%	15.8%
23 Customer deposits	8,867,677	9,523,447	8,211,447	8,706,619	m) Total capital/total risk weighted assets	27.4%	27.9%	29.7%	26.6%
24 Deposits and balances due to local banking institutions	-	81,885	32,863	50,000	n) Minimum Statutory Ratio	14.5%	14.5%	14.5%	14.5%
25 Deposits and balances due to foreign banking institutions	-	-	-	-	o) Excess/(Deficiency)	12.9%	13.4%	15.2%	12.1%
26 Other money market deposits	-	-	-	-	p) Adjusted core capital/ total deposit liabilities*	12.5%	12.7%	14.9%	14.2%
27 Borrowed funds	-	-	-	-	q) Adjusted core capital/ total risk weighted assets*	27.3%	27.7%	29.4%	26.3%
28 Balances due to group companies	-	-	-	-	r) Adjusted total capital/total risk weighted assets*	27.4%	27.9%	29.7%	26.6%
29 Tax payable	11,955	2,797	15,189	11,065	5.0 Liquidity				
30 Dividends payable	-	-	-	-	a) Liquidity Ratio	29.2%	31.5%	50.5%	52.5%
31 Deferred tax liability	-	-	-	-	b) minimum statutory ratio	20.0%	20.0%	20.0%	20.0%
32 Retirement benefit liability	-	-	-	-	c) Excess/(Deficiency)	9.2%	11.5%	30.5%	32.5%
33 Other liabilities	116,440	139,136	124,101	164,580	NOTES				
34 TOTAL LIABILITIES	8,996,072	9,747,265	8,383,600	8,932,264	* The adjusted capital ratios include the expected credit loss provisions added back to capital in line with the CBK Guidance Note issued in April 2018 on implementation of IFRS 9.				
C SHAREHOLDERS' FUNDS					The above statement of financial position and statement of comprehensive income are extracts from the financial records of the Bank.				
35 Paid up/Assigned capital	506,831	506,831	506,831	506,831	The complete set of quarterly financial statements, statutory and qualitative disclosures can be accessed on the Banks website: www.mebkenya.com				
36 Share premium/(discount)	-	-	-	-	They may also be accessed at the Bank's Head Office located at Mebank Tower, Jakaya Kikwete Road, Nairobi.				
37 Revaluation reserves	-	-	-	-	AAK Esmail				
38 Retained earnings /Accumulated losses	672,116	757,502	786,457	812,407	Chairman				
39 Statutory Loan Loss Reserve	7,336	12,336	12,336	12,336	Isaac Mwiriga				
40 Other Reserves	-	(2,331)	(4,814)	(4,437)	Managing Director				
41 Proposed dividends	5,068	-	-	-					
42 Capital Grants	-	-	-	-					
43 TOTAL SHAREHOLDERS' FUNDS	1,191,351	1,274,338	1,300,810	1,327,137					
44 Minority Interest	-	-	-	-					
45 TOTAL LIABILITIES AND SHAREHOLDERS' FUNDS	10,187,423	11,021,603	9,684,410	10,259,401					

II STATEMENT OF COMPREHENSIVE INCOME FOR THE PERIOD ENDED				
	30 Jun 2020	31 Dec 2020	31 Mar 2021	30 Jun 2021
	UNAUDITED	AUDITED	UNAUDITED	UNAUDITED
	Shs.'000'	Shs.'000'	Shs.'000'	Shs.'000'
1.0 INTEREST INCOME				
1.1 Loans and advances	337,834	722,749	182,002	346,917
1.2 Government securities.	64,169	180,657	58,105	129,949
1.3 Deposits and placements with banking institutions	2,298	5,128	10,279	16,208
1.4 Other Interest Income	-	-	-	-
1.5 Total Interest income	404,301	908,534	250,386	493,074
2.0 INTEREST EXPENSE				
2.1 Customer deposits	251,716	560,923	139,499	268,957
2.2 Deposits and placements from banking institutions	4,092	5,695	377	534
2.3 Other Interest expense	2,351	4,062	740	1,425
2.4 Total Interest Expense	258,159	570,680	140,616	270,916
3.0 NET INTEREST INCOME/(LOSS)	146,142	337,854	109,770	222,158
4.0 OTHER OPERATING INCOME				
4.1 Fees and commissions on loans and advances	77,609	131,390	22,895	44,464
4.2 Other fees and commission	9,249	23,256	7,066	14,425
4.3 Foreign exchange trading income/(loss)	7,487	11,870	6,805	16,127
4.4 Dividend income	-	-	-	-
4.5 Other income	33,389	56,418	10,782	20,407
4.6 Total Non-Interest Income	127,734	222,934	47,548	95,423
5.0 TOTAL OPERATING INCOME	273,876	560,788	157,318	317,581
6.0 OPERATING EXPENSES				
6.1 Loan Loss Provision	27,529	50,482	(53)	12,593
6.2 Staff costs	89,190	194,130	52,240	105,961
6.3 Directors' emoluments	16,490	42,474	11,197	22,363
6.4 Rentals Charges	2,892	3,950	478	968
6.5 Depreciation charge on property and equipment	15,431	25,258	5,939	11,797
6.6 Amortization Charge	3,028	9,688	2,276	4,624
6.7 Other operating expenses	72,011	129,603	43,877	82,061
6.8 Total Operating Expenses	226,571	455,585	115,954	240,367
7.0 Profit/(Loss) before Tax and Exceptional Items	47,305	105,203	41,364	77,214
8.0 Exceptional items	-	-	-	-
9.0 Profit/(Loss) after Exceptional items	47,305	105,203	41,364	77,214
10.0 Current tax	11,740	8,911	12,409	22,309
11.0 Deferred tax	-	(29,661)	-	-
12.0 Profit/(Loss) after Tax and Exceptional Items	35,565	125,953	28,955	54,905
13.0 Minority Interest	-	-	-	-
14.0 Profit/(Loss) after tax, exceptional items and Minority Interest	35,565	125,953	28,955	54,905
15.0 Other Comprehensive Income				
15.1 Gains/ (Losses) from translating the financial statements of foreign operations	-	-	-	-
15.2 Fair value changes in available for sale financial assets	-	(2,331)	(2,483)	(2,106)
15.3 Revaluation surplus on Property, plant and equipment	-	-	-	-
15.4 Share of other comprehensive income of associates	-	-	-	-
15.5 Income tax relating to components of other comprehensive income	-	-	-	-
16.0 Other Comprehensive Income for the year net of tax	-	(2,331)	(2,483)	(2,106)
17.0 Total Comprehensive Income for the year	35,565	123,622	26,472	52,799
18.0 Earnings Per Share - Basic & Diluted	1.40	4.97	1.14	2.17
19.0 Dividend Per Share - Declared	-	-	-	-

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