

STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME FOR THE TWELVE MONTHS PERIOD ENDED 31 DECEMBER-2023 (AUDITED)		
in `000 Frw	2023	2022
Interest income	6,074,484	4,754,787
Interest expense	(1,072,638)	(816,687)
Net interest income before impairment on loans	5,001,846	3,938,100
Impairment credit /debit charge for loan losses	-21,161	125,748
Net Interest Income	4,980,685	4,063,848
Fee and commission income	318,900	222,672
Fee and commission expense	(4,995)	(3,914)
Net fee and commission income	313,905	218,758
Net result from foreign exchange operations	461	(10,353)
Net other operating income/(loss)	54,525	102,981
Net non-interest income	368,892	311,386
Net operating income	5,349,577	4,375,234
Personnel expenses	(2,593,916)	(2,125,495)
Depreciation and amortization expenses	(499,812)	(380,883)
Lease expenses	(52,807)	(50,445)
Other administrative expenses	(1,740,893)	(855,269)
Total operating expenses	(4,887,428)	(3,412,093)
Profit /(Loss) before tax	462,149	963,142
Income tax expense/credit	(179,195)	(91,250)
Profit for the year	282,954	871,891
Other comprehensive income	-	-
Total Comprehensive income for the year	282,954	871,891

STATEMENT OF FINANCIAL POSITION AS AT 31 DECEMBER -2023 (AUDITED)		
in `000 Frw	2023	2022
ASSETS		
Cash and cash equivalents	837,807	771,965
Balances with banks	2,377,300	55,352
Debt securities	3,233,395	2,291,815
Loans and advances to customers	14,130,384	9,626,100
Other financial assets	138,279	116,702
Other non-financial assets	194,055	189,564
Intangible assets	659,573	44,971
Property and equipment	557,623	571,442
Rights-of-use assets	856,608	892,208
Deferred income tax asset	662,490	841,685
Total assets	23,647,514	15,401,804
LIABILITIES		
Loans from banks and other financial institutions	-	300,000
Customer accounts	16,292,731	9,097,114
Provisions	132,375	113,642
Lease Liabilities	933,287	963,804
Other financial liabilities	1,197,274	121,022
Other non-financial liabilities	85,313	82,642
Total liabilities	18,640,980	10,678,224
EQUITY		
Share capital	11,461,300	11,461,300
Accumulated losses	(6,454,766)	(6,737,720)
Total equity	5,006,534	4,723,580
Total liabilities and equity	23,647,514	15,401,804

The financial statements were approved by the Board of Directors on 21st March 2024 and were assigned on its behalf by:

Mr. Zachary Raymond
Chief Executive Officer

Mrs. Dianne Dusaidi
Chairperson of the Board of Directors

These financial statements and other disclosures can be accessed on the institution's website www.abr.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

Net Interest income increased by 27.8% as compared to December-2022, following the increase in loan book size that generated more interest income, gross loans moved from 11.3 Bn. in December -22 to 15.9 Bn. as at end December 2023.

Interest Expense increased significantly from 817 Mio to 1.072Bn. following the increase in interest bearing deposits.

Net Fees and commission income, increased by 43.5%, the line is dominated by cash transactions, Loan application fees and commission on insurance brokerage.

Comparing the two periods ,Impairment charge moved from write back provision of 126 Mio to Provision expenses of 21Mio mainly due to additional provision made on new loans generated during the period.

Staff cost increased by 22%; following the increase in headcounts to support the bank growth on one hand, on the other hand the bank adjusted the general payroll to cater for inflationary pressure for staff members.

Other operating expense increased significantly by 104%, increase in IT costs ,especially core banking license, which was of free of charge during the whole period of last year.

Cash items " cash in hand and Balances with banks" Increased significantly from 827 Mio to 3.2 Bn., following the increase on Deposits Line which moved from 9.1 Bn to 16.3Bn .

Intangible asset increase from 44 Mio to 659 Mio due to new software that bank acquired in 2023.

Net loans increased from 9.6 Bn to 14.1 Bn, following increase in gross loans that moved from 11.3 Bn to 15.9 Bn and the decrease in Loan Loss Provision that moved from 1.3 Bn to 1.2 Bn.

Deposits increased by 7Bn, the line is dominated by term deposits

STATEMENT OF CHANGES IN EQUITY AS AT 31 DECEMBER 2023			
in `000 Frw	Share capital	Accumulated losses	Total equity
Carry Forward as at 1 January 2023	11,461,300	(6,737,720)	4,723,580
Profit for the year	-	282,954	282,954
Total comprehensive income	-	282,954	282,954
Balance as at 31 December 2023	11,461,300	(6,454,766)	5,006,534

OTHER DISCLOSURES	
ITEM	AMOUNT/ RATIO/ NUMBER
I. CAPITAL STRENGTH	
1. Core capital (Tier 1)	3,684,472
2. Supplementary Capital (Tier 2)	203,608
3. Total capital	3,888,079
4. Total Risk Weighted Assets	16,288,605
5. Core capital /Total Risk Weighted Assets (Tier 1)	22.62%
6. Tier 2 ratio	1.25%
7. Total Capital /Total Risk Weighted Assets	23.87%
8. Leverage Ratio	17%
II. CREDIT RISK	
1. Total Gross Credit risk exposures: after accounting offsets and without taking into account credit risk mitigation	15,990,346
2. Average gross credit exposure, broken down by major types of credit exposure	13,657,947
Micro Loans	8,846,430
Super Micro Loans	2,443,286
Agro Loans	1,997,365
SME	143,868
Other Loans	226,998
a) Loans, commitments and other non-derivative off-balance sheet exposure	-
b) Debt securities	3,233,395

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 loans	11,222,528	1,821,946	1,049,098	416,903	1,208,625	15,719,100
SME loans	37,003	-	-	-	-	37,003
Other loans	229,962	-	1,217	-	3,063	234,243
	11,489,494	1,821,946	1,050,316	416,903	1,211,687	15,990,346

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

	MICRO	SME	OTHER LOANS	TOTAL
a) Financial	37,125	-	0	131,625
b) Manufacturing	242,033	-	19,994	262,027
c) Service and commerce	11,058,865	-	6,399	11,065,264
d) Others	764,270	-	10,611	80,688
e) Construction	3,616,807	-	0	21,930
TOTAL	15,719,100	-	37,003	234,243

5. OFF-BALANCE SHEET ITEMS

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6. NON-PERFORMING LOANS INDICATORS

a) Non-Performing Loans (NPL)	759,339
b) NPL Ratio	4.7%

7. RELATED PARTIES

Loans to Directors, Shareholders and Subsidiaries	-
Loans to employees	211,771

8. RESTRUCTURED LOANS AS AT 31.12.2023

a. Number of borrowers	35
b. Amount outstanding (Frw'000)	145,490
c. Provision thereon (Frw'000) (regulatory)	74,397
c. Restructured loans as % of gross loans	0.9%

OTHER RISKS

LIQUIDITY RISK	
High Quality Liquidity Assets	3,978,110
Total net cash outflows	598,437
a) Liquidity Coverage Ratio (LCR)	665%
Available stable funding	15,100,100
Required stable funding	12,743,629
b) Net Stable Funding Ratio (NSFR)	118%

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	-

COUNTRY RISK

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

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	4
g. Number of females senior managers	1
h. Number of males senior managers	3

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STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 31 DECEMBER-2023

	2023	2022
Profit/(loss)	2023	2022
Profit/(loss) before tax	462,149	963,142
Adjustments for non-cash items		
Impairment of charge for loan losses	367,784	(9,058)
Unrealised loss from currency revaluation	(461)	(502)
Depreciation and amortization expense	499,812	380,883
Gain on Debt restructuring	-	-
Gains and losses from sale of fixed assets	-	(2,604)
Interest income	(6,074,484)	(4,754,787)
Interest expense	1,072,638	816,687
Cash flows used in operating activities before changes in operating assets and liabilities	(3,672,562)	(2,606,239)
Changes in operating assets and liabilities		
Changes in operating assets		
Loans and advances to customers	(4,664,797)	(1,112,639)
Other assets	(26,068)	137,767
Interest received	5,626,384	4,295,674
Changes in operating liabilities		
Loans from banks and other financial institutions	-	300,000
Customer accounts	6,923,066	450,636
Other liabilities	778,922	(38,944)
Provisions	18,733	(5,764)
Interest paid	(557,283)	(774,038)
Cash inflow/(outflow) from operating activities before taxation	4,426,395	646,453
Income tax paid	-	-
Net cash inflow (outflow) from operating activities	4,426,395	646,453

STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 31 DECEMBER-2023

	2023	2022
Cash flow from investment activities		
Purchase of intangible assets	(380,334)	-
Purchase of property and equipment	(128,082)	(40,782)
Purchase of debt securities	(929,401)	(928,030)
Net cash outflow from investing activities	(1,437,817)	(968,812)
Cash flow from financing activities		
Proceeds from issuance of ordinary shares	-	-
Payment of lease liabilities	(311,733)	(112,329)
Net proceeds from issuance repayments) of debt	(300,000)	(1,019,422)
Net cash used in financing activities	(611,733)	(1,131,751)
Effect of changes in foreign exchange rate on cash and cash equivalents	10,945	(17,394)
Total Cash flow	2,387,790	(1,471,504)
Cash and cash equivalents, beginning of year	827,317	2,298,822
Cash and cash equivalents, end of year	3,215,108	827,317

AB Rwanda
KORESHA SERIVISI Z'IKORANABUHANGA ZA AB RWANDA MAZE URUHUKE INGENDO ZA BURI MUNSI

- *182*4# : Kubitsa cyangwa kubikuzwa na MOMO.
- *540# : Kohereza no Kwakira amafaranga avuye kuzindi banki, ibigo by'imari n'iby'itumanaho (eKash) muburyo bwihuse cyangwa ukareba ibyakozwe kuri Konti yawe.

Amategeko n'amabwiriza birakurikizwa