

UNAUDITED FINANCIAL STATEMENTS AND OTHER DISCLOSURES

I STATEMENT OF FINANCIAL POSITION

	30-06-2019 (Unaudited) (KES '000')	31-12-2019 (Audited) (KES '000')	31-03-2020 (Unaudited) (KES '000')	30-06-2020 (Unaudited) (KES '000')
A ASSETS				
1 Cash (both Local & Foreign)	373,341	367,584	456,533	294,799
2 Balances due from Central Bank of Kenya	827,820	442,016	562,520	856,903
3 Kenya Government and other securities held for dealing purposes				
4 Financial Assets at fair value through profit and loss		275		
5 Investment Securities:				
a) Held to Maturity:	1,604,101	1,385,989	1,607,145	2,314,046
a. Kenya Government securities	1,604,101	1,385,989	1,607,145	2,314,046
b. Other securities				
b) Available for sale:				
a. Kenya Government securities				
b. Other securities				
6 Deposits and balances due from local banking institutions	75,740	219,837	377,848	576,769
7 Deposits and balances due from banking institutions abroad	527	2,582	6,460	995
8 Tax recoverable	28,985	13,999	13,999	13,999
9 Loans and advances to customers (net)	6,164,503	6,123,829	5,605,544	5,236,472
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	109,731	184,530	176,470	166,342
16 Prepaid lease rentals				
17 Intangible assets	41,652	42,926	37,225	31,549
18 Deferred tax asset	170,609	169,571	169,571	169,572
19 Retirement benefit asset				
20 Other assets	642,696	365,004	691,409	787,382
21 TOTAL ASSETS	10,039,705	9,318,142	9,704,724	10,448,828
B LIABILITIES				
22 Balances due to Central Bank of Kenya				
23 Customer deposits	7,777,716	7,099,687	7,307,480	8,057,650
24 Deposits and balances due to local banking institutions			150,000	
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				
30 Dividends payable				
31 Deferred tax liability				
32 Retirement benefit liability				
33 Other liabilities	361,187	400,504	431,755	625,602
34 TOTAL LIABILITIES	8,138,903	7,500,191	7,889,235	8,683,252
C SHAREHOLDERS' FUNDS				
35 Paid up/Assigned capital	1,000,000	1,000,000	1,000,000	1,000,000
36 Share premium/(discount)	42,236	42,236	42,236	42,235
37 Revaluation reserves				
38 Retained earnings/Accumulated losses	704,809	605,200	602,737	552,825
39 Statutory loan loss reserves	153,757	170,515	170,516	170,516
40 Other Reserves				
41 Proposed dividends				
42 Capital grants				
43 TOTAL SHAREHOLDERS' FUNDS	1,900,802	1,817,951	1,815,489	1,765,576
44 Minority Interest				
45 TOTAL LIABILITIES AND SHAREHOLDERS' FUNDS	10,039,705	9,318,142	9,704,724	10,448,828

II STATEMENT OF COMPREHENSIVE INCOME

	30-06-2019 (Unaudited) (KES '000')	31-12-2019 (Audited) (KES '000')	31-03-2020 (Unaudited) (KES '000')	30-06-2020 (Unaudited) (KES '000')
1.0 INTEREST INCOME				
1.1 Loans and advances	428,762	864,101	196,695	360,091
1.2 Government securities	73,744	147,995	34,235	64,508
1.3 Deposits and placements with banking institutions	3,455	5,391	2,516	9,012
1.4 Other Interest Income				
1.5 Total interest income	505,961	1,017,487	233,446	433,611
2.0 INTEREST EXPENSE				
2.1 Customer deposits	202,977	377,122	84,796	166,814
2.2 Deposits and placement from banking institutions	10,006	22,129	4,670	8,851
2.3 Other interest expenses	601	1,175	214	493
2.4 Total interest expenses	213,583	400,426	89,680	176,158
3.0 NET INTEREST INCOME/(LOSS)	292,378	617,061	143,766	257,453
4.0 NON-INTEREST INCOME				
4.1 Fees and commissions on loans and advances	53,829	107,407	19,137	40,000
4.2 Other fees and commissions	62,834	129,261	30,426	49,618
4.3 Foreign exchange trading income/(Loss)	7,464	19,154	12,294	19,033
4.4 Dividend Income				
4.5 Other income	19,622	19,772		
4.6 Total Non-interest income	143,750	275,594	61,857	108,651
5.0 TOTAL OPERATING INCOME	436,127	892,655	205,623	366,104
6.0 OTHER OPERATING EXPENSES				
6.1 Loan loss provision	63,866	116,556	15,393	32,348
6.2 Staff costs	182,702	388,316	89,262	176,615
6.3 Directors' emoluments	5,455	11,672	3,491	7,568
6.4 Rental charges	44,736	24,408	20,672	43,419
6.5 Depreciation charge on property and equipment	27,613	88,197	9,844	25,389
6.6 Amortisation charges	11,392	22,797	5,702	5,451
6.7 Other operating expenses	128,355	296,938	63,722	127,689
6.8 Total Other Operating Expenses	464,119	948,884	208,086	418,479
7.0 Profit/(Loss) Before Tax and Exceptional Items	(27,992)	(56,229)	(2,463)	(52,375)
8.0 Exceptional Items				
9.0 Profit/(Loss) After Exceptional Items	(27,992)	(56,229)	(2,463)	(52,375)
10.0 Current Tax		27,715		
11.0 Deferred Tax				
12.0 Profit/(Loss) After Tax and Exceptional Items	(27,992)	(83,944)	(2,463)	(52,375)
13.0 Minority Interest				
14.0 Profit/(Loss) after tax, exceptional items and Minority Interest	(27,992)	(83,944)	(2,463)	(52,375)
15.0 Other Comprehensive Income				
15.1 Gains/(Losses) from transiting 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	(27,992)	(83,944)	(2,463)	(52,375)
18.0 EARNINGS PER SHARE- BASIC & DILUTED	0.0%	0.4%	0.0%	0.0%
19.0 DIVIDEND PER SHARE -DECLARED				

III OTHER DISCLOSURES

	30-06-2019 (Unaudited) (KES '000')	31-12-2019 (Audited) (KES '000')	31-03-2020 (Unaudited) (KES '000')	30-06-2020 (Unaudited) (KES '000')
1.0 NON-PERFORMING LOANS AND ADVANCES				
(a) Gross Non-performing loans and advances	1,871,940	2,195,869	2,331,217	2,483,462
(b) Less: Interest in Suspense	427,115	446,342	471,149	510,131
(c) Total Non-Performing Loans and Advances (a-b)	1,444,825	1,749,497	1,860,068	1,973,331
(d) Less: Loan Loss Provision	699,255	742,682	764,074	803,756
(e) Net Non-Performing Loans and Advances(c-d)	745,570	1,006,815	1,095,994	1,169,575
(f) Discounted Value of Securities	732,999	823,865	1,092,502	1,103,793
(g) Net NPLs Exposure (e-f)	12,571	182,950	3,492	65,782
2.0 INSIDER LOANS AND ADVANCES				
(a) Directors, Shareholders and Associates	582,318	645,432	506,465	506,456
(b) Employees	315,092	382,008	360,745	350,887
(c) Total Insider Loans and Advances and other facilities	897,410	1,027,440	867,210	857,343
3.0 OFF-BALANCE SHEET ITEMS				
(a) Letters of credit, guarantees, acceptances	254,470	249,198	233,072	221,254
(b) Forwards, swaps and options	71,530	101,475	162,750	108,291
(c) Other contingent liabilities		93,422		
(d) Total Contingent Liabilities	326,000	444,095	395,822	329,545
4.0 CAPITAL STRENGTH				
(a) Core capital	1,761,040	1,647,246	1,646,205	1,621,248
(b) Minimum Statutory Capital	1,000,000	1,000,000	1,000,000	1,000,000
(c) Excess/(Deficiency)(a-b)	761,040	647,246	646,205	621,248
(d) Supplementary Capital	153,758	170,515	170,515	170,516
(e) Total Capital (a+d)	1,914,798	1,817,761	1,816,720	1,791,764
(f) Total risk weighted assets	9,191,413	9,020,366	8,696,815	8,416,794
(g) Core Capital/Total deposits Liabilities	22.6%	23.2%	22.5%	20.1%
(h) Minimum statutory Ratio	8.0%	8.0%	8.0%	8.0%
(i) Excess/(Deficiency) (g-h)	14.6%	15.2%	14.5%	12.1%
(j) Core Capital / total risk weighted assets	19.2%	18.3%	18.9%	19.3%
(k) Minimum Statutory Ratio	10.5%	10.5%	10.5%	10.5%
(l) Excess (Deficiency) (j-k)	8.7%	7.8%	8.4%	8.8%
(m) Total Capital/total risk weighted assets	20.8%	20.2%	20.9%	21.3%
(n) Minimum statutory Ratio	14.5%	14.5%	14.5%	14.5%
(o) Excess/(Deficiency) (m-n)	6.3%	5.7%	6.4%	6.8%
(p) Adjusted Core Capital/Total Deposit Liabilities*	23.1%	23.6%	22.9%	20.3%
(q) Adjusted Core Capital/Total Risk Weighted Assets*	19.5%	18.6%	19.2%	19.4%
(r) Adjusted Total Capital/Total Risk Weighted Assets*	21.2%	20.5%	21.1%	21.4%
5.0 LIQUIDITY				
(a) Liquidity Ratio	35.4%	32.2%	38.9%	47.3%
(b) Minimum Statutory Ratio	20.0%	20.0%	20.0%	20.0%
(c) Excess (Deficiency) (a-b)	15.4%	12.2%	18.9%	27.3%

*The adjusted capital ratios include 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.tnbl.co.ke

They may also be accessed at the Institution's Head Office located at: Transnational Plaza, City Hall Way.

Signed: SAMMY LANG'AT
CHIEF EXECUTIVE OFFICER
Prof. HENRY KIPLANGAT
CHAIRMAN

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