

**UN-AUDITED QUARTERLY FINANCIAL STATEMENTS AND OTHER DISCLOSURES  
FOR THE PERIOD ENDED 30<sup>TH</sup> JUNE 2022**

	30th June	31st December	31st March	30th June
	2021	2021	2022	2022
	Shs. '000'	Shs. '000'	Shs. '000'	Shs. '000'
<b>I STATEMENT OF FINANCIAL POSITION</b>				
<b>A ASSETS</b>	<b>Unaudited</b>	<b>Audited</b>	<b>Unaudited</b>	<b>Unaudited</b>
1 Cash (both Local & Foreign)	183,184	192,158	118,083	137,355
2 Balances due from Central Bank of Kenya	1,402,732	2,380,242	1,379,061	1,346,775
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	5,840,469	6,804,629	6,963,692	6,072,422
b. Other securities	5,840,469	6,804,629	6,963,692	6,072,422
b) Available for sale:				
a. Kenya Government securities	-	-	-	-
b. Other securities	-	-	-	-
6 Deposits and balances due from local banking institutions	198,793	98,963	261,597	824,792
7 Deposits and balances due from banking institutions abroad	314,769	352,926	407,060	331,250
8 Tax recoverable	33,432	47,013	47,013	47,013
9 Loans and advances to customers (net)	7,756,948	6,953,431	7,111,260	6,763,264
10 Balances due from banking institutions in the group	-	-	-	-
11 Investments in associates	-	-	-	-
12 Investments in subsidiary companies	-	-	-	-
13 Investments in joint ventures	-	-	-	-
14 Investment properties	-	-	-	-
15 Property and equipment	54,883	52,017	48,424	52,758
16 Prepaid lease rentals	214,082	210,080	208,083	206,083
17 Intangible assets	2,484	31,807	31,382	30,513
18 Deferred tax asset	180,544	234,692	234,691	234,691
19 Retirement benefit asset	-	-	-	-
20 Other assets	660,920	378,442	454,960	710,254
<b>21 TOTAL ASSETS</b>	<b>16,843,240</b>	<b>17,736,400</b>	<b>17,265,306</b>	<b>16,757,170</b>
<b>B LIABILITIES</b>				
22 Balances due to Central Bank of Kenya	-	-	-	-
23 Customer deposits	13,260,247	14,347,923	13,759,704	13,169,976
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	-	-	-	-
29 Tax payable	-	-	9,455	-
30 Dividends payable	-	-	-	-
31 Deferred tax liability	-	-	-	-
32 Retirement benefit liability	-	-	-	-
33 Other liabilities	702,843	399,427	434,978	418,263
<b>34 TOTAL LIABILITIES</b>	<b>13,963,090</b>	<b>14,747,350</b>	<b>14,204,137</b>	<b>13,588,239</b>
<b>C SHAREHOLDERS' FUNDS</b>				
35 Paid up /Assigned capital	450,375	450,375	450,375	450,375
36 Share premium/(discount)	-	-	-	-
37 Revaluation reserves	-	-	-	-
38 Retained earnings/Accumulated losses	2,211,347	2,304,989	2,372,441	2,392,149
39 Statutory loan loss reserves	218,428	233,686	238,353	326,407
40 Other Reserves	-	-	-	-
41 Proposed dividends	-	-	-	-
42 Capital grants	-	-	-	-
<b>43 TOTAL SHAREHOLDERS' FUNDS</b>	<b>2,880,150</b>	<b>2,989,050</b>	<b>3,061,169</b>	<b>3,168,931</b>
44 Minority Interest	-	-	-	-
<b>45 TOTAL LIABILITIES AND SHAREHOLDERS' FUNDS</b>	<b>16,843,240</b>	<b>17,736,400</b>	<b>17,265,306</b>	<b>16,757,170</b>
<b>II STATEMENT OF COMPREHENSIVE INCOME</b>				
<b>1.0 INTEREST INCOME</b>				
1.1 Loans and advances	502,361	1,004,957	232,225	446,086
1.2 Government securities	236,424	516,743	154,594	301,741
1.3 Deposits and placements with banking institutions	7,824	15,252	4,364	8,957
1.4 Other Interest Income	8,031	16,403	1,374	2,524
<b>1.5 Total interest income</b>	<b>754,640</b>	<b>1,553,354</b>	<b>392,556</b>	<b>759,308</b>
<b>2.0 INTEREST EXPENSE</b>				
2.1 Customer deposits	360,855	742,826	187,832	361,633
2.2 Deposits and placement from banking institutions	29	58	-	-
2.3 Other interest expenses	13,138	31,005	8,017	16,048
<b>2.4 Total interest expenses</b>	<b>374,022</b>	<b>773,889</b>	<b>195,849</b>	<b>377,681</b>
<b>3.0 NET INTEREST INCOME/(LOSS)</b>	<b>380,618</b>	<b>779,465</b>	<b>196,708</b>	<b>381,627</b>
<b>4.0 NON-INTEREST INCOME</b>				
4.1 Fees and commissions on loans and advances	36,741	77,094	15,751	29,835
4.2 Other fees and commissions	5,649	10,989	2,676	5,446
4.3 Foreign exchange trading income/(Loss)	21,349	53,361	16,757	64,183
4.4 Dividend Income	-	-	-	-
4.5 Other income	30,508	39,777	3,597	7,248
<b>4.6 Total Non-interest income</b>	<b>94,247</b>	<b>181,221</b>	<b>38,781</b>	<b>106,712</b>
<b>5.0 TOTAL OPERATING INCOME</b>	<b>474,865</b>	<b>960,687</b>	<b>235,489</b>	<b>488,339</b>
<b>6.0 OTHER OPERATING EXPENSES</b>				
6.1 Loan loss provision	71,817	167,073	(3,882)	(30,685)
6.2 Staff costs	194,393	372,586	85,691	171,421
6.3 Directors' emoluments	5,560	15,043	5,078	9,731
6.4 Rental charges	17,861	10,148	2,470	5,295
6.5 Depreciation charge on property and equipment	19,326	39,217	9,361	9,185
6.6 Amortisation charges	4,988	9,976	2,424	5,293
6.7 Other operating expenses	91,601	211,379	52,771	113,974
<b>6.8 Total Other Operating Expenses</b>	<b>405,546</b>	<b>825,420</b>	<b>153,914</b>	<b>294,214</b>
<b>7.0 Profit/(loss) Before Tax and Exceptional Items</b>	<b>69,319</b>	<b>135,266</b>	<b>81,575</b>	<b>194,125</b>
8.0 Exceptional Items	-	-	-	-
<b>9.0 Profit/(Loss) After Exceptional Items</b>	<b>69,319</b>	<b>135,266</b>	<b>81,575</b>	<b>194,125</b>
10.0 Current Tax	18,427	(19,767)	9,455	18,909
11.0 Deferred Tax	-	-	-	-
<b>12.0 Profit/(Loss) After Tax and Exceptional Items</b>	<b>50,892</b>	<b>155,033</b>	<b>72,120</b>	<b>175,216</b>
13.0 Minority Interest	-	-	-	-
<b>14.0 Profit/(loss) after tax, exceptional items and Minority Interest</b>	<b>50,892</b>	<b>155,033</b>	<b>72,120</b>	<b>175,216</b>
<b>15.0 Other Comprehensive Income</b>				
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	-	-	-	-
<b>17.0 Total comprehensive income for the year</b>	<b>50,892</b>	<b>155,033</b>	<b>72,120</b>	<b>175,216</b>
<b>18.0 EARNINGS PER SHARE- BASIC &amp; DILUTED</b>				
<b>19.0 DIVIDEND PER SHARE -DECLARED</b>				
<b>III OTHER DISCLOSURES</b>				
<b>1.0 NON-PERFORMING LOANS AND ADVANCES</b>				
(a) Gross Non-performing loans and advances	1,149,768	1,257,497	1,225,617	1,090,436
(b) Less: Interest in Suspense	324,021	352,863	365,257	372,897
<b>(c) Total Non-Performing Loans and Advances (a-b)</b>	<b>825,747</b>	<b>904,634</b>	<b>860,360</b>	<b>717,539</b>
(d) Less: Loan Loss Provision	464,293	518,191	496,996	502,225
<b>(e) Net Non-Performing Loans and Advances(c-d)</b>	<b>361,454</b>	<b>386,443</b>	<b>363,364</b>	<b>215,314</b>
(f) Discounted Value of Securities	361,454	367,425	336,625	215,766
<b>(g) Net NPLs Exposure (e-f)</b>	<b>-</b>	<b>19,018</b>	<b>26,739</b>	<b>(452)</b>
<b>2.0 INSIDER LOANS AND ADVANCES</b>				
(a) Directors, Shareholders and Associates	93,146	87,948	108,905	95,322
(b) Employees	17,417	17,929	20,594	18,923
<b>(c) Total Insider Loans and Advances and other facilities</b>	<b>110,563</b>	<b>105,877</b>	<b>129,499</b>	<b>114,245</b>
<b>3.0 OFF-BALANCE SHEET ITEMS</b>				
(a) Letters of credit, guarantees, acceptances	643,657	728,672	795,357	910,717
(b) Forwards, swaps and options	176,311	153,592	191,703	86,814
(c) Other contingent liabilities	40,205	16,801	21,105	37,339
<b>(d) Total Contingent Liabilities</b>	<b>860,173</b>	<b>899,065</b>	<b>1,008,165</b>	<b>1,034,870</b>
<b>4.0 CAPITAL STRENGTH</b>				
(a) Core capital	2,636,276	2,755,363	2,786,755	2,754,916
(b) Minimum Statutory Capital	1,000,000	1,000,000	1,000,000	1,000,000
<b>(c) Excess/(Deficiency) (a-b)</b>	<b>1,636,276</b>	<b>1,755,363</b>	<b>1,786,755</b>	<b>1,754,916</b>
(d) Supplementary Capital	218,428	233,686	238,353	326,407
<b>(e) Total Capital (a+d)</b>	<b>2,854,704</b>	<b>2,989,049</b>	<b>3,025,108</b>	<b>3,081,323</b>
<b>(f) Total risk weighted assets</b>	<b>12,069,275</b>	<b>11,323,683</b>	<b>11,729,966</b>	<b>11,756,969</b>
<b>(g) Core Capital/Total deposits Liabilities</b>	<b>19.9%</b>	<b>19.9%</b>	<b>20.3%</b>	<b>20.9%</b>
(h) Minimum statutory Ratio	8.0%	8.0%	8.0%	8.0%
(i) Excess/(Deficiency) (g-h)	11.9%	11.3%	12.3%	12.9%
<b>(j) Core Capital / total risk weighted assets</b>	<b>21.8%</b>	<b>24.3%</b>	<b>23.8%</b>	<b>23.4%</b>
(k) Minimum Statutory Ratio	10.5%	10.5%	10.5%	10.5%
<b>(l) Excess (Deficiency) (j-k)</b>	<b>11.3%</b>	<b>13.8%</b>	<b>13.3%</b>	<b>12.9%</b>
<b>(m) Total Capital/total risk weighted assets</b>	<b>23.7%</b>	<b>26.4%</b>	<b>25.8%</b>	<b>26.2%</b>
(n) Minimum statutory Ratio	14.5%	14.5%	14.5%	14.5%
<b>(o) Excess/(Deficiency) (m-n)</b>	<b>9.2%</b>	<b>11.9%</b>	<b>11.3%</b>	<b>11.7%</b>
<b>(p) Adjusted Core Capital/Total Deposit Liabilities*</b>	<b>20.0%</b>	<b>19.3%</b>	<b>20.3%</b>	<b>21.0%</b>
<b>(q) Adjusted Core Capital/Total Risk Weighted Assets*</b>	<b>21.9%</b>	<b>24.4%</b>	<b>23.8%</b>	<b>23.5%</b>
<b>(r) Adjusted Total Capital/Total Risk Weighted Assets*</b>	<b>23.7%</b>	<b>26.5%</b>	<b>25.9%</b>	<b>26.3%</b>
<b>5.0 LIQUIDITY</b>				
(a) Liquidity Ratio	58.8%	67.7%	65.3%	65.5%
(b) Minimum Statutory Ratio	20.0%	20.0%	20.0%	20.0%
(c) Excess (Deficiency) (a-b)	38.8%	47.7%	45.3%	45.5%

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 Institution's website www.guardian-bank.com. They may also be accessed at the institutions head office located at Nairobi (Biashara Street).

\*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.

**Vasant K. Shetty**  
Chairman

**Hetul D. Chandaria**  
Executive Director