



QUARTERLY FINANCIAL STATEMENTS AND OTHER DISCLOSURES AS AT 30 JUNE 2023

I STATEMENT OF FINANCIAL POSITION AS AT	30 June 2022 UNAUDITED Shs.'000'	31 Dec 2022 AUDITED Shs.'000'	31 Mar 2023 UNAUDITED Shs.'000'	30 June 2023 UNAUDITED Shs.'000'
A ASSETS				
1 Cash (both local and foreign)	140,742	173,127	167,126	233,231
2 Balances due from Central Bank of Kenya	674,536	881,458	1,916,812	1,648,553
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:				
(i) Kenya Government securities	3,154,973	4,422,569	4,361,977	4,300,513
(ii) Other securities	-	-	-	-
b) Available for sale:				
(i) Kenya Government securities	-	-	-	-
(ii) Other securities	-	-	-	-
6 Deposits and balances due from local banking institutions	412,785	603,510	69,017	313,855
7 Deposits and balances due from banking institutions abroad	439,519	491,461	914,375	117,641
8 Tax recoverable	-	-	-	15,552
9 Loans and advances to customers (net)	5,437,189	5,788,334	6,549,329	7,923,486
10 Balances due from banking institutions in the group	-	-	-	-
11 Investments in associates	-	-	-	-
12 Investments in subsidiary companies	-	-	-	-
13 Investment in joint ventures	-	-	-	-
14 Investment properties	-	-	-	-
15 Property and equipment	203,812	197,006	197,314	220,155
16 Prepaid Lease rentals	70,065	69,593	69,341	69,600
17 Intangible assets - (computer software)	30,505	30,450	30,910	32,676
18 Deferred tax asset	131,957	146,389	146,389	146,389
19 Retirement benefit asset	-	-	-	-
20 Other Assets	136,529	158,301	154,347	185,296
21 TOTAL ASSETS	10,832,612	12,962,188	14,576,937	15,206,447
B LIABILITIES				
22 Balances due to Central Bank of Kenya	-	1,103,334	1,401,430	718,698
23 Customer deposits	9,121,946	9,326,192	10,079,107	10,015,501
24 Deposits and balances due to local banking institutions	-	-	450,000	797,747
25 Deposits and balances due to foreign banking institutions	-	-	-	-
26 Other money market deposits	-	-	-	-
27 Borrowed funds	-	408,246	406,414	1,475,615
28 Balances due to group companies	-	-	-	-
29 Tax payable	3,041	93,592	129,058	-
30 Dividends payable	-	-	-	-
31 Deferred tax liability	-	-	-	-
32 Retirement benefit liability	-	-	-	-
33 Other liabilities	226,219	237,448	234,757	244,930
34 TOTAL LIABILITIES	9,351,200	11,168,812	12,700,766	13,252,491
C SHAREHOLDERS' FUNDS				
35 Paid up/Assigned capital	506,831	506,831	506,831	506,831
36 Share premium/(discount)	-	-	-	-
37 Revaluation reserves	-	-	-	-
38 Retained earnings /Accumulated losses	941,174	1,211,018	1,290,830	1,367,485
39 Statutory Loan Loss Reserve	23,407	65,227	68,510	69,600
40 Other Reserves	-	-	-	-
41 Proposed dividends	10,000	10,000	10,000	10,000
42 Capital Grants	-	-	-	-
43 TOTAL SHAREHOLDERS' FUNDS	1,481,412	1,793,376	1,876,171	1,953,956
44 TOTAL LIABILITIES AND SHAREHOLDERS' FUNDS	10,832,612	12,962,188	14,576,937	15,206,447

II STATEMENT OF COMPREHENSIVE INCOME FOR THE PERIOD ENDED	30 June 2022 UNAUDITED Shs.'000'	31 Dec 2022 AUDITED Shs.'000'	31 Mar 2023 UNAUDITED Shs.'000'	30 June 2023 UNAUDITED Shs.'000'
1.0 INTEREST INCOME				
1.1 Loans and advances	355,273	776,799	210,202	461,445
1.2 Government securities	184,905	422,279	129,941	260,366
1.3 Deposits and placements with banking institutions	5,157	17,354	4,403	6,179
1.4 Other Interest Income	-	-	-	-
1.5 Total Interest Income	545,335	1,216,432	344,546	727,990
2.0 INTEREST EXPENSE				
2.1 Customer deposits	297,336	633,500	165,597	340,609
2.2 Deposits and placements from banking institutions	18,345	36,370	24,752	62,223
2.3 Other Interest expense	955	2,011	4,870	17,721
2.4 Total Interest Expense	316,636	671,881	195,219	420,553
3.0 NET INTEREST INCOME/(LOSS)	228,699	544,551	149,327	307,437
4.0 OTHER OPERATING INCOME				
4.1 Fees and commissions on loans and advances	93,567	182,691	42,538	83,425
4.2 Other fees and commission	11,777	24,823	7,145	14,578
4.3 Foreign exchange trading income/(loss)	40,809	106,748	60,392	122,406
4.4 Dividend income	-	-	-	-
4.5 Other income	19,382	281,966	9,590	18,741
4.6 Total Non-Interest Income	165,535	596,228	119,665	239,150
5.0 TOTAL OPERATING INCOME	394,234	1,140,779	268,992	546,587
6.0 OPERATING EXPENSES				
6.1 Loan Loss Provision	18,679	34,500	-	13,110
6.2 Staff costs	126,268	251,342	63,637	127,948
6.3 Directors' emoluments	20,740	44,175	11,488	22,927
6.4 Rentals Charges	997	1,945	515	1,029
6.5 Depreciation charge on property and equipment	15,872	33,087	9,686	22,039
6.6 Amortization Charge	4,641	8,867	2,487	4,976
6.7 Other operating expenses	90,830	222,522	62,901	125,159
6.8 Total Operating Expenses	278,030	596,438	150,714	317,188
7.0 Profit/(Loss) before Tax and Exceptional items	116,204	544,341	118,278	229,399
8.0 Exceptional items	-	-	-	-
9.0 Profit/(Loss) after Exceptional items	116,204	544,341	118,278	229,399
10.0 Current tax	34,861	155,466	35,483	68,820
11.0 Deferred tax	-	(14,432)	-	-
12.0 Profit/(Loss) after Tax and Exceptional items	81,343	403,307	82,795	160,579
13.0 Minority Interest	-	-	-	-
14.0 Profit/(Loss) after tax, exceptional items and Minority Interest	81,343	403,307	82,795	160,579
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	-	-	-	-
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	-	-	-	-
17.0 Total Comprehensive Income for the year	81,343	403,307	82,795	160,579
18.0 Earnings Per Share - Basic & Diluted	3.21	15.91	3.27	6.34
19.0 Dividend Per Share - Declared	-	0.39	-	-

III OTHER DISCLOSURES AS AT	30 June 2022 UNAUDITED Shs.'000'	31 Dec 2022 UNAUDITED Shs.'000'	31 Mar 2023 UNAUDITED Shs.'000'	30 June 2023 UNAUDITED Shs.'000'
1.0 Non-Performing Loans and Advances				
a) Gross non-performing loans and advances	407,595	420,688	481,527	497,893
b) Less: interest in suspense	62,458	61,910	65,841	71,344
c) Total Non-Performing Loans and Advances [a-b]	345,137	358,778	415,686	426,549
d) Less: loan loss provision	250,170	281,273	282,384	283,384
e) Net Non-Performing Loans and Advances [c-d]	94,967	77,505	133,302	143,165
f) Discounted value of Securities	94,967	77,505	133,302	143,165
g) Net NPLs Exposure [e-f]	-	-	-	-
2.0 Insider Loans and Advances				
a) Directors, shareholders and associates	430,992	488,596	601,219	496,650
b) Employees	140,910	159,089	159,081	158,802
c) Total Insider Loans and Advances and Other Facilities	571,902	646,685	760,280	655,452
3.0 Off-Balance Sheet Items				
a) Letters of credit, guarantees, acceptances	1,866,744	2,031,315	1,728,083	1,687,606
b) Forward, swaps and options	298,990	-	-	-
c) Other contingent liabilities	27,500	2,649	138,854	171,891
d) Total Contingent Liabilities	2,193,234	2,033,964	1,866,937	1,859,497
4.0 Capital Strength				
a) Core capital	1,351,291	1,693,030	1,731,444	1,769,186
b) Minimum Statutory Capital	1,000,000	1,000,000	1,000,000	1,000,000
c) Excess/(Deficiency)	351,291	693,030	731,444	769,186
d) Supplemental capital	23,407	65,227	68,510	69,600
e) Total capital [a+d]	1,374,698	1,758,557	1,799,954	1,838,846
f) Total risk weighted assets	5,606,981	6,277,369	6,735,965	8,081,343
g) Core capital/total deposit liabilities	12.8%	12.8%	12.2%	12.3%
h) Minimum Statutory Ratio	8.0%	8.0%	8.0%	8.0%
i) Excess/(Deficiency)	8.8%	10.2%	9.2%	9.7%
j) Core capital/total risk weighted assets	24.1%	27.0%	26.7%	22.9%
k) Minimum Statutory Ratio	10.5%	10.5%	10.5%	10.5%
l) Excess/(Deficiency)	13.6%	16.5%	15.2%	11.4%
m) Total capital/total risk weighted assets	24.5%	28.0%	26.7%	22.8%
n) Minimum Statutory Ratio	14.5%	14.5%	14.5%	14.5%
o) Excess/(Deficiency)	10.0%	13.5%	12.2%	8.3%
5.0 Liquidity				
a) Liquidity Ratio	52.4%	49.9%	48.1%	46.9%
b) Minimum statutory ratio	20.0%	20.0%	20.0%	20.0%
c) Excess/(Deficiency)	32.4%	29.9%	28.1%	26.9%

Notes
* 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.
The above statement of financial position and statement of comprehensive income are extracts from the financial records of the Bank.
The complete set of quarterly financial statements, statutory and qualitative disclosures can be accessed on the Banks website: www.mebkenya.com
They may also be accessed at the Bank's Head Office located at Mebank Tower, Jakaya Kikwete Road, Nairobi.