

The Board of Directors of I&M Group PLC is pleased to announce audited results of the Group as at 31 December 2022

STATEMENT OF FINANCIAL POSITION		COMPANY		GROUP	
		AUDITED DEC 2021 (KSHS'000)	AUDITED DEC 2022 (KSHS'000)	AUDITED DEC 2021 (KSHS'000)	AUDITED DEC 2022 (KSHS'000)
A	ASSETS				
01	Cash (both local and foreign)	834,431	864,255	6,202,636	5,186,177
02	Balances due from central banks	-	-	21,343,955	17,632,125
03	Kenya Government and other securities held for dealing purposes	-	-	-	-
04	Financial Assets at fair value through profit or loss (FVTPL)	-	-	16,368,165	16,402,892
05	Investment Securities:				
	a) Held at amortised cost:				
	a. Kenya Government securities	-	-	30,605,205	22,655,837
	b. Other securities	-	-	14,551,505	21,062,484
	b) Fair value through other comprehensive income (FVOCI):				
	a. Kenya Government securities	27,019	925,055	57,101,222	45,465,083
	b. Other securities	-	-	6,909,050	7,526,065
06	Deposits and Balances due from local banking institutions	-	-	62,774	3,211,983
07	Deposits and Balances due from banking institutions abroad	-	-	15,455,050	18,255,199
08	Tax recoverable	3,463	7,695	459,760	236,823
09	Loans and advances to customers (net)	-	-	210,619,661	238,590,143
10	Balances due from banking institutions in the Group	-	-	-	-
11	Investment in associates	-	-	-	-
12	Investment in subsidiary companies	30,435,895	31,336,158	-	-
13	Investment in joint ventures	2,515,591	2,515,591	5,226,107	5,570,240
14	Investment properties	-	-	-	-
15	Property and equipment	-	-	12,883,629	12,514,594
16	Prepaid lease rentals	-	-	-	-
17	Intangible assets	-	-	6,579,059	6,885,544
18	Deferred tax asset	-	-	6,104,185	8,678,146
19	Retirement benefit asset	-	-	-	-
20	Other assets	229,786	80,927	4,708,714	6,726,311
21	TOTAL ASSETS	34,046,185	35,729,681	415,151,367	436,599,646
B	LIABILITIES				
22	Balances due to central banks	-	-	-	-
23	Customer deposits	-	-	296,746,509	312,335,932
24	Deposits and balances due to local banking institutions	-	-	2,854,277	6,803,763
25	Deposits and balances due to foreign banking institutions	-	-	16,260,030	11,349,566
26	Other money market deposits	-	-	-	-
27	Borrowed funds	-	-	19,546,073	16,794,713
28	Balances due to banking institutions in the Group	-	-	-	-
29	Tax payable	-	-	-	-
30	Dividends payable	-	-	-	-
31	Deferred tax liability	-	-	-	-
32	Retirement benefit liability	-	-	-	-
33	Other liabilities	2,029,063	91,448	5,696,401	7,666,084
34	TOTAL LIABILITIES	2,029,063	91,448	341,103,290	354,950,058
C	SHAREHOLDERS' EQUITY				
35	Paid up/Assigned share capital	1,653,621	1,653,621	1,653,621	1,653,621
36	Share premium/(discount)	17,561,629	17,561,629	17,561,629	17,561,629
37	Revaluation reserves - (Buildings)	-	-	1,036,048	1,154,325
38	Retained earnings/(Accumulated losses)	12,802,385	16,464,597	43,903,009	53,674,183
39	Statutory loan loss reserves	-	-	8,051,567	6,993,268
40	Other reserves	(513)	(41,614)	(856,084)	(3,873,628)
41	Proposed dividends	-	-	-	-
42	Translation reserve	-	-	(1,756,759)	(645,903)
43	TOTAL SHAREHOLDERS' EQUITY	32,017,122	35,638,233	69,593,031	76,517,495
44	Non controlling interest	-	-	4,455,046	5,132,093
45	TOTAL LIABILITIES & SHAREHOLDERS' EQUITY	34,046,185	35,729,681	415,151,367	436,599,646

STATEMENT OF COMPREHENSIVE INCOME		COMPANY		GROUP	
		AUDITED DEC 2021 (KSHS'000)	AUDITED DEC 2022 (KSHS'000)	AUDITED DEC 2021 (KSHS'000)	AUDITED DEC 2022 (KSHS'000)
01.	INTEREST INCOME				
	1.1 Loans and advances	-	-	23,769,022	26,259,209
	1.2 Government securities	3,028	86,040	9,070,237	10,477,135
	1.3 Deposits and placements with banking institutions	33,963	33,356	231,501	569,978
	1.4 Other interest income	-	-	10,708	44,875
	1.5 Total interest income	36,991	119,396	33,081,468	37,351,197
02.	INTEREST EXPENSE				
	2.1 Customer deposits	-	-	10,256,364	11,597,717
	2.2 Deposits and placements from banking institutions	-	-	961,451	1,430,228
	2.3 Other interest expenses	-	-	986,759	1,378,731
	2.4 Total interest expense	-	-	12,204,574	14,406,676
03.	NET INTEREST INCOME/ (LOSS)	36,991	119,396	20,876,894	22,944,521
04.	OTHER OPERATING INCOME				
	4.1 Fees and commissions on loans and advances	-	-	1,938,483	2,185,691
	4.2 Other fees and commissions	-	-	2,937,743	3,700,780
	4.3 Foreign exchange trading income/(loss)	-	-	1,732,746	5,042,627
	4.4 Dividend income	6,778,527	6,073,676	-	-
	4.5 Other income	2,817	10,768	2,126,648	1,794,453
	4.6 Total non-interest income	6,781,344	6,084,444	8,735,620	12,723,551
05.	TOTAL OPERATING INCOME	6,818,335	6,203,840	29,612,514	35,668,072
06.	OTHER OPERATING EXPENSES				
	6.1 Loan loss provisions	-	-	4,199,601	5,245,020
	6.2 Staff costs	-	-	5,896,892	6,472,873
	6.3 Directors' emoluments	-	-	105,021	114,322
	6.4 Rentals charges	-	-	568,098	716,283
	6.5 Depreciation charge on property and equipment	-	-	1,320,783	1,597,298
	6.6 Amortisation charges	-	-	702,187	873,728
	6.7 Other operating expenses	114,249	54,121	4,955,916	6,318,366
	6.8 Total other Operating Expenses	114,249	54,121	17,748,498	21,337,890
07.	PROFIT/ (LOSS) BEFORE TAX AND EXCEPTIONAL ITEMS	6,704,086	6,149,719	11,864,016	14,330,182
08.	Share of profit of joint venture	-	-	548,890	662,150
09.	PROFIT/(LOSS) AFTER EXCEPTIONAL ITEMS	6,704,086	6,149,719	12,412,906	14,992,332
10.	Current tax	(8,118)	(7,075)	(3,883,574)	(4,642,909)
11.	Deferred tax	-	-	94,604	1,234,275
12.	PROFIT/ (LOSS) AFTER TAX AND EXCEPTIONAL ITEMS	6,695,968	6,142,644	8,623,936	11,583,698
13.	Non controlling interest	-	-	(493,194)	(390,209)
14.	PROFIT/ (LOSS) AFTER TAX, EXCEPTIONAL ITEMS AND NON-CONTROLLING INTEREST	6,695,968	6,142,644	8,130,742	11,193,489
15.	OTHER COMPREHENSIVE INCOME				
	15.1 Gains/(Losses) from translating the financial statements of foreign operations	-	-	(515,333)	1,365,147
	15.2 Fair value changes in financial assets at FVOCI	(1,275)	(41,101)	(752,181)	(3,007,013)
	15.3 Statutory loan loss reserve	-	-	-	-
	15.4 Fair value changes on employee benefits	-	-	35,022	(20,526)
	15.5 Income tax relating to components of other comprehensive income	-	-	111,898	120,230
16.	OTHER COMPREHENSIVE INCOME FOR THE YEAR NET OF TAX	(1,275)	(41,101)	(1,120,594)	(1,542,162)
17.	TOTAL COMPREHENSIVE INCOME FOR THE YEAR	6,694,693	6,101,543	7,503,342	10,041,536
18.	EARNING PER SHARE - DILUTE & BASIC (KSHS)	4.05	3.71	4.92	6.77
19.	DIVIDEND PER SHARE - PROPOSED (KSHS)	1.50	2.25	1.50	2.25

OTHER DISCLOSURES		GROUP	
		AUDITED DEC 2021 (KSHS'000)	AUDITED DEC 2022 (KSHS'000)
01.	NON-PERFORMING LOANS AND ADVANCES		
	a) Gross Non- performing loans and advances	21,448,072	24,966,154
	Less		
	b) Interest in suspense	3,677,075	4,268,439
	c) Total Non- performing loans and advances (a-b)	17,770,997	20,697,715
	Less		
	d) Loan loss provisions	11,640,501	13,690,454
	e) Net Non Performing Loans(c-d)	6,130,496	7,007,261
	f) Discounted value of securities	6,130,496	7,007,261
	g) Net NPLs exposure (e-f)	-	-
02.	INSIDER LOANS AND ADVANCES		
	a) Directors, shareholders and associates	4,673,365	2,876,868
	b) Employees	2,498,739	2,788,888
	c) Total Insider Loans and Advances	7,172,104	5,665,756
03.	OFF- BALANCE SHEET ITEMS		
	a) Letters of credit, guarantees, acceptances	67,686,750	72,390,417
	b) Forwards, swaps and options	21,704,283	42,105,420
	c) Other contingent liabilities	4,068,916	4,949,387
	d) Total Contingent liabilities	93,459,949	119,445,224
04.	CAPITAL STRENGTH		
	a) Core capital	62,133,314	70,667,086
	b) Minimum statutory capital	1,000,000	1,000,000
	c) Excess/ (deficiency)	61,133,314	69,667,086
	d) Supplementary capital	18,339,954	18,313,434
	e) Total capital (a+d)	80,473,268	88,980,520
	f) Total risk weighted assets	375,078,849	433,713,270
	g) Core capital/Total deposit liabilities	20.94%	22.63%
	h) Minimum statutory ratio	8.00%	8.00%
	i) Excess /(Deficiency) (g-h)	12.94%	14.63%
	j) Core capital/Total risk weighted assets	16.57%	16.29%
	k) Minimum statutory ratio	10.50%	10.50%
	l) Excess /(Deficiency) (j-k)	6.07%	5.79%
	m) Total capital/Total risk weighted assets	21.46%	20.52%
	n) Minimum statutory ratio	14.50%	14.50%
	o) Excess /(Deficiency) (m-n)	6.96%	6.02%
	(p) Adjusted Core Capital/Total Deposit Liabilities*	20.98%	22.64%
	(q) Adjusted Core Capital/Total Risk Weighted Assets*	16.60%	16.31%
	(r) Adjusted Total Capital/Total Risk Weighted Assets*	21.49%	20.53%
05.	LIQUIDITY		
	a) Liquidity ratio	52.26%	46.13%
	b) Minimum statutory ratio	20.00%	20.00%
	c) Excess /(Deficiency) (a-b)	32.26%	26.13%

*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 2021 (KSHS'000)	AUDITED DEC 2022 (KSHS'000)	AUDITED DEC 2021 (KSHS'000)	AUDITED DEC 2022 (KSHS'000)
Net cash generated from / (used in) operating activities		6,534,777	3,410,519	(14,406,479)	2,943,827
Cash flows used in investing activities		(4,284,013)	(900,263)	138,984	(1,814,953)
Net cash used in financing activities		(1,862,392)	(2,480,432)	3,456,805	(1,600,044)
Net increase / (decrease) in cash and cash equivalents		388,372	29,824	(10,810,690)	(471,170)
Cash and cash equivalents at beginning of period		446,059	834,431	21,472,404	10,661,714
Cash and cash equivalents at end of period		834,431	864,255	10,661,714	10,190,544

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 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
At 1 January 2022	1,653,621	17,561,629	43,903,009	6,474,772	4,455,046	74,048,077
Other comprehensive income	-	-	12,253,374	(2,846,710)	634,872	10,041,536
Transactions with owners	-	-	(2,482,200)	-	42,175	(2,440,025)
Audited at 31 December 2022	1,653,621	17,561,629	53,674,183	3,628,062	5,132,093	81,649,588

MESSAGE FROM THE DIRECTORS

Basis of Preparation

These financial statements are an extract from audited financial statements for the year ended 31 December 2022 which have been prepared in accordance with