# Standard Chartered Bank Kenya Limited

**The Board of Directors of Standard Chartered Bank Kenya Limited is pleased to announce the audited results of the Group for the year ended 31 December 2023**

## SUMMARY CONSOLIDATED INCOME STATEMENT FOR THE YEAR ENDED 31 DECEMBER 2023

| | 2023 KShs '000 | 2022 KShs '000 |
|---|---|---|
| Net interest income | 28,844,408 | 21,782,185 |
| Non funded income | 12,015,598 | 11,310,749 |
| **Operating income** | **40,860,006** | **33,092,934** |
| Operating expenses | (17,897,409) | (15,074,919) |
| **Operating profit before impairment losses and tax** | **22,962,597** | **18,018,015** |
| Impairment losses on financial instruments, property and intangible assets | (3,294,115) | (914,816) |
| **Profit before tax** | **19,668,482** | **17,103,199** |
| Income tax expense | (5,833,015) | (5,045,264) |
| **Profit for the year** | **13,835,467** | **12,057,935** |

| | KShs | KShs |
|---|---|---|
| Basic and diluted earnings per ordinary share | 36.17 | 31.47 |
| Dividend per share | 29.00 | 22.00 |

## SUMMARY CONSOLIDATED STATEMENT OF OTHER COMPREHENSIVE INCOME FOR THE YEAR ENDED 31 DECEMBER 2023

| | 2023 KShs '000 | 2022 KShs '000 |
|---|---|---|
| **Profit for the year** | **13,835,467** | **12,057,935** |
| Items that will not be classified to profit or loss | (138,472) | (39,985) |
| Items that may be reclassified subsequently to profit or loss | 117,735 | (1,397,852) |
| **Total comprehensive income for the year** | **13,814,730** | **10,620,098** |

## SUMMARY CONSOLIDATED STATEMENT OF FINANCIAL POSITION AT 31 DECEMBER 2023

| | 2023 KShs '000 | 2022 KShs '000 |
|---|---|---|
| **ASSETS** | | |
| Cash and balances with Central Bank of Kenya | 42,901,755 | 23,257,306 |
| Loans and advances to banks | 3,957,778 | 428,089 |
| Loans and advances to customers | 163,161,777 | 139,412,560 |
| Government securities held at FVOCI | 63,834,200 | 104,731,162 |
| Government and other securities held at FVPTL | 5,768,468 | 986,931 |
| Due from group companies and other related parties | 129,253,610 | 96,121,186 |
| Property, equipment and right-of-use assets | 3,168,118 | 3,182,732 |
| Goodwill and intangible assets | 5,016,586 | 4,103,224 |
| Other assets | 11,899,883 | 9,036,825 |
| **TOTAL ASSETS** | **428,962,175** | **381,260,015** |
| **LIABILITIES** | | |
| Deposits from banks | 4,327,045 | 13,480,464 |
| Deposits from customers | 342,853,241 | 278,879,309 |
| Due to group companies and other related parties | 9,757,711 | 12,717,385 |
| Other liabilities | 10,491,911 | 20,046,127 |
| **TOTAL LIABILITIES** | **367,429,908** | **325,123,285** |
| **SHAREHOLDERS' EQUITY** | | |
| Share capital and share premium | 9,961,680 | 9,961,680 |
| Other reserves | 1,976,684 | 4,201,995 |
| Retained earnings | 40,818,649 | 35,842,755 |
| Proposed dividends | 8,775,254 | 6,130,300 |
| **TOTAL SHAREHOLDERS' EQUITY** | **61,532,267** | **56,136,730** |
| **TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY** | **428,962,175** | **381,260,015** |

## SUMMARY CONSOLIDATED STATEMENT OF CASHFLOWS FOR THE YEAR ENDED 31 DECEMBER 2023

| | 2023 KShs '000 | 2022 KShs '000 |
|---|---|---|
| **Net cash generated from operating activities** | **25,009,484** | **21,587,675** |
| Net cash used in investing activities | (2,530,904) | (1,342,797) |
| Net cash used in financing activities | (8,753,532) | (7,982,040) |
| **Increase in cash and cash equivalents** | **13,725,048** | **12,262,838** |
| Cash and cash equivalents at 1 January | 74,575,796 | 62,312,958 |
| **Cash and cash equivalents at 31 December** | **88,300,844** | **74,575,796** |

## CONSOLIDATED SUMMARISED STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31 DECEMBER 2023

| | Share capital and share premium KShs '000 | Other reserves KShs '000 | Retained earning KShs '000 | Proposed dividends KShs '000 | Total KShs '000 |
|---|---|---|---|---|---|
| At 1 January 2022 | 9,961,680 | 4,576,794 | 33,301,033 | 5,374,599 | 53,214,106 |
| Profit for the year | - | - | 12,057,935 | - | 12,057,935 |
| Other comprehensive (loss)/income | - | (1,397,852) | (39,985) | - | (1,437,837) |
| Other movements | - | 1,023,053 | (9,476,228) | 755,701 | (7,697,474) |
| **At 31 December 2022** | **9,961,680** | **4,201,995** | **35,842,755** | **6,130,300** | **56,136,730** |
| Profit for the year | - | - | 13,835,467 | - | 13,835,467 |
| Other comprehensive (loss)/income | - | (21,289) | 552 | - | (20,737) |
| Other movements | - | (2,204,022) | (8,860,125) | 2,644,954 | (8,419,193) |
| **At 31 December 2023** | **9,961,680** | **1,976,684** | **40,818,649** | **8,775,254** | **61,532,267** |

## SUMMARY DIRECTORS REMUNERATION REPORT

**The Group's directors' remuneration for services rendered for the year ended 31 December 2023 was KShs 322 million (2022: KShs 314 million).**

### REPORT OF THE INDEPENDENT AUDITOR TO THE SHAREHOLDERS OF STANDARD CHARTERED BANK KENYA LIMITED

### REPORT ON THE SUMMARY CONSOLIDATED FINANCIAL STATEMENTS

#### Opinion

The summary consolidated financial statements of Standard Chartered Bank Kenya Limited ("the Company or the Bank") and its subsidiaries (together as, the "Group"), which comprise the summary consolidated statement of financial position as at 31 December 2023, and the summary consolidated income statement, summary consolidated statement of other comprehensive income, summary consolidated statement of changes in equity and summary consolidated statement of cash flows for the year then ended, are derived from the audited consolidated financial statements of the Group for the year ended 31 December 2023.

In our opinion, the accompanying summary consolidated financial statements are consistent, in all material respects, with the audited consolidated financial statements as at and for the year ended 31 December 2023, in accordance with the basis described in the Directors' Commentary accompanying the summary consolidated financial statements and in accordance with the requirements of Kenyan Companies Act, 2015.

#### Summary consolidated financial statements

The summary consolidated financial statements do not contain all the disclosures required by the International Financial Reporting Standards (IFRS) Accounting Standards as issued by the International Accounting Standards Board and the Kenyan Companies Act, 2015. Reading the summary consolidated financial statements and the auditor's report thereon, therefore, is not a substitute for reading the audited consolidated financial statements, and the auditor's report thereon. The summary consolidated financial statements and the audited consolidated financial statements do not reflect the effects of events that occurred subsequent to the date of our report on the audited consolidated financial statements.

#### The audited consolidated financial statements and our report thereon

We expressed an unmodified audit opinion on the audited consolidated financial statements in our report dated 28 March 2024. That report also includes the communication of key audit matters. Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the Group's financial statements of the current period.

#### Directors' responsibility for the summary consolidated financial statements

The directors are responsible for the preparation of the summary consolidated financial statements in accordance with the basis described in the Directors' Commentary accompanying the summary consolidated financial statements and in the manner required by the Kenyan Companies Act, 2015.

#### Auditor's responsibility

Our responsibility is to express an opinion on whether the summary consolidated financial statements, are consistent, in all material respects, with the audited consolidated financial statements based on our procedures, which were conducted in accordance with International Standards on Auditing (ISA) 810 (Revised), Engagements to Report on Summary Financial Statements.

#### Report on other legal requirements

The summary directors' remuneration report is derived from the directors' remuneration report for the year ended 31 December 2023. The summary directors' remuneration report does not contain all disclosures required by Kenyan Companies Act, 2015, (General) (Amendment) (No.2) Regulations 2017. Reading the summary directors' remuneration report and the auditor's report thereon, therefore, is not a substitute for reading the directors' remuneration report. We expressed an unmodified audit opinion on the auditable part of the directors' remuneration report which was prepared in accordance with the Kenyan Companies Act, 2015.

In our opinion, the summary directors' remuneration report is consistent, in all material respects, with the directors' remuneration report for the year ended 31 December 2023, in accordance with the Kenyan Companies Act, 2015.

The engagement partner responsible for the audit resulting in the independent auditor's report is CPA Tom Nyakoe Practising Certificate Number 2283.

For and on behalf of Ernst & Young LLP
Certified Public Accountants
P.O. Box 44286-00100
Nairobi, Kenya
Date: 29 April 2024

#### Directors' Commentary

These summary consolidated financial statements and summary directors' remuneration report are extracts from the audited consolidated financial statements and directors' remuneration report for the year ended 31 December 2023 and have been prepared in accordance with the criteria developed by the Bank's directors which is based on common practice in the banking industry. The criteria entails presenting account balances or subtotals as extracted from the audited consolidated financial statements or condensing some of the line items in the audited consolidated financial statements as indicated in the captions used in the summary financial statements and the explanatory footnotes.

**A full copy of the consolidated financial statements including explanatory notes will be available from our website www.sc.com/ke/investor-relations. They were approved by the Board of Directors on 12 March 2024.**

**Kellen Kariuki**
Chairperson

**Kariuki Ngari**
Managing Director & Chief Executive Officer

**Standard Chartered Bank Kenya Limited is regulated by Central Bank of Kenya.**

### Summary of Key Audit Matters

The key audit matters identified by the auditor were:

i. Expected credit losses on loans and advances to customers.

ii. Provisions and contingent liabilities in respect of claims and litigations.