

AUDITED FINANCIAL STATEMENTS AND OTHER DISCLOSURES FOR THE PERIOD ENDED 31ST DECEMBER 2025
1. STATEMENT OF FINANCIAL POSITION

	31.12.2024	31.12.2025
	Kshs.'000.	Kshs.'000.
	Audited	Audited
A. ASSETS		
1 Cash balances (both local and foreign)	168,249	139,338
2 Balances with Central Bank of Kenya	581,695	2,030,196
3 Kenya Government and other securities held for dealing purposes	-	-
4 Financial Assets at fair value through profit and loss	12,389	27,321
5 Investment Securities:		
a). Held to Maturity:		
a. Kenya Government Securities	4,552,930	4,822,659
b. Other securities	-	-
b) Available for sale:		
a. Kenya Government Securities	-	-
b. Other securities	-	-
6 Deposits and balances due from local banking institutions	1,385,969	1,256,407
7 Deposits and balances due from banking institutions abroad	35,695	56,726
8 Tax recoverable	912	9,328
9 Loans and advances to customers (net)	6,405,961	6,631,525
10 Balances due from banking institutions in the group	-	-
11 Investments in associates	-	-
12 Investments in subsidiary companies	-	-
13 Investment in joint ventures	-	-
14 Investment properties	-	-
15 Property, plant and equipment	24,059	27,556
16 Prepaid lease rentals	-	-
17 Intangible assets	13,496	11,294
18 Deferred tax asset	292,881	291,096
19 Retirement benefit assets	-	-
20 Other assets	314,326	240,469
21 TOTAL ASSETS	13,788,562	15,543,915
B. LIABILITIES		
22 Balances due to Central Bank of Kenya	-	-
23 Customer deposits	10,099,351	10,930,307
24 Deposits and balances due to local banking institutions	-	141,942
25 Deposits and balances due to banking institutions abroad	-	-
26 Other money market deposits	-	-
27 Borrowed funds	-	-
28 Balances due to banking institutions in the group	-	-
29 Tax payable	-	-
30 Dividends payable	-	3,313
31 Deferred tax liability	-	-
32 Retirement benefit liability	-	-
33 Other liabilities	146,756	151,927
34 TOTAL LIABILITIES	10,246,107	11,227,489
C. SHAREHOLDERS' FUNDS		
35 Paid up/ Assigned capital	2,491,031	2,727,151
Scheme Conversions & Contributions pending allotments	8,969	8,969
36 Share premium (discount)	412,819	756,999
37 Revaluation reserve	-	-
38 Retained earnings/ (Accumulated losses)	33,548	[73,665]
39 Statutory loan loss reserve	571,177	896,972
40 Other Reserves	-	-
41 Proposed dividends	24,910	-
42 Capital grants	-	-
43 TOTAL SHAREHOLDERS' FUNDS	3,542,455	4,316,426
44 TOTAL LIABILITIES AND SHAREHOLDERS' FUNDS	13,788,562	15,543,915

2. STATEMENT OF COMPREHENSIVE INCOME

1.0 INTEREST INCOME		
1.1 Loans and advances	1,074,731	1,044,849
1.2 Government securities	641,040	659,165
1.3 Deposits and placements with banking institutions	75,884	114,017
1.4 Other interest income	-	-
1.5 Total interest income	1,791,655	1,818,031
2.0 INTEREST EXPENSES		
2.1 Customer deposits	897,184	803,630
2.2 Deposits and placements from banking institutions	3,994	1,879
2.3 Other interest expenses	9,192	10,080
2.4 Total interest expenses	910,370	815,589
3.0 NET INTEREST INCOME(LOSS)	881,285	1,002,442
4.0 OTHER OPERATING INCOME		
4.1 Fees and commissions on loans & advances	54,973	81,659
4.2 Other fees and commissions	19,864	22,438
4.3 Foreign exchange trading income (loss)	49,066	11,679
4.4 Dividend income	2,833	2,401
4.5 Other income	10,218	47,640
4.6 Total other operating income	136,954	165,817
5.0 TOTAL OPERATING INCOME	1,018,239	1,168,259
6.0 OPERATING EXPENSES		
6.1 Loan loss provision	286,265	306,182
6.2 Staff costs	271,524	307,456
6.3 Directors' emoluments	6,800	6,621
6.4 Rental charges	2,264	1,984
6.5 Depreciation charge on property and equipment	9,070	8,372
6.6 Amortisation charges	12,270	5,682
6.7 Other operating expenses	208,467	222,399
6.8 Total Operating Expenses	796,660	858,696
7.0 Profit/(loss) before tax and exceptional items	221,579	309,563
8.0 Exceptional items	-	-
9.0 Profit/(loss) after exceptional items	221,579	309,563
10.0 Current tax	86,667	89,197
11.0 Deferred tax	(23,078)	1,785
12.0 Profit/(loss) after tax and exceptional items	157,990	218,581
13.0 Other Comprehensive Income:		
13.1 Gains/(Losses) from translating the financial statement of foreign operations	-	-
13.2 Fair value changes in available-for-sale financial assets	-	-
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	-	-
14.0 Other Comprehensive Income for the year net of tax	-	-
15.0 Total Comprehensive Income for the year net of tax	157,990	218,581

3. OTHER DISCLOSURES

1.0 NON-PERFORMING LOANS AND ADVANCES		
a) Gross non-performing loans and advances	1,972,598	2,406,474
b) Less interest in suspense	84,519	84,519
c) Total Non-Performing Loans and Advances (a-b)	1,888,079	2,321,955
d) Less loan loss provisions	1,048,347	1,409,112
e) Net non-performing loans and advances (c-d)	839,732	912,843
f) Discounted value of securities	839,732	912,843
g) Net NPLs exposure (e-f)	-	-
2.0 INSIDER LOANS AND ADVANCES		
a) Directors, shareholders and associates	421,257	641,254
b) Employees	107,754	88,271
c) Total Insider Loans, Advances & Other Facilities	529,011	729,525
3.0 OFF-BALANCE SHEET ITEMS		
a) Letters of credit, guarantees and acceptances	3,231,420	4,828,227
b) Forwards, swaps and options	-	-
c) Other contingent liabilities	504,113	1,670,400
c) Total Contingent Liabilities	3,735,533	6,498,627
4.0 CAPITAL STRENGTH		
a) Core capital	2,653,486	3,128,358
b) Minimum statutory capital	1,000,000	3,000,000
c) Excess (deficiency) (a-b)	1,653,486	128,358
d) Supplementary capital	134,144	156,403
e) Total capital (a+d)	2,787,630	3,284,761
f) Total risk weighted assets	10,731,535	12,512,251
g) Core capital/ total deposit liabilities	26.27%	28.62%
h) Minimum statutory ratio	8.00%	8.00%
i) Excess (deficiency) (g-h)	18.27%	20.62%
j) Core capital/ total risk weighted assets	24.73%	25.00%
k) Minimum statutory ratio	10.50%	10.50%
l) Excess (deficiency) (j-k)	14.23%	14.50%
m) Total capital/ total risk weighted assets	25.98%	26.25%
n) Minimum statutory ratio	14.50%	14.50%
o) Excess (deficiency) (m-n)	11.48%	11.75%
5.0 LIQUIDITY		
a) Liquidity Ratio	66.22%	74.27%
b) Minimum statutory ratio	20.00%	20.00%
c) Excess or deficiency (a-b)	46.22%	54.27%

The above financial statements are extracts from the books of the institution as audited by RSM Eastern Africa LLP and received an unqualified opinion. The complete set of audited financial statements, statutory and qualitative disclosures can be accessed on the institution's website: www.moriental.co.ke.

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Regulated by the Central Bank of Kenya