

DIVIDEND PER SHARE - PROPOSED (KSHS)

## The Board of Directors of I&M Group PLC (Formerly I&M Holdings PLC) is pleased to announce unaudited results of the Group as at 30 June 2021

			COM	IPANY		GROUP				]
CTAT	EMENT OF	UNAUDITED	AUDITED	UNAUDITED	UNAUDITED	UNAUDITED	AUDITED	UNAUDITED	UNAUDITED	ı
	NCIAL POSITION	JUN 2020	DEC 2020	MAR 2021	JUN 2021	JUN 2020	DEC 2020	MAR 2021	JUN 2021	ı
FIINA	INCIAL POSITION	(KSHS'000)	(KSHS'000)	(KSHS'000)	(KSHS'000)	(KSHS'000)	(KSHS'000)	(KSHS'000)	(KSHS'000)	ı
Α	ASSETS									1
01. 02.	Cash (both local and foreign) Balances due from central banks	-	=	-	-	3,256,534 15,811,334	3,991,322 15,412,097	4,242,282 10,721,013	4,846,921 16,680,235	ı
03.	Kenya Government and other securities	-	-	-	-	15,011,554	15,412,097	10,721,015	10,000,255	4
03.	held for dealing purposes									1
04.	Financial Assets at Fair Value Through Profit or Loss [FVTPL]	_	-	-	-	16,871,845	11,869,403	12,478,342	13,611,659	1
05.	Investment securities:	-	-	-	-	-	-	-	-	ı
	a) Held at amortised cost:	-	-	-	-	-	=	-	-	ı
	a. Kenya Government securities	-	-	-	-	28,470,097	36,732,012	33,468,850	26,684,665	1
	b. Other securities	-	-	-	-	8,901,796	10,632,613	10,877,411	14,133,463	1
	b) Fair Value through Other Comprehensive Income [FVOCI]:     a. Kenya Government securities	27,609	28,392	27,209	28,175	14,814,896	36,635,314	39,700,689	43,136,579	ı
	b. Other securities	27,009	20,392	21,209	20,1/3	3,179,619	5,841,938	5,911,786	5,981,226	1
06.	Deposits and balances due from local banking institutions	_	_	-	-	1,376,590	1,109,584	233,256	1,840,498	1
07.	Deposits and balances due from banking									ı
	institutions abroad	-		-	<del>-</del>	33,869,014	17,225,856	21,670,138	15,175,992	ı
08. 09.	Tax recoverable Loans and advances to customers (net)	-	4,369	4,013	6,177	1,492,656 184,564,775	133,588 187,391,266	66,068 193,158,555	962,238 204,457,979	ı
10.	Balances due from banking institutions in the Group	1	-	-	-	104,304,773	107,591,200	-	204,451,919	ı
11.	Investment in associates	_	-	-	-	=	=	=	-	ı
12.	Investment in subsidiary companies	25,662,294	26,151,882	26,151,882	30,308,402	-	-	=.	-	1
13.	Investment in joint ventures	2,515,591	2,515,591	2,515,591	2,515,591	5,068,398	5,177,219	5,109,688	4,852,001	ı
14.	Investment properties	-	-	-	-	-	-	-	-	ı
15.	Property and equipment	-	-	-	-	10,807,554	12,121,588	12,177,702	12,496,611	ı
16. 17.	Prepaid lease rentals Intangible assets	-	-	-	-	5,447,504	5,591,942	5,648,930	5,789,538	ı
18.	Deferred tax asset		-	-	-	3,025,708	4,211,504	4,172,045	5,640,267	ı
19.	Retirement benefit asset	-	-	-	-	-	-	-	-	ı
20.	Other assets	56,151	450,183	446,675	1,225,235	3,681,592	4,022,547	4,805,430	6,281,329	ı
21.	TOTAL ASSETS	28,261,645	29,150,417	29,145,370	34,083,580	340,639,912	358,099,793	364,442,185	382,571,201	1
В	LIABILITIES									1
22.	Balances due to central banks	-	=	-	-	<del>-</del>	<del>-</del>	<u> </u>		ı
23. 24.	Customer deposits  Deposits and balances due to local banking institutions	-	-	-	-	252,483,719 115,858	262,681,402 691,996	263,132,910 2,406,538	276,755,255 2,342,142	ı
25.	Deposits and balances due to focal banking institutions  Deposits and balances due to foreign banking institutions		-	-	-	9,350,100	6,070,839	7,842,485	6,327,779	ı
26.	Other money market deposits	-	-	-	-	-	-	- 1,0 12, 105	-	ı
27.	Borrowed funds	-	-	-	-	9,976,507	14,772,763	14,721,498	18,629,087	ı
28.	Balances due to banking institutions in the Group		=	-	-	<del>.</del>	<del>-</del>	- LA <del>.</del>	<del>-</del>	۱
29. 30.	Tax payable Dividends payable	3,746	-	-	-	495,445	155,863	712,563	534,774	ı
31.	Deferred tax liability		-	-	-	-	-		-	1
32.	Retirement benefit liability	-	-	-	-	-	-	-	-	ı
33.	Other liabilities	2,101,573	1,965,596	1,960,024	1,983,453	6,148,638	5,663,791	6,100,332	7,896,814	
34.	TOTAL LIABILITIES	2,105,319	1,965,596	1,960,024	1,983,453	278,570,267	290,036,654	294,916,326	312,485,851	1
С	SHAREHOLDERS' EQUITY									1
35.	Paid up/ Assigned share capital	826,811	826,811	826,811	1,653,621	826,811	826,811	826,811	1,653,621	1
36.	Share premium/ (discount)	18,390,507	18,390,507	18,390,507	17,561,629	18,390,507	18,390,507	18,390,507	17,561,629	1
37. 38.	Revaluation reserves - (Buildings) Retained earnings/ (Accumulated losses)	- 020.005	7066 741	7067622	12 004 270	864,746 33,399,587	929,217 39,610,553	929,217 40,524,961	929,217 40,361,241	1
38.	Statutory loan loss reserves	6,939,065	7,966,741	7,967,632	12,884,270	7,056,021	5,867,908	40,524,961 6,743,326	7,550,766	1
40.	Other reserves	(57)	762	396	607	(370,405)	(175,160)	(473,220)	(338,496)	1
41.	Proposed dividends	-	-	-	-		· · · · · ·			1
42.	Translation reserve	-	-	-	-	(1,451,556)	(1,260,493)	(1,385,445)	(1,847,990)	
43.	TOTAL SHAREHOLDERS' EQUITY	26,156,326	27,184,821	27,185,346	32,100,127	58,715,711	64,189,343	65,556,157	65,869,988	1
44.	Non-controlling interest	-	-	-	-	3,353,934	3,873,796	3,969,702	4,215,362	4
45.	TOTAL LIABILITIES & SHAREHOLDERS' EQUITY	28,261,645	29,150,417	29,145,370	34,083,580	340,639,912	358,099,793	364,442,185	382,571,201	

		COMPANY GROUP			OUP				
STAT	EMENT OF	UNAUDITED	AUDITED	UNAUDITED	UNAUDITED	UNAUDITED	AUDITED	UNAUDITED	UNAUDITED
	PREHENSIVE INCOME	JUN 2020	DEC 2020	MAR 2021	JUN 2021	JUN 2020	DEC 2020	MAR 2021	JUN 2021
COM	TRETEINSTVE INCOME	(KSHS'000)	(KSHS'000)	(KSHS'000)	(KSHS'000)	(KSHS'000)	(KSHS'000)	(KSHS'000)	(KSHS'000)
01.	INTEREST INCOME					10.705.520	21 005 224	E 016 00E	10 275 404
1	1.1 Loans and advances 1.2 Government securities	1,510	3.036	747	1,501	10,765,529 2,146,072	21,885,324 5,598,805	5,016,005 2,070,053	10,375,404 4,134,209
	1.3 Deposits and placements with banking institutions	18.886	26,139	4,715	14,532	204,588	364,446	46,200	125,769
	1.4 Other interest income	-	-	- 1,7 13	- 1,552	-	-	-	-
	I.5 Total interest income	20,396	29,175	5,462	16,033	13,116,189	27,848,575	7,132,258	14,635,382
02.	INTEREST EXPENSE								
	2.1 Customer deposits	-	-	-	-	5,421,326	10,552,655	2,352,075	4,780,890
	2.2 Deposits and placements from banking institutions 2.3 Other interest expenses	-	-	-	-	353,615 421.943	860,925 835,400	248,850 218,157	548,709 440,227
	2.4 Total interest expense			-		6,196,884	12,248,980	2,819,082	5,769,826
03.	NET INTEREST INCOME/ (LOSS)  OTHER OPERATING INCOME	20,396	29,175	5,462	16,033	6,919,305	15,599,595	4,313,176	8,865,556
04.	4.1 Fees and commissions on loans and advances	_	-	_		959,415	1,927,786	412,744	909,192
	4.2 Other fees and commissions	-	_	_	-	1,099,737	2,242,517	647,506	1,296,445
	4.3 Foreign exchange trading income/ (Loss)	-	-	-	-	942,090	1,883,939	348,509	770,268
	4.4 Dividend income	2,342,000	3,377,000	-	6,778,527	1 211 012	2 502 544	-	-
	4.5 Other income		318	-	349	1,211,812	2,583,511	416,628	967,898
	4.6 Total non-interest income	2,342,000	3,377,318	-	6,778,876	4,213,054	8,637,753	1,825,387	3,943,803
05.	TOTAL OPERATING INCOME	2,362,396	3,406,493	5,462	6,794,909	11,132,359	24,237,348	6,138,563	12,809,359
06.	OTHER OPERATING EXPENSES								
ł	6.1 Loan loss provisions 6.2 Staff costs	-	-	-	-	1,030,628 2,325,199	2,472,836 4,464,503	758,910 1,170,541	1,052,772 2,719,969
	6.3 Directors' emoluments	1 - 1	_	-		32,416	90,941	22,735	45,471
	6.4 Rentals charges	_	_	_	_	218,736	428,732	114,085	253,382
	6.5 Depreciation charge on property and equipment	-	-	-	-	406,089	993,125	257,074	577,029
	6.6 Amortisation charges	-	=	-	-	243,175	532,741	136,210	332,931
	6.7 Other operating expenses	13,820	31,102	4,215	17,056	1,799,235	3,623,504	1,103,066	2,226,269
	6.8 Total other operating expenses	13,820	31,102	4,215	17,056	6,055,478	12,606,382	3,562,621	7,207,822
07.	PROFIT/ (LOSS) BEFORE TAX AND EXCEPTIONAL ITEMS	2,348,576	3,375,391	1,247	6,777,853	5,076,881	11,630,966	2,575,942	5,601,537
08.	EXCEPTIONAL ITEMS - SHARE OF PROFIT OF JOINT VENTURE	-	=	=	-	(579,546)	(678,962)	83,790	267,923
09.	PROFIT/ (LOSS) AFTER EXCEPTIONAL ITEMS	2,348,576	3,375,391	1,247	6,777,853	4,497,335	10,952,004	2,659,732	5,869,460
10. 11.	Current tax Deferred tax	(5,666)	(4,805)	(356)	-	(1,307,267)	(3,785,094)	(772,783)	(1,619,807)
12.	PROFIT/ (LOSS) AFTER TAX AND EXCEPTIONAL ITEMS	2,342,910	3.370,586	891	6,777,853	3,190,068	1,245,648 <b>8,412,558</b>	1.886,949	4,249,653
13.	Non controlling interest			-	-	(139,121)	(338,703)	(96,388)	(215,666)
14.	PROFIT/ (LOSS ) AFTER TAX, EXCEPTIONAL ITEMS AND							(,0)	
	NON-CONTROLLING INTEREST	2,342,910	3,370,586	891	6,777,853	3,050,947	8,073,855	1,790,561	4,033,987
15.	OTHER COMPREHENSIVE INCOME								
1	15.1 Gains/ (Losses) from translating the financial					141 272	217.650	(120,000)	(CE1 00E)
	statements of foreign operations 15.2 Fair value changes in financial assets at FVOCI	(18)	801	(366)	(155)	141,272 36,125	317,658 241,128	(129,909) (294,320)	(651,885) (161,591)
	15.3 Statutory loan loss reserve	(10)	501	(550)	(133)	30,123	271,120	(234,320)	(101,351)
	15.4 Fair value changes on employee benefits	-	-	-	-	(28,434)	(37,519)	-	-
	15.6 Income tax relating to components of other comprehensive income	_	_	_	<u>-</u>	8,845	75,118		_
16.	OTHER COMPREHENSIVE INCOME FOR THE YEAR NET OF TAX	(18)	801	(366)	(155)	157,808	596,385	(424,229)	(813,476)
17.	TOTAL COMPREHENSIVE INCOME FOR THE YEAR	2,342,892	3,371,387	525	6,777,698	3,347,876	9,008,943	1,462,720	3,436,177
18.	EARNING PER SHARE - DILUTE & BASIC (KSHS)	1.42	2.04	0.00	4.10	1.85	4.88	1.08	2.44
<b>—</b>			2.0 7	5.50			1,00		

		GROUP				
OTU	IFD.	UNAUDITED	AUDITED	UNAUDITED	UNAUDITED	
OTHER DISCLOSURES		JUN 2020	DEC 2020	MAR 2021	JUN 2021	
טוטע	CLOSORES	(KSHS'000)	(KSHS'000)	(KSHS'000)	(KSHS'000)	
01.	NON-PERFORMING LOANS AND ADVANCES					
	a) Gross Non-performing Loans and advances	22,106,474	23,595,463	24,735,626	22,945,952	
	Less					
	b) Interest in suspense	4,183,202	4,914,559	3,879,772	3,779,271	
	c) Total Non-performing loans and advances (a-b)	17,923,272	18,680,904	20,855,854	19,166,681	
	Less					
	d) Loan loss provisions	9,773,713	10,841,449	11,231,083	11,645,127	
	e) Net Non Performing Loans (c-d)	8,149,559	7,839,455	9,624,771	7,521,554	
	f) Discounted value of securities	8,149,559	7,839,455	9,624,771	7,521,554	
	g) Net NPLs exposure (e-f)	-	-	-	-	
02.	INSIDER LOANS AND ADVANCES					
	a) Directors, shareholders and associates	3,483,073	3,954,740	4,136,794	4,171,558	
	b) Employees	1,785,564	2,109,902	2,187,750	2,258,216	
03.	c) Total Insider Loans and Advances OFF-BALANCE SHEET ITEMS	5,268,637	6,064,642	6,324,544	6,429,774	
03.						
	a) Letters of Credit, Guarantees, Acceptances	52,027,581 34.169.492	61,730,636	66,243,138	60,593,984	
	b) Forwards, swaps and options c) Other contingent liabilities	34,169,492	7,409,365 3,198,988	16,008,534 3,265,257	17,094,266 2,109,769	
	d) Total Contingent liabilities	89,990,074	72,338,989	85,516,929	79,798,019	
04.	CAPITAL STRENGTH					
	a) Core capital	50,269,490	59.039.782	58,683,848	57,271,513	
	b) Minimum statutory capital	1,000,000	1,000,000	1,000,000	1,000,000	
	c) Excess/ (deficiency)	49,269,490	58,039,782	57,683,848	56,271,513	
	d) Supplementary capital	15,831,629	10,555,148	11,622,051	17,308,204	
	e) Total capital (a+d)	66,101,119	69,594,930	70,305,899	74,579,717	
	f) Total risk weighted assets	308,731,699	316,791,179	325,175,356	360,150,007	
	g) Core capital/ Total deposit liabilities	19.91%	22.48%	22.30%	20.69%	
	h) Minimum statutory ratio	8.00%	8.00%	8.00%	8.00%	
	i) Excess/ (Deficiency) (g-h)	11.91%	14.48%	14.30%	12.69%	
	j) Core capital/Total risk weighted assets	16.28%	18.64%	18.05%	15.90%	
	k) Minimum statutory ratio	10.50% <b>5.78%</b>	10.50%	10.50% <b>7.55%</b>	10.50%	
	l) Excess / (Deficiency) (j-k)		8.14%		5.40%	
	m)Total capital/Total risk weighted assets n) Minimum statutory ratio	21.41% 14.50%	21.97% 14.50%	21.62% 14.50%	20.71% 14.50%	
	o) Excess/ (Deficiency) (m-n)	6.91%	7.47%	7.12%	6.21%	
	p) Adjusted Core Capital/ Total Deposit Liabilities*	20.04%	22.55%	22.34%	20.75%	
	q) Adjusted Core Capital/ Total Risk Weighted Assets*	16.39%	18.70%	18.08%	15.94%	
	r) Adjusted Total Capital/ Total Risk Weighted Assets*	21.52%	22.03%	21.65%	20.75%	
05.	LIQUIDITY					
	a) Liquidity ratio	46.99%	50.51%	47.10%	48.34%	
	b) Minimum statutory ratio	20.00%	20.00%	20.00%	20.00%	
	c) Excess/ (Deficiency) (a-b)	26.99%	30.51%	27.10%	28.34%	
*Tho 3	diusted capital ratios include the expected credit I	oss provisions added b	ack to capital in lin	a with the CRY Cuid	and Allega Santa d	

\*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.

SUMMARY OF CONSOLIDATED STATEMENT OF CASH FLOWS							
	UNAUDITED JUN 2020 (KSHS'000)	AUDITED DEC 2020 (KSHS'000)	UNAUDITED JUN 2021 (KSHS'000)				
Net cash used in operating activities	(437,652)	(13,633,979)	(4,262,501)				
Cash flows used in investing activities	(2,155,000)	(3,647,609)	(1,077,927)				
Net cash (used in)/ generated from financing activities	(2,377,821)	(2,395,424)	3,772,176				
Net decrease in cash and cash equivalents	(4,970,473)	(19,677,012)	(1,568,252)				
Cash and cash equivalents at beginning of period	41,149,416	41,149,416	21,472,404				
Cash and cash equivalents at end of period	36,178,943	21,472,404	19,904,152				

SUMMARY OF CONSOLIDATED STATEMENT OF CHANGES IN EQUITY								
	SHARE CAPITAL (KSHS'000)	SHARE PREMIUM (KSHS'000)	RETAINED EARNINGS (KSHS'000)	OTHER RESERVES (KSHS'000)	NON CONTROLLING INTEREST (KSHS'000)	TOTAL (KSHS'000)		
At 1 January 2020	826,811	18,390,507	33,918,324	4,602,967	3,123,564	60,862,173		
Other comprehensive income	-	-	1,529,331	1,495,839	322,706	3,347,876		
Transactions with owners	-	-	(2,048,068)	-	(92,336)	(2,140,404)		
Unaudited at 30 June 2020	826,811	18,390,507	33,399,587	6,098,806	3,353,934	62,069,645		
At 1 January 2020	826,811	18,390,507	33,918,324	4,602,967	3,123,564	60,862,173		
Other comprehensive income	_	-	7,740,297	758,505	510,141	9,008,943		
Transactions with owners	-	-	(2,048,068)	-	240,091	(1,807,977)		
Audited at 31 December 2020	826,811	18,390,507	39,610,553	5,361,472	3,873,796	68,063,139		
At 1 January 2021	826,811	18,390,507	39,610,553	5,361,472	3,873,796	68,063,139		
Other comprehensive income	-	=	2,350,391	932,025	153,761	3,436,177		
Transactions with owners	826,810	(828,878)	(1,599,703)	-	187,805	(1,413,966)		
Unaudited at 30 June 2021	1,653,621	17,561,629	40,361,241	6,293,497	4,215,362	70,085,350		

## Message from the Directors

These financial statements are an extract from the unaudited financial statements of the Group for the period ended 30 June 2021 which have been prepared in accordance with International Financial Reporting Standards (IFRS). The financial statements were approved by the Board of Directors on 27 August 2021 and were signed on its behalf by Messrs Daniel Ndonye, Sarit S.Raja Shah and Michael Turner.

These statements can be accessed on the institution's website www.imbank.com

BY ORDER CHAIRMAN CHAIRMAN 27 AUGUST 2021

