Group

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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 September 2021

STATEMENT OF FINANCIAL POSITION	COMPANY					GROUP				
	UNAUDITED SEP 2020 (KSHS'000)	AUDITED DEC 2020 [KSHS'000]	UNAUDITED MAR 2021 [KSHS'000]	UNAUDITED JUNE 2021 [KSHS'000]	UNAUDITED SEP 2021 [KSHS'000]	UNAUDITED SEP 2020 (KSHS'000)	AUDITED DEC 2020 [KSHS'000]	UNAUDITED MAR 2021 [KSHS'000]	UNAUDITED JUNE 2021 [KSHS'000]	UNAUDITED SEP 2021 [KSHS'000]
A. ASSETS										
1. Cash (both local and foreign)	-	-	-	-	-	3,471,018	3,991,322	4,242,282	4,846,921	4,358,924
2. Balances due from central banks	-	-	-	-	-	11,397,554	15,412,097	10,721,013	16,680,235	20,209,230
3. Kenya Government and other securities held for dealing purposes	-	-	-	-	-	-	-	-	-	-
4. Financial Assets at fair value through profit or loss (FVTPL)	-	-	-	-	-	16,832,543	11,869,403	12,478,342	13,611,659	15,235,224
5. Investment Securities:	-	-	-	-	-	-	-	-	-	-
a) Held at amortised cost:	-	-	-	-	-	-	-	-	-	-
a. Kenya Government securities	-	-	-	-	-	32,229,284	36,732,012	33,468,850	26,684,665	30,353,304
b. Other securities	-	-	-	-	-	9,627,104	10,632,613	10,877,411	14,133,463	14,397,976
b) Fair value thorugh other comprehensive income (FVOCI):	-	-	-	-	-	-	-	-	-	-
a. Kenya Government securities	27,484	28,392	27,209	28,175	27,160	28,645,847	36,635,314	39,700,689	43,136,579	51,212,941
b. Other securities	-	-	-	-	-	4,047,169	5,841,938	5,911,786	5,981,226	6,324,464
6. Deposits and Balances due from local banking institutions	-	-	-	-	-	389,028	1,109,584	233,256	1,840,498	6,164
7. Deposits and Balances due from banking institutions abroad	-	-	-	-	-	20,843,788	17,225,856	21,670,138	15,175,992	11,212,423
8. Tax recoverable	-	4,369	4,013	6,177	8,412	1,882,608	133,588	66,068	962,238	967,563
9. Loans and advances to customers (net)	-	-	-	-	-	185,693,796	187,391,266	193,158,555	204,457,979	207,605,440
10. Balances due from banking institutions in the Group	-	-	-	-	-	-	-	-	-	-
11. Investment in associates	-	-	-	-	-	-	-	-	-	-
12. Investment in subsidiary companies	25,662,294	26,151,882	26,151,882	30,308,402	30,661,558	-	-	-	-	-
13. Investment in joint ventures	2,515,591	2,515,591	2,515,591	2,515,591	2,515,591	5,194,172	5,177,219	5,109,688	4,852,001	5,183,751
14. Investment properties	-	-	-	-	-	-	-	-	-	-
15. Property and equipment	-	-	-	-	-	11,852,290	12,121,588	12,177,702	12,496,611	12,651,343
16. Prepaid lease rentals	-	-	-	-	-	-	-	-	-	-
17. Intangible assets	-	-	-	-	-	5,557,482	5,591,942	5,648,930	5,789,538	5,815,419
18. Deferred tax asset	-	-	-	-	-	3,031,892	4,211,504	4,172,045	5,640,267	5,501,811
19. Retirement benefit asset	-	-	-	-	-	-	-	-	-	-
20. Other assets	971,783	450,183	446,675	1,225,235	868,540	3,975,268	4,022,547	4,805,430	6,281,329	8,033,280
21. TOTAL ASSETS	**29,177,152**	**29,150,417**	**29,145,370**	**34,083,580**	**34,081,261**	**344,670,843**	**358,099,793**	**364,442,185**	**382,571,201**	**399,069,257**
B. LIABILITIES										
22. Balances due to central banks	-	-	-	-	-	-	-	-	-	-
23. Customer deposits	-	-	-	-	-	252,828,739	262,681,402	263,132,910	276,755,255	288,684,887
24. Deposits and balances due to local banking institutions	-	-	-	-	-	2,130,676	691,996	2,406,538	2,342,142	2,728,462
25. Deposits and balances due to foreign banking institutions	-	-	-	-	-	7,279,601	6,070,839	7,842,485	6,327,779	6,849,928
26. Other money market deposits	-	-	-	-	-	-	-	-	-	-
27. Borrowed funds	-	-	-	-	-	11,723,728	14,772,763	14,721,498	18,629,087	20,318,849
28. Balances due to banking institutions in the Group	-	-	-	-	-	-	-	-	-	-
29. Tax payable	2,801	-	-	-	-	273,081	155,863	712,563	534,774	236,410
30. Dividends payable	-	-	-	-	-	-	-	-	-	-
31. Deferred tax liability	-	-	-	-	-	-	-	-	-	-
32. Retirement benefit liability	-	-	-	-	-	-	-	-	-	-
33. Other liabilities	1,987,470	1,965,596	1,960,024	1,983,453	1,969,187	6,593,988	5,663,791	6,100,332	7,896,814	8,039,191
34. TOTAL LIABILITIES	**1,990,271**	**1,965,596**	**1,960,024**	**1,983,453**	**1,969,187**	**280,829,813**	**290,036,654**	**294,916,326**	**312,485,851**	**326,857,727**
C. SHAREHOLDERS' EQUITY										
35. Paid up/Assigned share capital	826,811	826,811	826,811	1,653,621	1,653,621	826,811	826,811	826,811	1,653,621	1,653,621
36. Share premium/(discount)	18,390,507	18,390,507	18,390,507	17,561,629	17,561,629	18,390,507	18,390,507	18,390,507	17,561,629	17,561,629
37. Revaluation reserves - (Buildings)	-	-	-	-	-	864,772	929,217	929,217	929,217	929,217
38. Retained earnings/(Accumulated losses)	7,968,945	7,966,741	7,967,632	12,884,270	12,896,433	34,470,753	39,610,553	40,524,961	40,361,241	42,457,820
39. Statutory loan loss reserves	-	-	-	-	-	7,291,167	5,867,908	6,743,326	7,550,766	7,583,658
40. Other reserves	618	762	396	607	391	(81,239)	(175,160)	(473,220)	(338,496)	(693,791)
41. Proposed dividends	-	-	-	-	-	-	-	-	-	-
42. Translation reserve	-	-	-	-	-	(1,297,855)	(1,260,493)	(1,385,445)	(1,847,990)	(1,485,783)
43. TOTAL SHAREHOLDERS' EQUITY	**27,186,881**	**27,184,821**	**27,185,346**	**32,100,127**	**32,112,074**	**60,464,916**	**64,189,343**	**65,556,157**	**65,869,988**	**68,006,371**
44. Non controlling interest	-	-	-	-	-	3,376,114	3,873,796	3,969,702	4,215,362	4,205,159
45. TOTAL LIABILITIES & SHAREHOLDERS' EQUITY	**29,177,152**	**29,150,417**	**29,145,370**	**34,083,580**	**34,081,261**	**344,670,843**	**358,099,793**	**364,442,185**	**382,571,201**	**399,069,257**

STATEMENT OF COMPREHENSIVE INCOME	COMPANY					GROUP				
	UNAUDITED SEP 2020 (KSHS'000)	AUDITED DEC 2020 [KSHS'000]	UNAUDITED MAR 2021 [KSHS'000]	UNAUDITED JUNE 2021 [KSHS'000]	UNAUDITED SEP 2021 [KSHS'000]	UNAUDITED SEP 2020 (KSHS'000)	AUDITED DEC 2020 [KSHS'000]	UNAUDITED MAR 2021 [KSHS'000]	UNAUDITED JUNE 2021 [KSHS'000]	UNAUDITED SEP 2021 [KSHS'000]
1. INTEREST INCOME										
1.1 Loans and advances	-	-	-	-	-	15,798,105	21,885,324	5,016,005	10,375,404	16,186,889
1.2 Government securities	2,273	3,036	747	1,501	2,265	3,680,513	5,598,805	2,070,053	4,134,209	6,486,716
1.3 Deposits and placements with banking institutions	18,886	26,139	4,715	14,532	26,608	259,968	364,446	46,200	125,769	171,459
1.4 Other interest income	-	-	-	-	-	-	-	-	-	-
I.5 Total interest income	**21,159**	**29,175**	**5,462**	**16,033**	**28,873**	**19,738,586**	**27,848,575**	**7,132,258**	**14,635,382**	**22,845,064**
2. INTEREST EXPENSE										
2.1 Customer deposits	-	-	-	-	-	8,225,750	10,552,655	2,352,075	4,780,890	7,499,362
2.2 Deposits and placements from banking institutions	-	-	-	-	-	506,478	860,925	248,850	548,709	672,797
2.3 Other interest expenses	-	-	-	-	-	605,706	835,400	218,157	440,227	684,746
2.4 Total interest expense	**-**	**-**	**-**	**-**	**-**	**9,337,934**	**12,248,980**	**2,819,082**	**5,769,826**	**8,856,905**
3. NET INTEREST INCOME/(LOSS)	**21,159**	**29,175**	**5,462**	**16,033**	**28,873**	**10,400,652**	**15,599,595**	**4,313,176**	**8,865,556**	**13,988,159**
4. OTHER OPERATING INCOME										
4.1 Fees and commissions on loans and advances	-	-	-	-	-	1,426,676	1,927,786	412,744	909,192	1,371,760
4.2 Other fees and commissions	-	-	-	-	-	1,618,238	2,242,517	647,506	1,296,445	2,061,583
4.3 Foreign exchange trading income (Loss)	-	-	-	-	-	1,369,282	1,883,939	348,509	770,268	1,181,807
4.4 Dividend income	3,377,000	3,377,000	-	6,778,527	6,778,527	-	-	-	-	-
4.5 Other income	318	318	-	349	2,774	1,994,337	2,583,511	416,628	967,898	1,569,323
4.6 Total non-interest income	**3,377,318**	**3,377,318**	**-**	**6,778,876**	**6,781,301**	**6,408,533**	**8,637,753**	**1,825,387**	**3,943,803**	**6,184,473**
5. TOTAL OPERATING INCOME	**3,398,477**	**3,406,493**	**5,462**	**6,794,909**	**6,810,174**	**16,809,185**	**24,237,348**	**6,138,563**	**12,809,359**	**20,172,632**
6. OTHER OPERATING EXPENSES										
6.1 Loan loss provisions	-	-	-	-	-	2,149,725	2,472,836	758,910	1,052,772	2,825,040
6.2 Staff costs	-	-	-	-	-	3,511,804	4,464,503	1,170,541	2,719,969	4,314,354
6.3 Directors' emoluments	-	-	-	-	-	48,623	90,941	22,735	45,471	68,206
6.4 Rentals charges	-	-	-	-	-	319,047	428,732	114,085	253,382	359,821
6.5 Depreciation charge on property and equipment	-	-	-	-	-	621,333	993,125	257,074	577,029	891,146
6.6 Amortisation charges	-	-	-	-	-	387,658	532,741	136,210	332,931	497,564
6.7 Other operating expenses	20,965	31,102	4,215	17,056	20,158	2,698,063	3,623,504	1,103,066	2,226,269	3,571,335
6.8 Total other Operating Expenses	**20,965**	**31,102**	**4,215**	**17,056**	**20,158**	**9,736,253**	**12,606,382**	**3,562,621**	**7,207,822**	**12,527,466**
7. PROFIT/(LOSS) BEFORE TAX AND EXCEPTIONAL ITEMS	**3,377,512**	**3,375,391**	**1,247**	**6,777,853**	**6,790,016**	**7,072,932**	**11,630,966**	**2,575,942**	**5,601,537**	**7,645,166**
8. EXCEPTIONAL ITEMS - SHARE OF PROFIT OF JOINT VENTURE	**-**	**-**	**-**	**-**	**-**	**(575,360)**	**(678,962)**	**83,790**	**267,923**	**450,285**
9. PROFIT/(LOSS) AFTER EXCEPTIONAL ITEMS	**3,377,512**	**3,375,391**	**1,247**	**6,777,853**	**6,790,016**	**6,497,572**	**10,952,004**	**2,659,732**	**5,869,460**	**8,095,451**
10. CURRENT TAX	**(4,721)**	**(4,805)**	**(356)**	**-**	**-**	**(1,909,290)**	**(3,785,094)**	**(772,783)**	**(1,619,807)**	**(2,357,461)**
11. DEFERRED TAX	**-**	**-**	**-**	**-**	**-**	**-**	**1,245,648**	**-**	**-**	**-**
12. PROFIT/(LOSS) AFTER TAX AND EXCEPTIONAL ITEMS	**3,372,791**	**3,370,586**	**891**	**6,777,853**	**6,790,016**	**4,588,282**	**8,412,558**	**1,886,949**	**4,249,653**	**5,737,990**
13. Non controlling interest	**-**	**-**	**-**	**-**	**-**	**(230,984)**	**(338,703)**	**(96,388)**	**(215,666)**	**(290,806)**
14. PROFIT/(LOSS) AFTER TAX , EXCEPTIONAL ITEMS AND NON CONTROLLING INTEREST	**3,372,791**	**3,370,586**	**891**	**6,777,853**	**6,790,016**	**4,357,298**	**8,073,855**	**1,790,561**	**4,033,987**	**5,447,184**
15. OTHER COMPREHENSIVE INCOME										
15.1 Gains/(Losses) from translating the financial statements of foreign operations	-	-	-	-	-	302,437	317,658	(129,909)	(651,885)	(218,214)
15.2 Fair value changes in financial assets at FVOCI	657	801	(366)	(155)	(371)	324,686	241,128	(294,320)	(161,591)	(537,649)
15.3 Statutory loan loss reserve	-	-	-	-	-	-	-	-	-	-
15.4 Fair value changes on employee benefits	-	-	-	-	-	(29,116)	(37,519)	-	-	26,991
15.6 Income tax relating to components of other comprehensive income	-	-	-	-	-	8,826	75,118	-	-	-
16. OTHER COMPREHENSIVE INCOME FOR THE YEAR NET OF TAX	**657**	**801**	**(366)**	**(155)**	**(371)**	**606,833**	**596,385**	**(424,229)**	**(813,476)**	**(728,872)**
17. TOTAL COMPREHENSIVE INCOME FOR THE YEAR	**3,373,448**	**3,371,387**	**525**	**6,777,698**	**6,789,645**	**5,195,115**	**9,008,943**	**1,462,720**	**3,436,177**	**5,009,118**
18. EARNING PER SHARE - DILUTE & BASIC (KSHS)	**4.08**	**2.04**	**0.00**	**4.10**	**4.11**	**5.27**	**4.88**	**1.08**	**2.44**	**3.29**
19. DIVIDEND PER SHARE - PROPOSED (KSHS)	**-**	**2.25**	**-**	**-**	**-**	**-**	**2.25**	**-**	**-**	**-**

OTHER DISCLOSURES	GROUP				
	UNAUDITED SEP 2020 (KSHS'000)	AUDITED DEC 2020 [KSHS'000]	UNAUDITED MAR 2021 [KSHS'000]	UNAUDITED JUNE 2021 [KSHS'000]	UNAUDITED SEP 2021 [KSHS'000]
1. NON - PERFORMING LOANS AND ADVANCES					
a) Gross Non- performing loans and advances	22,565,352	23,595,463	24,735,626	22,945,952	22,721,929
Less					
b) Interest in suspense	4,539,304	4,914,559	3,879,772	3,779,271	3,951,374
c) Total Non- performing loans and advances (a-b)	**18,026,048**	**18,680,904**	**20,855,854**	**19,166,681**	**18,770,555**
Less					
d) Loan loss provisions	10,530,031	10,841,449	11,231,083	11,645,127	12,088,476
e) Net Non Performing Loans(c-d)	**7,496,017**	**7,839,455**	**9,624,771**	**7,521,554**	**6,682,079**
f) Discounted value of securities	7,496,017	7,839,455	9,624,771	7,521,554	6,682,079
g) Net NPLs exposure (e-f)	-	-	-	-	-
2. INSIDER LOANS AND ADVANCES					
a) Directors, shareholders and associates	3,766,194	3,954,740	4,136,794	4,171,558	5,120,198
b) Employees	1,961,765	2,109,902	2,187,750	2,258,216	2,343,864
c) Total Insider Loans and Advances	**5,727,959**	**6,064,642**	**6,324,544**	**6,429,774**	**7,464,062**
3. OFF- BALANCE SHEET ITEMS					
a) Letters of Credit, Guarantees, Acceptances	55,090,954	61,730,636	66,243,138	60,593,984	60,064,088
b) Forwards, swaps and options	19,947,908	7,409,365	16,008,534	17,094,266	22,024,215
c) Other contingent liabilities	2,895,231	3,198,988	3,265,257	2,109,769	3,402,832
d) Total Contingent liabilities	**77,934,093**	**72,338,989**	**85,516,929**	**79,798,019**	**85,491,135**
4. CAPITAL STRENGTH					
a) Core capital	51,100,744	59,039,782	58,683,848	57,271,513	58,599,703
b) Minimum statutory capital	1,000,000	1,000,000	1,000,000	1,000,000	**1,000,000**
c) Excess/ (deficiency)	**50,100,744**	**58,039,782**	**57,683,848**	**56,271,513**	**57,599,703**
d) Supplementary capital	14,989,932	10,555,148	11,622,051	17,308,204	17,545,258
e) Total capital (a+d)	**66,090,676**	**69,594,930**	**70,305,899**	**74,579,717**	**76,144,961**
f) Total risk weighted assets	**309,836,048**	**316,791,179**	**325,175,356**	**360,150,007**	**367,853,487**
g) Core capital/Total deposit liabilities	20.21%	22.48%	22.30%	20.69%	20.30%
h) Minimum statutory ratio	8.00%	8.00%	8.00%	8.00%	8.00%
i) Excess /(Deficiency) (g-h)	**12.21%**	**14.48%**	**14.30%**	**12.69%**	**12.30%**
j) Core capital/Total risk weighted assets	16.49%	18.64%	18.05%	15.90%	15.93%
k) Minimum statutory ratio	10.50%	10.50%	10.50%	10.50%	10.50%
l) Excess /(Deficiency) (j-k)	**5.99%**	**8.14%**	**7.55%**	**5.40%**	**5.43%**
m) Total capital/Total risk weighted assets	21.33%	21.97%	21.62%	20.71%	20.70%
n) Minimum statutory ratio	14.50%	14.50%	14.50%	14.50%	14.50%
o) Excess /(Deficiency) (m-n)	**6.83%**	**7.47%**	**7.12%**	**6.21%**	**6.20%**
(p) Adjusted Core Capital/Total Deposit Liabilities*	20.34%	22.55%	22.34%	20.75%	**20.35%**
(q) Adjusted Core Capital/Total Risk Weighted Assets*	16.59%	18.70%	18.08%	15.94%	**15.97%**
(r) Adjusted Total Capital/Total Risk Weighted Assets*	21.43%	22.03%	21.65%	20.75%	**20.74%**
5. LIQUIDITY					
a) Liquidity ratio	47.23%	50.51%	47.10%	48.34%	49.42%
b) Minimum statutory ratio	20.00%	20.00%	20.00%	20.00%	20.00%
c) Excess /(Deficiency) (a-b)	**27.23%**	**30.51%**	**27.10%**	**28.34%**	**29.42%**

*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.

Message from the Directors

These financial statements are an extract from the unaudited financial statements of the Group for the period ended 30 September 2021 which have been prepared in accordance with International Financial Reporting Standards (IFRS). The financial statements were approved by the Board of Directors on 26 November 2021 and were signed on its behalf by Messrs Daniel Ndonye, Sarit S.Raja Shah and Michael Turner.

BY ORDER OF THE BOARD } DANIEL NDONYE CHAIRMAN 26 November 2021