



SUMMARISED FINANCIAL STATEMENTS FOR THE PERIOD ENDED 31 DECEMBER 2021

I. REPORT OF THE INDEPENDENT AUDITORS ON THE SUMMARY FINANCIAL STATEMENTS TO THE MEMBERS OF I&M BANK (UGANDA) LIMITED.

Opinion

The summary financial statements, which comprise the summary statement of financial position as at 31 December 2021, the summary statement of comprehensive income for the year then ended, and other disclosures are derived from the audited financial statements of I&M Bank (Uganda) Limited for the year ended 31 December 2021.

In our opinion, the accompanying summary financial statements are consistent, in all material respects, with the audited financial statements, in accordance with the Financial Institutions Act, 2004 (as amended 2016) Laws of Uganda and the Financial Institutions (External Auditors) Regulations, 2010.

Summary Financial Statements

The summary financial statements do not contain all the disclosures required by International Financial Reporting Standards, the Financial Institutions Act, 2004 (as amended 2016) Laws of Uganda and the Companies Act, 2012 Laws of Uganda. Reading the summary financial statements and the auditor's report thereon, therefore, is not a substitute for reading the audited financial statements and the auditor's report thereon.

The Audited Financial Statements and Our Report Thereon

We expressed an unmodified audit opinion on the audited financial statements in our report dated 29 April 2022. The 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 financial statements of the current period.

Directors' Responsibility for the Summary Financial Statements

The directors are responsible for the preparation of the summary financial statements in accordance with the Financial Institutions Act, 2004 (as amended 2016) Laws of Uganda and the Financial Institutions (External Auditors) Regulations, 2010.

Auditor's Responsibility

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

KPMG
Certified Public Accountants
3rd Floor, Rwenzori Courts
Plot 2&4A, Nakasero Road
P.O. Box 3509, Kampala, Uganda

Date: 29 April 2022

II. SUMMARY STATEMENT OF FINANCIAL POSITION	31 Dec. 2021 Ushs '000	31 Dec. 2020 Ushs '000
Assets		
Cash and balances with central bank	207,498,145	200,039,898
Deposits and balances due from banking institutions	57,284,074	90,797,648
Derivative financial assets	489,000	439,178
Government securities - Investment securities	164,996,555	98,101,038
Government securities - marketable/Trading securities	7,547,389	4,075,322
Investment in subsidiary	-	465,670
Loans and advances to customers	196,808,135	262,174,814
Other assets	4,146,857	4,249,825
Property and equipment	5,353,621	8,659,531
Right of use assets	4,267,031	5,392,362
Intangible assets	1,773,227	3,043,717
Deferred tax asset	60,227,770	43,114,532
Total assets	710,391,804	720,553,535
Liabilities and Shareholders' Equity		
Customer deposits	573,714,218	606,528,081
Balances due to banking institutions	16,827,470	1,844,762
Other liabilities	12,046,886	15,496,454
Lease liability	4,415,303	5,810,614
Total liabilities	607,003,877	629,679,911
Share capital	132,000,000	96,750,000
Revaluation reserve	-	1,195,445
Credit risk reserve	-	17,374,585
Fair value reserve	-	269,969
Accumulated losses	(28,612,073)	(24,716,375)
Total shareholders' equity	103,387,927	90,873,624
Total liabilities and shareholders' equity	710,391,804	720,553,535

III. SUMMARY STATEMENT OF COMPREHENSIVE INCOME	31 Dec. 2021 Ushs '000	31 Dec. 2020 Ushs '000
Income		
Interest on deposits and placements	2,220,346	5,316,100
Interest on loans and advances	27,328,410	33,220,722
Interest on investment securities	17,835,538	10,594,895
Interest on marketable /Trading securities	2,036,451	962,652
Foreign exchange income	5,810,843	5,629,168
Fees and commissions income	13,222,740	16,576,240
Other income	8,547,148	2,539,246
Total Income	77,001,476	74,839,023
Expenditure		
Interest expense on borrowings	697,611	618,300
Interest expense on deposits	16,964,767	16,609,237
Provisions for bad and doubtful debts	45,254,709	17,154,083
Operating expenses	50,533,684	67,359,656
Total Expenditure	113,450,771	101,741,276
Net loss before tax	(36,449,295)	(26,902,253)
Taxation	13,611,438	4,209,333
Net loss after tax	(22,837,857)	(22,692,920)
Other comprehensive income		
Equity stock brokers at fair value	(33,555)	30,457
Deferred income tax on fair value	10,067	(9,137)
	(23,488)	21,320
Total comprehensive loss for the year	(22,861,345)	(22,671,600)

IV. OTHER DISCLOSURES	31 Dec. 2021 Ushs '000	31 Dec. 2020 Ushs '000
Contingent liabilities		
Letters of Credit	18,690,732	17,383,226
Guarantees and performance bonds	16,174,960	30,067,126
Other contingent liabilities	489,000	439,178
Total	35,354,692	47,889,530
Commitments		
Undrawn credit lines	18,781,724	30,100,416
Total	18,781,724	30,100,416
Credit Exposures		
Non-performing loans and other assets	3,522,567	50,715,345
Interest in suspense	309,290	5,047,100
Bad debts written off	26,606,576	5,585,272
Large loan exposures	114,771,515	253,890,020
Insider loan exposures	556,307	913,445
Capital Position		
Core capital	40,760,049	25,761,921
Supplementary capital	2,144,247	4,551,152
Total qualifying capital	42,904,296	30,313,073
Total Risk-Weighted Assets (RWA)	292,131,326	334,361,950
Core capital to RWA	13.95%	7.70%
Total qualifying capital to RWA	14.69%	9.07%
Leverage ratio	5.2%	3.0%

V. MESSAGE FROM DIRECTORS

The above summary statement of financial position and summary statement of comprehensive income are derived from the financial statements of I&M Bank (Uganda) Limited for the year ended 31 December 2021 which were audited by KPMG Certified Public Accountants and received an unqualified opinion.

Acquisition and Change in Name

On 30 April 2021, I&M Group Plc, a public company listed on the Nairobi Securities Exchange and a leading banking & insurance group in Eastern Africa acquired 90 per cent majority shareholding in Orient Bank Uganda Limited following receipt of the necessary approvals from Bank of Uganda, Central Bank of Kenya, Capital Markets Authority of Kenya, and the Competitions Authority of Kenya. The Group operates in Kenya, Mauritius, Rwanda, Tanzania and Uganda.

Subsequently, the Bank's name was changed to I&M Bank (Uganda) Limited on 8 November 2021.

Subsequent Events

On 4 March 2022, the Board of Directors passed a resolution to increase paid up share capital from Ushs 132,000,000,000 to Ushs 145,000,000,000. The resolution was filed with the Uganda Registration Services Bureau on 25 April 2022. The additional funds remediated the breach on leverage ratio and the single obligor limit.

Suleiman Kiggundu
Chairman

Kumaran Pather
Managing Director & CEO