

I. STATEMENT OF FINANCIAL POSITION

	Unaudited 31 Mar 23 Frw'000	Audited 31 Dec 22 Frw'000
ASSETS		
Cash in hand	2,252,105	2,029,558
Balance with National Bank of Rwanda	5,637,742	9,916,217
Deposits and balances due from other banking institutions	17,266,251	13,336,111
Financial instruments -amortized cost	30,854,133	26,740,647
Loans and advances to customers	95,758,601	86,790,615
Other assets	5,784,463	5,132,289
Deferred tax asset	669,308	669,308
Right of use assets	1,134,721	1,232,390
Property and equipment	2,353,795	2,351,500
Intangible assets	1,821,674	1,950,825
Total assets	163,532,793	150,149,460
LIABILITIES		
Deposits from customers	87,835,958	87,349,897
Deposits from banks	23,443,588	8,442,735
Overnight interbank and treasury borrowings	2,088,309	6,550,728
Balances due to Group companies	555,960	968,594
Other liabilities	5,588,807	3,304,894
Current tax liabilities	694,613	1,672,528
Borrowed funds	15,500,000	15,503,863
Lease Liability	1,545,779	1,697,206
Total liabilities	137,253,014	125,490,445
EQUITY		
Share capital	30,399,604	30,399,604
Accumulated losses	(4,119,825)	(5,740,589)
Total Equity	26,279,779	24,659,015
Total equity and liabilities	163,532,793	150,149,460

II. STATEMENT OF COMPREHENSIVE INCOME

	Unaudited 31 Mar 23 Frw'000	Unaudited 31 Mar 22 Frw'000
Revenue		
Interest income	5,382,545	3,302,058
Interest expenses	(1,258,447)	(1,155,622)
Net interest income	4,124,098	2,146,436
Loan Impairment losses	(68,742)	(456,831)
Net interests income after impairment	4,055,356	1,689,605
Fee and commission income	379,082	248,945
Net foreign exchange gains	337,518	694,653
Other Income	81,416	-
Non funded income	798,016	943,598
Income from banking activities	4,853,372	2,633,203
Employee benefits expenses	(871,776)	(711,189)
Depreciation and amortization	(277,600)	(214,848)
Operating expenses	(1,388,619)	(1,008,870)
Total operating expenses	(2,537,995)	(1,934,907)
Profit before income tax	2,315,377	698,296
Income tax expense	(694,613)	-
Profit for the year	1,620,764	501,489
Other comprehensive income	-	-
Total comprehensive income for the period	1,620,764	501,489

III. STATEMENT OF OTHER DISCLOSURES

	Unaudited 31 Mar 23 Frw'000	Audited 31 Dec 22 Frw'000
A CAPITAL STRENGTH		
a. Core Capital (Tier1)	23,468,135	23,321,810
b. Supplementary Capital (Tier 2)	1,704,041	1,654,616
c. Total Capital	25,172,176	24,976,426
d. Total risk weighted assets	136,323,295	132,369,261
e. Core capital/Total risk weighted assets ratio	17.2%	17.6%
f. Tier 1 ratio	17.2%	17.6%
g. Total capital/total risk weighted assets ratio	18.5%	18.9%
e. Tier 2 Ratio	1.2%	-
i. Leverage ratio	14.4%	15.5%
B CREDIT RISK		
1. Total gross credit risk exposures		
a. On-balance sheet exposure	98,792,039	89,763,278
b. Guarantees, commitments given	9,419,739	7,377,687
c. Financing commitments given	-	4,242,017
d. Letter of credits	4,508,219	3,470,313
e. Total gross credit risk exposures	112,719,997	104,853,295
f. Credit Risk Weighted Assets	121,326,782	116,628,804
g. Credit Risk Weighted Assets/RWA	89.00%	88.1%
2. Average gross credit Exposure (Average between December 2022 and March 2023)		
a. Loans	94,277,659	71,672,025
b. Financial Commitments	2,121,009	2,762,011
c. Guarantees	8,398,713	5,729,410
d. Letters of credit	3,989,266	1,735,157
e. Debt securities	28,797,390	25,324,276
	Unaudited 31 Mar 23 Frw'000	Audited 31 Dec 22 Frw'000
3. Sector Distribution of Exposures		
a. Public	18,240,000	16,784,000
b. Infrastructure and construction	5,767,510	5,544,770
c. Manufacturing	21,806,187	20,285,933
d. Services and commerce	22,711,772	19,683,154
e. Transport and Telecommunication	6,463,386	6,318,364
f. Others	23,803,184	21,147,057
Total on-balance sheet exposures	98,792,039	89,763,278
4. Off Balance sheet Items		
a. Guarantees, commitments given	9,419,739	7,377,687
b. Financing commitments given	-	4,242,017
c. Letters of credit	4,508,219	3,470,313
	13,927,958	15,090,017
5. Non-performing loan indicators		
a. Non-performing loans	2,518,169	2,278,972
b. NPL Ratio	2.5%	2.5%

6. Related parties
a. Loans to directors, shareholders and subsidiaries 191,041
b. Loans to employees 1,739,146

7. Regional exposure

East Province 1,837,499
Kigali City 78,623,156
North Province 345,384
South Province 7,173,924
Western Province 1,545,654
Mobile and Credit Cards Loans 9,266,422

8. Restructured loans

a. No. of borrowers 49
b. Amount outstanding 8,628,107
c. Provision thereon (regulatory): 151,355
d. Restructured loans as % of gross loans 8.7%

C LIQUIDITY RISK
1 Liquidity ratio

Liquid assets available 56,010,231
Total deposit liabilities 103,433,495
Liquidity coverage ratio 305.8%

2 Net Stable Funding ratio

Available stable funding 103,643,330
Required stable funding 36,315,036
NSFR 285.4%

D OPERATIONAL RISK

Number and type of frauds and their corresponding amount -
Type: None | Number: None | Amount: Nil

E MARKET RISK

a. Interest Risk -
b. Foreign Exchange Risk 165,231
c. Equity Position -
d. Market Risk/ RWA 0.1%

F COUNTRY RISK

a. Credit exposure Abroad -
b. Other Assets Abroad 16,927,561
c. Liabilities due abroad -

G MANAGEMENT AND BOARD COMPOSITION

a. Number of Board members 9
b. Number of independent directors 6
c. Number of non-independent directors 3
d. Number of female directors 3
e. Number of male directors 6
f. Number of senior managers 11
g. Number of female senior managers 2
h. Number of male senior managers 9

VIII. EXPLANATORY NOTES TO THE FINANCIALS
1 Net Interest and similar income

The bank recorded a significant increase in interest and similar income by 63% mainly driven by the growth of the loan book which moved from Rwf 60 billion to Rwf 99 billion between March 2022 and March 2023. Interest expense increased by 8.9% following the increase in deposits from Rwf 87 billion to Rwf 111 billion between March 2022 and March 2023.

2 Non funded income decrease was driven by lower FX deals and volumes during the period.

3 Impairment charges

Loan impairment charge decreased as result of improved quality loan book and recoveries during the period. We have in place necessary measures to avoid deterioration of the loan book quality.

4 Personnel expenses

Staff cost has increased by 23% mainly due to new staff recruitment and promotions following the bank growth.

5 Depreciation and amortization

Depreciation and amortization increased by 29% year on year due depreciation on new capital assets acquired within the last year. Main assets acquired were the new software to support the digital banking and offices expansion.

6 Operating expenses

There was an increase in operating expense as a result of the business growth , offices expansion and additional IT infrastructure.

7 Loans and advances to customers

The Loan book grew by 65% between March 2022 and March 2023.The growth in loan book a is attributed to new business booked during the period mainly driven by the corporate segment.

8 Financial investments -at amortized cost

Investment securities at amortized cost are debt securities issued by the Government of the Republic of Rwanda. The growth is attributed to new treasury bills acquired during the period.

9 Deposits from customers


The increase of 28% from the overall deposit book in Q1 2023 is mainly attributed to new clients acquired during the period.

10 Borrowed funds

The bank entered into a long-term borrowing of Rwf 15.5 billion to finance the business growth in the housing and manufacturing businesses.

The financial statements were approved by the board of directors on 4th May 2023 and signed on its behalf by:


Ms. Lina M Higiho
Chief Executive Officer


Amb. Dr. Benjamin Rugangazi
Chairman

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