bpr BANK

STATEMENT OF COMPREHENSIVE INCOME FOR THE NINE-MONTH PERIOD ENDED 30 SEPT 2023

STATEMENT OF COMPREHENSIVE INCOME	Unaudited Sep-23 Frw'0000	Unaudited Sep-22 Frw'000
Interest income	62,044,770	58,075,152
Interest expense	-18,066,240	-15,350,337
Net interest income	**43,978,530**	**42,724,815**
Fee and commission income	10,418,411	9,580,090
Fee and commission expense	-870,688	-1,385,897
Net fee and commission income	**9,547,723**	**8,194,193**
Net foreign exchange income	1,128,251	1,436,547
Other operating income	2,883,214	712,242
Total operating income before impairment charge	**57,537,718**	**53,067,797**
Impairment charge on financial assets	-1,280,359	-817,950
Impairment Charges for non current asset held for sale	-	-
Total impairment charge	**-1,280,359**	**-817,950**
Total operating income after impairment charge	**56,257,359**	**52,249,847**
Operating expenses	-13,766,404	-13,277,722
Employee benefits	-14,165,687	-13,721,991
Depreciation and amortization	-4,480,272	-4,413,233
Total operating expenses	**-32,412,363**	**-31,412,945**
Profit before income tax	**23,844,996**	**20,836,901**
Income tax expense	-7,153,499	-6,554,137
Profit for the period	**16,691,497**	**14,282,765**
Other comprehensive income:		
Items that will not be reclassified to profit or loss	**-**	**-**
Other comprehensive income (net of tax)	**-**	**-**
Total comprehensive income for the period	**16,691,497**	**14,282,765**

STATEMENT OF FINANCIAL POSITION AS AT 30 SEPTEMBER 2023

ASSETS	Unaudited Sep-23 Frw'000	Audited Dec-22 Frw'000	Unaudited Sep-22 Frw'000
Cash and balances with National Bank of Rwanda	47,648,472	76,189,863	55,457,866
Amounts due from banks	30,782,308	16,503,185	26,601,681
Government securities	144,954,037	144,495,970	151,759,390
Net Loans and advances	529,731,382	456,813,644	435,913,350
Current income tax recoverable	3,001,945	6,059,326	4,539,810
Other assets	8,357,890	10,430,256	14,005,645
Due from related parties	215,642	464,895	215,642
Deferred tax asset	1,872,973	1,947,592	1,672,841
Non-Current asset held for sale			
Intangible assets	5,712,401	3,712,052	1,192,226
Property and equipment	26,832,751	26,665,922	26,250,110
Right of use asset	5,081,177	3,484,245	3,897,462
TOTAL ASSETS	**804,190,978**	**746,766,950**	**721,506,023**
LIABILITIES			
Deposit from customers	484,628,942	441,349,679	446,130,416
Deposit from financial institutions	90,534,331	85,118,231	70,564,911
Provision for legal claims	161,761	913,666	579,909
Credit funds	3,057,188	2,691,599	1,283,622
Borrowings	52,832,617	49,897,656	57,392,019
Other payables	25,374,784	20,136,189	15,211,498
Due to related parties	2,788,158	13,526,096	8,438,877
Deferred income tax	0	0	1,471,267
Current income tax	2,579,652	9,843,091	4,764,716
Lease Liability	5,594,309	3,343,004	3,709,285
TOTAL LIABILITIES	**667,551,742**	**626,819,211**	**609,546,519**
EQUITY			
Share capital	81,509,050	81,509,050	81,509,050
Share premium	8,032,565	8,032,565	8,032,565
Revaluation reserves	1,101,308	1,101,308	1,101,308
Statutory reserves	0		-
Retained earnings	45,996,313	29,304,816	21,316,582
TOTAL EQUITY	**136,639,236**	**119,947,739**	**111,959,505**
TOTAL EQUITY AND LIABILITIES	**804,190,978**	**746,766,950**	**721,506,023**

FINANCIAL STATEMENTS FOR THE PERIOD ENDED 30 SEPT 2023

OTHER REGULATORY DISCLOSURES	30/09/2023 Amounnt FRW '000
I. Capital Strength	
a) Core capital (Tier 1)	121,602,518
b) Supplementary capital (Tier 2)	275,327
c) Total capital	121,877,845
d) Total risk weighted assets	540,109,289
e) Core capital/ Total risk weighted assets ratio (Tier 1 ratio)	22.51%
f) Tier 2 ratio	0.05%
g) Total capital/total risk weighted assets ratio	22.57%
h) Leverage Ratio	13.50%
II. Credit risk	
1. Total gross credit risk exposure: after accounting offsets and without taking into account credit risk mitigation	759,073,740
2. Average gross credit exposure, broken down by major types of credit exposure:	
a) Loans, commitments, and other non-derivatives off-balance sheet exposure	614,119,704
b) Debt securities	144,954,037
c) OCT derivatives	-

3. Regional or geographic distribution of exposures, broken down in significant areas by major types of credit exposure;

	Debt Securities	Loans & Commitments
a) Kigali	144,954,037	502,613,490
b) Northern Region	-	24,142 ,834
c) Southern Region	-	20,285,920
d) Eastern Region	-	44,545,614
e) Western Region	-	22,531,845

4. Sector distribution of exposures, broken down by major types of credit exposure and aggregated:

	Debt Securities	Loans & Commitments
a) Government	144,954,037	-
b) Financial	-	-
c) Manufacturing	-	99,724,101
d) Infrastructure and construction	-	119,317,787
e) Services and Commerce	-	158,906,986
f) Others	-	167,753,583

5. Off-balance sheet items	68,417,247
6. Non-performing loans indicators	
a) Non-performing loans (NPL)	37,664,024
b) NPL ratio	6.90%
7. Related parties	
a) Loans to Directors, shareholders and subsidiaries	10,362,916
b) Loan to employees	12,120,395
8. Restructured loans as at 30 June 2023	
a. No. of borrowers	883
b. Amount outstanding (Frw '000)	60,597,432
c. Provision thereon (Frw '000) (regulatory):	1,253,626
d. Restructured loans as % of gross loans	11.10%
III. Liquidity Risk	
a) Liquidity Coverage Ratio	230%
b) Net Stable Funding Ratio	189%

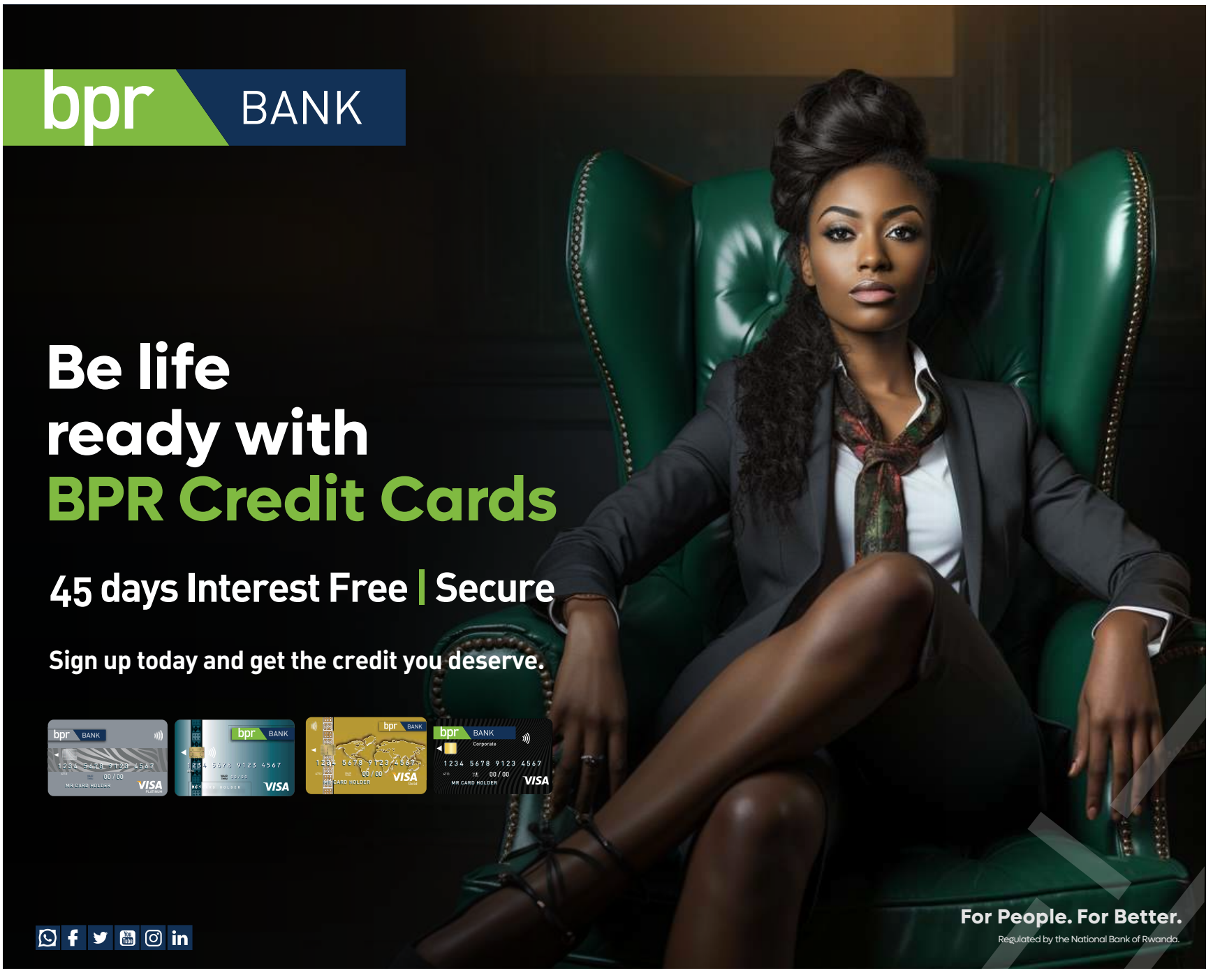
IV. Operational risk		
Type	**Number**	**Frw '000'**
a) Fraud cases	5	112,057
b) Forged documents	0	0
c) Account Manipulation	2	1,555
d) Error	1	2,000

V. Market risk	
a) Interest rate risk	-
b) Equity position risk	-
c) Foreign exchange risk	446,460
VI. Country Risk	
a) Credit exposure abroad	-
b) Other asset held abroad	23,894,121
c) Liabilities to abroad	2,581,932
VII. Management and board composition	
a) Number of Board members	7
b) Number of independent Directors	4
c) Number of non-independent Directors	3
d) Number of female Directors	2
e) Number of male Directors	5
f) Number of senior managers	14
g) Number of females senior managers	5
h) Number of males senior managers	9

EXPLANATORY NOTES TO THE REVIEWED FINANCIAL STATEMENTS:

- **Interest and similar income:** Up by 6.8% year on year driven by the growth in loan book of 21.5% year on year supported by new deals booked during the year in line with market opportunities.
- **Interest expense-** increased by 17.7% year on year while customer deposits grew by 8.6% in the same period driven by growth in customer base and institutional deposits
- **Impairment charge on financial assets:** The increase on net impairment charges was due to increase in the loan book.
- **Total assets:** Increased by 11.5% year on year driven by loan book growth of 21.5% year on year funded by customer deposits which grew by 8.6% year on year. The growth in customer deposits demonstrates continued confidence that our customers have in the merged bank.
- In March 2022 the National Bank of Rwanda approved the amalgamation of KCB Bank Rwanda Plc and Banque Populaire du Rwanda Plc into a new entity BPR Bank Rwanda Plc. The amalgamation was effective 1 April 2022.
- The 2022 comparative financial statements contained in this publication are consolidated and the comparative information was restated retrospectively to reflect the amalgamated financial performance at the earliest presented comparative period.
- We are pleased to announce that we have upgraded our core banking system from T24 Release 12 and 14 (R12, R14) to T24 Release 21 (R21) to expand all digital channels and service delivery points to provide efficient customer experiences. Among many other benefits of the core banking system upgrade is that customers will now experience more functionalities, flexibility, and improved service uptime.
- The financial statements and other disclosures are available on our **website at www.bpr.rw**

The financial statements were approved for issue by the Board of Directors on 27th October 2023 and signed on its behalf by:

Managing Director

Chair Audit Committee