

FINANCIALS

STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME FOR THE SIX MONTHS PERIOD ENDED 30 JUNE 2022. REVIEWED BY EXTERNAL AUDITORS.

in `000 Frw	JUNE 2022	JUNE 2021
Interest income	2,338,756	2,171,477
Interest expense	(402,983)	(686,797)
Net income interest before impairment charge	1,935,773	1,484,680
Impairment credit on loans and advances	145,318	47,786
Net Interest Income	2,081,091	1,532,466
Fee and commission income	122,037	72,686
Fee and commission expense	(2,086)	(4,420)
Net fee and commission income	119,951	68,266
Net result from foreign exchange operations	(9,403)	(11,471)
Net other operating income	56,841	203
Net non-interest income	167,389	56,998
Net operating income	2,248,480	1,589,464
Personnel expenses	(1,018,964)	(969,940)
Depreciation and amortization expenses	(195,751)	(204,849)
Other administrative expenses	(529,227)	(546,234)
Total operating expenses	(1,743,942)	(1,721,023)
Profit or loss before tax	504,538	(131,559)
Deferred income tax credit/(expense)	(151,128)	35,752
Profit or loss for the period	353,410	(95,807)

The financial statements were approved and authorized for issue by the Board of Directors on 26th August 2022 and were signed on its behalf by:



Mr. Klaus Mueller
Chief Executive Officer

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Dianne Dusaidi
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Mrs. Dianne Dusaidi
Chairperson of the Board of Directors

These financial statements and other disclosures can be accessed on the institution's website www.abbank.rw. They may also be accessed at the institution's Head Office located at KN 78 Street #15, Nyarugenge, Kiyovu (BCK Building). Telephone: +25078 819 83 00.

EXPLANATORY NOTES TO THE FINANCIALS

Interest and similar income Increase of 7.7%

The recorded increase is attributable to the growth in earning assets mainly in loans to customers (+2%). On the other hands, investments in government bonds increased from Rwf 548m by end of June last year to Rwf 2Bn as at end of June 2022.

Interest expense Decrease of 41.34%

The decrease of interest expense is associated with full repayment of external debt in Q1 2022.

Impairment charge for loan losses Credit charge -204.1%

The increase of credit impairment charges for loan losses is mainly explained by substantial recoveries of loans written-off and overall improvement of loan portfolio quality during the period.

Loans and advances to customers Increase of 6.5%

The increase is due to the positive trend in loans disbursements during first HY 2022.

Customer Deposits Increase of 11.7%

The increase is mainly due to new mobilized deposits to replace external debts which was fully repaid during Q1 2022.

Loans from banks and other financial institutions Decrease: -100 %

The outstanding amount of external debt was fully repaid in Q1 2022 in order to efficiently manage cost of funds.

STATEMENT OF FINANCIAL POSITION FOR THE SIX-MONTH PERIOD ENDED 30 JUNE 2022.

in `000 Frw	30 JUN 2022	31 DEC 2021
	(REVIEWED)	(AUDITED)
ASSETS		
Cash and cash equivalents	580,627	731,288
Debt securities	2,001,686	1,363,785
Loans and advances to banks	828,008	1,567,534
Loans and advances to customers	8,785,324	8,132,971
Other financial assets	202,938	161,316
Other non-financial assets	360,506	282,718
Intangible assets	58,600	77,350
Property and equipment	636,229	673,055
Rights-of-use assets	809,818	907,869
Deferred income tax asset	781,807	932,935
Total assets	15,045,543	14,830,821
LIABILITIES		
Loans from banks and other financial institutions	-	1,019,422
Customer accounts	9,660,972	8,646,478
Provisions	62,799	119,406
Lease Liabilities	882,001	951,219
Other financial liabilities	152,589	153,670
Other non-financial liabilities	82,084	88,938
Total liabilities	10,840,445	10,979,133
EQUITY		
Share capital	11,461,300	11,461,300
Retained earnings	(7,256,202)	(7,609,612)
Total equity	4,205,098	3,851,688
Total liabilities and equity	15,045,543	14,830,821

OTHER DISCLOSURES

ITEM	AMOUNT/ RATIO/NUMBER
I. CAPITAL STRENGTH	
1. Core capital (Tier 1)	3,187,986
2. Supplementary Capital (Tier 2)	118,864
3. Total capital	3,306,851
4. Total Risk Weighted Assets	9,509,144
5. Core capital /Total Risk Weighted Assets (Tier 1)	33.53%
6. Tier 2 ratio	1.3%
7. Total Capital /Total Risk Weighted Assets	34.78%
8. Leverage Ratio	21%
II. CREDIT RISK	
1. Total Gross Credit risk exposures: After accounting offsets and without taking into account credit risk mitigation	10,773,093
2. Average gross credit exposure, broken down by major types of credit exposure	10,443,300
Micro Loans	7,218,968
Super Micro Loans	2,254,271
Micro Agro Loans	728,041
SME	412,262
Other Loans	159,551
a) Loans, commitments and other non-derivative off-balance sheet exposure	-
b) Debt securities	2,001,686
c) OTC derivatives	-

FINANCIALS

3. REGIONAL OR GEOGRAPHIC DISTRIBUTION OF EXPOSURES, BROKEN DOWN IN SIGNIFICANT AREAS BY MAJOR TYPES OF CREDIT EXPOSURES

	KIGALI	NORTH	EAST	WEST	SOUTH	TOTAL
Micro	3,968,096	478,871	1,134,652	469,596	1,171,753	7,218,968
Super Micro	1,479,604	145,422	231,842	11,948	385,455	2,254,271
Micro-Agro	39,076	311,828	222,876	43,271	110,990	728,041
Other Loans	145,268	748	5,829	926	6,789	159,550
SME	412,262	-	-	-	-	412,262
TOTAL	6,044,307	932,868	1,595,199	525,731	1,674,987	10,773,093

4. SECTEUR DISTRIBUTION OF EXPOSURES, BROKEN DOWN BY MAJOR TYPES OF CREDIT EXPOSURE AND AGGREGATED IN THE FOLLOWING AREAS

	MICRO	SUPER MICRO	MICRO AGRO	SME	OTHER LOANS	TOTAL
a) Financial	-	-	-	-	995	995
b) Manufacturing	291,248	114,278	-	65,170	-	470,696
c) Service and commerce	6,207,742	1,807,345	2,127	254,238	79,826	8,351,279
d) Others	374,379	273,621	3,912	49,077	78,106	779,095
e) Transport	72,664	47,437	-	43,777	623	164,501
f) Farming	251,340	11,590	722,003	-	-	984,933
g) Building and construction	21,594	-	-	-	-	21,594
TOTAL	7,218,968	2,254,271	728,041	412,262	159,550	10,773,093

5. OFF-BALANCE SHEET ITEMS

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6. NON-PERFORMING LOANS INDICATORS

a) Non-Performing Loans (NPL)	1,165,102
b) NPL Ratio	10.8%

7. RELATED PARTIES

Loans to Directors, Shareholders and Subsidiaries	-
Loans to employees	147,416

8. RESTRUCTURED LOANS AS AT 30.06.2022

a. Number of borrowers	675
b. Amount outstanding (Frw'000)	1,340,334
c. Provision thereon (Frw'000) (regulatory)	833,702
c. Restructured loans as % of gross loans	12.4%

OTHER RISKS

LIQUIDITY RISK	
High Quality Liquidity Assets	2,482,228
Total net cash outflows	283,678
a) Liquidity Coverage Ratio (LCR)	875%
Available stable funding	10,630,792
Required stable funding	8,957,775
b) Net Stable Funding Ratio (NSFR)	119%

OPERATIONAL RISK

	TYPE	NUMBER	AMOUNT
Number and Types of Frauds and Their corresponding amount	-	-	-

MARKET RISK

Interest rate risk	-
Equity position risk	-
Foreign exchange risk	74,817

COUNTRY RISK

1. Credit exposures abroad	-
2. Other assets held Abroad	-
3. Liabilities to Abroad	26,802

MANAGEMENT AND BOARD COMPOSITION

a. Number of Board members	5
b. Number of independent directors	3
c. Number of non-independent directors	2
d. Number of female directors	2
e. Number of male directors	3
f. Number of senior managers	2
g. Number of females senior managers	0
h. Number of males senior managers	2

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