

**AUDITED FINANCIAL STATEMENTS AS AT 31 DECEMBER 2022**
**STATEMENT OF COMPREHENSIVE INCOME**

	2022 FRW '000	2021 FRW '000
Interest income	80,388,942	69,397,261
Interest expense	(20,666,257)	(21,866,734)
<b>Net interest income</b>	<b>59,722,685</b>	<b>47,530,527</b>
Fees and commission income	11,688,331	12,914,912
Fees and commission expense	(2,443,346)	(1,902,656)
<b>Net fees and commission income</b>	<b>9,244,985</b>	<b>11,012,256</b>
Net foreign exchange income	1,696,646	2,315,823
Other operating income	1,349,373	1,110,286
<b>Total operating income before impairment charge</b>	<b>72,013,689</b>	<b>61,968,892</b>
Impairment charge on financial assets	771,111	(5,119,218)
Impairment charges for non-current asset held for sale	-	(120,000)
Total impairment charge	771,111	(5,239,218)
<b>Operating income after impairment losses</b>	<b>72,784,800</b>	<b>56,729,674</b>
Operating expenses	(16,109,520)	(15,805,077)
Employee benefits	(18,722,227)	(17,337,341)
Depreciation and amortization	(5,795,562)	(6,512,312)
<b>Total operating expenses</b>	<b>(40,627,309)</b>	<b>(39,654,730)</b>
<b>Profit before tax</b>	<b>32,157,491</b>	<b>17,074,944</b>
<b>Income tax expense</b>	<b>(9,886,493)</b>	<b>(5,497,511)</b>
<b>Profit for the period</b>	<b>22,270,998</b>	<b>11,577,433</b>
<b>Other comprehensive income</b>		
to profit or loss in subsequent periods (net of tax)	-	324,810
<b>Other comprehensive income (net of tax)</b>	<b>-</b>	<b>324,810</b>
<b>Total comprehensive income for the period</b>	<b>22,270,998</b>	<b>11,902,243</b>

**STATEMENT OF FINANCIAL POSITION**

	2022 FRW '000	2021 FRW '000
<b>ASSETS</b>		
Cash and balances with the National Bank of Rwanda	76,189,863	47,072,657
Amounts due from banks	16,503,185	50,609,923
Government securities	144,495,970	163,748,221
Loans and advances	456,813,644	363,204,143
Current income tax recoverable	6,059,326	4,119,051
Other assets	10,430,256	5,279,151
Non-current asset held for sale	0	0
Due from related parties	464,895	281,426
Deferred tax asset	1,947,592	201,574
Intangible assets	3,712,052	2,044,375
Property and equipment	26,665,922	25,724,934
Right of use asset	3,484,245	5,063,039
<b>TOTAL ASSETS</b>	<b>746,766,950</b>	<b>667,348,494</b>
<b>LIABILITIES</b>		
Deposit from customers	441,349,679	399,395,783
Deposit from financial institutions	85,118,231	119,141,983
Provision for legal claims	913,668	818,836
Credit funds	2,691,599	1,187,337
Borrowings	49,897,656	26,699,064
Other payables	20,136,189	10,048,659
Due to related parties	13,526,096	1,809,940
Deferred income tax	-	-
Current income tax	9,843,091	5,339,361
Lease Liability	3,343,004	5,044,348
<b>TOTAL LIABILITIES</b>	<b>626,819,211</b>	<b>569,485,311</b>
<b>EQUITY</b>		
Share capital	81,509,050	63,614,563
Share premium	8,032,565	4,978,042
Revaluation reserves	1,101,308	1,101,308
Statutory reserves	-	536,908
Retained earnings	29,304,816	27,632,363
<b>TOTAL EQUITY</b>	<b>119,947,739</b>	<b>97,863,183</b>
<b>TOTAL LIABILITIES AND EQUITY</b>	<b>746,766,950</b>	<b>667,348,494</b>

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

	31/12/2022 FRW '000																					
<b>A ] Capital Strength</b>																						
Core capital (Tier 1)	105,064,321																					
Supplementary capital (Tier 2)	275,327																					
Total capital	105,339,648																					
Total risk weighted assets	543,158,515																					
Core capital/ Total risk weighted assets ratio (Tier 1 ratio)	19.34%																					
Tier 2 ratio	0.05%																					
Total capital/total risk weighted assets ratio	19.39%																					
Leverage Ratio	12.00%																					
<b>B] Credit Risks</b>																						
1. Total gross credit risk exposure:																						
after accounting offsets and without taking into account credit risk mitigation	685,440,098																					
2. Average gross credit exposure, broken down by major types of credit exposure:																						
a) Loans, commitments, and other non-derivatives off-balance sheet exposure	540,944,128																					
b) Debt securities	144,495,970																					
c) OCT derivatives	-																					
3. Regional or geographic distribution of exposures, broken down in significant areas by major types of credit exposure;																						
	<table border="1"> <thead> <tr> <th></th> <th style="text-align: right;">Debt Securities</th> <th style="text-align: right;">Loans &amp; Commitments</th> </tr> </thead> <tbody> <tr> <td>a) Kigali</td> <td style="text-align: right;">144,495,970</td> <td style="text-align: right;">367,392,115</td> </tr> <tr> <td>b) Northern Region</td> <td style="text-align: right;">-</td> <td style="text-align: right;">21,286,587</td> </tr> <tr> <td>c) Southern Region</td> <td style="text-align: right;">-</td> <td style="text-align: right;">28,982,269</td> </tr> <tr> <td>d) Eastern Region</td> <td style="text-align: right;">-</td> <td style="text-align: right;">27,604,932</td> </tr> <tr> <td>e) Western Region</td> <td style="text-align: right;">-</td> <td style="text-align: right;">29,453,502</td> </tr> </tbody> </table>		Debt Securities	Loans & Commitments	a) Kigali	144,495,970	367,392,115	b) Northern Region	-	21,286,587	c) Southern Region	-	28,982,269	d) Eastern Region	-	27,604,932	e) Western Region	-	29,453,502			
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f) Others	-	179,637,374																				
5. Off-balance sheet items	66,056,188																					
6. Non-performing loans indicators																						
a) Non-performing loans (NPL)	18,875,099																					
b) NPL ratio	3.98%																					
7. Related parties																						
a) Loans to Directors, shareholders and subsidiaries	10,075,274																					
b) Loan to employees	12,433,262																					
8. Restructured loans as at 30 June 2022																						
a. No. of borrowers	1,338																					
b. Amount outstanding (Frw '000)	70,931,120																					
c. Provision thereon (Frw '000) (regulatory):	1,968,505																					
d. Restructured loans as % of gross loans	14.94%																					
<b>C] Liquidity Risk</b>																						
a) Liquidity Coverage Ratio	284%																					
b) Net Stable Funding Ratio	120%																					
<b>D] Operational risk</b>																						
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<b>E] Market Risk</b>																						
a) Interest rate risk	1,482,146																					
b) Equity position risk	-																					
c) Foreign exchange risk	2,191,246																					
<b>F] Country Risk</b>																						
a) Credit Exposures Abroad	-																					
b) Other Assets Held Abroad	10,581,405																					
c) Liabilities to Abroad	4,735,372																					
<b>Management and board composition</b>																						
a) Number of Board members	8																					
b) Number of independent Directors	5																					
c) Number of non-independent Directors	3																					
d) Number of female Directors	2																					
e) Number of male Directors	6																					
f) Number of senior managers	15																					
g) Number of females senior managers	5																					
h) Number of males senior managers	10																					

**EXPLANATORY NOTES TO THE FINANCIAL STATEMENTS**

- i. Interest income grew by 15.8% mainly attributed to growth in loans and advances and investment in securities
- ii. Interest expense reduced by 5.5% attributable to shift in deposit portfolio held and utilization of longterm funds for lending
- iii. Total income grew by 16.2% attributable to interest income and utilization of digital channels from Non funded income.
- iv. Net loans and advances grew by 25.7% supported by new deals booked during the year in line with market opportunities
- v. Customer deposits also grew by 10.5% to support loan book growth.
- vi. Impairment charge on financial assets: The decrease on net impairment charges was due to substantial recoveries of written off loans and improved loan book quality.
- vii. Total assets: Increased by 11.36% year on year driven by loan book growth of 19.12% funded by customer deposits which grew by 13.93% over the same period. The growth in customer deposits demonstrates continued confidence that our customers have in the merged bank.
- viii. 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.
- ix. The 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.
- x. 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](http://www.bpr.rw)

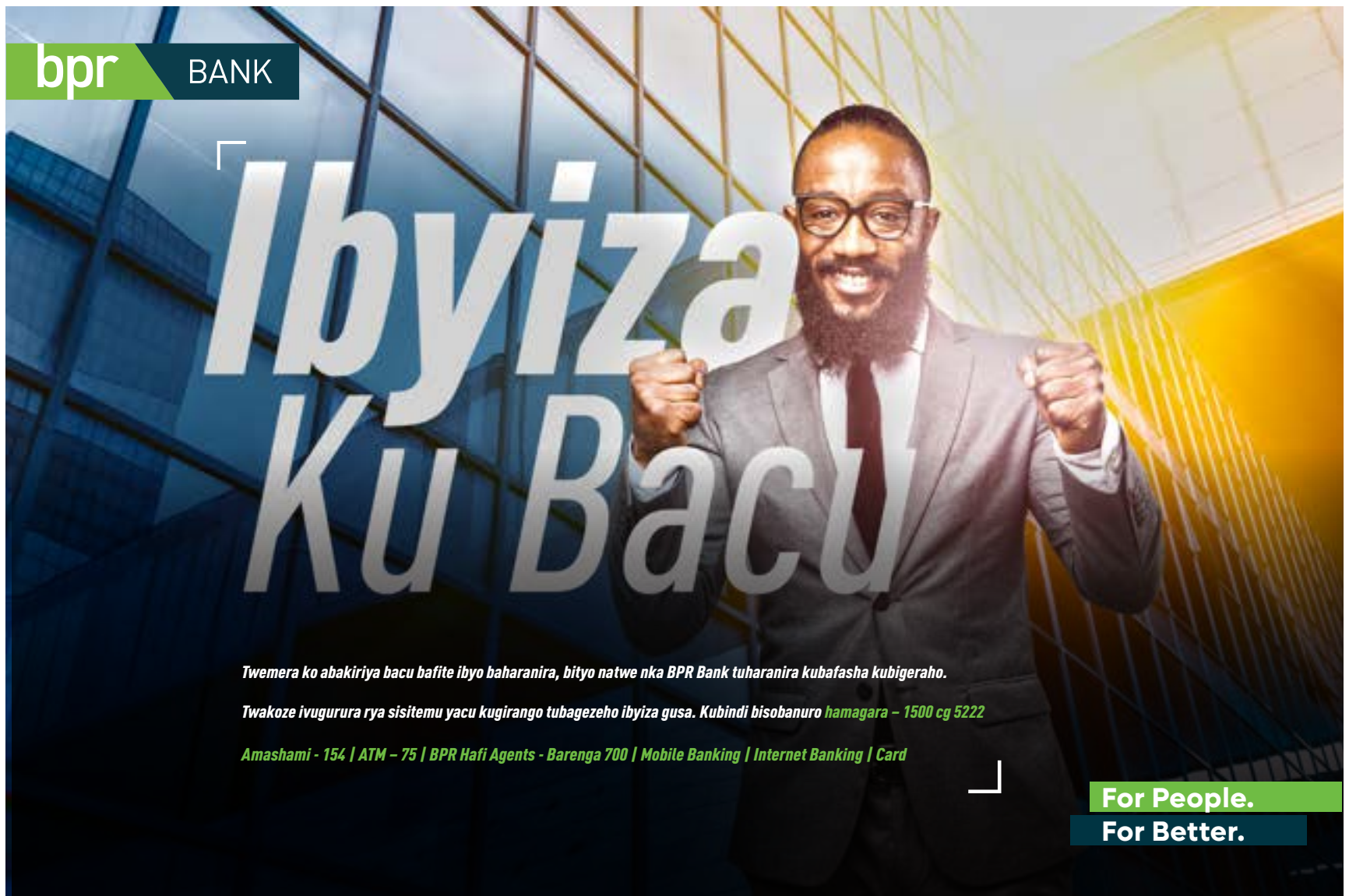
**The financial statements were approved for issue by the Board of Directors on 17<sup>th</sup> February 2023 and signed on its behalf by:**



**Managing Director**



**Chair Audit Committee**



**bpr** BANK

# Ibyiza Ku Bacu

*Twemera ko abakiriya bacu bafite ibyo baharanira, bityo natwe nka BPR Bank tuharanira kubafasha kubigeraho.*

*Twakoze ivugurura rya sisitemu yacu kugirango tubagezeho ibyiza gusa. Kubindi bisobanuro hamagara – 1500 cg 5222*

*Amashami - 154 | ATM - 75 | BPR Hafi Agents - Barenga 700 | Mobile Banking | Internet Banking | Card*

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For Better.**