



INVESTMENT BANK

Summary of Audited Financial Statements

For the year ended 31 December 2015

Summary statements of profit or loss and other comprehensive income for the year ended 31 December 2015	Consolidated	Consolidated	Separate	Separate
	31-Dec-15	31-Dec-14	31-Dec-15	31-Dec-14
	K'000	K'000	K'000	K'000
Interest income	8,733,027	4,087,377	8,733,027	4,087,377
Interest expense	(6,072,892)	(2,951,382)	(6,073,365)	(2,956,177)
Fees from investment banking services	278,320	296,519	278,320	296,519
Other fees and commission income	168,379	150,143	168,379	150,143
Trading income	736,537	764,874	717,057	750,920
Other operating income	52,393	229,309	52,116	229,309
Net impaired losses on loans and advances to customers	(111,222)	(126)	(111,222)	(126)
Net operating income	3,784,542	2,576,714	3,764,312	2,557,965
Operating expenses	(2,777,671)	(2,370,201)	(2,776,685)	(2,342,315)
Profit and other comprehensive income before income tax expense	1,006,871	206,513	987,627	215,650
Income tax expense	(161,224)	(91,655)	(153,582)	(94,843)
Profit and other comprehensive income after tax	845,647	114,858	834,045	120,807
Profit and other comprehensive income attributable to shareholders	629,584	85,512	620,947	89,941
Equity holders of the bank	216,063	29,346	213,098	30,866
Non-controlling interest				
Statements of financial position as at 31 December 2015	Consolidated	Consolidated	Separate	Separate
	31-Dec-15	31-Dec-14	31-Dec-15	31-Dec-14
	K'000	K'000	K'000	K'000
Assets				
Cash and cash equivalents	5,608,210	5,554,533	5,599,738	5,533,910
Money market investments	16,334,469	12,751,552	16,334,469	12,751,552
Loans and advances to other banks	1,313,612	-	1,313,612	-
Loans and advances to customers	12,091,076	8,626,165	12,091,076	8,626,165
Income tax recoverable	-	13,349	-	10,162
Amounts due from related parties	438,143	152,414	441,385	152,844
Other assets	311,535	476,661	307,068	474,111
Assets held for sale	150,729	-	150,729	-
Investments in subsidiary	-	49,430	58,500	-
Other Investments	15,000	15,000	15,000	15,000
Property and equipment	240,721	623,423	207,229	623,423
Intangible assets	238,849	94,684	238,849	94,684
Total assets	36,742,344	28,307,781	36,748,585	28,340,351
Capital, reserves and liabilities				
Share capital and reserves	2,708,242	1,856,314	2,712,803	1,872,477
Balances due to other banks	2,600,000	-	2,600,000	-
Customer deposits	15,805,550	15,460,618	15,806,992	15,472,259
Trading liabilities	13,565,793	9,157,136	13,565,793	9,157,136
Amounts due to related parties	304	178	304	178
Subordinated liability	1,000,000	1,000,000	1,000,000	1,000,000
Income tax payable	262,142	-	265,329	-
Other liabilities and accruals	800,313	833,535	797,364	838,301
Total capital, reserves and liabilities	36,742,344	28,307,781	36,748,585	28,340,351
Statements of changes in equity for the year ended 31 December 2015	Consolidated	Consolidated	Separate	Separate
	31-Dec-15	31-Dec-14	31-Dec-15	31-Dec-14
	K'000	K'000	K'000	K'000
As at the beginning of the year	1,856,314	1,741,456	1,872,477	1,751,670
Transfer of deferred tax on revaluation on disposal of assets	6,281	-	6,281	-
Issue of shares	-	-	-	-
Total profit and loss and other comprehensive income for the year	845,647	114,858	834,045	120,807
As at the end of the year	2,708,242	1,856,314	2,712,803	1,872,477
Statements of cash flows for the year ended 31 December 2015	Consolidated	Consolidated	Separate	Separate
	31-Dec-15	31-Dec-14	31-Dec-15	31-Dec-14
	K'000	K'000	K'000	K'000
Interest and fees received	9,143,120	5,322,013	8,807,914	5,028,919
Interest paid	(6,537,057)	(2,961,176)	(6,537,528)	(2,965,971)
Cash paid to suppliers and employees	(881,466)	(597,172)	(526,017)	(299,524)
Increase in loans and advances	(4,778,523)	(3,852,421)	(4,778,523)	(3,852,421)
Increase in customer balances	2,944,933	1,066,392	2,934,733	1,055,748
Cash (outflow) to operating activities	(108,993)	(1,022,364)	(99,421)	(1,033,249)
Income tax paid	(54,830)	(18,270)	(54,830)	(15,806)
Net cash used in operating activities	(163,823)	(1,040,634)	(154,251)	(1,049,055)
Net cash (outflows to) / inflows from investing activities	(96,746)	4,060,349	(94,167)	4,060,349
Movement in cash and cash equivalents	(260,569)	3,019,715	(248,418)	3,011,294
Effect of exchange rate fluctuations on cash and cash equivalents held	314,246	(293)	314,246	(161)
Cash and cash equivalents at beginning of the year	5,554,533	2,535,111	5,533,910	2,522,777
Closing cash and cash equivalents at end of the year	5,608,210	5,554,533	5,599,738	5,533,910

Impairment losses/ non performing credit facilities and provisions for losses

Sector	Consolidated and separate December 2015			Consolidated and separate December 2014		
	Outstanding amount	Impaired loans	Specific provision	Outstanding amount	Impaired loans	Specific provision
	K'000	K'000	K'000	K'000	K'000	K'000
Agriculture	2,257,561	89	868	1,098,783	-	-
Construction	240,917	-	5,601	491,245	-	-
Financial services	-	-	-	-	-	-
Manufacturing	5,256,186	-	1,044	2,269,967	36,554	36,554
Real estate	-	-	-	-	-	-
Social work/health	-	-	23,919	-	46,999	42,234
Tourism and leisure	787,711	-	1,184	643,366	643	122
Transport/storage	560,914	25,353	47,919	258,498	46,251	41,803
Wholesale and retail	1,102,084	29,308	29,308	2,557,990	53,068	51,057
Other	2,016,795	-	21,249	1,478,086	-	-
	12,222,168	54,750	131,092	8,797,935	183,515	171,770

Credit concentration

Total credit facilities including guarantees, acceptances and other similar commitments extended by the bank to any one or group of related customers where amounts exceeded 25% of core capital.

Economic sector	2015		2014	
	Outstanding	% of core capital	Outstanding	% of core capital
	K'000		K'000	
All sectors	-	-	-	-

Loans to directors, senior management and other related parties

Directors	Separate 2015				Separate 2014			
	Opening balance	Loans granted during the year	Repayments	Balance at year end	Opening balance	Loans granted during the year	Repayments	Balance at year end
	K'000	K'000	K'000	K'000	K'000	K'000	K'000	K'000
Directors	-	-	-	-	31,983	-	(31,983)	-
Senior management	147,760	39,962	(55,383)	132,339	158,372	33,645	(44,257)	147,760

Directors remuneration and management fees

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