EQUITY BANK RWANDA PLC REVIEWED FINANCIAL STATEMENTS AND OTHER DISCLOSURES FOR THE PERIOD ENDED 30TH JUNE, 2024

EQUITY

STATEMENT OF FINANCIAL POSITION	30 Jun 2024 Frw '000' (Reviewed)	31 Dec 2023 Frw '000' (Audited)
ASSETS		
cash, deposits, and balances due from financial institutions	247,524,390	216,911,890
Restricted cash with Central Bank of Rwanda	39,179,463	38,726,148
Investment securities at amortised cost	78,858,905	97,601,022
Investment securities at FVOCI	207,096,883	194,168,707
Due from related parties	337,010	962,166
Loans and advances to customers	461,424,450	430,460,456
Other assets and prepaid expenses	26,396,171	18,499,274
Non-Current assets held for Sale	2,934,212	3,981,484
Property and equipment	14,843,784	13,871,185
Intangible assets	1,342,948	495,569
Right of use assets	4,857,355	6,114,587
Deferred tax assets	6,823,574	6,823,574
TOTAL ASSETS	**1,091,619,145**	**1,028,616,062**
LIABILITIES		
Deposits from customers	743,992,115	742,562,135
Deposits from banks	43,874,060	38,369,053
Due to related parties	4,329,506	2,226,356
Borrowed funds	75,431,944	62,358,122
Other liabilities and deferred income	45,490,040	25,944,685
Lease liabilities	5,567,369	6,558,277
Current income tax	2,766,469	4,192,476
Dividend payable	10,000,000	10,000,000
TOTAL LIABILITIES	**931,451,503**	**892,211,104**
EQUITY		
Share capital	23,301,283	23,301,283
Share premium	18,359,844	18,359,844
FVOCI reserve	(7,830,567)	(8,301,907)
Regulatory reserve	-	2,374,504
Retained earnings	126,337,082	100,671,234
TOTAL EQUITY	**160,167,642**	**136,404,958**
TOTAL LIABILITIES AND EQUITY	**1,091,619,145**	**1,028,616,062**

The financial statements of Equity Bank Rwanda Plc were approved by the board of directors and signed on its behalf by:

Hannington Namara
Managing Director

Camille Karamaga
Chair of Board Audit Commitee

STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME	30 Jun 2024 Frw '000' (Reviewed)	30 Jun 2023 Frw '000' (Reviewed)
Interest and similar income	49,662,995	47,656,410
Interest and similar expense	(10,054,611)	(9,294,292)
NET INTEREST INCOME	**39,608,384**	**38,362,118**
Fees and commission income	12,467,520	9,613,422
Fees and commission expense	(4,831,780)	(3,890,135)
NET FEES AND COMMISSION INCOME	**7,635,740**	**5,723,287**
Net foreign exchange income	3,095,722	3,187,509
Other operating income	723,747	451,906
OPERATING INCOME BEFORE IMPAIRMENT	**51,063,593**	**47,724,820**
Impairment losses on loans and advances to customers	(741,912)	(3,468,558)
OPERATING INCOME AFTER IMPAIRMENT LOSSES	**50,321,681**	**44,256,262**
Employee benefits	(8,463,066)	(10,038,529)
Depreciation of property and equipment	(1,024,390)	(998,439)
Amortisation of intangible assets	(131,819)	(152,252)
Depreciation of Right of use assets	(614,971)	(723,669)
Other operating expenses	(7,738,347)	(6,910,416)
TOTAL OPERATING EXPENSES	**(17,972,593)**	**(18,823,305)**
PROFIT BEFORE INCOME TAX	**32,349,088**	**25,432,957**
Income tax expense	(9,057,744)	(7,629,887)
PROFIT FOR THE PERIOD	**23,291,344**	**17,803,070**
STATEMENT OF OTHER COMPREHENSIVE INCOME		
Items that will be reclassified to profit or loss:		
FVOCI investment securities		
Fair value gain	654,639	(4,722,073)
Deferred income tax	(183,299)	1,416,622
Total other comprehensive income for the period	**471,340**	**(3,305,451)**
Total comprehensive income for the period	**23,762,683**	**14,497,619**

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Hannington Namara
Managing Director

Camille Karamaga
Chair of Board Audit Commitee

EQUITY BANK RWANDA PLC REVIEWED FINANCIAL STATEMENTS AND OTHER DISCLOSURES FOR THE PERIOD ENDED 30TH JUNE, 2024

EQUITY

APPENDIX: OTHER INFORMATION	30Jun-24 Frw 000 Amount/ Ratio/ Number
ITEM	
I. CAPITAL STRENGTH	
1.Core Capital (Tier 1)	141,501,077
2.Supplementary Capital (Tier 2)	10,200,511
3.Total Capital	151,701,587
4.Total Risk Weighted Assets	829,370,114
5.Core Capital/ Total Risk Weighted Assets Ratio (Tier 1 Ratio)	17.061%
6.Tier 2 Ratio	1.023%
7.Total Capital/Total Risk Weighted Assets Ratio	18.291%
8.Leverage Ratio	13.00%
II.CREDIT RISK	
1.Total gross credit risk exposures: after accounting offsets and without taking into account credit risk mitigation;	496,838,830
2. Average gross credit exposures, broken down by major types of credit exposure:	
a) Loans, commitments and other non-derivative off-balance sheet exposures;	
• Agriculture	13,307,015
• Building and construction	33,415,157
• Education	16,489,573
• Energy and water	12,545,511
• Financial intermediation	285,588
• Information and communication	15,416,078
• Manufacturing	14,342,579
• Mining & quarrying	593,310
• Other service activities	15,997,351
• Personal/household	200,183,607
• Real estate	58,421,514
• Tourism, rest & hotels	56,633,273
• Trade	132,194,462
• Transport and communication	24,102,142
b) Debt securities;	285,955,787
c) OTC derivatives;	-
3. Regional or geographic distribution of gross exposures, broken down in significant areas by major types of credit exposure:	
a) Kigali	419,940,251
b) Southern	25,180,477
c) Western	19,531,614
d) Northern	11,823,478
e) Eastern	20,363,010
4.Sector distribution of exposures, broken down by major types of credit exposure and aggregated in the following areas:	
a) Government	27,518,336
b) Financial	338,098
c) Manufacturing	16,733,939
d) Infrastructure and construction	85,917,014
e) Services and commerce	252,606,330
f) Others	113,725,114
5. OFF- BALANCE SHEET ITEMS	
a) Guarantees issued outward	128,852,694
b) Outward letter of credit contra	14,049,521
6. NON-PERFORMING LOANS INDICATORS	
a) Non-performing loans (NPL)	21,896,297
b) NPL ratio	4.40%
7. RELATED PARTIES	
a) Loans to directors, shareholders, and subsidiaries	89,985
b) Loan to employees	9,348,455
8. RESTRUCTURED LOANS	
a. No. of borrowers	250
b. Amount outstanding	36,196,449
c. Regulatory Provision thereon	2,899,376
c. Restructured loans as % of gross loans	7.29%
III. LIQUIDITY RISK	
1) Liquidity Coverage Ratio (LCR)	273%
2) Net Stable Funding Ratio (NSFR)	166%

APPENDIX: OTHER INFORMATION	30Jun-24 Frw 000 Amount/ Ratio/ Number		
ITEM			
IV. OPERATIONAL RISK			
Number and types of frauds and their corresponding amount	Type	Number	Amount (000)
	-	-	-
V. MARKET RISK			
1. Interest rate risk	72,778,418		
2. Equity position risk	-		
3. Foreign exchange risk % of Core Capital (NOP)	3.8%		
VI. COUNTRY RISK			
1. Credit exposures abroad	-		
2. Other assets held abroad	147,498,807		
3. Liabilities to abroad	4,329,506		
VII. MANAGEMENT AND BOARD COMPOSITION			
1. Number of Board members	10		
2. Number of independent directors	9		
3. Number of non-independent directors	1		
4. Number of female directors	2		
5. Number of male directors	8		
6. Number of senior managers	12		
7. Number of females senior managers	5		
8. Number of males senior managers	7		

These financial statements and other disclosures can be accessed on the institutions website **www.equitygroupholdings.com/rw.** They may also be accessed at the institution's head office located at **Grand Pension Plaza, 3rd Floor, Kigali, Rwanda**,
Boulevard de la Révolution, P.O. Box 494, Kigali Rwanda,
Tel: 4555, +250 788 190 000 /737 360 000,
Email: Info@equitybank.co.rw

EXPLANATORY NOTES TO THE FINANCIAL STATEMENTS AS AT 30TH JUNE, 2024

1. **Interest Income increased by 4%;** The increase is mainly attributed to growth in loan and advances, investments in government securities and Placements during the Period.
2. **Interest expense Increased by 8%;** Interest expenses rise in line with the acquisition of some Cogebanque's products like SACCO saving. Despite the above increases our average cost of funding remained at 2.4%.
3. **Non-Funded income increased by 22%;** The increase is mainly attributed to more customers transactions backed by growth in customer numbers, trade finance, Forex and Rentals from Head office of Ex-Cogebanque Plc.
4. **Net loans and advances increased by 7%;** The increase was supported by new deals booked during the half year in line with market opportunities.
5. **Investment securities decreased by 2%;** The slight decrease was attributed by mature investments mainly on Government Treasury Bills during Half year 2024.
6. **Deposits increased by 1%.** The Banks was able to maintain the deposits levels half year after Merger with Cogebanque Plc.
7. **Borrowed funds increased by 21%;** These include short-term borrowings necessary to support local currency liquidity for investments in loans and securities.
8. In December 2023 the National Bank of Rwanda approved the amalgamation of Equity Bank Rwanda Plc and Compagnie Générale de Banque (Cogebanque) Plc into Equity Bank Rwanda Plc The amalgamation was effective 31 December 2023.
9. 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.