

# UNAUDITED QUARTERLY FINANCIAL STATEMENTS AND OTHER DISCLOSURES FOR THE PERIOD ENDED 31 MARCH 2023

	31 Mar 2022 Unaudited	31 Dec 2022 Audited	31 Mar 2023 Unaudited
<b>I. STATEMENT OF FINANCIAL POSITION</b>			
	SHS '000	SHS '000	SHS '000
<b>A Assets</b>			
1 Cash (both local and foreign)	127,304	102,750	107,063
2 Balances due from Central Bank of Kenya	2,346,100	2,856,024	2,717,845
3 Kenya Government and other securities held for dealing purposes	-	-	-
4 Financial Assets at fair value through profit and loss	-	-	-
5 Investment Securities:			
<b>a) Held to Maturity:</b>	<b>2,706,843</b>	<b>3,059,992</b>	<b>3,721,331</b>
a. Kenya Government securities	2,298,646	2,651,422	3,313,134
b. Other securities	408,197	408,570	408,197
<b>b) Available for sale:</b>	<b>5,890,181</b>	<b>5,531,196</b>	<b>5,618,155</b>
a. Kenya Government securities	5,723,519	5,340,749	5,400,033
b. Other securities	166,662	190,447	218,122
6 Deposits and balances due from local banking institutions	103,723	804,284	2,228
7 Deposits and balances due from banking institutions abroad	809,990	1,442,542	2,931,987
8 Tax recoverable	49,305	67,926	67,926
9 Loans and advances to customers ( Net )	30,345,531	34,384,062	36,174,779
10 Balances due from banking institutions in the group	-	-	-
11 Investments in associates	556,610	576,729	576,729
12 Investments in subsidiary companies	-	-	-
13 Investments in joint ventures	-	-	-
14 Investment properties	-	-	-
15 Property and equipment	328,842	747,943	729,813
16 Prepaid lease rentals	-	-	-
17 Intangible assets	45,163	33,654	29,048
18 Deferred tax asset	1,077,725	1,501,440	1,497,128
19 Retirement benefit asset	-	-	-
20 Other assets	1,129,052	973,490	1,194,787
<b>21 Total assets</b>	<b>45,516,369</b>	<b>52,082,032</b>	<b>55,368,819</b>
<b>B Liabilities</b>			
22 Balances due to Central Bank of Kenya	599,573	-	-
23 Customer deposits	32,776,071	38,908,327	40,625,497
24 Deposits and balances due to local banking institutions	1,463,256	170,888	58,229
25 Deposits and balances due to foreign banking institutions	923,867	1,221,714	920,393
26 Other money market deposits	-	-	-
27 Borrowed funds	2,057,799	4,226,877	5,795,498
28 Balances due to banking institutions in the group	-	-	-
29 Tax payable	239,001	-	75,125
30 Dividends payable	-	-	-
31 Deferred tax liability	-	-	-
32 Retirement benefit liability	-	-	-
33 Other liabilities	303,744	235,961	328,895
<b>34 Total liabilities</b>	<b>38,363,311</b>	<b>44,763,767</b>	<b>47,803,637</b>
<b>C Shareholders' funds</b>			
35 Paid up / Assigned share capital	838,494	838,494	838,494
36 Share premium / ( discount )	1,321,289	1,321,289	1,321,289
37 Revaluation reserves	137,000	137,000	137,000
38 Retained earnings/Accumulated losses	5,159,791	5,510,865	5,709,220
39 Statutory loan loss reserve	-	-	-
40 Other Reserves	(303,516)	(489,383)	(440,821)
41 Proposed dividends	-	-	-
42 Capital grants	-	-	-
<b>43 Total shareholders' funds</b>	<b>7,153,058</b>	<b>7,318,265</b>	<b>7,565,182</b>
<b>44 Total liabilities and shareholders' funds</b>	<b>45,516,369</b>	<b>52,082,032</b>	<b>55,368,819</b>
<b>II. STATEMENT OF COMPREHENSIVE INCOME</b>			
<b>1 Interest income</b>			
1.1 Loans and advances	762,980	3,740,970	1,098,989
1.2 Government securities	225,607	910,622	236,277
1.3 Deposits and placements with banking institutions	664	5,412	10,368
1.4 Other interest income	16,953	68,186	16,767
<b>1.5 Total interest income</b>	<b>1,006,204</b>	<b>4,725,190</b>	<b>1,362,401</b>
<b>2 Interest expense</b>			
2.1 Customer deposits	491,633	2,262,880	727,751
2.2 Deposits and placements from banking institutions	11,083	31,627	1,169
2.3 Other interest expense	54,858	343,538	155,197
<b>2.4 Total interest expenses</b>	<b>557,574</b>	<b>2,638,045</b>	<b>884,117</b>
<b>3 Net interest income/(loss)</b>	<b>448,630</b>	<b>2,087,145</b>	<b>478,284</b>
<b>4 Non-interest Income</b>			
4.1 Fees and commissions on loans and advances	82,581	277,606	46,636
4.2 Other fees and commissions	35,125	161,464	52,017
4.3 Foreign exchange trading income/(loss)	26,949	162,472	51,978
4.4 Dividend income	-	7,044	-
4.5 Other income	1,538	(6,268)	9,920
<b>4.6 Total non-interest income</b>	<b>146,193</b>	<b>602,318</b>	<b>160,551</b>
<b>5 Total operating income</b>	<b>594,823</b>	<b>2,689,463</b>	<b>638,835</b>
<b>6 Other operating expenses</b>			
6.1 Loan loss provisions	105,000	772,710	55,000
6.2 Staff costs	120,207	563,017	138,938
6.3 Directors' emoluments	39,384	154,846	43,591
6.4 Rental charges	7,209	35,551	7,317
6.5 Depreciation charge on property and equipment	16,476	88,237	27,136
6.6 Amortization charges	4,897	18,753	4,606
6.7 Other operating expenses	51,160	354,853	105,267
<b>6.8 Total other operating expenses</b>	<b>344,333</b>	<b>1,987,967</b>	<b>381,855</b>
<b>7 Profit/(loss) before tax and exceptional items</b>	<b>250,490</b>	<b>701,496</b>	<b>256,980</b>
8 Exceptional items	-	-	-
<b>9 Profit/(loss) after exceptional items</b>	<b>250,490</b>	<b>701,496</b>	<b>256,980</b>
10 Current tax	(67,375)	(396,069)	(75,125)
11 Deferred tax	-	344,057	16,500
<b>12 Profit/(loss) after tax and exceptional items</b>	<b>183,115</b>	<b>649,484</b>	<b>198,355</b>
<b>13 Other Comprehensive Income</b>			
13.1 Gains/(Losses) from translating the financial statements of foreign operations	-	-	-
13.2 Fair value changes in available for sale financial assets	(17,817)	(203,684)	48,562
13.3 Revaluation surplus on Property, plant and equipment	-	-	-
13.4 Share of other comprehensive income of associates	-	-	-
13.5 Income tax relating to components of other comprehensive income	-	-	-
<b>14 Other Comprehensive Income for the year net of tax</b>	<b>(17,817)</b>	<b>(203,684)</b>	<b>48,562</b>
<b>15 Total comprehensive income for the year</b>	<b>165,298</b>	<b>445,800</b>	<b>246,917</b>
<b>16 Earnings per share - Basic</b>	<b>4.37</b>	<b>15.49</b>	<b>4.73</b>
<b>16 Earnings per share - Diluted</b>	<b>4.37</b>	<b>15.49</b>	<b>4.73</b>
<b>17 Dividend Per share</b>	<b>-</b>	<b>2.75</b>	<b>-</b>

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<b>III. OTHER DISCLOSURES</b>			
	SHS '000	SHS '000	SHS '000
<b>1 Non-performing loans and advances</b>			
a) Gross non-performing loans and advances	4,422,638	4,562,584	4,595,349
b) Less: Interest in suspense	305,952	381,614	408,287
<b>c) Total non-performing loans and advances ( a - b )</b>	<b>4,116,686</b>	<b>4,180,970</b>	<b>4,187,062</b>
d) Less: Loan loss provisions	2,217,379	2,711,474	2,756,474
<b>e) Net non-performing loans and advances ( c - d )</b>	<b>1,899,307</b>	<b>1,469,496</b>	<b>1,430,588</b>
f) Less: Discounted value of securities	1,899,307	1,469,496	1,430,588
<b>g) Net non-performing loans exposure ( e - f )</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>2 Insider loans and advances</b>			
a) Directors, shareholders and associates	734,700	597,153	618,142
b) Employees	89,672	90,391	132,903
<b>c) Total insider loans, advances and other facilities</b>	<b>824,372</b>	<b>687,544</b>	<b>751,045</b>
<b>3 Off-balance sheet items</b>			
a) Letters of credit , guarantees , acceptances	6,073,752	8,244,605	10,096,355
b) Forwards, swaps and options	-	557,446	-
c) Other contingent liabilities	260,858	134,884	190,667
<b>d) Total contingent liabilities</b>	<b>6,334,610</b>	<b>8,936,935</b>	<b>10,287,022</b>
<b>4 Capital strength</b>			
a) Core capital	6,505,215	6,903,583	6,992,843
b) Minimum Statutory Capital	1,000,000	1,000,000	1,000,000
<b>c) Excess ( a-b )</b>	<b>5,505,215</b>	<b>5,903,583</b>	<b>5,992,843</b>
d) Supplementary capital	388,645	1,555,815	1,633,223
<b>e) Total capital ( a + d )</b>	<b>6,893,860</b>	<b>8,459,398</b>	<b>8,626,066</b>
f) Total risk weighted assets	44,172,809	50,279,293	53,662,690
<b>g) Core capital / total deposit liabilities</b>	<b>19.80%</b>	<b>17.70%</b>	<b>17.20%</b>
h) Minimum Statutory Ratio	8.00%	8.00%	8.00%
i) Excess (g- h)	11.80%	9.70%	9.20%
<b>j) Core capital / total risk weighted assets</b>	<b>14.70%</b>	<b>13.70%</b>	<b>13.00%</b>
k) Minimum Statutory Ratio	10.50%	10.50%	10.50%
l) Excess ( j - k )	4.20%	3.20%	2.50%
<b>m) Total capital / total risk weighted assets</b>	<b>15.60%</b>	<b>16.80%</b>	<b>16.10%</b>
n) Minimum Statutory Ratio	14.50%	14.50%	14.50%
o) Excess ( m - n )	1.10%	2.30%	1.60%
<b>p) Adjusted Core capital/total deposit liabilities *</b>	<b>19.90%</b>	<b>17.70%</b>	<b>17.20%</b>
<b>q) Adjusted Core capital / total risk weighted assets*</b>	<b>14.70%</b>	<b>13.70%</b>	<b>13.00%</b>
<b>r) Adjusted Total capital / total risk weighted assets*</b>	<b>15.60%</b>	<b>16.80%</b>	<b>16.10%</b>
<b>5 Liquidity</b>			
a) Liquidity Ratio	<b>24.00%</b>	<b>29.60%</b>	<b>32.40%</b>
b) Minimum Statutory Ratio	20.00%	20.00%	20.00%
c) Excess ( a - b )	4.00%	9.60%	12.40%

\* 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.

## MESSAGE FROM THE DIRECTORS

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 bank's website [www.victoriabank.co.ke](http://www.victoriabank.co.ke) and at our head office located at Victoria Towers, Mezzanine Floor, Kilimanjaro Avenue, Upperhill, Nairobi.

**Ketaki Sheth**  
CHAIR OF THE BOARD

**Yogesh K Pattni Ph.D**  
CHIEF EXECUTIVE OFFICER



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