

**I STATEMENT OF FINANCIAL POSITION**

**KINGDOM BANK LIMITED**  
Company Registration No. C.5/2001 ("the Company")

**NOTICE AND AGENDA OF GENERAL MEETING**

NOTICE IS HEREBY GIVEN that the Annual General Meeting of KINGDOM BANK LIMITED will be held via electronic means on Tuesday, 16<sup>th</sup> May 2023 at 11.00 a.m. for the transaction of the following business:

**ORDINARY BUSINESS:**

1. To read the notice convening the meeting and determine if a quorum is present.
  2. To receive and consider, and, if approved adopt the Audited Consolidated Financial Statements of the Company for the financial year ended 31<sup>st</sup> December 2022 together with the Directors' and Auditors' report thereon.
  3. Election of Directors.
    - i) Mrs. Margaret Karagatha and Dr. Gideon Muriuki – CBS, MBS, being directors appointed under Article 26.1 (a) of the Company's Articles of Association, are retiring by rotation pursuant to Article 27.1 of the Articles and being eligible offer themselves for re-election in accordance with Article 28 of the Company's Articles of Association.
- The Co-operative Bank of Kenya Limited has already nominated them for re-election.
4. To approve the remuneration of the Directors for the year ending 31<sup>st</sup> December 2022 and to authorize the Board to fix the remuneration of Directors.
  5. To re-appoint Deloitte, Auditors of the Company, having expressed their willingness to continue in office and to authorize the directors to fix their remuneration.
  6. Transact any other business, which may be properly transacted at an Annual General Meeting.

Dated at Nairobi this 19<sup>th</sup> day of April 2023.

By order of the Board

**VICTORIA CHEROTICH**  
COMPANY SECRETARY

**Notes:**

- i. Kingdom Bank Limited has convened and will conduct its Annual General Meeting via virtual/electronic means in line with The Companies Act, 2015.
- ii. Shareholders wishing to participate in the meeting should register for the AGM by doing the following:
  - a) Dialing \*483\*903# for all networks and follow the various prompts regarding the registration process; or
  - b) Sending an email request to be registered to kingdombankgm@image.co.ke; or
  - c) Shareholders with email addresses will receive a registration link via email through which they can use to register.

In order to complete the registration process, shareholders will need to have their ID/Passport Numbers which were used to purchase their shares at hand.

For assistance shareholders (whether in Kenya or outside) should dial the following helpline number: (+254) 709 170 018 from 8:00 a.m. to 5:00 p.m. from Monday to Friday. A Shareholder domiciled outside of Kenya can send an email to Image Registrars via kingdombankgm@image.co.ke.

- iv. Registration for the AGM opens on 19<sup>th</sup> day of April 2023 at 8:00 am and will close on 14<sup>th</sup> May 2023 at 11.00 a.m.
- v. In accordance with Section 283 (2) (c) of the Companies Act, the following documents may be viewed on the Company's website www.kingdombankltd.co.ke (i) a copy of this Notice and the proxy form; (ii) the Company's audited financial statements for the year ended 31<sup>st</sup> December, 2022.

The reports may also be accessed upon request by dialing the USSD code above and selecting the Reports option. The reports and agenda can also be accessed on the livestream link.

- vi. Shareholders wishing to raise any questions or clarifications regarding the AGM may do so by:
  - a) Sending their written questions by email to agm2023questions@kingdombankltd.co.ke
  - b) Lodging the portal available on the Bank's website www.kingdombankltd.co.ke
  - c) Shareholders who will have registered to participate in the meeting shall be able to ask questions via SMS by dialing the USSD code above and selecting the option (ask Question) on the prompts;
  - d) To the extent possible, physically delivering their written questions with a return physical address or email address to Image Registrars Limited, 5<sup>th</sup> Floor Absa Towers (formerly Barclays Plaza), Loita Street, Nairobi, or;
  - e) Sending their written questions with a return physical address or email address by registered post to the Company's address at P. O. Box 22741-00400 Nairobi. Shareholders must provide their full details (full names, ID/Passport Number/CPR Number) when submitting their questions and clarifications.

All questions and clarifications must reach the Company on or before 14<sup>th</sup> May 2023 at 11.00 am.

- vii. Following receipt of the questions and clarifications, the directors of the Company shall provide written responses to the questions received to the return physical address or email address provided by the Shareholder no later than 12 hours before the start of the general meeting.

- viii. A full list of all questions received, and the answers thereto will be published on the Company's website no later than 12 hours before the start of the general meeting.

- ix. In accordance with Section 298(1) of the Companies Act, shareholders entitled to attend and vote at the AGM are entitled to appoint a proxy to vote on their behalf. A proxy need not be a member of the Company, the appointed proxy will need access to a mobile telephone. A proxy form is available on the Company's website www.kingdombankltd.co.ke Physical copies of the proxy form are also available at the following address: Image Registrars Limited, 5<sup>th</sup> Floor Absa Towers (formerly Barclays Plaza), Loita Street, P.O. Box 9287 – 00100 GPO, Nairobi, to be received no later than 14<sup>th</sup> May 2023 at 11.00 a.m. Any person appointed as a proxy should submit his/her mobile telephone number to the Company no later than 14<sup>th</sup> May 2023 at 11.00 a.m. Any proxy registration that is rejected will be communicated to the shareholder concerned no later than 14<sup>th</sup> May 2023 to allow time to address any issues.

- x. The AGM will be streamed live via a link which shall be provided to all shareholders who will have registered to participate in the general meeting. Duly registered shareholders and proxies will receive an email and/or a short message service (SMS/USSD) prompt on their registered mobile numbers, 24 hours prior to the AGM acting as a reminder of the AGM. A second email and/or SMS/USSD prompt shall be sent one hour ahead of the AGM, reminding duly registered shareholders and proxies that the AGM will begin in an hours' time and providing a link to the live stream.

- xi. Duly registered shareholders and proxies may follow the proceedings of the AGM using the live stream platform and may access the agenda. Duly registered shareholders and proxies may propose and second resolutions as well as vote (when prompted) via USSD or the livestream link.

- xii. A poll shall be conducted for all the resolutions put forward in the notice.

- xiii. Results of the AGM shall be published on the Company's website within 24 hours following conclusion of the Annual General Meeting. Shareholders are encouraged to continuously monitor the Company's website, www.kingdombankltd.co.ke for updates relating to the AGM.

	<b>BANK</b> 31-Dec-2022 Audited KSHS.'000	<b>BANK</b> 31-Dec-2021 Audited KSHS.'000	<b>GROUP</b> 31-Dec-2022 Audited KSHS.'000	<b>GROUP</b> 31-Dec-2021 Audited KSHS.'000
<b>A. ASSETS</b>				
1. Cash (both Local & Foreign)	332,958	320,089	332,958	320,089
2. Balances with Central Bank of Kenya	686,559	329,114	686,559	329,114
3. Kenya Government & other Securities held for dealing purposes	-	-	-	-
4. Financial Assets at Fair Value through Profit & Loss	-	-	-	-
5. Investment Securities:	-	-	-	-
(i) Held to Maturity:	-	-	-	-
(a) Kenya Government Securities	7,583,296	294,557	7,583,296	294,557
(b) Other Securities	-	-	-	-
(ii) Available for Sale:	-	-	-	-
(a) Kenya Government Securities	16,582,711	23,356,065	16,582,711	23,356,065
(b) Other Securities	-	-	-	-
6. Deposits and Balances due from Local Banking Institutions	19,088	248,804	19,088	248,804
7. Deposits and Balances due from Banking Institutions Abroad	4,862	69,712	4,862	69,712
8. Tax Recoverable	109	109	109	109
9. Loans and Advances to Customers (Net)	6,205,715	4,432,541	6,205,715	4,432,541
10. Balances due from Banking Institutions in the Group	-	-	-	-
11. Investments in Associates	12,640	13,215	12,640	13,215
12. Investments in Subsidiary Companies	6,039	1,139	-	-
13. Investments in Joint ventures	-	-	-	-
14. Investment Properties	-	-	-	-
15. Property, Plant and Equipment	1,002,571	978,750	1,156,211	1,188,759
16. Prepaid Lease Rentals	-	-	-	-
17. Intangible Assets	91,277	29,965	91,277	29,965
18. Deferred Tax Asset	351,903	225,506	355,795	222,627
19. Retirement Benefit Asset	-	-	-	-
20. Other Assets	1,780,167	1,391,102	1,697,313	1,302,018
<b>21. TOTAL ASSETS</b>	<b>34,659,895</b>	<b>31,690,666</b>	<b>34,734,501</b>	<b>31,807,574</b>
<b>B. LIABILITIES</b>				
22. Balances due to Central Bank of Kenya	1,419,804	1,734,856	1,419,804	1,734,856
23. Customer Deposits	9,641,403	6,380,193	9,516,407	6,285,824
24. Deposits and Balances due to Local Banking Institutions	-	-	-	-
25. Deposits and Balances due to Foreign Banking Institutions	-	-	-	-
26. Other Money Market Deposits	-	-	-	-
27. Borrowed Funds	21,429,882	21,213,996	21,429,882	21,213,996
28. Balances due to Banking Institutions Group Companies	-	-	-	-
29. Tax Payable	-	-	-	6,110
30. Dividends Payable	-	-	-	-
31. Deferred Tax Liability	-	-	-	9,995
32. Retirement Benefit Liability	-	-	-	-
33. Other liabilities	351,134	477,529	443,967	552,684
<b>34. TOTAL LIABILITIES</b>	<b>32,842,223</b>	<b>29,806,575</b>	<b>32,810,059</b>	<b>29,783,730</b>
<b>C. SHAREHOLDERS' FUNDS</b>				
35. Paid Up/ Assigned Capital	1,867,947	1,867,947	1,867,947	1,867,947
36. Share Premium (Discount)	3,087,449	3,087,449	3,087,449	3,087,449
37. Revaluation Reserves	-	-	-	-
38. Retained Earnings/Accumulated Losses	(2,151,804)	(3,772,019)	(2,045,034)	(3,652,000)
39. Statutory Loan Reserves	-	690,045	-	690,045
40. Other Reserves	(985,920)	10,669	(985,920)	10,669
41. Proposed Dividends	-	-	-	-
42. Capital Grants	-	-	-	-
<b>43. TOTAL SHAREHOLDERS' FUNDS</b>	<b>1,817,672</b>	<b>1,884,091</b>	<b>1,924,442</b>	<b>2,023,843</b>
44. Minority Interest	-	-	-	-
<b>45. TOTAL LIABILITIES AND SHAREHOLDERS' FUNDS</b>	<b>34,659,895</b>	<b>31,690,666</b>	<b>34,734,501</b>	<b>31,807,574</b>
<b>II STATEMENT OF COMPREHENSIVE INCOME</b>				
<b>I. INTEREST INCOME</b>				
1.1. Loans and Advances	407,797	507,488	407,797	507,488
1.2. Government Securities	2,868,338	2,630,661	2,868,338	2,630,661
1.3. Deposits and Placements with Banking Institutions	8,024	20,104	8,024	20,104
1.4. Other Interest Income	1,306	-	1,306	-
<b>1.5. Total Interest Income</b>	<b>3,285,466</b>	<b>3,158,253</b>	<b>3,285,466</b>	<b>3,158,253</b>
<b>2. INTEREST EXPENSE</b>				
2.1. Customer Deposits	572,774	400,584	572,774	400,584
2.2. Deposits and Placement from Banking Institutions	2,748	716	2,748	716
2.3. Other Interest Expenses	22,769	39,024	22,769	39,024
<b>2.4. Total Interest Expenses</b>	<b>598,291</b>	<b>440,324</b>	<b>598,291</b>	<b>440,324</b>
<b>3. NET INTEREST INCOME/LOSS</b>	<b>2,687,174</b>	<b>2,717,929</b>	<b>2,687,174</b>	<b>2,717,929</b>
<b>4. NON INTEREST INCOME</b>				
4.1. Fees and Commissions on Loans and Advances	85,148	18,635	85,148	18,635
4.2. Other Fees and Commissions	107,983	95,298	107,983	95,348
4.3. Foreign Exchange Trading Income (Loss)	43,394	5,544	43,394	5,544
4.4. Dividend Income	-	-	-	-
4.5. Other Income	71,648	(30,473)	134,467	71,602
<b>4.6. Total Non-Interest Income</b>	<b>308,173</b>	<b>89,004</b>	<b>370,992</b>	<b>191,129</b>
<b>5. TOTAL OPERATING INCOME</b>	<b>2,995,347</b>	<b>2,806,933</b>	<b>3,058,166</b>	<b>2,909,058</b>
<b>6. OPERATING EXPENSES</b>				
6.1. Loan Loss Provision	462,981	168,053	462,981	168,053
6.2. Staff Costs	507,646	303,107	511,366	307,712
6.3. Directors' Emoluments	8,787	7,539	8,787	7,539
6.4. Rental Charges	41,759	35,471	42,284	35,996
6.5. Depreciation Charge on Property and Equipment	45,486	26,161	84,469	65,233
6.6. Amortisation Charges	26,446	36,557	26,446	36,557
6.7. Other Operating Expenses	1,098,468	1,717,605	1,129,277	1,738,418
<b>6.8. Total Operating Expenses</b>	<b>2,191,574</b>	<b>2,294,493</b>	<b>2,265,610</b>	<b>2,359,508</b>
<b>7. Profit/(Loss) Before Tax and Exceptional Items</b>	<b>803,773</b>	<b>512,440</b>	<b>792,556</b>	<b>549,549</b>
8. Exceptional Items	-	-	-	-
<b>9. Profit/(Loss) After Exceptional Items</b>	<b>803,773</b>	<b>512,440</b>	<b>792,556</b>	<b>549,549</b>
10. Current tax	-	14,648	-	35,179
11. Deferred tax	(126,396)	-	(124,365)	(5,388)
<b>12. Profit/(Loss) After Tax and Exceptional Items</b>	<b>677,377</b>	<b>527,092</b>	<b>668,191</b>	<b>579,340</b>
13. Minority Interest	-	-	-	-
<b>14. Profit/(Loss) After Tax, Exceptional Items &amp; Minority Interest</b>	<b>677,377</b>	<b>527,092</b>	<b>668,191</b>	<b>579,340</b>
15. Other Comprehensive Income:	-	-	-	-
15.1. Gains/(Losses) from Translating the Financial Statements of Foreign Operations	-	-	-	-
15.2. Fair Value changes in Available-for-sale Financial Assets	(996,589)	(104,228)	(996,589)	(104,228)
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	-	-	-	-
<b>16. Other Comprehensive Income for the Year Net of Tax</b>	<b>(996,589)</b>	<b>(104,228)</b>	<b>(996,589)</b>	<b>(104,228)</b>
<b>17. TOTAL COMPREHENSIVE INCOME FOR THE YEAR</b>	<b>(66,420)</b>	<b>393,564</b>	<b>(79,667)</b>	<b>415,530</b>
<b>III OTHER DISCLOSURES</b>				
<b>I.0. NON-PERFORMING LOANS AND ADVANCES</b>				
(a) Gross Non-Performing Loans and Advances	4,511,773	6,014,872	4,511,773	6,014,872
(b) Less Interest in Suspense	1,082,430	1,695,674	1,082,430	1,695,674
<b>(c) Total Non-Performing Loans and Advances (a-b)</b>	<b>3,429,343</b>	<b>4,319,198</b>	<b>3,429,343</b>	<b>4,319,198</b>
(d) Less Loan Losses Provision	1,866,317	2,675,806	1,866,317	2,675,806
<b>(e) Net Non-Performing Loans and Advances (c-d)</b>	<b>1,563,026</b>	<b>1,643,392</b>	<b>1,563,026</b>	<b>1,643,392</b>
(f) Discounted Value of Securities	1,587,093	1,483,202	1,587,093	1,483,202
<b>(g) Net NPLs Exposure (e-f)</b>	<b>(24,067)</b>	<b>160,190</b>	<b>(24,067)</b>	<b>160,190</b>
<b>2.0. INSIDER LOANS AND ADVANCES</b>				
(a) Directors, Shareholders and Associates	-	-	-	-
(b) Employees	149,424	92,192	149,424	92,192
<b>(c) Total Insider Loans and Advances and other facilities</b>	<b>149,424</b>	<b>92,192</b>	<b>149,424</b>	<b>92,192</b>
<b>3.0. OFF-BALANCE SHEET ITEMS</b>				
(a) Letters of credit, Guarantees & Acceptances	367,528	561,266	367,528	561,266
(b) Forwards Swaps & Options	1,304,970	1,203,500	1,304,970	1,203,500
(c) Other Contingent Liabilities	-	-	-	-
<b>(d) Total Contingent Liabilities</b>	<b>1,672,498</b>	<b>1,764,766</b>	<b>1,672,498</b>	<b>1,764,766</b>
<b>4.0. CAPITAL STRENGTH</b>				
(a) Core capital	2,451,690	1,051,430	2,451,690	1,051,430
(b) Minimum Statutory Capital	1,000,000	1,000,000	1,000,000	1,000,000
(c) Excess/ (Deficiency) (a-b)	1,451,690	51,430	1,451,690	51,430
(d) Supplementary Capital	-	690,045	-	690,045
<b>(e) Total Capital (a+d)</b>	<b>2,451,690</b>	<b>1,741,475</b>	<b>2,451,690</b>	<b>1,741,475</b>
(f) Total risk weighted assets	10,239,032	7,058,339	10,239,032	7,058,339
<b>(g) Core Capital/Total Deposit Liabilities</b>	<b>25.4%</b>	<b>16.5%</b>	<b>25.4%</b>	<b>16.5%</b>
(h) Minimum Statutory Ratio	8.0%	8.0%	8.0%	8.0%
(i) Excess/ (Deficiency) (g-h)	17.4%	8.5%	17.4%	8.5%
<b>(j) Core Capital / Total Risk Weighted Assets</b>	<b>23.9%</b>	<b>14.9%</b>	<b>23.9%</b>	<b>14.9%</b>
(k) Minimum Statutory Ratio	10.5%	10.5%	10.5%	10.5%
(l) Excess/ (Deficiency) (j-k)	13.4%	4.4%	13.4%	4.4%
<b>(m) Total Capital/Total Risk Weighted Assets</b>	<b>23.9%</b>	<b>24.7%</b>	<b>23.9%</b>	<b>24.7%</b>
(n) Minimum statutory Ratio	14.5%	14.5%	14.5%	14.5%
(o) Excess/ (Deficiency) (m-n)	9.4%	10.2%	9.4%	10.2%
(p) Adjusted Core Capital/Total Deposit Liabilities	25.5%	16.5%	25.45%	16.48%
<b>(q) Adjusted Core Capital/Total Risk Weighted Assets</b>	<b>24.0%</b>	<b>14.9%</b>	<b>24.0%</b>	<b>14.9%</b>
<b>(r) Adjusted Total Capital/Total Risk Weighted Assets</b>	<b>24.0%</b>	<b>14.9%</b>	<b>24.0%</b>	<b>14.9%</b>
<b>14. LIQUIDITY</b>				
14.1. (a) Liquidity Ratio	247%	359%	247%	359%