

UNAUDITED FINANCIAL STATEMENTS AND OTHER DISCLOSURES FOR THE PERIOD ENDED 30 JUNE 2020

DISCLOSURES FOR THE PERIOD ENDED	30 JUNE	E 2020 BA	NK		GROL	P CONSOLID	ATED
I STATEMENT OF FINANCIAL POSITION AS AT	30-Jun-19 Unaudited Shs. '000		Unaudited	30-Jun-20 Unaudited Shs. '000	Unaudited	31-Dec-19 Audited Shs. '000	30-Jun-20 Unaudited Shs. '000
A ASSETS Losh (both Local & Foreign) Balances due from Central Bank of Kenya Kenya Government and other securities held for dealing purposes Kinancial Assets at fair value through profit and loss	775,093 757,727 416,870 93,430	934,543	1,689,400	968,521 4,129,240 1,977,712 193,530	775,093 757,727 416,870 93,430	870,112 2,436,549 934,543 318,195	968,521 4,129,240 1,977,712 193,530
5 Investment Securities: a) Held to Maturity: i. Kenya Government securities ii. Other securities b) Available for sale:	3,113,724	2,300,990 -	3,842,506	3,603,863 -	3,113,724	2,300,990	3,603,863
i. Kenya Government securities ii. Other securities Opeposits and balances due from local banking institutions Deposits and balances due from banking institutions abroad Tax recoverable Joans and advances to customers (net)	- 396,836 2,911,109 97,007	1,503,723 4,566	363,796 11,374	2,184,268 3,961,795 105,212	396,836 2,911,109 103,494	239,503 1,503,723 7,401	2,184,268 3,961,795 111,229
9 Loans and advances to customers (net) 10 Balances due from banking institutions in the group 11 Investments in associates 12 Investments in subsidiary companies 13 Investment properties	13,858,191 - - 1,000 -	-	15,054,813 - 1,000 -	16,299,055 - 1,000 -	13,858,191 - - - -	14,526,066 - - - -	10,299,055 - - -
15 Property and equipment 16 Prepaid lease rentals 17 Intangible assets 18 Deferred tax asset 19 Retirement benefit asset	401,578 - 295,566 491,273 -	- 289,132	1,343,232 - 276,278 666,147	1,235,419 - 261,313 666,147	401,605 - 300,416 491,966	1,353,974 - 293,682 665,310	1,235,618 - 265,563 665,310
20 Other assets 21 TOTAL ASSETS	<u>897,567</u> 24,506,971	1,007,162 26,451,638	925,130 27,465,185	635,463 36,222,538	857,403 24,477,864	1,010,021 26,460,069	640,170 36,235,874
B LIABILITIES 22 Balances due to Central Bank of Kenya 23 Customer deposits 24 Deposits and balances due to local banking institutions 25 Deposits and balances due to foreign banking institutions	- 17,878,871 608,555		- 17,547,388 1,155,466 -	4,003,607 19,948,403 2,619,130	- 17,797,700 608,555 -	- 17,197,726 745,245 -	4,003,607 19,860,655 2,619,130
26 Other money market deposits 77 Borrowed funds 28 Balances due to banking institutions in the group 29 Tax payable 30 Dividends payable	1,620,133 - - -	- 2,882,177 - - -	- 3,068,627 - - -	- 4,191,234 - - -	1,620,133 271	- 2,882,177 - - -	4,191,234 - - -
 Deferred tax liability Retirement benefit liability Other liabilities Other liabilities TOTAL LIABILITIES 	- - - - - - - - - - - - - - - - - - -		- 1,691,608 23,463,089	- 1,547,358 32 309 733	- - - - - - - - - - - - - - - - - - -	- 1,554,683 22 379 831	-
C SHAREHOLDERS' FUNDS 35 Paid up /Assigned capital	2,046,198	2.046.198	2.046.198	2 046 198	2 046 198	2.046.198	2.046.198
36 Share premium/(discount) 37 Revaluation reserves 38 Retained earnings/accumulated losses 39 Statutory loan loss reserves 40 Other reserves	1,246,599 67,376 710,337 -	1,246,599	1,246,599 50,206 642,092 17,002	1,246,599 50,206 524,292 45,510	1,246,599 67,376 759,596 -	1,246,599 50,206 737,235	1,246,599 50,206 605,914 45,510
Proposed dividends Capital grants A3 TOTAL SHAREHOLDERS' FUNDS			4,002,096				3,994,427
44 TOTAL LIABILITIES AND SHAREHOLDERS' FUNDS II STATEMENT OF COMPREHENSIVE INCOME FOR THE PERIOD ENDED	30-Jun-19	31-Dec-19	27,465,185 31-Mar-20	30-Jun-20	30-Jun-19	26,460,069 31-Dec-19	30-Jun-20
1.0 INTEREST INCOME 1.1 Loans and advances	Unaudited Shs. '000 784,035	Shs. '000	Unaudited Shs. '000 420,747	Shs. '000	Shs. '000	Audited Shs. '000 1,768,893	Unaudited Shs. '000
1.2 Covernment securities 1.3 Deposits and placements with banking institutions 1.4 Other Interest Income 1.5 Total interest income	162,441 30,480 976,956	305,339 59,138 -	420,747 75,840 9,140 	862,656 167,798 19,903 - - -	784,035 162,441 30,480 - 976,956	305,339 59,138 2,133,370	862,656 167,798 19,903 - - -
2.0 INTEREST EXPENSE 2.1 Customer deposits 2.2 Deposits and placement from banking institutions 2.3 Other interest expenses 2.4 Total interest expenses 3.0 NET INTEREST INCOME/(LOSS)	402,701 58,121 56,104 516,925 460,031		217,740 20,808 60,968 299,517 206,211	444,485 41,728 <u>190,176</u> 676,388 373,968	402,701 58,121 56,104 516,925 460.031	838,283 103,205 257,974 1,199,462 933,908	444,485 41,728 <u>190,176</u> 676,388 373,968
4.0 NON-INTEREST INCOME 4.1 Fees and commissions on loans and advances 4.2 Other fees and commissions 4.3 Foreign exchange trading income/(loss)	215,276 236,334 139,630	482,096 484,483	124,550 112,478 70,386	239,974 204,907 67,771	215,276 259,357 139,630	482,096 537,495 265,243	239,974 241,571 67,771
4.4 Dividend income 4.5 Other income 4.6 Total Non-interest income 5.0 TOTAL OPERATING INCOME	84.804 676,044 1,136,075		46,717 354,131 560,342	101,498 614,151 988,119	84,804 699,067 1,159,098	164,986 1,449,820 2,383,728	101,498 650,815 1,024,783
6.0 OTHER OPERATING EXPENSES 6.1 Loan loss provision	144,105		88,813	167,177	144,105	402,867	167,177
6.2 Staff costs 6.3 Directors' emoluments 6.4 Rental charges	393,518 31,538 104,258	824,932 63,435 212,435	210,027 15,803 55,880	416,166 32,133 108,035	399,713 31,538 104,591	837,545 63,435 213,128	422,510 32,133 108,405
6.5 Depreciation charge on property and equipment 6.6 Amortisation charges 6.7 Other operating expenses 6.7 Other operating expenses	41,304 51,990 <u>321,671</u>	103,514 584,159	14,084 26,024 172,404 583,035	27,845 50,741 <u>336,274</u>	52,290 323,458	74,891 104,114 588,103	27,878 51,041 <u>338,224</u>
6.8 Total other operating expenses 7.0 Profit/(loss) before tax and exceptional items 8.0 Exceptional items 9.0 Profit/(loss) after exceptional items	<u>1,088,384</u> 47,692 47,692	2,266,218 64,489 - 64,489	(22,693)	<u>1,138,371</u> (150,252) - (150,252)	1,097,011 62,087 - 62,087	2,284,084 99,644 - 99,644	<u>1,147,369</u> (122,586) (122,586)
10.0 Current tax 11.0 Deferred tax 12.0 Profit/(loss) after tax and exceptional items	(14,308) 	(109,339) 134,265 89,415	6,808 - (15,885)	45,076 - (105,176)	(18,626) 43,461	(119,891) 132,735 112,488	36,776 (85,810)
13.0 Other comprehensive Income 13.1 Gains/(losses) from translating the financial statements of foreign operation 13.2 Fair value changes in available for sale financial assets 13.3 Revaluation (deficitl/surplus on property.plant and equipment 13.4 Share of other comprehensive income of associates		(5,000)	-	-		(5,000)	-
13.5 Income tax relating to components of other comprehensive income 14.0 Other comprehensive income for the year net of tax 15.0 Total comprehensive income for the year	33,384	250 (4,750) 84,665	- - (15,885)	- - (105,176)	43,461	250 (4,750) 107,738	- (85,810)
III OTHER DISCLOSURES	30-Jun-19 Unaudited Shs. '000	31-Dec-19 Audited Shs. '000		30-Jun-20 Unaudited Shs. '000			
1.0 NON-PERFORMING LOANS AND ADVANCES (a) Gross non-performing loans and advances (b) Less: interest in suspense	2,937,581 340,720	3,258,027 398,659	3,236,090 382,528	3,126,951 446,569			
 (c) Total non-performing loans and advances (a-b) (d) Less: loan loss provision (e) Net non-performing loans and advances(c-d) 	2,596,860 857,978 1,738,882	2,859,368 921,360 1,938,008	2,853,563 803,766	2,680,382 889,513 1,790,869			
(f) Discounted value of securities (g) Net NPLs exposure (e-f)	1,664,999 73,884	1,900,467 37,541	2,019,726 30,071	1,767,936 22,933			
2.0 INSIDER LOANS AND ADVANCES (a) Directors, shareholders and associates (b) Employees (c) Total insider loans and advances and other facilities	111,049 546,326 657,375	158,036 498,280 656,316	220,619 454,838 675,457	328,158 464,649 792,806			
 3.0 OFF-BALANCE SHEET ITEMS (a) Letters of credit,guarantees, acceptances (b) Forwards, swaps and options (c) Other contingent liabilities (d) Total contingent liabilities 	14,050,224 12,081,600 206,037 26,337,861	12,662,114 246,986	11,558,032 25,007,968 533,139 37,099,140	17,867,634 694,806			
 4.0 CAPITAL STRENGTH (a) Core capital (b) Minimum statutory capital (c) Excess/deficiency/(a-b) 	3,893,812 1,000,000 2,893,812	3,698,408 1,000,000 2,698,408	3,662,231 1,000,000 2,662,231	3,532,651 1,000,000 2,532,651			
(d) Supplementary capital (e) Total capital (a+d) (f) Total risk weighted assets	1,225,278 5,119,090 26,383,385	1,228,752 4,927,160	1,245,753	1,298,262 4,830,913			
(f) fotal risk weighted assets (g) Core capital/total deposits liabilities (h) Minimum statutory ratio (l) Excess/(deficiency) (g-h)	20,585,585 21.7% <u>8.0%</u> 13.7%	27,479,534 21.4% <u>8.0%</u> 13.4%	28,219,346 20.8% <u>8.0%</u> 12.8%	29,222,301 17.7% <u>8.0%</u> 9.7%			
 (j) Core capital / total risk weighted assets (k) Minimum statutory ratio 	14.8% 10.5%	13.5% 10.5%	13.0% 10.5%	12.1% 10.5%			
 (I) Excess/(deficiency) (j-k) (m) Total capital/total risk weighted assets (n) Minimum statutory ratio 	<u>4.3%</u> 19.4% 14.5%	3.0% 17.9% 14.5%	2.5% 17.4% 14.5%	1.6% 16.5% 14.5%			
 (o) Excess/(deficiency) (m-n) (p) Adjusted core capital/total deposits liabilities* (q) Adjusted core capital/total risk weighted assets* (r) Adjusted total capital/total risk weighted assets* 	4.9% 23.3% 15.8% 20.5%	3.4% 23.0% 14.5% 19.0%	2.9% 22.0% 13.7% 18.1%	2.0% 18.7% 12.8% 17.3%			
5.0 LIQUIDITY (a) Liquidity ratio (b) Minimum statutory ratio	41.7% 20.0%	42.0% 20.0%	42.1% 20.0%	46.6% 20.0%			
(c) Excess (deficiency) (a-b) * The adjusted capital ratios include the expected credit loss provisions added ba These financial statements are extracts from the books of the institution. The cor					n April 2018 o		

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.sidianbank.co.ke. They may also be accessed at the institution's head office located at K-Rep Centre, Wood Avenue, Kilimani, Nairobi. DR. JAMES MWORIA CHAIRMAN

CHEGE THUMBI CHIEF EXECUTIVE OFFICER