

FY 2021 RESULTS INVESTOR PRESENTATION

Our Core Values



INTEGRITY



TRUST



RESPECT



INNOVATION



COURAGE

Our Brand Promise

**We Are
On Your
Side**

Eastern Africa's Leading Financial Partner For Growth

KENYA

- I&M Bank LIMITED**
- ✓ 210,000+ customers
 - ✓ 39 Branches
 - ✓ 54 ATMs
 - ✓ 1,157 staff

TANZANIA

- I&M Bank (T) Limited**
- ✓ 17,000+ customers
 - ✓ 8 Branches
 - ✓ 9 ATMs
 - ✓ 182 staff

RWANDA

- I&M Bank (Rwanda) PLC**
- ✓ 65,000+ customers
 - ✓ 18 Branches
 - ✓ 33 ATMs
 - ✓ 424 staff

MAURITIUS

- Bank One Limited**
- ✓ 35,000+ customers
 - ✓ 8 Branches
 - ✓ 10 ATMs
 - ✓ 424 staff

UGANDA

- I&M Bank (Uganda) Ltd***
- ✓ 75,000+ Customers
 - ✓ 14 Branches
 - ✓ 17 ATMs
 - ✓ 314 staff



**86
Branches**



**123
ATMs**



**Over 400k
Customers**



**Over
2.5k Staff**



**Over 3.5k
Shareholders**



Our Group results represents all entities



I&M Group Plc Entities

I&M Group Plc (Company)

+I&M Bank Group - Kenya

+I&M Rwanda Ltd

+I&M Uganda Ltd

+Bank One Ltd

+I&M Realty

+I&M Burbidge Capital Ltd

+I&M Capital Ltd

+Giro Ltd

I&M Bank Group - Kenya

I&M Bank Kenya Ltd (Bank)

+ I&M Bank Tanzania Ltd

+ I&M Bancaassurance

Intermediary Ltd

+ Youjays Insurance Brokers Ltd



Key Highlights

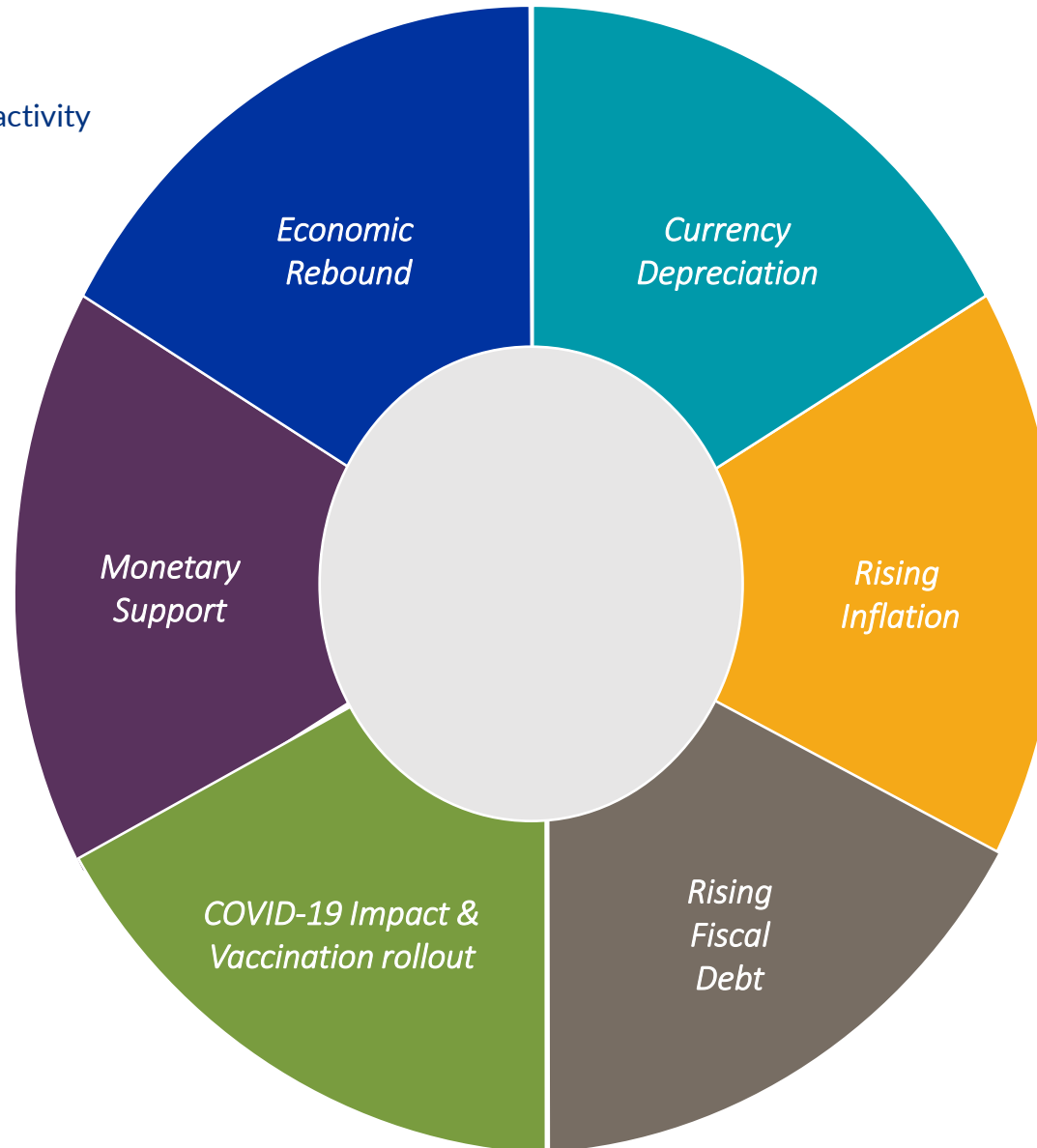
Improved macroeconomic environment in 2021 across our markets

Tail Winds

East Africa economies saw a rebound in activity with easing of lockdown down measures.

Central bank policy rates held steady for most countries supporting credit growth.

Region was resilient as COVID-19 vaccination rollout campaigns aimed at vaccinating a majority of the population



Head Winds

A resilient US dollar combined with softer global commodity prices (except for oil) and lack of global travel to SSA impacted SSA national currencies negatively

The most countries experienced an uptick in inflation levels as a result of supply chain disruptions

Covid-19 outbreaks have impacted economic activity, weighing on tax revenues, even as public expenditure pressures have risen with demands for additional healthcare spending and stimulus.

Consistent performance – FY 2021



Shareholder Value

Return on Equity 12% (2020 – 10%) ▲

Earnings per Share Kshs 4.92 (2020 – Kshs 4.88) ▲

Dividend Per Share Kshs. 1.50 (2020 – Kshs 1.13) ▲



Financials

Total Assets Kshs 415Bn - 16% ▲

Net Loans and Advances Kshs 211Bn - 12% ▲

Profit Before Tax Kshs 12Bn - 13% ▲



Strategy

Net Promoter Score 74% (2020 – 34%) ▲

Cyber Risk Maturity score 82% (2020 – 75%) ▲

Regional Subsidiary PBT Contribution 13% (2020-14%)



Funding & liquidity

Deposits Kshs 297Bn 13% ▲

Total Capital Adequacy Ratio 21% (2020 – 22%)

Liquidity Ratio 52% (2020 – 50%) ▲



Group Strategy iMara 2.0



iMara 2.0: 2021 marked the first year of the Group's 3-year strategy



Our 3-year strategic aspiration and key focus areas are in motion...



Aspiration



**Eastern Africa's
Leading Financial
Partner for Growth**

Targets

+21%
Return On Equity

+20Bn
Profit Before Tax

90%
Transactions Done digitally

+75%
Net Promoter Score

Key Focus Areas

Customer Base Growth
Ecosystem Banking

Segment Expansion
MSME and Retail Business

Omni Channel Implementation ('On the Go')
Leading to full digital distribution capability

Innovation
Digital Orchestrator model ecosystems

Regional Growth
Geographical expansion into new markets

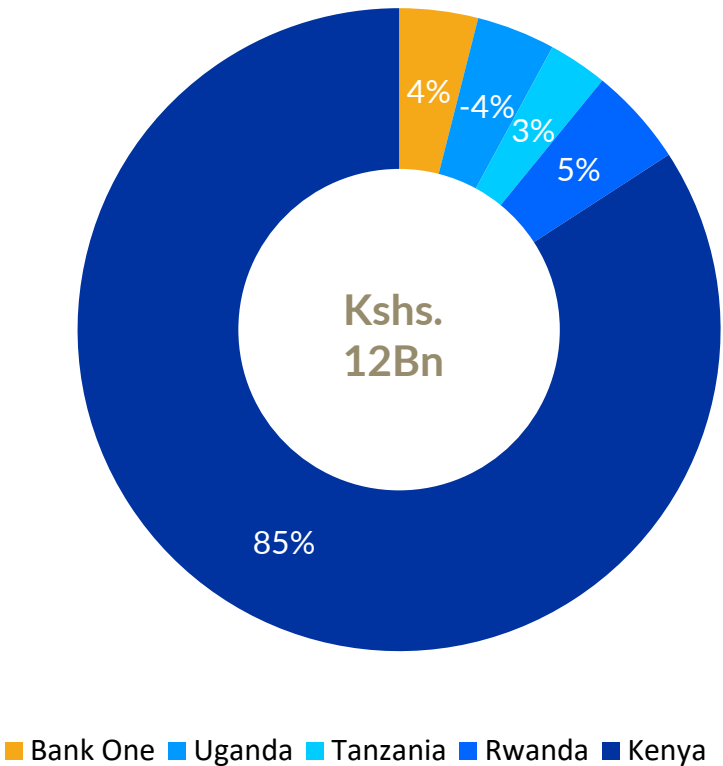
Group Operating Model
Roll out and embedding of the Group Operating Model

Partnerships
FinTech and other strategic partnerships

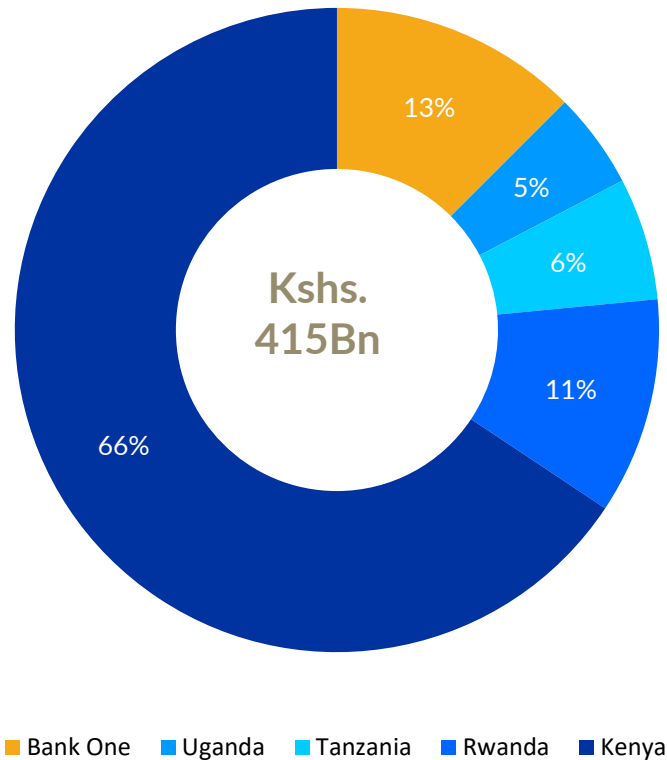
Driving business growth through geographical expansion



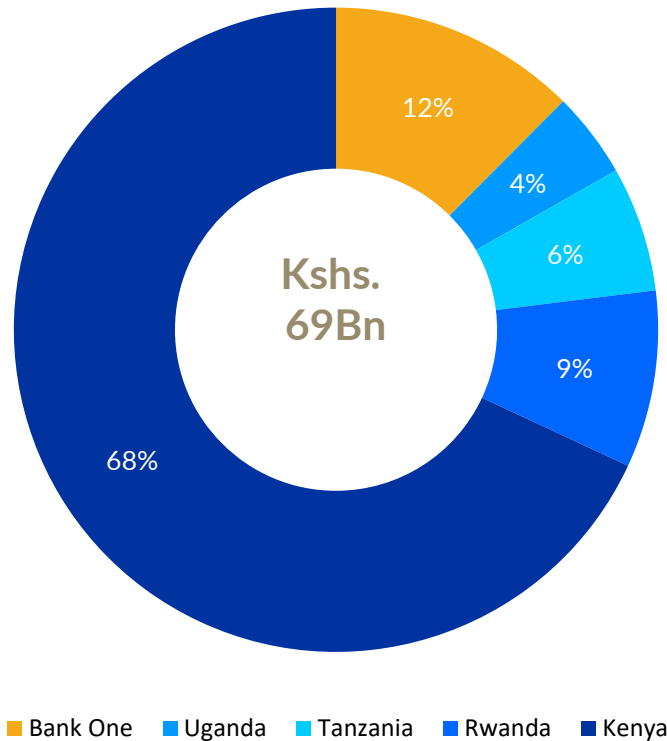
PBT



Total Assets



Shareholders Funds



Balance: Non-banking subsidiaries & elimination

Driving business growth through revenue diversification

New business offerings



**Wealth
Management by
I&M Capital**



Kshs +700 Mn
Assets under
Management



**MSME
Banking in I&M
Rwanda**



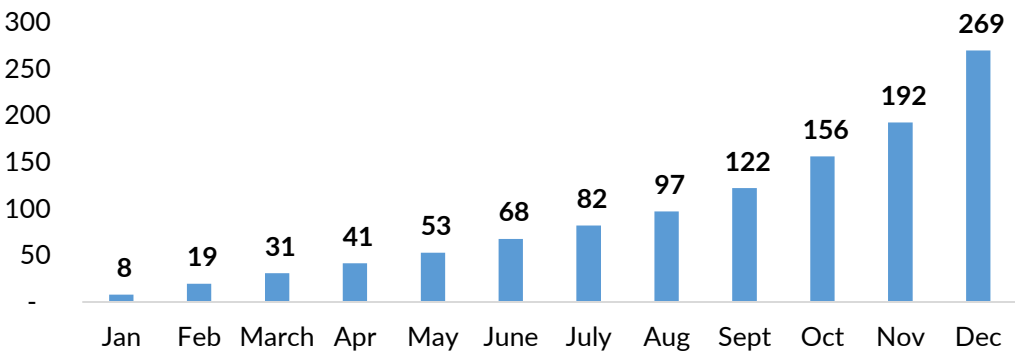
2,200+
New MSME Customers

72% growth
Customer base

New Product Offering

- **Offshore Products:** Collaboration between **I&M Capital** and **Bank One** to provide access to offshore products for potential customers.
- **Money Market Funds**
- **Bond Leverage Product**

Revenue From New Businesses (Kshs '000)



Driving business growth through digitization



New business offerings



Digital unsecured loans



Digital Onboarding Solution



Universal Payment Solution



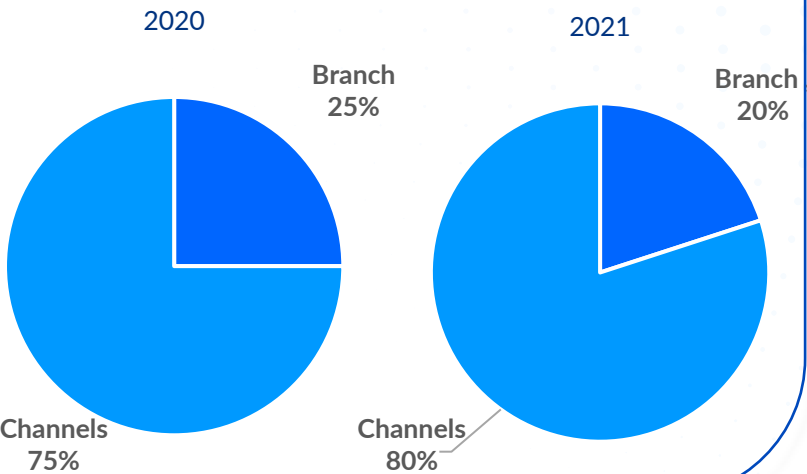
NPS Score
71%

- ✓ The Groups recognizes the need to reward its customers. In Kenya, the loyalty points programme has been revamped to be easily accessible through mobile banking App OTG.
- ✓ The Group's **Culture Transformation Programme**, dubbed PAMOJA, is aimed at enhancing our "**Customer First**" philosophy through our common behaviors.

~79%

of I&M Group's transactions were executed digitally in 2021, with a transaction value of ~Kshs 543Bn

Channel Distribution



Driving business growth through digitization

New Digital Initiatives



Digital unsecured loans

Launched in Oct 2021

115

Number of loans

Kshs. 113n

Disbursed



I&M On the Go(OTG) Bank's redesigned app and web platform

Launched in Oct 2021

Over 10K

Registered Customers

Kshs. 20Bn

transacted via OTG



Mobile Lending

Launched in Sept 2021

128K

Active Customers

Kshs. 158Mn

Disbursed



WhatsApp Banking

Over 1.5K

Registered Users

Kshs. 305Mn

Transacted



WhatsApp Banking

Over 1K

Registered Users



Digital on boarding

Launched in Dec 2021



Universal Payment Solution (POP)

Over 54K

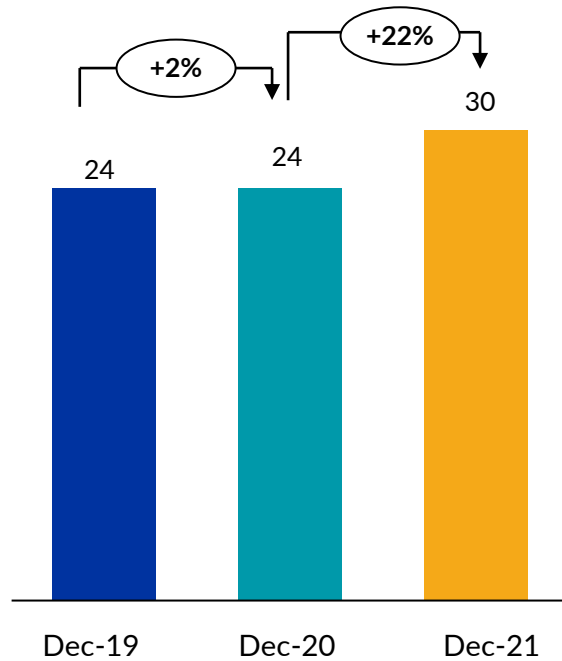
Number of Transactions

Over 8k

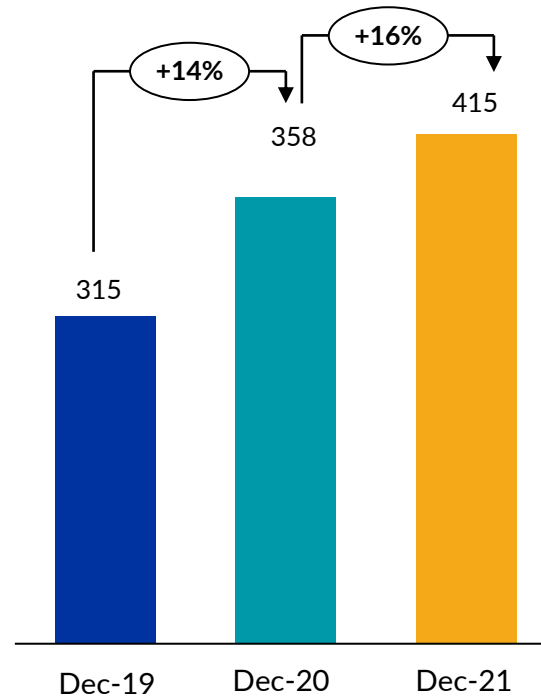
Registered Customers

Driving Business Growth | Leading to consistent growth in our performance metrics

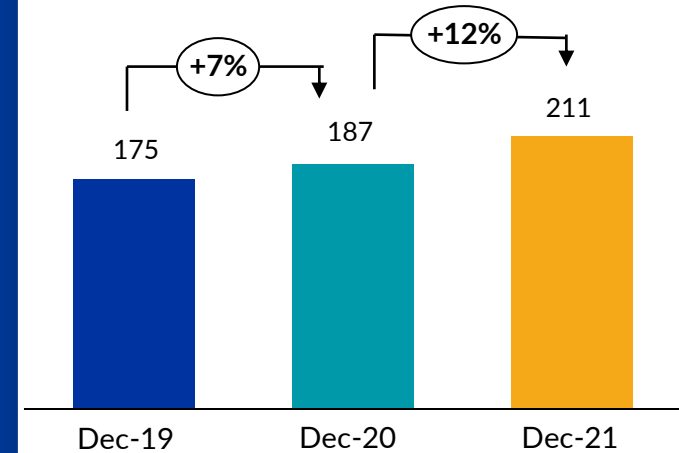
Total Operating Income (Kshs Bn)



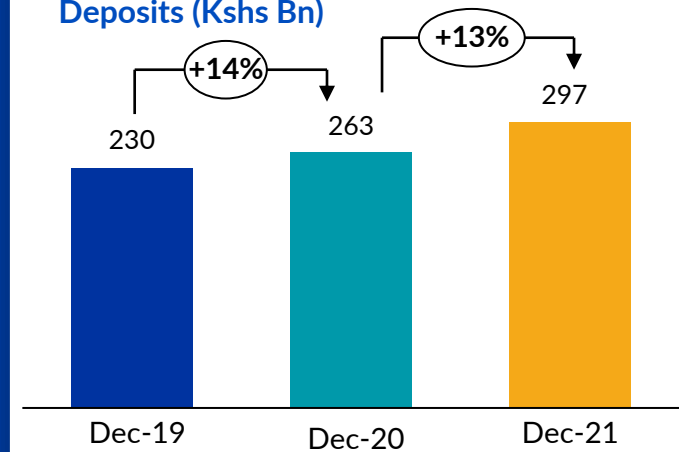
Total Assets (Kshs Bn)



Loans (Kshs Bn)



Deposits (Kshs Bn)



Building a resilient organization



Improved Liquidity



Focused drive to lower cost of funds



Defined roadmap for ESG initiatives



Enhanced risk management framework and investment in cyber security tools

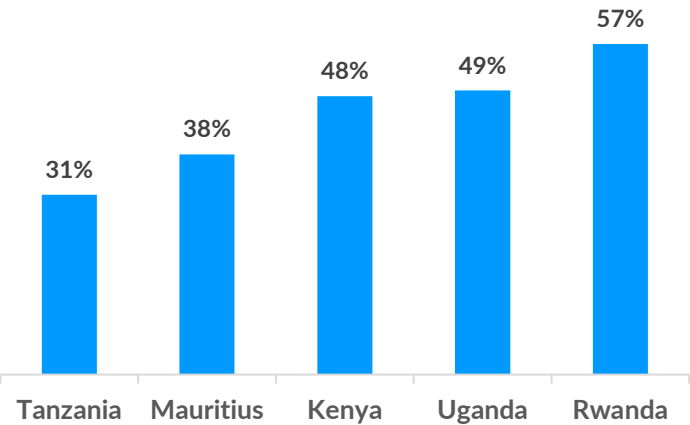
52%

Group liquidity ratio

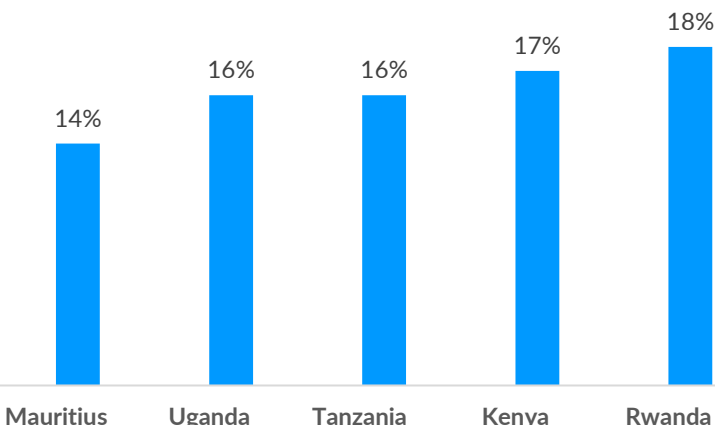
+30%

growth in CASA driving down cost of funds

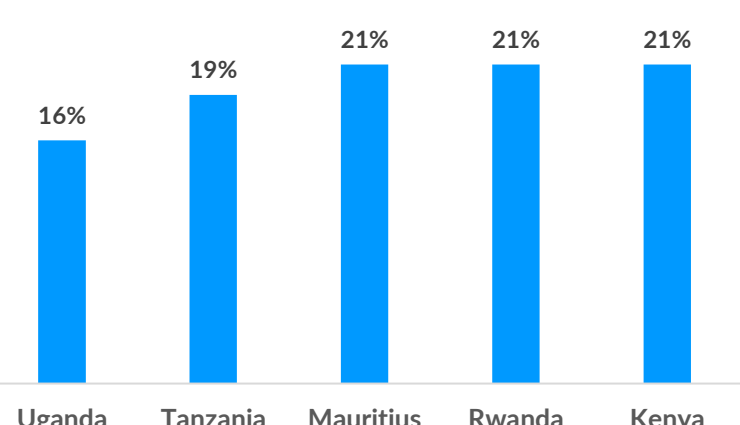
Liquidity Ratio



Core Capital Ratio



Total Capital Ratio



Building a resilient organization through our sustainability & ESG initiatives across The Group



The Group remains committed to mitigating direct social and environmental impacts and managing indirect impacts, while continuously working to integrate environmental, social and broader governance factors into its core business operations across all its subsidiaries

2% of I&M Kenya's PBT (Kshs 206Mn)
Allocated for I&M Foundation activities to drive our environmental & social sustainability initiatives

87% Survival rate of trees planted	579 Maasai women empowered to increase their household income	125 Number of scholarships provided through the I&M Foundation fund
11 Learning institutions in Narok installed with energy saving jikos;	16 Additional university students supported to complete their undergraduate studies	23 Households in Kilifi region trained on making fireless cook stoves (11 already using)
Supported food relief programs through our partners		

Optimizing the operating model



Improved process efficiencies
Standardization of
operations, systems and
processes across its
subsidiaries in the region



Increased investment
in infrastructure
resilience for better
risk management

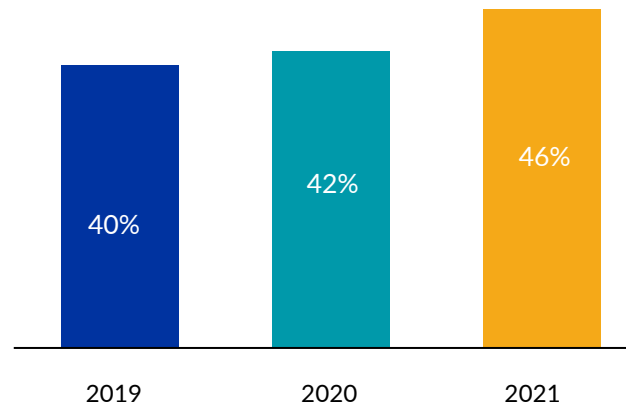


Implementation of the Future
State Enterprise Infrastructure
program for better service uptime
and new AML system to ensure
compliance with risk monitoring
frameworks.

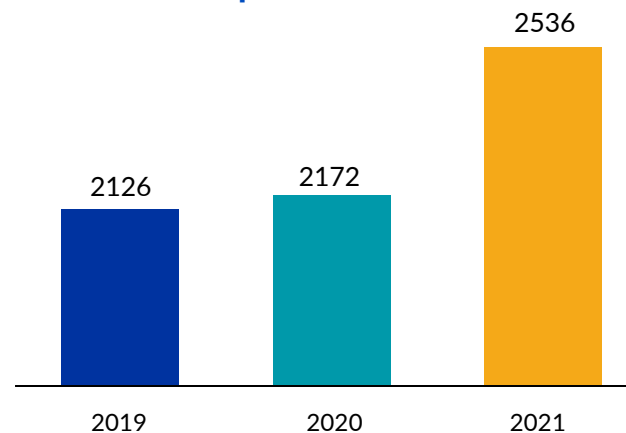


Leveraging Group
synergies through cross
border business
development initiatives

CIR Trend



Group Staff Numbers



Kshs 2.0Bn

invested in technology in 2021
(Capex & Opex)

Increased CIR is related to
investment in technology, the
shared services centre and
rebranding and integration of I&M
Uganda. The benefits of which are
expected in the future.

(Excluding Uganda: CIR – 43%)

\$130M

Booked as cross-border business
across the regional entities



Subsidiary Performance Highlights

Kenya – Highlights



Macroeconomic review

- ❖ 9% GDP Growth in Q4 2021 (-2% Q4 2020);
- ❖ Accelerated roll out of vaccinations and lifting of the pandemic control measures;
- ❖ Supportive monetary policy: Private sector credit growth of 9% in the year

+75%

of the Bank's transactions were executed digitally in 2021.

New Digital Initiatives



I&M On the Go(OTG)
Bank's redesigned app
and web platform
Launched in Oct 2021

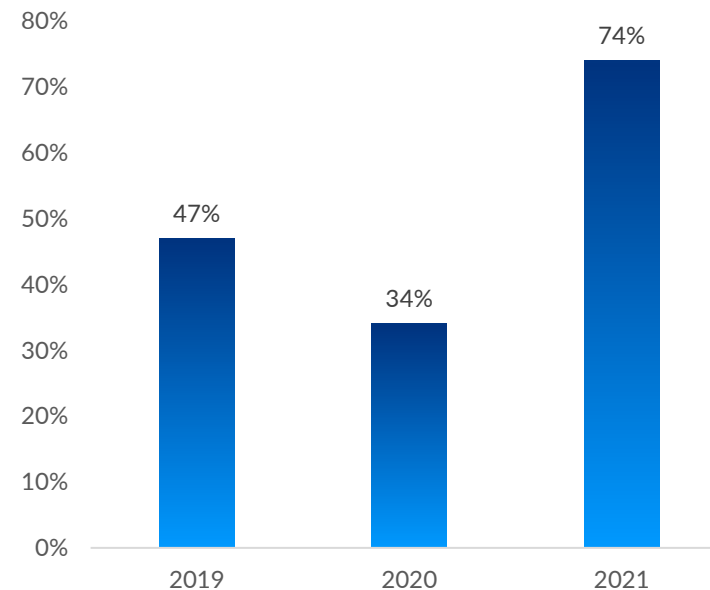
Over 10K
Registered Customers
Kshs. 20Bn
transacted via OTG



Digital Unsecured Loans
Launched in Oct 2021

115
Number of loans
Kshs. 113Mn
Disbursed

NPS Score



- ✓ Upgrade of the **card management system** resulting in improved system stability & customer experience
- ✓ Upgrade of **AML systems**
- ✓ Setup of **Shared Services Centre**
- ✓ Continuous investment in **Cyber security tools**
- ✓ Successful rollout of **Cultural Transformation Programme**

Kenya – consistent growth amidst a challenging environment

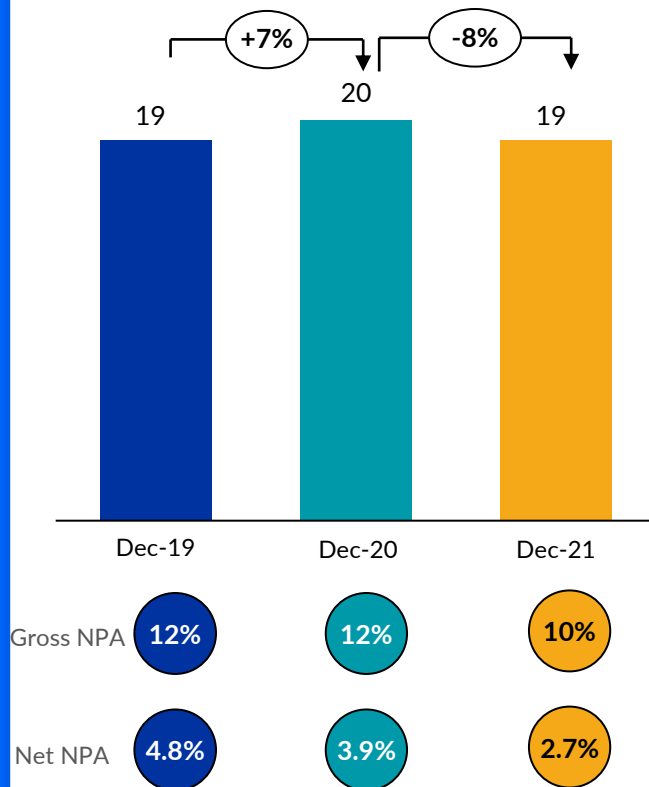


Statement of Comprehensive Income	Dec-21 Kshs Mn	Dec-20 Kshs Mn	Dec 21 vs Dec 20 Y-Y % ▲
Total Operating Income	21,876	18,396	19%
Operating Expenses	8,190	6,505	26%
Profit before Loan Loss Provisions	13,686	11,891	15%
Loan Loss Provisions	3,098	1,602	93%
Profit before Tax	10,587	10,289	3%
Statement of Financial Position	Dec-21 Kshs Mn	Dec-20 Kshs Mn	Dec 21 vs Dec 20 Y-Y % ▲
Total Assets	307,802	283,569	9%
Net Loans & Advances	162,146	149,675	8%
Deposits	228,031	218,153	5%
Shareholders Equity	51,920	52,324	-1%

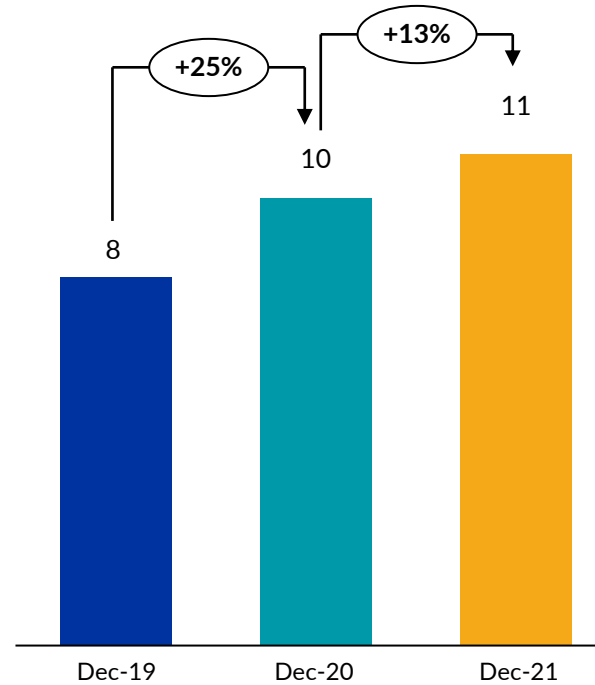
Kenya: decline in gross NPL on prudent loan management



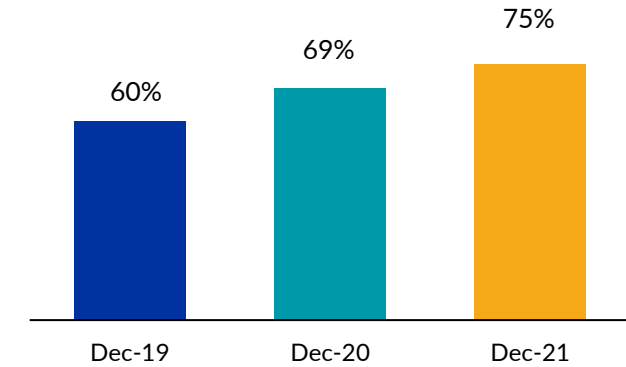
Gross NPLs (Kshs Bn)



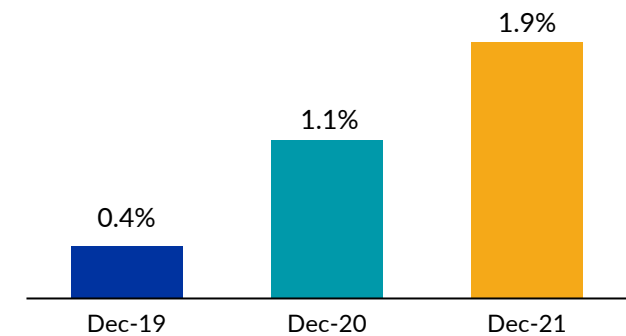
Loans Loss Provisions (Kshs Bn)



Coverage Ratio



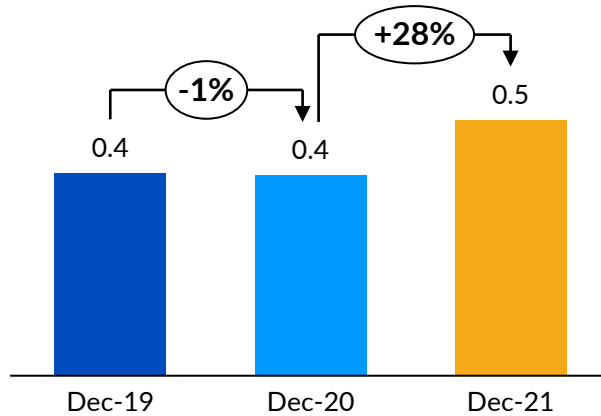
Cost of Risk



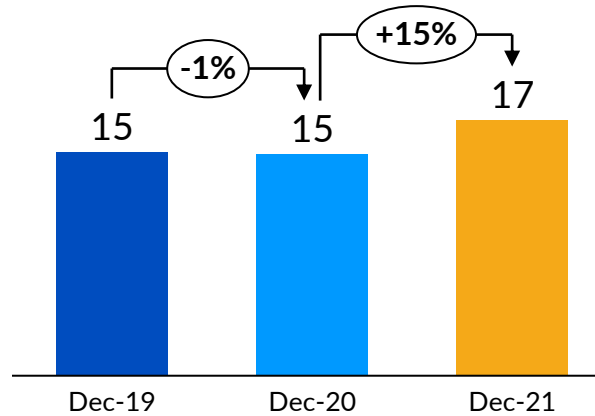
Tanzania: Improved performance amidst cautious optimism



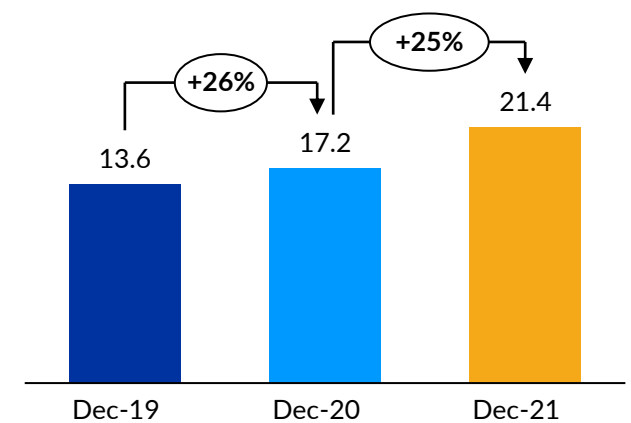
PBT (Kshs Bn)



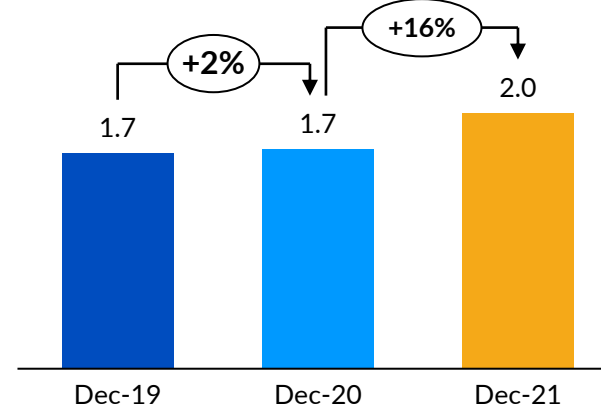
Loans (Kshs Bn)



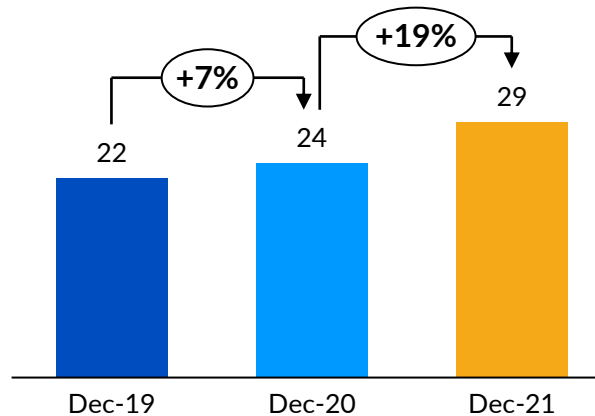
Deposits (Kshs Bn)



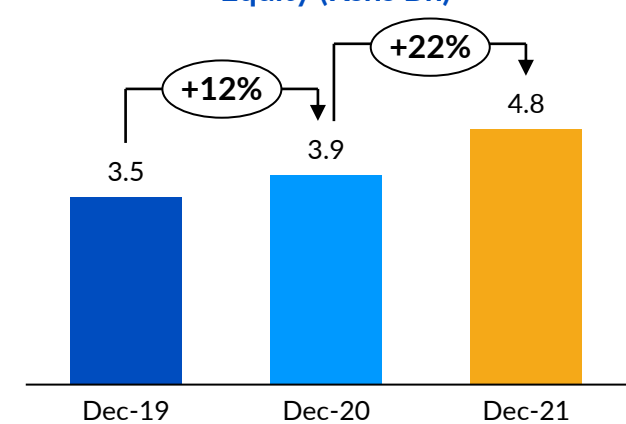
Total Operating Income (Kshs Bn)



Assets (Kshs Bn)



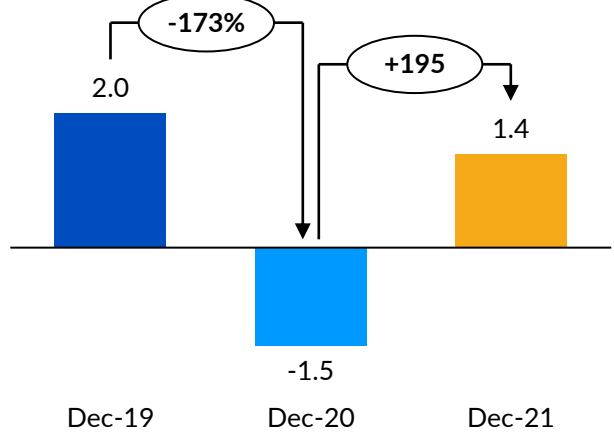
Equity (Kshs Bn)



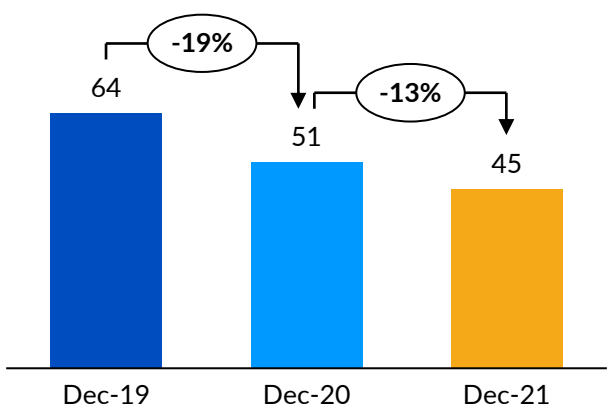


Mauritius: Improved bottom-line on loan loss recoveries in a challenging operating environment

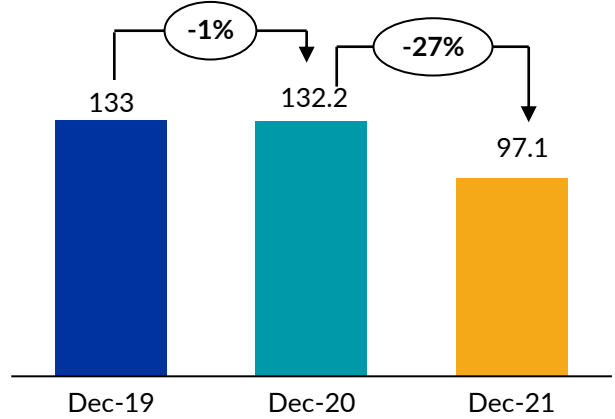
PBT (Kshs Bn)



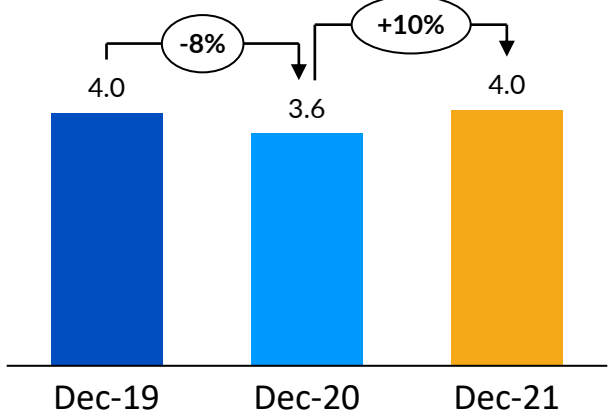
Loans (Kshs Bn)



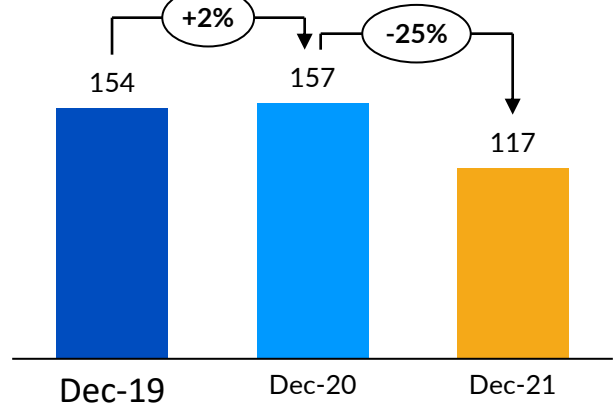
Deposits (Kshs Bn)



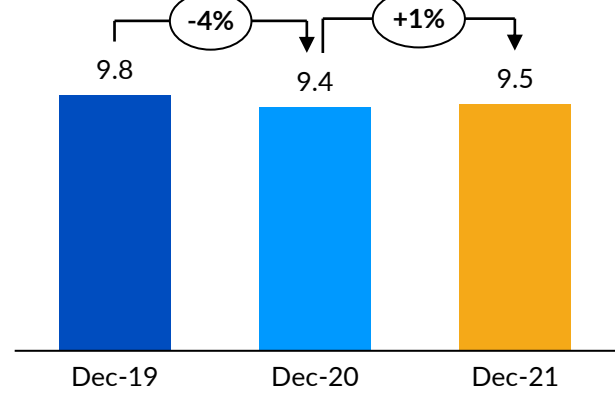
Total Operating Income (Kshs Bn)



Assets (Kshs Bn)



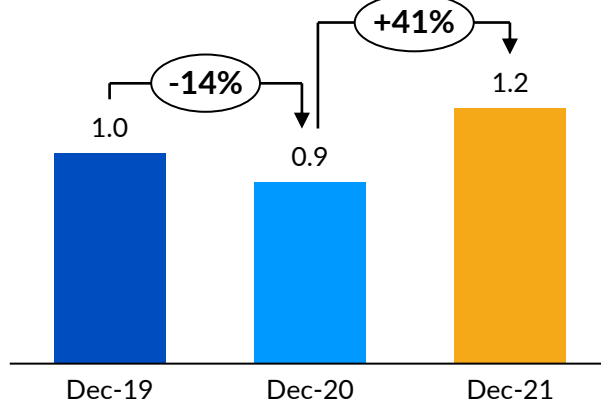
Equity (Kshs Bn)



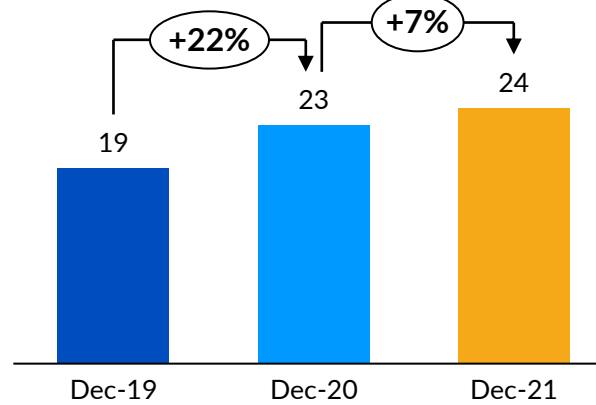
Rwanda: Strong performance supported by business growth and positive macros



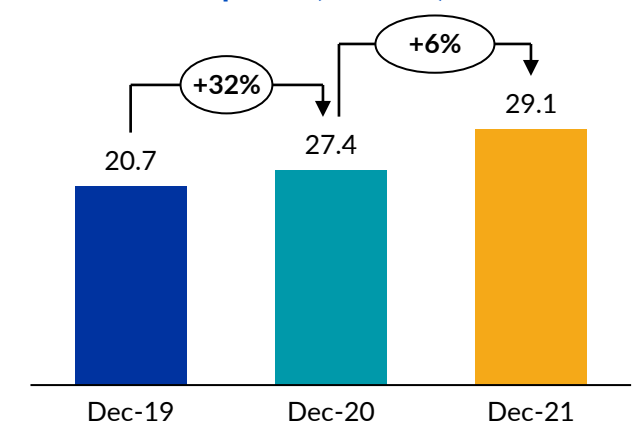
PBT (Kshs Bn)



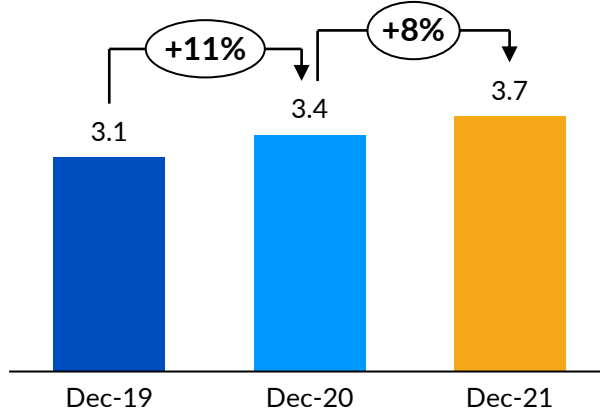
Loans (Kshs Bn)



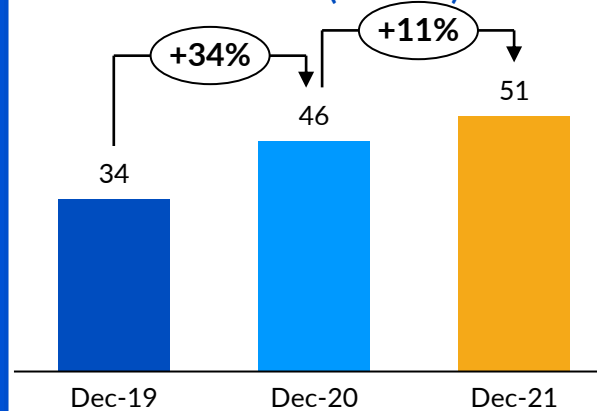
Deposits (Kshs Bn)



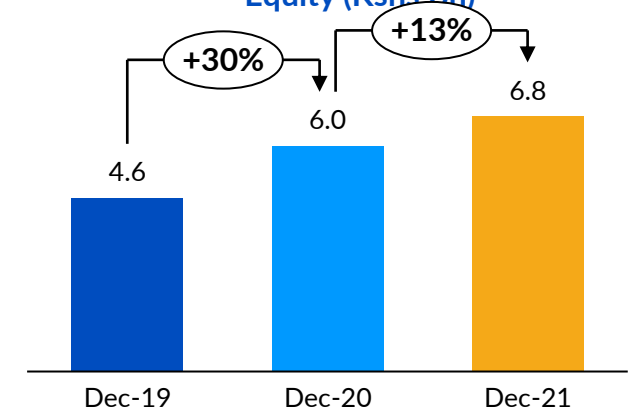
Total Operating Income (Kshs Bn)



Assets (Kshs Bn)



Equity (Kshs Bn)



Uganda: Focus on integration to gear business towards growth on strong fundamentals



- ❖ Group results include 8 months period post acquisition
- ❖ Integration efforts focused on loan book review and alignment with the Group systems and processes;



Total Assets
Kshs. 23 Bn



Shareholder Funds
Kshs. 3.3 Bn



Loss before tax
Kshs. 0.59Bn



Loans
Kshs. 6.3 Bn



Deposits
Kshs. 18 Bn

Banking Subsidiary Ratios

Key Ratios	Tanzania		Rwanda		Mauritius		Uganda
	2021	2020	2021	2020	2021	2020	2021
Gross NPA	9.7%	17.3%	4.5%	3.6%	3.2%	8.7%	1.8%
Net NPA	5.7%	9.9%	1.1%	0.0%	0.6%	2.1%	1.1%
Loan to Deposit	81.4%	88.0%	83.5%	82.6%	57.2%	46.9%	34.4%
Cost to Income Ratio	62.6%	62.8%	64.3%	59.2%	67.1%	73.6%	95.4%
ROE	7.8%	7.3%	15.7%	10.9%	11.6%	-14.0%	-24.5%
ROA	1.2%	1.2%	2.0%	1.2%	0.9%	-0.9%	-1.7%



Group Financial Highlight

I&M Group PLC – PBT up 13% excluding I&M Uganda

Statement of Comprehensive Income	Dec-21 Kshs Mn	Dec-20 Kshs Mn	Dec 21 vs Dec 20 Y-Y %	Comments
Net Interest Income	20,877	15,600	34%	Attributed by growth in loan book, increased income from investment in government securities and reduction of interest expenses
Non-Funded Income	8,735	8,637	1%	Marginal increase due to reduction in loan processing fee, foreign exchange and trading income
Total Operating Income	29,612	24,237	22%	
Operating Expenses	13,548	10,134	33%	Cost growth due to increased investment in digitization and staff in key support areas.
Profit before Loan Loss Provisions	16,064	14,013	15%	
Loan Loss Provisions	4,200	2,473	70%	Increased provisions to cater for facilities still impacted to COVID 19
Profit before Share of JV	11,864	11,630	2%	
Share of Profit/(loss) from JV	549	(679)	181%	Bank one bounced back during the year on account of bad debt recoveries
Profit Before Tax	12,413	10,952	13%	
Loss in Uganda	(596)	-	-	Driven by resizing and consolidation of Uganda
Profit Before Tax including Uganda	11,864	10,952	8%	

I&M Group Plc – Steady balance sheet growth

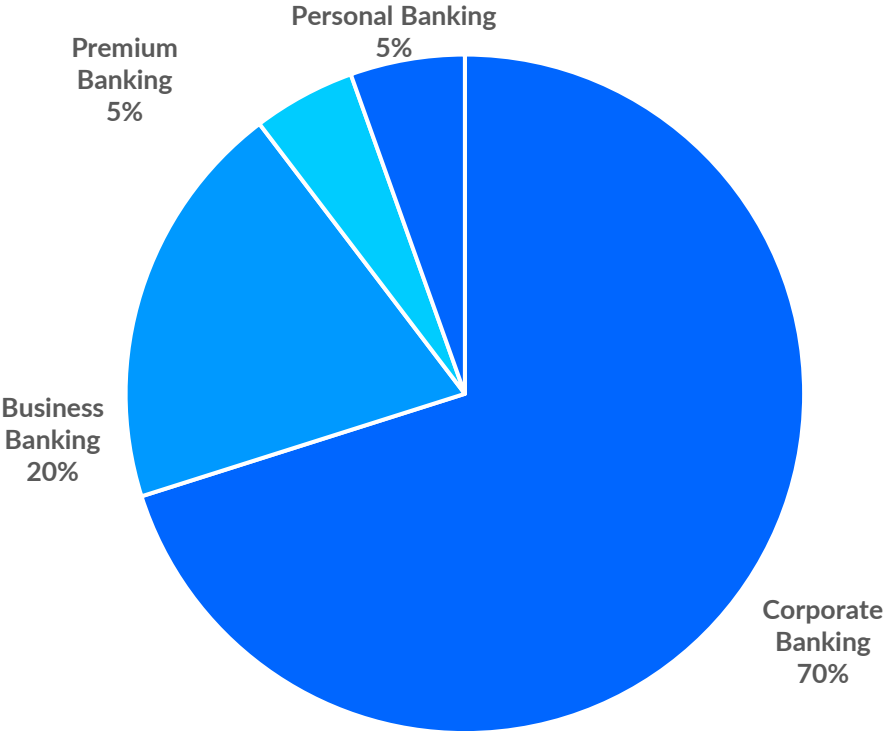
Statement of Comprehensive Income	Dec-21 Kshs Mn	Dec-20 Kshs Mn	Dec 21 vs Dec 20 Y-Y %	Comments
Cash & Bank Balances	25,746	19,403	42%	Cash balances reflective of strong liquidity
Investments & Placements	125,446	101,588	24%	
Loans & Advances (net)	210,620	187,391	12%	Loans growth due to increase lending and Kshs. 6 billion contribution by I&M Uganda.
Other Assets	51,548	49,901	3%	
Total Assets*	415,181	358,284	16%	
Customer Deposits	296,746	262,681	13%	Customer deposits growth due to increased focus on CASA deposits.
Borrowings	19,546	14,773	32%	Borrowing increase largely due to Tier II debt from IFC to support SME sector.
Other Liabilities	23,370	12,767	99%	
Total Liabilities	341,663	290,221	18%	
Shareholders' Funds**	69,593	64,189	8%	

- *Total Assets excluding Uganda – Kshs 392Bn
- **Excludes non-controlling interest

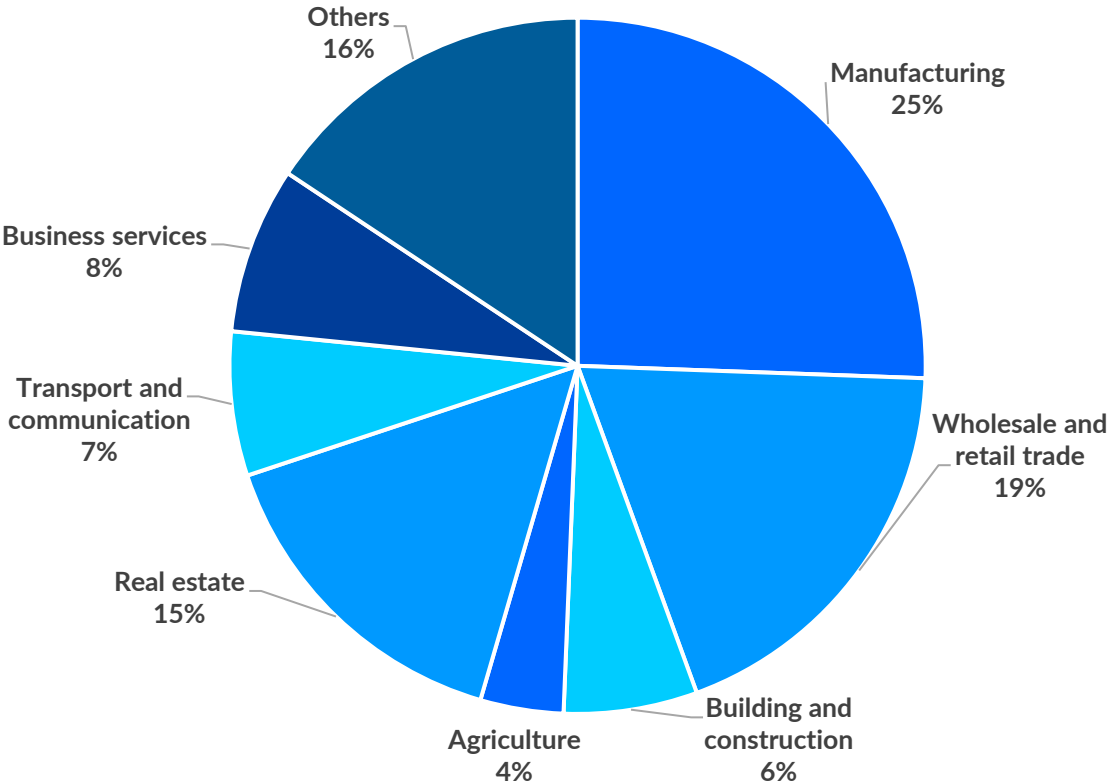
Our loan book has grown on the back of increased business activity



Segmental Distribution of loans and Advances (Kshs Bn)



Loans Sectorial Distribution

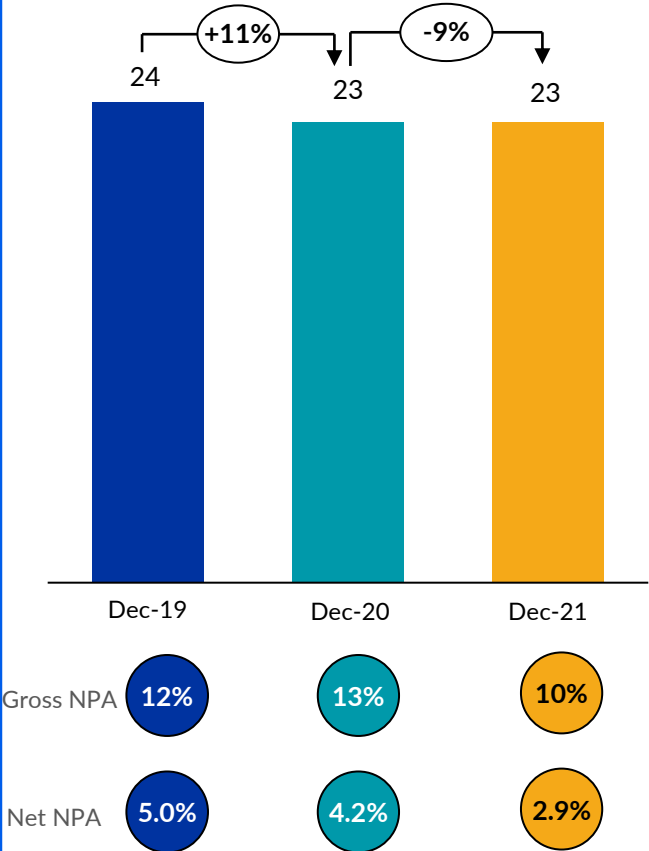


Other include Finance and Insurance, Mining, Electricity and Water

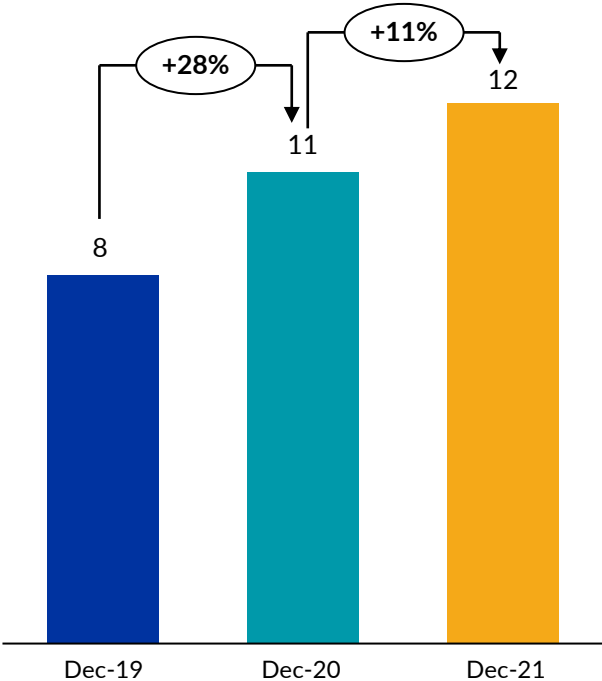
Decline in NPLs: The Group remains prudent in its operations



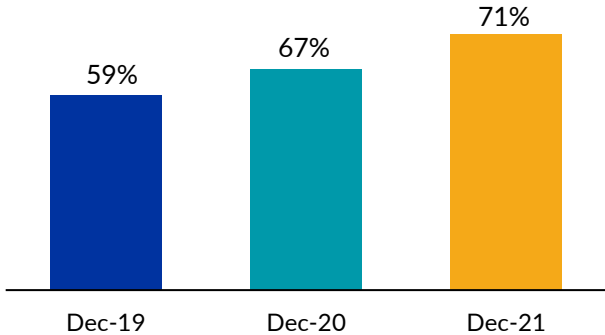
Gross NPLs (Kshs Bn)



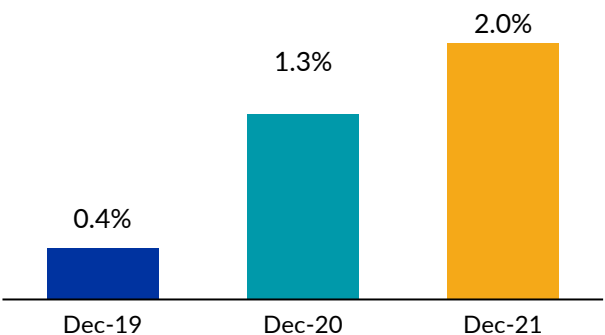
Loans Loss Provisions (Kshs Bn)



Coverage Ratio



Cost of Risk



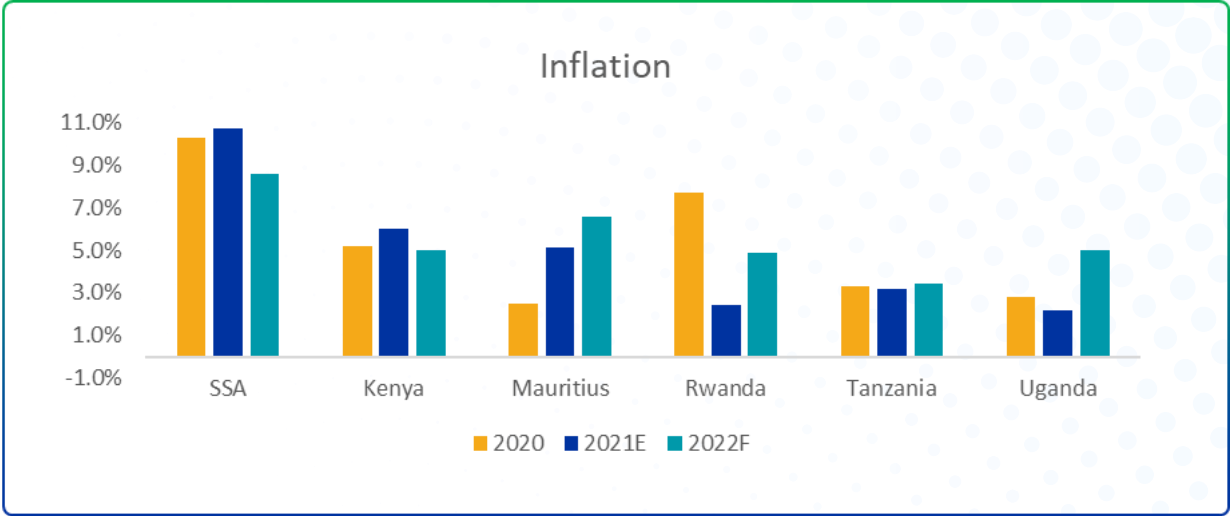
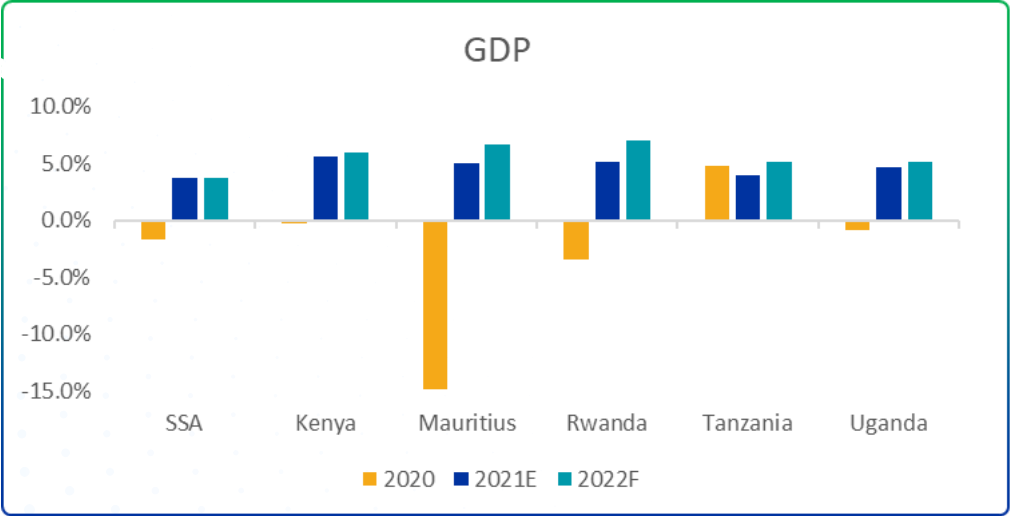
Key ratios - reflect a continued strong financial position

Key Ratios	2021	2020
Capital & Liquidity		
Liquidity	52%	51%
Total Capital to total risk weighted asset ratio	21%	22%
Loan to Deposit Ratio	71%	71%
Efficiency		
Cost/Income Ratio	46%	42%
Asset Quality		
Net NPA	2.9%	4.2%
Gross NPA	10%	13%
Cost of Risk	2.0%	1.3%
Returns		
Return on Equity	12%	10%
Return on Assets	2.7%	1.8%



The Group's Outlook

Outlook: 2022 Success indicators



Tail Winds




- Economic Rebound in EA Region
- Increased Trade Activity
- Slow down in COVID-19

Head Winds


- Geo Political Issues impacting EA
- Rising Inflation
- Rising Fiscal Debt



Entrench the financial services in the customer's operations while making it as convenient as possible for them to do business.
Target **NPS score +75%**



Focus on growing regional business and aligning all entities with the Group's strategic focus.



Continued investment in digital innovation and platforms in our journey towards transformation
65% active Customers On Digital Channels 85% of transactions through digital channels

Achievements in the year across the Group



I&M Rwanda
"Product Innovation of the Year" by SME Finance Forum



Best Bank (2021) in Rwanda by CFI.co



Bank One - Best Mass Affluent Banking Offering



Bank One - Best Trade Finance



Bank One – Private Bank In Mauritius



Q&A

Summary Highlights



Profit Before Tax
Kshs

12 bn

+13% ↑



Customer Deposits
Kshs

297bn

+13% ↑



Net Loans & Advances
Kshs

211bn

+12% ↑



Return on
Equity

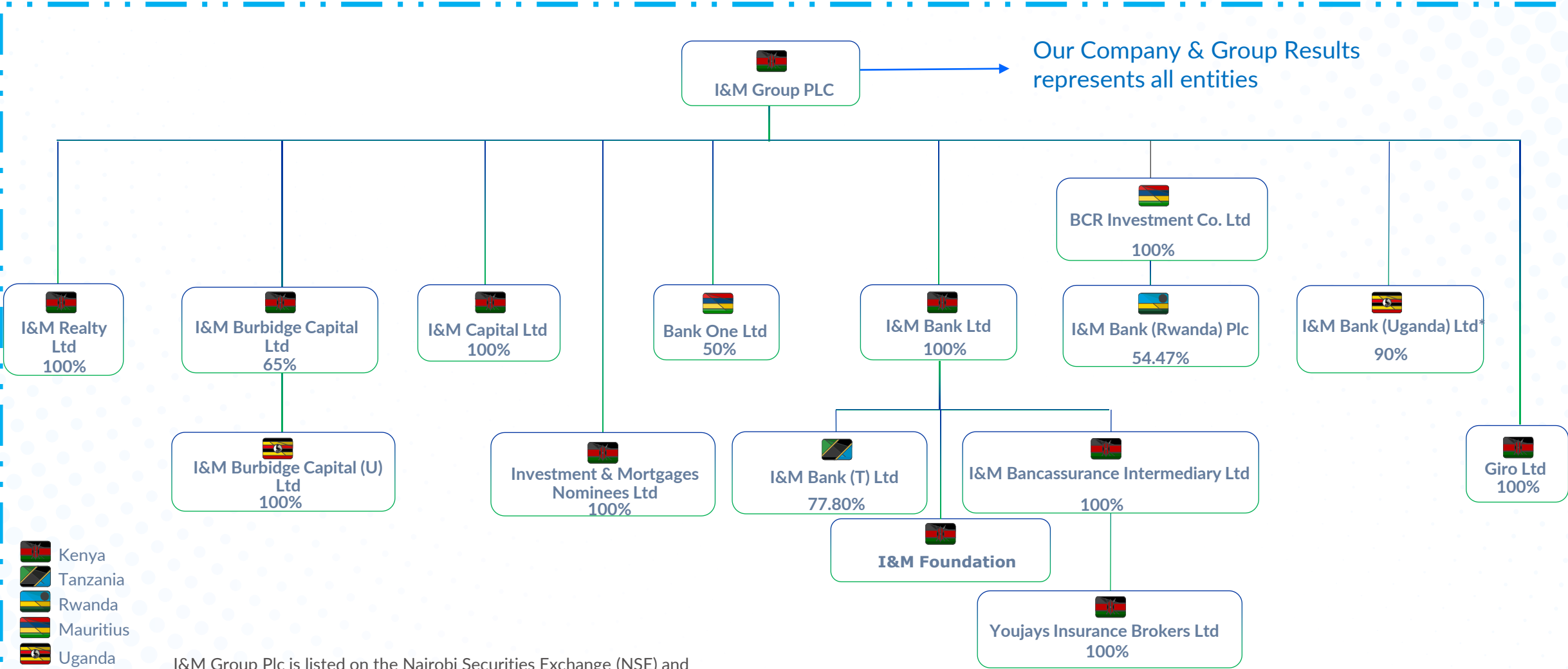
12%

+2% ↑ (Absolute)

Appendix



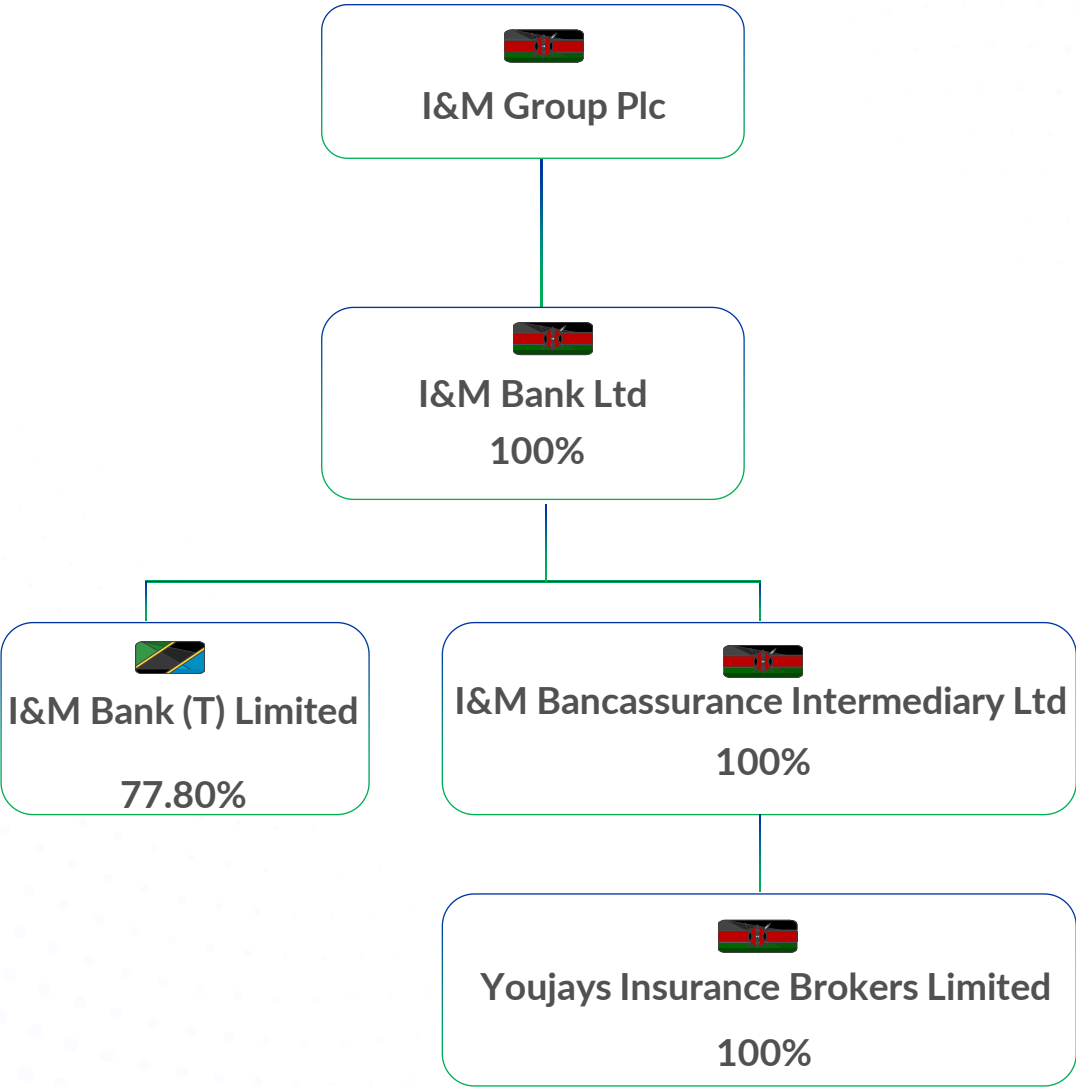
Our Organization Structure...The Group includes banking and non-banking entities



I&M Group Plc is listed on the Nairobi Securities Exchange (NSE) and I&M Bank (Rwanda) Plc is listed on the Rwanda Stock Exchange Limited (RSE)

* Formerly Orient Bank Ltd

Our Organisation Structure – I&M Bank Kenya has the following entities:



Bank Group
Results

 Kenya
 Tanzania

Disclaimer

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The Financial results of the Group can be sourced from the link <https://www.imbank.com/about-us/i-and-m-holdings/investor-relations/financial-results>

Thank You



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