Credit Bank My Friend, My Bank

UNAUDITED FINANCIAL STATEMENTS AND OTHER DISCLOSURES AS AT 30TH JUNE 2021

| I STATEMENT OF FINANCIAL POSITION | BANK 30th June 31st December 31st March | | | 2011 | GROUP | | | 2011 |
|--|--|--|--|---|---|---|---|--|
| | 2020 | 31st December 2020 Shs. '000' Audited 357, 909 | 2021 | 30th June 2021 Shs. '000' | 2020 | 31st December 2020 Shs. '000' | 31st March 2021 Shs. '000' | 30th June 2021 Shs. '000' |
| A ASSETS Cash (both Local & Foreign) ZBalances due from Central Bank of Kenya Skenya Government and other securities held for dealing purposes 4 Financial Assets at fair value through profit and loss 5 Investment Securities a Kenya Government securities b (April Securities a Kenya Government securities b (April Securities b (April Securities) b (April Securities) b (April Securities) b (April Securities) b (April Securities) b (April Securities) b (April Securities) | Shs. '000' Unaudited 512,699 1,510,186 | Audited 357,909 758,929 | Shs. '000' Unaudited 398,233 1,346,496 | Shs. '000' Unaudited 333,505 1,788,913 | Shs. '000' Unaudited 542,942 1,510,186 | 2020 Shs. '000' Audited 386,776 758,929 | Shs. '000' Unaudited 428,296 1,346,496 | Unaudited 368,755 1,788,913 |
| 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 b. Other securities | 2,683,606 2,683,606 | 3,361,329 3,361,329 | 3,613,408 3,613,408 | 3,546,225 3,546,225 | 2,683,606 2,683,606 | 3,361,329 3,361,329 | 3,613,408 3,613,408 | 3,546,225 3,546,225 |
| b) Available for sale: a. Kenya Government securities b. Other securities | 599,233 599,233 | 585,270 585,270 | 951,710 951,710 | <mark>920,972</mark> 920,972 | 599,233 599,233 | 585,270 585,270 | 951,710 951,710 | 920,972 920,972 |
| 6 Deposits and balances due from local banking institutions 7 Deposits and balances due from banking institutions abroad | 86,077 279,513 | 700,123 84,526 86,275 15,631,035 | 491,883 216,387 84 405 | 210,984 217,027 86,810 | 86,077 279,513 61,025 | 700,123 84,526 89,867 15,631,035 | 491,883 216,387 89,119 | 210,984 217,027 93,446 |
| 8 Tax recoverable 9 Loans and advances to customers (net) 10 Balances due from banking institutions in the group 11 Investments in subsidiary companies 13 Investments in solut ventures 14 Investments in joint ventures 15 Property and equipment 16 Prepaid lease rentalis 19 Netirement benefit asset 18 Deferfed tax asset 19 Petirement benefit asset | 61,025 15,682,352 | 15,631,035 | 84,405 15,571,197 | 86,810 15,120,349 | 61,025 15,682,352 | 15,631,035 | 89,119 15,571,197 | 93,446 15,120,349 |
| 12 Investments in subsidiary companies 13 Investments in joint ventures | 1,000 | 1,000 | 1,000 | 1,000.00 | | | | |
| 15 Propard Lease rentals | 797,310 | 332,001 | 315,792 | 298,883 | 797,433 | 332,103 | 315,884 | 298,964 |
| 18 Deferred tax asset 19 Retirement benefit asset | 162,877 175,315 | 150,066 164,385 | 147,154 164,385 | 122,608 164,385 | 162,877 175,023 | 150,066 164,343 | 147,154 164,466 | 122,608 164,466 |
| 200ther assets 21TOTAL ASSETS | 413,675 22,964,867 | 932,490 23,145,338 | 972,708 24,274,757 | 900,026 23,711,687 | 450,560 23,030,826 | 968,662 23,213,029 | 1,019,804 24,355,803 | 938,893 23,791,602 |
| B LIABILITIES 22 Balances due to Central Bank of Kenya 23 Customer deposits | 17,838,339 765,751 | 17,638,463 510,781 | 18,524,958 669,764 | 18,548,206 96,314 | 17,838,339 765,751 | 17,638,463 510,781 | 18,524,958 669,764 | 18,548,206 96,314 |
| 2 Department of the contral Bank of Kenya 23 Evaluations due to Central Bank of Kenya 24 Deposits and balances due to local banking institutions 25 Deposits and balances due to foreign banking institutions 26 Other money market deposits 27 Borrowed funds 28 Balances due to Banking institutions in the group | /65,/51 | | | | /65,/51 | | | |
| 27 Borrowed funds 28 Balances due to banking institutions in the group 29 Tax payable | | 891,391 | 888,567 | 872,775 | (5,095) | 891,391 | 888,567 | 872,775 |
| 20 Salarices due to Bainking institutions in the group 29 fax payable 30 Dividends payable 31 Deferred tax liability 32 Retirement benefit liability 33 Other liabilities 34 TOTAL LIABILITIES | | | | | | | | |
| | 1,097,186 19,701,276 | 886,492 | 921,819 21,005,107 | 877,030 20,394,326 | 1,145,399 19,744,394 | 929,043 19,969,678 | 975,524 21,058,812 | 927,112 20,444,408 |
| C SHAREHOLDERS' FUNDS 35 Paid up /Assigned capital 36 Share premium/(discount) | 2,766,490 103,220 | 2,903,018 97,344 | 2,903,018 97,344 | 2,915,971 97,344 | 2,766,490 103,220 | 2,903,018 97,344 | 2,903,018 97,344 | 2,915,971 97,344 |
| 36 Share premium/(discount) 37 Revaluation reserves 38 Retained earnings/Accumulated losses 39 Statutory Ioan Jöss reserves | 217.322 | (130,575) 350,166 (1,742) | (65,116) 350,166 | (39,565) 350,166 (6,555) | 240.163 | (105,435) 350,166 (1,742) | (37,775) 350,166 (15,762) | (9,732) 350,166 (6,555) |
| 39 Statutory Ioan Ioss reserves 40 Other Reserves 41 Proposed dividends 42 Canital arants | 164,684 11,875 | (1,742) | (15,762) | (6,555) | 164,684 11,875 | (1,742) | (15,762) | (6,555) |
| 41 Proposed dividends 42 Applial grants 43 OTAL SHAREHOLDERS' FUNDS 44 Minority Interest 45 TOTAL LIABILITIES AND SHAREHOLDERS' FUNDS | 3,263,591 | 3,218,211 23,145,338 | 3,269,650 | 3,317,361 | 3,286,432 | 3,243,351 | 3,296,991 | 3,347,194 23,791,602 |
| 45 TO TAL LIABILITIES AND SHAREHOLDER'S FONDS | 22,964,867 | | 24,274,757 | 23,711,687 | 23,030,826 | 23,213,029 | 24,355,803 | |
| 10INTEREST INCOME | Shs. '000' Unaudited | Shs. '000' Audited | Shs. '000' Unaudited | Shs. '000' Unaudited | Shs. '000' Unaudited | Shs. '000' Audited | Shs. '000' Unaudited | Shs. '000' Unaudited |
| 1.1 Loans and advances 1.2 Government securities 1.3 Deposits and placements with banking institutions | 1,030,013 172,973 6,850 | 2,106,881 399,642 15,335 | 494,125 117,616 4,890 | 938,028 253,742 10,213 | 1,030,013 172,974 6,850 | 2,106,881 399,642 15,335 | 494,125 117,616 4,890 | 938,028 253,742 10,213 |
| 1.3 Deposits and placements with banking institutions 1.4 Other Interest Income 1.5 Total interest income | 1,209,836 | 2,521,857 | 616,631 | 1,201,983 | 1,209,837 | 2,521,857 | 616,631 | 1,201,983 |
| 2.0INTEREST EXPENSE 2.1 Customer deposits 2.2 Deposits and placement from banking institutions 2.3 Other interest expenses 2.4 Total interest expenses 3.0NET INTEREST INCOME/(LOSS) | 662,941 6,353 28,250 | 1,307,085 60,173 57,947 | 318,393 14,517 14,192 | 641,751 28,566 28,356 | 662,093 6,353 | 1,305,139 60,173 57,947 | 317,441 14,517 14,192 | 639,938 28,566 28,356 696,859 |
| 2.30ther interest expenses 2.4 Total interest expenses 3.0NET INTEREST INCOME/(LOSS) | 28,250 697,544 512,292 | 57,947 1,425,206 1,096,651 | 14,192 347,101 269,530 | 28,356 698,672 503,310 | 6,353 28,250 696,696 513,140 | 57,947 1,423,260 1,098,597 | 14,192 346,149 270,482 | 28,356 696,859 505,123 |
| A ONON-INTEREST INCOME | | | | 90.830 | | | | |
| 4.1 Fees and commissions on loans and advances 4.2 Other fees and commissions 4.3 Foreign exchange trading income/(Loss) 4.4 Dividend Income | 96,036 143,856 67,737 | 181,643 278,705 130,335 | 44,623 75,729 29,644 | 156,063 55,388 | 96,036 154,939 67,737 | 181,643 300,988 130,335 | 44,623 80,650 29,644 | 90,830 166,626 55,388 |
| 4.5 Divergent exchange rading inconercess) 4.5 Divergent income 4.5 Otal Non-interest income 5.0TOTAL OPERATING INCOME | 38,390 346,019 858,311 | 42,554 633,237 1,729,888 | 5,740 155,737 425,266 | 27,105 | 38,390 357,102 870,242 | 42,554 655,520 | 5,740 160,658 431,139 | 27,105 339,949 845,072 |
| 6.00THER OPERATING EXPENSES 6.1Loan loss provision | | | | 51 503 | 77 100 | | | |
| 6.2 Staff costs | 335,424 37,941 | 685,156 70,073 | 152,227 20,181 | 51,593 307,595 38,342 52,957 | 341,823 37,941 7,215 | 287,130 698,260 70,073 | 155,580 20,181 27,462 | 314,260 |
| 6. 3 Directors' emoluments 6.4 Rental charges 6.5 Depreciation charges 6.6 Amortisation charges 6.7 Other operating expenses 6.7 Other operating expenses | 77,108 335,424 37,941 7,315 75,103 29,181 210,762 712,834 | 287,130 685,156 70,073 106,078 66,933 59,478 446,678 | 29,045 152,227 20,181 27,463 17,621 15,114 96,156 | 38,342 52,857 34,939 30,029 191,537 | 77,108 341,823 37,941 7,315 75,124 29,224 211,246 | 106,078 66,933 59,582 447,930 | 29,045 155,580 20,181 27,463 17,632 15,114 96,463 | 51,593 314,260 38,342 52,857 34,960 30,029 192,137 |
| 6.7 Other Operating Expenses 7.0 Profit/(loss) Before Tax and Exceptional Items 8.0 Exceptional Items 9.0 Profit/(Loss) After Exceptional Items | 710,762 772,834 85,478 | 440,078 1,721,526 8,362 | 90,100 357,808 67,458 | 706,893 125,804 | 211,240 779,781 90,462 | 1,735,988 18,130 | 90,403 361,479 69,660 | 192,137 714,179 130,894 |
| | 85,478 12,000 | 8,362 60,515 10,931 | 67,458 2,000 | 125,804 34,794 | 90,462 12,000 | 18,130 63,005 10,931 | 69,660 2,000 | 130,894 34,794 |
| 10 Octurent Tax 11 Obeferred Tax 12 OProfit/(Loss) After Tax and Exceptional Items 13 OMinority Interest 14 OProfit/(Joss) After Tax, exceptional Items and Minority Interest 15 OOther Comprehensive Income Gains/(Losses) from translating the financial statements of 15 Interest conservices | 73,478 | (63,084) | 65,458 | 91,010 | 78,462 | (55,806) | 67,660 | 96,100 |
| 14.0 Profit/(Toss) after tax, exceptional items and Minority Interest 15.0 Other Comprehensive Income Gains/(Losses) from translating the financial statements of | 73,478 | (63,084) | 65,458 | 91,010 | 78,462 | (55,806) | 67,660 | 96,100 |
| 15. Toreign operations 15. Zariv Alue charges in available for sale financial assets 15. Zeavulation surplus on Property plant and equipment 15. A Revaluation surplus on Property plant and equipment 15. A bhare of other comprehensive income of associates income tax relating to components of other comprehensive | 31,832 | (228) | (14,020) | 11,969 | 31,832 | (228) | (14,020) | 11,969 |
| 15.4 Share of other comprehensive income of associates Income tax relating to components of other comprehensive | (0.550) | | | (0.7.0) | (0.550) | | | (0.7(0) |
| 15.5 income 16.0 Other Comprehensive Income for the year net of tax 17.0 Total comprehensive income for the year | (9,550) 22,282 95,760 | (228) (63,312) | (14,020) 51,438 | (2,762) 9,207 100,217 | (9,550) 22,282 100,744 | (228) | (14,020) 53,640 | (2,762) 9,207 105,307 |
| 18.0EARNINGS PER SHARE- BASIC & DILUTED | 5.3 | -2.2 | 9.0 | 6.2 | 5.7 | -1.9 | 9.3 | 6.4 |
| 19.0DIVIDEND PER SHARE -DECLARED III OTHER DISCLOSURES | | | | | | | | |
| | Shs. '000' Unaudited | | Shs. '000' Unaudited | Shs. '000' Unaudited | | | | |
| 1.0NON-PERFORMING LOANS AND ADVANCES (a) Gross Non-performing loans and advances (b) Less: Interest in Suspense (c) Total Non-Performing Loans and Advances (a-b) (d) Less: Loan Loss ProVision (e) Net Non-Performing Loans and Advances(c-d) (f) Discounted Value of Securities (g) Net NPLs Exposure (e-f) | 1,659,175 354,464 1,304,711 360,394 944,317 | 2,016,878 521,577 1,495,301 797,355 697,946 | 1,817,705 597,356 1,220,349 761,124 459,225 | 1,829,065 671,041 1,158,024 815,768 342,256 | | | | |
| (d) Less: Loan Loss Provision (e) Net Non-Performing Loans and Advances(c-d) (f) Discounted Value of Securities | 360,394 944,317 944,317 | 797,355 697,946 697,946 | 761,124 459,225 459,225 | 815,768 342,256 342,256 | | | | |
| (g) Net NPLs Exposure (e-f) | | 077,740 | 437,223 | 342,230 | | | | |
| 2.0 INSIDER LOANS AND ADVANCES (a) Directors, Shareholders and Associates (b) Employees | 688,239 939,410 | 632,513 946,521 | 578,243 928,202 1,506,445 | 618,674 943,209 | | | | |
| (c)Total Insider Loans and Advances and other facilities 3.00FF-BALANCE SHEET ITEMS | 1,627,649 | 1,579,034 | | 1,561,883 | | | | |
| 3.00Fr-BALANCE SHEFT ITEMS (a).etiters of credit.guarantees, acceptances (b) Forwards, swaps and options (c) Other contingent liabilities (d) Total Contingent Liabilities | 9,822,930 555,707 10,378,637 | 8,672,988 589,821 9,262,809 | 9,420,021 555,582 9,975,603 | 8,609,098 436,946 9,046,044 | | | | |
| (d) Iotal Contingent Liabilities 4.0CAPUTAL STRENGTH | | | | | | | | |
| (a) tota contingent Labrites 4.0CAPITA STEPLOTH (b) Minimum Statutory Capital (c) Excess(Dificiency)(a-b) (c) Supplementary Capital (c) Total Capital (4-0) (f) Total risk weighted assets (g) Core Capital/Total deposits Liabilities (h) Minimum Statutory Ratio (f) Excess(Deficiency) (eh) (f) Excess(Deficiency) (eh) (f) Excess(Deficiency) (eh) (f) Excess(Deficiency) (eh) (f) Excess(Deficiency) (eh) (f) Minimum Statutory Ratio (f) Minimum Statutory Ratio (f) Adjusted Core Capital/Total Risk Weighted Assets* (f) Adjusted Core Capital/Total Risk Weighted Assets* (f) Adjusted Core Capital/Total Risk Weighted Assets* (f) Adjusted Core Capital/Total Risk Weighted Assets* | 3,058,219 1,000,000 2,058,219 164,684 3,222,903 | 2,869,788 1,000,000 1,869,788 350,166 3,219,954 | 2,902,516 1,000,000 1,902,516 350,166 3,252,682 | 2,928,245 1,000,000 1,928,245 350,166 3,278,411 22,196,353 8,0% 7,8% 13,2% 10,2% 10,2% 14,8% 14,8% 0,3% 15,79 15,79 15,79 | | | | |
| (d) Supplementary Câpital (e) Total Capital (a+d) (f) Total risk weighted assets | 164,684 3,222,903 22,256,963 | 350,166 3,219,954 22,155,953 | 350,166 3,252,682 22,268,292 | 350,166 3,278,411 22,196,353 | | | | |
| (d) Core Capital/Total deposits Liabilities (h) Minimum statutory Ratio (i) Excess(Deficiency) (gh) | 17.1% 8.0% | 16.27% 8.00% 8.27% | 15.67% 8.00% 7.67% | 15.8% 8.0% | | | | |
| (i) Core Capital7 total7 HSk weighted assets (k) Minimum Statutory Ratio (i) Excess (Deficiency (ik)) | 3,222,903 22,256,963 17,1% 8,0% 9,1% 13,7% 10,5% 3,2% 14,5% 14,5% 14,5% 0,0% 17,20 13,80 14,50 13,80 14,50 | 3,219,954 22,155,953 16,27% 8,00% 8,27% 10,50% 2,46% 14,53% 14,53% 14,53% 14,53% 14,50% 14,55% 14,55% | 3,252,682 22,268,292 15,67% 8,00% 7,67% 13,03% 10,50% 2,53% 14,61% 14,61% 0,11% 15,69 13,05 14,62 | 13.2% 10.5% | | | | |
| (m) Total Capital/total Visk weighted assets (n) Minimum statutory Ratio | 14.5% 14.5% | 14.50% | 14.61% 14.50% | 14.8% 14.5% | | | | |
| (p) Adjusted Core Capital/Total Deposit Liabilities* (p) Adjusted Core Capital/Total Risk Weighted Assets* (c) Adjusted Core Capital/Total Risk Weighted Assets* | 17.20 13.80 | 16.29 12.97 | 15.69 13.05 | 15.79 13.20 | | | | |
| | | 14.55 | 14.02 | 14.77 | | | | |
| 14.1 (a) Liquidity Ratio 14.2 (b) Minimum Statutory Ratio 14.3 (c) Excess (Deficiency) (a-b) | 26.1% 20.0% 6.1% | 26.5% 20.0% 6.5% | 33.9% 20.0% 13.9% | 36.3% 20.0% 16.3% | | | | |
| Neter | | | | | | | | |

Notes * The Adjusted Capital Ratios includes 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. These 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.creditbank.co.ke. They may also be accessed at the institutions head office located at One Africa Place, Westlands 14th Floor - Nairobi

Betty Korir Chief Executive Officer

VISIT US AT ANY OF OUR BRANCH NETWORKS ; HEAD OFFICE: ONE AFRICA PLACE: WESTLANDS, 14TH FLOOR | ONE AFRICA BRANCH: 5, NGO AI | KITENGELA OLO MALU RO A RI ELA B ARI .L, MAGADI ROAD ONGATA RONGAI ROAD | MACHAKOS BRANCH: MBOL G | KISII BRANCH: 5 HOSPITAL ROAD BRANCH: NKURUMAH ROAD | MOM OR | TH LAZA KUF AY | RANCH: SWAN CENTRE ASA TOWN B