

The Board of Directors of I&M Holdings PLC is pleased to announce unaudited results of the Group for the period ended 30 June 2020

| STATEMENT OF FINANCIAL POSITION | COMPANY | | | | GROUP | | | |
|---|-------------------------------|-----------------------------|-------------------------------|-------------------------------|-------------------------------|-----------------------------|-------------------------------|-------------------------------|
| | UNAUDITED JUN 2019 (KSHS'000) | AUDITED DEC 2019 (KSHS'000) | UNAUDITED MAR 2020 (KSHS'000) | UNAUDITED JUN 2020 (KSHS'000) | UNAUDITED JUN 2019 (KSHS'000) | AUDITED DEC 2019 (KSHS'000) | UNAUDITED MAR 2020 (KSHS'000) | UNAUDITED JUN 2020 (KSHS'000) |
| A ASSETS | | | | | | | | |
| 01. Cash (both local and foreign) | - | - | - | - | 3,143,220 | 2,361,064 | 2,901,161 | 3,256,534 |
| 02. Balances due from central banks | - | - | - | - | 16,999,221 | 13,024,765 | 16,092,625 | 15,811,334 |
| 03. Kenya Government and other securities held for dealing purposes | - | - | - | - | - | - | - | - |
| 04. Financial Assets at Fair Value Through Profit or Loss [FVTPL] | - | - | - | - | 9,098,293 | 13,744,048 | 11,633,652 | 16,871,845 |
| 05. Investment securities: | | | | | | | | |
| a) Held at amortised cost: | | | | | | | | |
| a. Kenya Government securities | - | - | - | - | 22,228,552 | 18,925,430 | 18,909,448 | 28,470,097 |
| b. Other securities | - | - | - | - | 10,484,834 | 8,145,589 | 8,792,556 | 8,901,796 |
| b) Fair Value through Other Comprehensive Income [FVOCI]: | | | | | | | | |
| a. Kenya Government securities | 337,279 | 27,679 | 26,508 | 27,609 | 11,215,300 | 10,757,407 | 12,023,683 | 14,814,896 |
| b. Other securities | - | - | - | - | 2,486,706 | 2,351,791 | 2,693,102 | 3,179,619 |
| 06. Deposits and balances due from local banking institutions | - | - | - | - | 1,039,819 | 1,123,415 | 1,254,708 | 1,376,590 |
| 07. Deposits and balances due from banking institutions abroad | - | - | - | - | 42,927,804 | 42,538,989 | 51,612,713 | 33,869,014 |
| 08. Tax recoverable | 3,488 | 5,253 | 4,826 | - | 524,676 | 37,819 | 19,156 | 1,492,656 |
| 09. Loans and advances to customers (net) | - | - | - | - | 172,163,870 | 175,329,426 | 182,881,841 | 184,564,775 |
| 10. Balances due from banking institutions in the Group | - | - | - | - | - | - | - | - |
| 11. Investment in associates | - | - | - | - | - | - | - | - |
| 12. Investment in subsidiary companies | 25,662,294 | 25,662,294 | 25,662,294 | 25,662,294 | - | - | - | - |
| 13. Investment in joint ventures | 1,679,971 | 2,110,591 | 2,110,591 | 2,515,591 | 4,833,842 | 5,398,545 | 5,040,093 | 5,068,398 |
| 14. Investment properties | - | - | - | - | - | - | - | - |
| 15. Property and equipment | - | - | - | - | 8,428,171 | 10,152,429 | 10,364,298 | 10,807,554 |
| 16. Prepaid lease rentals | - | - | - | - | 235,618 | - | - | - |
| 17. Intangible assets | - | - | - | - | 4,888,511 | 5,156,678 | 5,355,277 | 5,447,504 |
| 18. Deferred tax asset | - | - | - | - | 1,952,072 | 3,014,836 | 3,025,892 | 3,025,708 |
| 19. Retirement benefit asset | - | - | - | - | - | - | - | - |
| 20. Other assets | 73,273 | 88,157 | 2,024,054 | 56,151 | 4,403,184 | 3,228,443 | 3,356,919 | 3,681,592 |
| 21. TOTAL ASSETS | 27,756,305 | 27,893,974 | 29,828,273 | 28,261,645 | 317,053,693 | 315,290,674 | 335,957,124 | 340,639,912 |
| B LIABILITIES | | | | | | | | |
| 22. Balances due to central banks | - | - | - | - | - | - | - | - |
| 23. Customer deposits | - | - | - | - | 237,242,298 | 229,736,509 | 240,728,556 | 252,483,719 |
| 24. Deposits and balances due to local banking institutions | - | - | - | - | 113,093 | 113,250 | 4,594,733 | 115,858 |
| 25. Deposits and balances due to foreign banking institutions | - | - | - | - | 7,530,017 | 7,892,354 | 8,588,434 | 9,350,100 |
| 26. Other money market deposits | - | - | - | - | - | - | - | - |
| 27. Borrowed funds | - | - | - | - | 10,138,731 | 10,855,626 | 11,769,791 | 9,976,507 |
| 28. Balances due to banking institutions in the Group | - | - | - | - | - | - | - | - |
| 29. Tax payable | - | - | - | 3,746 | 135,513 | 894,694 | 1,685,656 | 495,445 |
| 30. Dividends payable | - | - | - | - | - | - | - | - |
| 31. Deferred tax liability | - | - | - | - | - | - | - | - |
| 32. Retirement benefit liability | - | - | - | - | - | - | - | - |
| 33. Other liabilities | 1,988,403 | 1,972,173 | 1,975,311 | 2,101,573 | 6,459,562 | 4,936,068 | 5,941,585 | 6,148,638 |
| 34. TOTAL LIABILITIES | 1,988,403 | 1,972,173 | 1,975,311 | 2,105,319 | 261,619,214 | 254,428,501 | 273,308,755 | 278,570,267 |
| C SHAREHOLDERS' EQUITY | | | | | | | | |
| 35. Paid up/ Assigned share capital | 413,405 | 826,811 | 826,811 | 826,811 | 413,405 | 826,811 | 826,811 | 826,811 |
| 36. Share premium/ [discount] | 18,805,359 | 18,390,507 | 18,390,507 | 18,390,507 | 18,805,359 | 18,390,507 | 18,390,507 | 18,390,507 |
| 37. Revaluation reserves - [Buildings] | - | - | - | - | 820,277 | 875,985 | 869,480 | 864,746 |
| 38. Retained earnings/ [Accumulated losses] | 6,539,417 | 6,704,522 | 8,636,047 | 6,939,065 | 30,525,741 | 33,918,324 | 34,818,048 | 33,399,587 |
| 39. Statutory loan loss reserves | - | - | - | - | 2,958,459 | 5,518,392 | 6,252,252 | 7,056,021 |
| 40. Other reserves | 9,721 | [39] | [403] | [57] | [176,972] | [374,844] | [373,417] | [370,405] |
| 41. Proposed dividends | - | - | - | - | - | - | - | - |
| 42. Translation reserve | - | - | - | - | [969,423] | [1,416,566] | [1,454,673] | [1,451,556] |
| 43. TOTAL SHAREHOLDERS' EQUITY | 25,767,902 | 25,921,801 | 27,852,962 | 26,156,326 | 52,376,846 | 57,738,609 | 59,329,008 | 58,715,711 |
| 44. Non-controlling interest | - | - | - | - | 3,057,633 | 3,123,564 | 3,319,361 | 3,353,934 |
| 45. TOTAL LIABILITIES & SHAREHOLDERS' EQUITY | 27,756,305 | 27,893,974 | 29,828,273 | 28,261,645 | 317,053,693 | 315,290,674 | 335,957,124 | 340,639,912 |

| OTHER DISCLOSURES | GROUP | | | |
|---|-------------------------------|-----------------------------|-------------------------------|-------------------------------|
| | UNAUDITED JUN 2019 (KSHS'000) | AUDITED DEC 2019 (KSHS'000) | UNAUDITED MAR 2020 (KSHS'000) | UNAUDITED JUN 2020 (KSHS'000) |
| 01. NON-PERFORMING LOANS AND ADVANCES | | | | |
| a) Gross Non-performing Loans and advances | 24,398,524 | 21,310,499 | 22,224,597 | 22,106,474 |
| Less | | | | |
| b) Interest in suspense | 6,910,275 | 3,960,897 | 4,044,751 | 4,183,202 |
| c) Total Non-performing loans and advances (a-b) | 17,488,249 | 17,349,602 | 18,179,846 | 17,923,272 |
| Less | | | | |
| d) Loan loss provisions | 8,323,320 | 8,625,013 | 9,030,600 | 9,773,713 |
| e) Net Non Performing Loans (c-d) | 9,164,929 | 8,724,589 | 9,149,246 | 8,149,559 |
| f) Discounted value of securities | 9,164,929 | 8,724,589 | 9,149,246 | 8,149,559 |
| g) Net NPLs exposure (e-f) | - | - | - | - |
| 02. INSIDER LOANS AND ADVANCES | | | | |
| a) Directors, shareholders and associates | 3,765,140 | 3,647,225 | 3,664,412 | 3,483,073 |
| b) Employees | 1,716,265 | 1,822,882 | 1,834,638 | 1,785,564 |
| c) Total Insider Loans and Advances | 5,481,405 | 5,470,107 | 5,499,050 | 5,268,637 |
| 03. OFF-BALANCE SHEET ITEMS | | | | |
| a) Letters of Credit, Guarantees, Acceptances | 45,247,571 | 45,778,555 | 51,946,941 | 52,027,581 |
| b) Forwards, swaps and options | 54,657,101 | 56,691,811 | 46,168,708 | 34,169,492 |
| c) Other contingent liabilities | 5,271,559 | 1,605,766 | 1,854,809 | 3,793,001 |
| d) Total Contingent Liabilities | 105,176,231 | 104,076,132 | 99,970,458 | 89,990,074 |
| 04. CAPITAL STRENGTH | | | | |
| a) Core capital | 47,076,054 | 52,230,009 | 52,421,785 | 50,269,490 |
| b) Minimum statutory capital | 1,000,000 | 1,000,000 | 1,000,000 | 1,000,000 |
| c) Excess/ (deficiency) | 46,076,054 | 51,230,009 | 51,421,785 | 49,269,490 |
| d) Supplementary capital | 6,750,360 | 11,694,939 | 13,316,955 | 15,831,629 |
| e) Total capital (a+d) | 53,826,414 | 63,924,948 | 65,738,740 | 66,101,119 |
| f) Total risk weighted assets | 292,459,116 | 301,217,897 | 311,427,566 | 308,731,699 |
| g) Core capital/ Total deposit liabilities | 19.84% | 22.73% | 21.78% | 19.91% |
| h) Minimum statutory ratio | 8.00% | 8.00% | 8.00% | 8.00% |
| i) Excess/ (Deficiency) (g-h) | 11.84% | 14.73% | 13.78% | 11.91% |
| j) Core capital/ Total risk weighted assets | 16.10% | 17.34% | 16.83% | 16.28% |
| k) Minimum statutory ratio | 10.50% | 10.50% | 10.50% | 10.50% |
| l) Excess/ (Deficiency) (j-k) | 5.60% | 6.84% | 6.33% | 5.78% |
| m) Total capital/ Total risk weighted assets | 18.40% | 21.22% | 21.11% | 21.41% |
| n) Minimum statutory ratio | 14.50% | 14.50% | 14.50% | 14.50% |
| o) Excess/ (Deficiency) (m-n) | 3.90% | 6.72% | 6.61% | 6.91% |
| p) Adjusted Core Capital/ Total Deposit Liabilities* | 20.10% | 22.50% | 21.92% | 20.04% |
| q) Adjusted Core Capital/ Total Risk Weighted Assets* | 16.30% | 17.16% | 16.94% | 16.39% |
| r) Adjusted Total Capital/ Total Risk Weighted Assets* | 18.61% | 21.04% | 21.22% | 21.52% |
| 05. LIQUIDITY | | | | |
| a) Liquidity ratio | 48.77% | 46.31% | 48.28% | 46.99% |
| b) Minimum statutory ratio | 20.00% | 20.00% | 20.00% | 20.00% |
| c) Excess/ (Deficiency) (a-b) | 28.77% | 26.31% | 28.28% | 26.99% |

*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.

| STATEMENT OF COMPREHENSIVE INCOME | COMPANY | | | | GROUP | | | |
|---|-------------------------------|-----------------------------|-------------------------------|-------------------------------|-------------------------------|-----------------------------|-------------------------------|-------------------------------|
| | UNAUDITED JUN 2019 (KSHS'000) | AUDITED DEC 2019 (KSHS'000) | UNAUDITED MAR 2020 (KSHS'000) | UNAUDITED JUN 2020 (KSHS'000) | UNAUDITED JUN 2019 (KSHS'000) | AUDITED DEC 2019 (KSHS'000) | UNAUDITED MAR 2020 (KSHS'000) | UNAUDITED JUN 2020 (KSHS'000) |
| 01. INTEREST INCOME | | | | | | | | |
| 1.1 Loans and advances | - | - | - | - | 10,249,530 | 22,364,083 | 5,311,702 | 10,765,529 |
| 1.2 Government securities | 8,735 | 24,309 | 755 | 1,510 | 2,130,253 | 4,120,736 | 1,010,145 | 2,146,072 |
| 1.3 Deposits and placements with banking institutions | 13,990 | 17,708 | 1,423 | 18,886 | 284,031 | 656,440 | 147,928 | 204,588 |
| 1.4 Other interest income | - | - | - | - | 20,240 | 22,588 | - | - |
| 1.5 Total interest income | 22,725 | 42,017 | 2,178 | 20,396 | 12,684,054 | 27,163,847 | 6,469,775 | 13,116,109 |
| 02. INTEREST EXPENSE | | | | | | | | |
| 2.1 Customer deposits | - | - | - | - | 5,096,050 | 10,081,560 | 2,601,711 | 5,421,326 |
| 2.2 Deposits and placements from banking institutions | - | - | - | - | 108,875 | 542,610 | 170,275 | 353,615 |
| 2.3 Other interest expenses | - | - | - | - | 461,471 | 1,029,836 | 201,174 | 421,943 |
| 2.4 Total interest expense | - | - | - | - | 5,666,396 | 11,654,006 | 2,973,160 | 6,196,884 |
| 03. NET INTEREST INCOME/ (LOSS) | 22,725 | 42,017 | 2,178 | 20,396 | 7,017,658 | 15,509,841 | 3,496,615 | 6,919,305 |
| 04. OTHER OPERATING INCOME | | | | | | | | |
| 4.1 Fees and commissions on loans and advances | - | - | - | - | 890,874 | 1,867,240 | 470,380 | 959,415 |
| 4.2 Other fees and commissions | - | - | - | - | 1,226,872 | 2,126,408 | 649,090 | 1,099,737 |
| 4.3 Foreign exchange trading income/ (Loss) | - | - | - | - | 1,290,496 | 2,577,518 | 586,607 | 942,090 |
| 4.4 Dividend income | 196,340 | 351,580 | 1,937,000 | 2,342,000 | - | - | - | - |
| 4.5 Other income | - | - | - | - | 1,128,089 | 1,714,375 | 510,954 | 1,211,812 |
| 4.6 Total non-interest income | 196,340 | 368,444 | 1,937,000 | 2,342,000 | 4,536,331 | 8,285,541 | 2,217,031 | 4,213,054 |
| 05. TOTAL OPERATING INCOME | 219,065 | 410,463 | 1,939,178 | 2,362,396 | 11,553,989 | 23,795,382 | 5,713,646 | 11,132,359 |
| 06. OTHER OPERATING EXPENSES | | | | | | | | |
| 6.1 Loan loss provisions | - | - | - | - | 1,108,719 | 636,455 | 555,272 | 1,030,628 |
| 6.2 Staff costs | - | - | - | - | 2,326,143 | 4,662,868 | 1,165,364 | 2,325,199 |
| 6.3 Directors' emoluments | - | - | - | - | 28,521 | 64,830 | 16,208 | 32,416 |
| 6.4 Rentals charges | - | - | - | - | 383,325 | 423,951 | 114,608 | 218,736 |
| 6.5 Depreciation charge on property and equipment | - | - | | | | | | |