

**UN-AUDITED QUARTERLY FINANCIAL STATEMENTS AND OTHER DISCLOSURES FOR THE PERIOD  
ENDING 31<sup>ST</sup> MARCH 2023**

I STATEMENT OF FINANCIAL POSITION AS AT		31 <sup>st</sup> March 2022	31 <sup>st</sup> December 2022	31 <sup>st</sup> March 2023
		Shs. '000' Unaudited	Shs. '000' Audited	Shs. '000' Unaudited
<b>A ASSETS</b>				
1 Cash (Both Local & Foreign)	18,063	108,111	191,780	
2 Balances due from Central Bank of Kenya	1,379,061	1,277,365	1,399,014	
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	6,963,692	5,564,378	4,600,505	
b. Other securities	6,963,692	5,564,378	4,600,505	
b) Available for sale:				
a. Kenya Government securities	-	-	-	
b. Other securities	-	-	-	
6 Deposits and balances due from local banking institutions	261,597	943,008	550,797	
7 Deposits and balances due from banking institutions abroad	407,060	196,780	221,241	
8 Tax recoverable	47,013	47,013	47,013	
9 Loans and advances to customers (net)	7,111,260	6,376,480	7,585,289	
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	48,424	49,434	46,830	
16 Prepaid lease rentals	208,083	202,081	200,085	
17 Intangible assets	31,382	29,285	28,736	
18 Deferred tax asset	234,691	273,989	273,989	
19 Other assets	454,960	590,201	444,174	
<b>21 TOTAL ASSETS</b>	<b>17,265,306</b>	<b>15,658,126</b>	<b>15,589,453</b>	
<b>B LIABILITIES</b>				
22 Balances due to Central Bank of Kenya	-	-	-	
23 Customer deposits	13,759,704	11,875,847	11,729,573	
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	24,057	41,073	
30 Dividends payable	-	-	-	
31 Deferred tax liability	-	-	-	
32 Retirement benefit liability	-	-	-	
33 Other liabilities	434,978	519,363	506,366	
<b>34 TOTAL LIABILITIES</b>	<b>14,204,137</b>	<b>12,419,267</b>	<b>12,277,013</b>	
<b>C SHAREHOLDERS' FUNDS</b>				
35 Paid up /Assigned capital	450,375	450,375	450,375	
36 Share premium/(discount)	-	-	-	
37 Revaluation reserves	-	-	-	
38 Retained earnings/Accumulated losses	2,372,441	2,511,064	2,557,090	
39 Statutory loan loss reserves	238,353	277,420	304,975	
40 Other Reserves	-	-	-	
41 Proposed dividends	-	-	-	
42 Capital grants	-	-	-	
<b>43 TOTAL SHAREHOLDERS' FUNDS</b>	<b>3,061,169</b>	<b>3,238,859</b>	<b>3,312,440</b>	
44 Minority Interest	-	-	-	
<b>45 TOTAL LIABILITIES AND SHAREHOLDERS' FUNDS</b>	<b>17,265,306</b>	<b>15,658,126</b>	<b>15,589,453</b>	
<b>II STATEMENT OF COMPREHENSIVE INCOME FOR THE PERIOD ENDED</b>		<b>31<sup>st</sup> March 2022</b>	<b>31<sup>st</sup> December 2022</b>	<b>31<sup>st</sup> March 2023</b>
		Shs. '000' Unaudited	Shs. '000' Audited	Shs. '000' Unaudited
<b>1.0 INTEREST INCOME</b>				
1.1 Loans and advances		232,225	930,654	242,773
1.2 Government securities		154,594	601,279	132,273
1.3 Deposits and placements with banking institutions		4,364	25,710	9,056
1.4 Other Interest Income		1,374	2,952	-
<b>1.5 Total interest income</b>		<b>392,556</b>	<b>1,560,594</b>	<b>384,403</b>
<b>2.0 INTEREST EXPENSE</b>				
2.1 Customer deposits		187,832	695,168	156,896
2.2 Deposits and placement from banking institutions		-	-	-
2.3 Other interest expenses		8,017	32,017	3,552
2.4 Total interest expenses		195,848	727,185	160,448
<b>3.0 NET INTEREST INCOME/(LOSS)</b>		<b>196,708</b>	<b>833,409</b>	<b>223,955</b>
<b>4.0 NON-INTEREST INCOME</b>				
4.1 Fees and commissions on loans and advances		15,751	54,087	9,373
4.2 Other fees and commissions		2,676	11,540	2,717
4.3 Foreign exchange trading income/(Loss)		16,757	124,457	27,875
4.4 Dividend Income		-	-	-
4.5 Other income		3,597	15,717	10,882
<b>4.6 Total Non-interest income</b>		<b>38,781</b>	<b>205,801</b>	<b>50,848</b>
<b>5.0 TOTAL OPERATING INCOME</b>		<b>235,489</b>	<b>1,039,210</b>	<b>274,803</b>
<b>6.0 OTHER OPERATING EXPENSES</b>				
6.1 Loan loss provision		(3,882)	112,621	3,470
6.2 Staff costs		85,691	346,338	92,891
6.3 Directors' emoluments		5,078	18,987	5,008
6.4 Rental charges		2,470	11,259	7,919
6.5 Depreciation charge on property and equipment		9,361	39,980	9,700
6.6 Amortisation charges		2,424	10,521	2,548
6.7 Other operating expenses		52,771	227,117	62,686
<b>6.8 Total Other Operating Expenses</b>		<b>153,914</b>	<b>766,823</b>	<b>184,202</b>
<b>7.0 Profit/(loss) Before Tax and Exceptional Items</b>		<b>81,575</b>	<b>272,387</b>	<b>90,600</b>
8.0 Exceptional Items		-	-	-
9.0 Profit/(Loss) After Exceptional Items		81,575	272,387	90,600
10.0 Current Tax		9,455	22,578	17,016
11.0 Deferred Tax		-	-	-
<b>12.0 Profit/(Loss) After Tax and Exceptional Items</b>		<b>72,120</b>	<b>249,809</b>	<b>73,584</b>
<b>13.0 Minority Interest</b>				
14.0 Profit/(loss) after tax, exceptional items and Minority Interest		72,120	249,809	73,584
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		72,120	249,809	73,584
<b>18.0 EARNINGS PER SHARE - BASIC &amp; DILUTED</b>				
<b>19.0 DIVIDEND PER SHARE -DECLARED</b>				
<b>III OTHER DISCLOSURES</b>		<b>31<sup>st</sup> March 2022</b>	<b>31<sup>st</sup> December 2022</b>	<b>31<sup>st</sup> March 2023</b>
		Shs. '000' Unaudited	Shs. '000' Audited	Shs. '000' Unaudited
<b>1.0 NON-PERFORMING LOANS AND ADVANCES</b>				
(a) Gross Non-performing loans and advances		1,225,617	1,208,259	1,221,621
(b) Less: Interest in Suspense		365,257	350,592	385,545
<b>(c) Total Non-Performing Loans and Advances (a-b)</b>		<b>860,360</b>	<b>857,667</b>	<b>836,076</b>
(d) Less: Loan Loss Provision		496,996	291,069	274,468
<b>(e) Net Non-Performing Loans and Advances (c-d)</b>		<b>363,364</b>	<b>566,599</b>	<b>561,609</b>
(f) Discounted Value of Securities		336,625	566,599	561,609
<b>(g) Net NPLs Exposure (e-f)</b>		<b>26,739</b>	<b>(0)</b>	<b>0</b>
<b>2.0 INSIDER LOANS AND ADVANCES</b>				
(a) Directors, Shareholders and Associates		108,905	139,580	120,358
(b) Employees		20,594	17,520	16,479
<b>(c) Total Insider Loans and Advances and other facilities</b>		<b>129,499</b>	<b>157,100</b>	<b>136,836</b>
<b>3.0 OFF-BALANCE SHEET ITEMS</b>				
(a) Letters of credit, guarantees, acceptances		795,357	680,727	899,500
(b) Forwards, swaps and options		191,703	52,506	83,734
(c) Other contingent liabilities		21,105	-	-
<b>(d) Total Contingent Liabilities</b>		<b>1,008,165</b>	<b>733,233</b>	<b>982,784</b>
<b>4.0 CAPITAL STRENGTH</b>				
(a) Core capital		2,786,755	2,961,439	2,970,673
(b) Minimum Statutory Capital		1,000,000	1,000,000	1,000,000
(c) Excess/(Deficiency) (a-b)		1,786,755	1,961,439	1,970,673
(d) Supplementary Capital		238,353	277,420	153,592
<b>(e) Total Capital (a+d)</b>		<b>3,025,108</b>	<b>3,238,859</b>	<b>3,124,265</b>
(f) Total risk weighted assets		11,729,966	11,127,423	12,287,339
<b>(g) Core Capital/Total deposits Liabilities</b>		<b>20.3%</b>	<b>25.0%</b>	<b>25.4%</b>
(h) Minimum statutory ratio		8.0%	8.0%	8.0%
(i) Excess/(Deficiency) (g-h)		12.3%	17.0%	17.4%
<b>(j) Core Capital / total risk weighted assets</b>		<b>23.8%</b>	<b>26.6%</b>	<b>24.2%</b>
(k) Minimum Statutory Ratio		10.5%	10.5%	10.5%
(l) Excess (Deficiency) (j-k)		13.3%	16.1%	13.7%
<b>(m) Total Capital/total risk weighted assets</b>		<b>25.8%</b>	<b>29.1%</b>	<b>25.4%</b>
(n) Minimum statutory ratio		14.5%	14.5%	14.5%
(o) Excess/(Deficiency) (m-n)		11.3%	14.6%	10.9%
(p) Adjusted Core Capital/Total Deposit Liabilities*		20.3%	25.0%	25.4%
(q) Adjusted Core Capital/Total Risk Weighted Assets*		23.8%	26.7%	24.2%
(r) Adjusted Total Capital/Total Risk Weighted Assets*		25.9%	29.2%	25.4%
<b>5.0 LIQUIDITY</b>				
5.1 (a) Liquidity Ratio		65.3%	67.6%	58.6%
5.2 (b) Minimum Statutory Ratio		20.0%	20.0%	20.0%
5.3 (c) Excess (Deficiency) (a-b)		45.3%	47.6%	38.6%

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](http://www.guardian-bank.com). They may also be accessed at the institutions head office located at Guardian Centre, Biashara Street, Nairobi. \*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.

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CHIEF EXECUTIVE OFFICER