

The Board of Directors of I&M Group PLC(formely I&M Holdings PLC) is pleased to announce audited results of the Group as at 31 December 2021

STATEMENT OF FINANCIAL POSITION	COMPANY		GROUP	
	AUDITED DEC 2020 [KSHS'000]	AUDITED DEC 2021 (KSHS'000)	AUDITED DEC 2020 [KSHS'000]	AUDITED DEC 2021 (KSHS'000)
A ASSETS				
01. Cash (both local and foreign)	446,059	834,431	3,991,322	6,202,636
02. Balances due from central banks	-	-	15,412,097	21,343,955
03. Kenya Government and other securities held for dealing purposes	-	-	-	-
04. Financial Assets at fair value through profit or loss (FVTPL)	-	-	11,869,403	16,368,165
05. Investment Securities:				
a) Held at amortised cost:				
a. Kenya Government securities	-	-	36,732,012	30,605,205
b. Other securities	-	-	10,632,613	14,551,505
b) Fair value through other comprehensive income (FVOCI):				
a. Kenya Government securities	28,392	27,019	36,635,314	57,101,222
b. Other securities	-	-	5,841,938	6,909,050
06. Deposits and Balances due from local banking institutions	-	-	1,109,584	62,774
07. Deposits and Balances due from banking institutions abroad	-	-	17,225,856	15,455,050
08. Tax recoverable	4,369	3,463	133,588	459,760
09. Loans and advances to customers (net)	-	-	187,391,266	210,619,661
10. Balances due from banking institutions in the Group	-	-	-	-
11. Investment in associates	-	-	-	-
12. Investment in subsidiary companies	26,151,882	30,435,895	-	-
13. Investment in joint ventures	2,515,591	2,515,591	5,177,219	5,226,107
14. Investment properties	-	-	-	-
15. Property and equipment	-	-	12,121,588	12,883,629
16. Prepaid lease rentals	-	-	-	-
17. Intangible assets	-	-	5,591,942	6,579,059
18. Deferred tax asset	-	-	4,211,504	6,104,185
19. Retirement benefit asset	-	-	-	-
20. Other assets	4,124	229,786	4,022,547	4,708,714
21. TOTAL ASSETS	29,150,417	34,046,185	358,099,793	415,180,677
B LIABILITIES				
22. Balances due to central banks	-	-	-	-
23. Customer deposits	-	-	262,681,402	296,746,509
24. Deposits and balances due to local banking institutions	-	-	691,996	2,854,277
25. Deposits and balances due to foreign banking institutions	-	-	6,070,839	16,260,030
26. Other money market deposits	-	-	-	-
27. Borrowed funds	-	-	14,772,763	19,546,073
28. Balances due to banking institutions in the Group	-	-	-	-
29. Tax payable	-	-	155,863	29,310
30. Dividends payable	-	-	-	-
31. Deferred tax liability	-	-	-	-
32. Retirement benefit liability	-	-	-	-
33. Other liabilities	1,965,596	2,029,063	5,663,791	5,696,401
34. TOTAL LIABILITIES	1,965,596	2,029,063	290,036,654	341,132,600
C SHAREHOLDERS' EQUITY				
35. Paid up/Assigned share capital	826,811	1,653,621	826,811	1,653,621
36. Share premium/(discount)	18,390,507	17,561,629	18,390,507	17,561,629
37. Revaluation reserves - (Buildings)	-	-	929,217	1,036,048
38. Retained earnings/(Accumulated losses)	7,966,741	12,802,385	39,610,553	43,903,009
39. Statutory loan loss reserves	-	-	5,867,908	8,051,567
40. Other reserves	762	(513)	(175,160)	(856,084)
41. Proposed dividends	-	-	-	-
42. Translation reserve	-	-	(1,260,493)	(1,756,759)
43. TOTAL SHAREHOLDERS' EQUITY	27,184,821	32,017,122	64,189,343	69,593,031
44. Non controlling interest	-	-	3,873,796	4,455,046
45. TOTAL LIABILITIES & SHAREHOLDERS' EQUITY	29,150,417	34,046,185	358,099,793	415,180,677

STATEMENT OF COMPREHENSIVE INCOME	COMPANY		GROUP	
	AUDITED DEC 2020 [KSHS'000]	AUDITED DEC 2021 (KSHS'000)	AUDITED DEC 2020 [KSHS'000]	AUDITED DEC 2021 (KSHS'000)
01. INTEREST INCOME				
1.1 Loans and advances	-	-	21,885,324	23,769,022
1.2 Government securities	3,036	3,028	5,598,805	9,070,237
1.3 Deposits and placements with banking institutions	26,139	33,963	364,446	231,501
1.4 Other interest income	-	-	-	10,708
1.5 Total interest income	29,175	36,991	27,848,575	33,081,468
02. INTEREST EXPENSE				
2.1 Customer deposits	-	-	10,552,655	10,256,364
2.2 Deposits and placements from banking institutions	-	-	860,925	961,451
2.3 Other interest expenses	-	-	835,400	986,759
2.4 Total interest expense	-	-	12,248,980	12,204,574
03. NET INTEREST INCOME/(LOSS)	29,175	36,991	15,599,595	20,876,894
04. OTHER OPERATING INCOME				
4.1 Fees and commissions on loans and advances	-	-	1,927,786	1,938,483
4.2 Other fees and commissions	-	-	2,242,517	2,937,743
4.3 Foreign exchange trading income (Loss)	-	-	1,883,939	1,732,746
4.4 Dividend income	3,377,000	6,778,527	-	-
4.5 Other income	318	2,817	2,583,511	2,126,648
4.6 Total non-interest income	3,377,318	6,781,344	6,637,753	8,735,620
05. TOTAL OPERATING INCOME	3,406,493	6,818,335	24,237,348	29,612,514
06. OTHER OPERATING EXPENSES				
6.1 Loan loss provisions	-	-	2,472,836	4,199,601
6.2 Staff costs	-	-	4,464,503	5,896,892
6.3 Directors' emoluments	-	-	90,941	105,021
6.4 Rentals charges	-	-	428,732	568,098
6.5 Depreciation charge on property and equipment	-	-	993,125	1,320,783
6.6 Amortisation charges	-	-	532,741	702,187
6.7 Other operating expenses	31,102	114,249	3,623,504	4,955,916
6.8 Total other Operating Expenses	31,102	114,249	12,606,382	17,748,498
07. PROFIT/(LOSS) BEFORE TAX AND EXCEPTIONAL ITEMS	3,375,391	6,704,086	11,630,966	11,864,016
08. SHARE OF PROFIT OF JOINT VENTURE	-	-	(678,962)	548,890
09. PROFIT/(LOSS) AFTER EXCEPTIONAL ITEMS	3,375,391	6,704,086	10,952,004	12,412,906
10. CURRENT TAX	(4,805)	(8,118)	(3,785,094)	(3,883,574)
11. DEFERRED TAX	-	-	1,245,648	94,604
12. PROFIT/(LOSS) AFTER TAX AND EXCEPTIONAL ITEMS	3,370,586	6,695,968	8,412,558	8,623,936
13. Non controlling interest	-	-	(338,703)	(493,194)
14. PROFIT/(LOSS) AFTER TAX, EXCEPTIONAL ITEMS AND NON CONTROLLING INTEREST	3,370,586	6,695,968	8,073,855	8,130,742
15. OTHER COMPREHENSIVE INCOME				
15.1 Gains/(Losses) from translating the financial statements of foreign operations	-	-	317,658	(515,333)
15.2 Fair value changes in financial assets at FVOCI	801	(1,275)	241,128	(752,181)
15.3 Statutory loan loss reserve	-	-	-	-
15.4 Fair value changes on employee benefits	-	-	(37,519)	35,022
15.5 Income tax relating to components of other comprehensive income	-	-	75,118	111,898
16. OTHER COMPREHENSIVE INCOME FOR THE YEAR NET OF TAX	801	(1,275)	596,385	(1,120,594)
17. TOTAL COMPREHENSIVE INCOME FOR THE YEAR	3,371,387	6,694,693	9,008,943	7,503,342
18. EARNING PER SHARE - DILUTE & BASIC (KSHS)	2.04	4.05	4.88	4.92
19. DIVIDEND PER SHARE - PROPOSED (KSHS)	1.125	1.50	1.125	1.50

OTHER DISCLOSURES	COMPANY		GROUP	
	AUDITED DEC 2020 [KSHS'000]	AUDITED DEC 2021 (KSHS'000)	AUDITED DEC 2020 [KSHS'000]	AUDITED DEC 2021 (KSHS'000)
01. NON - PERFORMING LOANS AND ADVANCES				
a) Gross non - performing loans and advances	-	-	23,595,463	21,448,072
Less	-	-	-	-
b) Interest in suspense	-	-	4,914,559	3,677,075
c) Total non - performing loans and advances (a-b)			18,680,904	17,770,997
Less	-	-	-	-
d) Loan loss provisions	-	-	10,841,449	11,640,501
e) Net non - performing Loans(c-d)			7,839,455	6,130,496
f) Discounted value of securities	-	-	7,839,455	6,130,496
g) Net NPLs exposure (e-f)			-	-
02. INSIDER LOANS AND ADVANCES				
a) Directors, shareholders and associates	-	-	3,954,740	4,673,365
b) Employees	-	-	2,109,902	2,498,739
c) Total Insider Loans and Advances			6,064,642	7,172,104
03. OFF - BALANCE SHEET ITEMS				
a) Letters of credit, guarantees, acceptances	-	-	61,730,636	67,686,750
b) Forwards, swaps and options	-	-	7,409,365	21,704,283
c) Other contingent liabilities	-	-	3,198,988	4,068,916
d) Total Contingent liabilities			72,338,989	93,459,949
04. CAPITAL STRENGTH				
a) Core capital	-	-	59,039,782	62,133,314
b) Minimum statutory capital	-	-	1,000,000	1,000,000
c) Excess/ (deficiency)	-	-	58,039,782	61,133,314
d) Supplementary capital	-	-	10,555,148	18,339,954
e) Total capital (a+d)	-	-	69,594,930	80,473,268
f) Total risk weighted assets	-	-	316,791,179	375,078,849
g) Core capital/Total deposit liabilities	-	-	22.48%	20.94%
h) Minimum statutory ratio	-	-	8.00%	8.00%
i) Excess /(Deficiency) (g-h)	-	-	14.48%	12.94%
j) Core capital/Total risk weighted assets	-	-	18.64%	16.57%
k) Minimum statutory ratio	-	-	10.50%	10.50%
l) Excess /(Deficiency) (j-k)	-	-	8.14%	6.07%
m) Total capital/Total risk weighted assets	-	-	21.97%	21.46%
n) Minimum statutory ratio	-	-	14.50%	14.50%
o) Excess /(Deficiency) (m-n)	-	-	7.47%	6.96%
(p) Adjusted Core Capital/Total Deposit Liabilities*	-	-	22.55%	20.98%
(q) Adjusted Core Capital/Total Risk Weighted Assets*	-	-	18.70%	16.60%
(r) Adjusted Total Capital/Total Risk Weighted Assets*	-	-	22.03%	21.49%
05. LIQUIDITY				
a) Liquidity ratio	-	-	50.51%	52.26%
b) Minimum statutory ratio	-	-	20.00%	20.00%
c) Excess /(Deficiency) (a-b)	-	-	30.51%	32.26%

*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	COMPANY		GROUP	
	AUDITED DEC 2020 [KSHS'000]	AUDITED DEC 2021 (KSHS'000)	AUDITED DEC 2020 [KSHS'000]	AUDITED DEC 2021 (KSHS'000)
Net cash generated from/ (used in) operating activities	3,369,737	6,534,777	(13,718,921)	(8,817,668)
Cash flows used in investing activities	(894,588)	(4,284,013)	(3,562,667)	(5,449,827)
Net cash used in financing activities	(2,108,367)	(1,862,392)	(2,395,424)	3,456,805
Net increase/ (decrease) in cash and cash equivalents	366,782	388,372	(19,677,012)	(10,810,690)
Cash and cash equivalents at beginning of period	79,277	446,059	41,149,416	21,472,404
Cash and cash equivalents at end of period	446,059	834,431	21,472,404	10,661,714

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	-	-	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	-	-	5,963,553	1,047,899	491,890	7,503,342
Transactions with owners	826,810	(828,878)	(1,671,097)	65,401	89,360	(1,518,404)
Audited at 31 December 2021	1,653,621	17,561,629	43,903,009	6,474,772	4,455,046	74,048,077

Message from the Directors
Basis of Preparation

These financial statements are an extract from audited financial statements for the period ended 31 December 2021 which have been prepared in accordance with International Financial Reporting Standards (IFRSs) and Kenyan Company Act, 2015. The principal risks and uncertainties facing the Group and Company as well as the risk management framework are outlined in Note 5 of the consolidated and separate financial statements.

The financial statements were audited by KPMG Kenya and received an unqualified opinion. The financial statements were approved by the Board of Directors on 29 March 2022 and were signed by Messrs Daniel Ndonge, Sarit S. Raja Shah and Sachit S. Raja Shah.

Dividend

The Directors recommend a dividend of KShs 1.50 per share amounting to KShs 2,480,432,214 for the year ended 31 December 2021. A dividend of KShs. 1.125 per share amounting to KShs 1,860,324,161 in respect of the year ended 31 December 2020 was paid on 20 May 2021.

The dividend will be payable to shareholders registered on the Company's Register at the close of business on Thursday 21 April 2022 and will be paid on or around Thursday, 26 May 2022. The Register of Members will be closed from Friday, 22 April 2022 to Monday, 25 April 2022 (both days inclusive) for the purpose of processing the dividend.