

**AUDITED FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 31 MARCH 2022**

STATEMENT OF COMPREHENSIVE INCOME	Audited Mar 2022 FRW '000	Unaudited Mar 2021 FRW '000
Interest and similar income	7,408,317	6,214,346
Interest and similar expense	(2,490,076)	(2,235,612)
Net interest income	4,918,241	3,978,734
Fees and commission income	1,044,868	793,322
Fees and commission expense	(149,280)	(129,028)
Net fees and commission income	895,588	664,294
Net foreign exchange income	404,197	261,561
Other operating income	257,306	7,018
Operating income before impairment	661,503	268,579
Impairment losses on loans and advances to customers	(340,641)	(143,446)
Operating income after impairment losses	6,134,691	4,768,161
Employee benefits	1,603,709	1,373,832
Depreciation of property and equipment	339,204	157,531
Amortisation of intangible assets	139,511	119,475
Depreciation of Right of use assets	272,646	-
Other operating expenses	1,296,873	1,291,377
Total operating expenses	3,651,942	2,942,215
Profit before tax	2,482,748	1,825,946
Income tax expense 30%	(744,824)	(547,904)
Profit for the period	1,737,924	1,278,041
Other comprehensive income to be reclassified to profit or loss in subsequent periods (net of tax)	-	-
Total comprehensive income for the period	1,737,924	1,278,041

AUDITED FINANCIAL STATEMENTS AS AT ENDED 31 MARCH 2022

STATEMENT OF FINANCIAL POSITION	Mar 2022 FRW '000	Dec 2021 FRW '000
ASSETS		
Cash and balances with National Bank of Rwanda	16,925,983	21,440,768
Balances due from other Banks	18,721,513	25,434,869
Held to maturity investments	42,058,848	25,771,664
Due from related parties	215,642	281,426
Other assets	1,320,244	1,708,619
Loans & Advances to Customers	170,028,135	168,652,503
Property and equipment	1,450,515	1,628,856
Intangible assets	1,294,315	1,536,237
Right of use asset	2,840,728	3,113,374
Deferred tax assets	1,672,841	1,672,841
TOTAL ASSETS	256,528,764	251,241,158
LIABILITIES		
Balances due to other Banks	5,336,484	25,034,320
Customer deposits	179,976,171	151,900,251
Tax payable	169,506	2,124,782
Balances due to related parties	1,439,306	1,708,974
Other Liabilities	1,590,973	3,930,140
Lease liabilities	2,823,104	3,201,383
Long term Debt	21,095,509	20,981,521
TOTAL LIABILITIES	212,431,053	208,881,371
CAPITAL AND RESERVES		
Share capital	20,148,149	20,148,149
Share premium	1,076,185	1,076,185
Retained earnings	22,336,469	20,598,545
Statutory Credit Risk Reserve	536,908	536,908
TOTAL EQUITY	44,098,711	42,359,787
TOTAL LIABILITIES AND EQUITY	256,528,764	251,241,158

**AUDITED FINANCIAL STATEMENTS
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STATEMENT OF CHANGES IN EQUITY	Share Capital FRW '000	Share Premium FRW '000	Statutory credit Risk Reserve FRW '000	Retained earnings FRW '000	Total FRW '000
Balance at 1 January 2022	20,148,149	1,076,185	536,908	20,598,545	42,359,787
Total comprehensive income for the year					
Profit for the year	-	-	-	1,737,924	1,737,924
Other comprehensive income	-	-	-	-	-
Transfer to statutory credit risk reserve	-	-	-	-	-
Total comprehensive income for the year:					
At 31 March 2022	20,148,149	1,076,185	536,908	22,336,469	44,097,711
Balance at 1 January 2021	20,148,149	1,076,185	536,908	13,821,403	35,582,645
Comprehensive income for the year					
Profit for the year	-	-	-	6,777,142	6,777,142
Other comprehensive income	-	-	-	-	-
Transfer to statutory credit risk Reserve	-	-	-	-	-
Total comprehensive income for the year:					
Transactions with owners in their capacity as owners Issue of shares	-	-	-	-	-
At 31 December 2020	20,148,149	1,076,185	536,908	20,598,545	42,359,787

**AUDITED FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 31 MARCH 2022**

CASHFLOW STATEMENT	Mar 2022 FRW '000	Dec 2021 FRW '000
Cash flows from operating activities		
Cash flows from operating activities	2,482,748	9,831,708
Profit before income tax		
Adjustments for:		
Depreciation of property and equipment	179,955	616,324
Amortization of intangible assets	298,760	493,012
Depreciation of right of use asset*	272,646	1,192,356
Government grant		(258,214)
Cash flows from operations before working capital changes	3,234,109	11,875,186
Other assets	388,377	743,480
Cash ratio reserve	(476,583)	(1,071,584)
Customer deposits	28,075,920	11,021,401
Other liabilities	(2,339,171)	2,339,673
Due from related parties	65,784	690,881
Non-current assets held for sale		-
Due to related parties	(1,014,492)	(1,272,564)
Net loans and advances	(1,375,632)	(18,225,639)
Net cash flows generated/(used in) from operations	26,558,312	6,100,834
Tax paid	(1,955,276)	(2,118,398)
Net cash flows generated from/(used in) from operating activities	24,603,036	3,982,436
Cash flows from investing activities		
Purchase of amortized cost investments	(10,511,404)	(597,564)
Sale/maturity of amortized cost investments		-
Purchase of property and equipment	(1,614)	(309,797)
Purchase of intangible assets	(56,838)	(578,142)
Right of use acquired	0	(358,217)
Net cash flows from/(used in) investing activities	10,569,856	3,982,436
Cash flows from financing activities		
Long term debt paid in the year		(1,417,163)
Net repayment of lease liability	(378,279)	(9,915)
Proceeds on issuance of share capital		-
Long term debt received in the year	113,988	15,184,282
Net cash flows used in financing activities	(264,291)	13,757,204
Net increase/(decrease) in cash and cash equivalents	13,768,889	15,895,920
Cash and cash equivalents at 1 January	24,167,835	8,271,915
Cash and cash equivalents at 31 December	37,936,724	24,167,835

The financial statements were approved and authorized for issue by the Board of Directors on 23 May 2022 and are signed by:



Managing Director



Chairman of the Board

**AUDITED FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 31 MARCH 2022**
STATUTORY DISCLOSURES

	31-Mar-22 FRW '000	31-Dec-21 FRW '000
A) Capital Strength		
Core Capital (Tier 1)	39,736,848	35,269,577
Supplementary Capital (Tier 2)	2,009,147	2,654,178
Total Capital	41,745,995	37,923,755
Total Risk Weighted Assets	220,454,699	212,334,220
Tier 1 ratio: Core capital/ Total risk weighted assets ratio	18.03%	16.61%
Tier 2 ratio: Total capital/Total risk weighted assets ratio	18.94%	17.86%
B) Credit Risks		
Total gross credit risk exposure without mitigation	173,984,896	172,332,064
Off- balance sheet items	35,189,521	35,504,476
Loans, commitments & off balance sheet	209,174,417	207,826,540
Debt securities	-	-
OTC derivatives	-	-
Regional Distribution of Exposure		
Region	FRW '000	FRW '000
City of Kigali	145,534,854	147,206,653
Northern province	3,104,774	2,773,161
Eastern province	3,875,094	3,028,560
Western province	11,259,603	9,615,927
Southern province	10,210,571	9,707,763
Total	173,984,896	172,332,064
Sector Distribution of Exposure		
Government	-	-
Agriculture & Livestock	3,405,605	1,139,222
Manufacturing	30,475,857	39,346,499
Infrastructure & Construction	70,192,424	66,003,181
services & Commerce	62,139,462	58,514,083
Others	7,771,548	7,329,079
Total	173,984,896	172,332,064
Off- balance sheet items	35,189,521	35,504,476
Non-performing loans indicators		
Gross Non-performing loans (NPL)	3,255,574	3,040,842
NPL ratio	1.87%	1.76%
Insider lending		
Loans to directors, shareholders and subsidiaries	0	0
Loan to employees	5,444,089	5,238,303
Restructured Loans		
No. of Borrowers	17	21
Amount outstanding (Frw '000)	4,136,939	22,412,334
Provision thereon (Frw '000) (regulatory)	345,912	314,858
Restructured Loans as % of Gross Loans	2.38%	13.01%
Liquidity		
Liquidity coverage ratio	379%	298%
Net stable funding ratio	120%	118%
Market risk		
Interest rate risk	1,130,382	653,952
Equity position risk	-	-
Foreign exchange risk	610,348	183,111
	31-Mar-22 FRW '000	31-Dec-21 FRW '000
Credit exposures abroad		
Other assets held abroad	15,335,687	17,225,361
Liabilities to abroad	24,345,685	25,820,432
	31-Mar-22	31-Dec-21
Management and board composition		
Number of Board members	6	6
Number of executive directors	2	2
Number of non-executive directors	4	4
Number of female directors	1	1
Number of male directors	5	5
Number of Executive committee	14	14
Number of females in the Executive committee	4	3
Number of males in the Executive committee	10	10

EXPLANATORY NOTES TO THE FINANCIAL STATEMENTS

- i. Interest income grew by 15.5% mainly attributed to growth in loans and advances and investment in securities
- ii. Interest expense grew by 11.4% attributable to a growth in customer deposits and long term debt
- iii. Total non-funded income grew by 66.9% attributable to utilization of digital channels and increase in transaction levels in Treasury and Retail Banking
- iv. Net loans and advances grew by 1% supported by new deals booked during the year in line with market opportunities
- v. Customer deposits grew by 16.2% to fund loans growth .
- vi. Bank operations were merged with BPR bank from 1st April 2022 and this is the last publication as KCB Bank Rwanda PLC

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Number and type of frauds and their corresponding amount for the period ended 31 March 2022

TYPE	NUMBER	FRW '000
Fraudulent Transfers	0	0