EQUITY BANK RWANDA PLC AUDITED FINANCIAL STATEMENTS AND OTHER DISCLOSURES FOR THE YEAR ENDED 31ST DECEMBER, 2024

EQUITY

STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME	31st Dec 2024 Frw'000	31st Dec 2023 Frw'000
Interest income	104,569,840	97,459,749
Interest expense	(21,084,530)	(19,640,687)
NET INTEREST INCOME	**83,485,310**	**77,819,062**
Credit impairment losses	(3,006,019)	(5,036,515)
NET INTEREST INCOME AFTER CREDIT IMPAIRMENT LOSSES	**80,479,291**	**72,782,547**
Fee and commission income	27,157,152	21,288,829
Fee and commission expense	(12,657,361)	(8,939,625)
NET FEE AND COMMISSION INCOME	**14,499,791**	**12,349,204**
Net foreign exchange income	7,526,408	7,937,025
Other operating income	11,319,935	1,426,598
NET OPERATING INCOME	**113,825,425**	**94,495,374**
Employee benefits	(16,445,742)	(21,144,684)
Depreciation and amortisation	(2,425,748)	(2,433,900)
Depreciation of right of use assets	(1,515,090)	(1,450,943)
Short term operating lease expenses	(26,238)	(157,130)
Other operating expenses	(16,604,588)	(17,298,358)
OPERATING EXPENSES	**(37,017,406)**	**(42,485,015)**
PROFIT BEFORE INCOME TAX	**76,808,019**	**52,010,359**
Income tax expense	(22,855,240)	(15,604,782)
PROFIT FOR THE YEAR	**53,952,779**	**36,405,577**
STATEMENT OF OTHER COMPREHENSIVE INCOME OTHER COMPREHENSIVE INCOME		
Items that will be reclassified to profit or loss:		
FVOCI investment securities		
Fair value gain (loss)	1,545,002	(832,205)
Deferred income tax	(299,510)	244,693
Total other comprehensive income for the year	**1,245,492**	**(587,512)**
Total profit after tax and other comprehensive income	**55,198,271**	**35,818,065**

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

26 March 2025

Camille Karamaga
Chair of Board Audit Commitee

26 March 2025

STATEMENT OF FINANCIAL POSITION	31st Dec 2024 Frw'000'	31st Dec 2023 Frw'000'
ASSETS		
cash, deposits, and balances due from financial institutions	370,946,021	216,911,890
Restricted cash with Central Bank of Rwanda	49,536,929	38,726,148
Investment securities at amortised cost	85,719,964	97,601,022
Investment securities at FVOCI	219,609,657	194,168,707
Due from related parties	656,797	962,166
Loans and advances to customers	556,589,099	430,460,456
Other assets and prepaid expenses	22,821,547	18,499,274
Non-Current assets held for Sale	2,006,000	3,981,484
Property and equipment	9,535,429	13,871,185
Intangible assets	1,438,730	495,569
Right of use assets	4,165,156	6,114,587
Deferred tax assets	7,038,046	6,823,574
TOTAL ASSETS	**1,330,063,375**	**1,028,616,062**
LIABILITIES		
Deposits from customers	911,606,918	742,562,135
Deposits from banks	80,134,364	38,369,053
Due to related parties	6,145,844	2,226,356
Borrowed funds	72,533,800	62,358,122
Other liabilities and deferred income	47,401,283	25,944,685
Lease liabilities	4,765,696	6,558,277
Current income tax	5,872,242	4,192,476
Dividend payable	26,128,725	10,000,000
TOTAL LIABILITIES	**1,154,588,872**	**892,211,104**
EQUITY		
Share capital	23,301,283	23,301,283
Share premium	18,359,844	18,359,844
FVOCI reserve	(7,056,415)	(8,301,907)
Regulatory reserve	575,419	2,374,504
Retained earnings	140,294,372	100,671,234
TOTAL EQUITY	**175,474,503**	**136,404,958**
TOTAL LIABILITIES AND EQUITY	**1,330,063,375**	**1,028,616,062**

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EQUITY BANK RWANDA PLC AUDITED FINANCIAL STATEMENTS AND OTHER DISCLOSURES FOR THE YEAR ENDED 31ST DECEMBER, 2024

EQUITY

STATEMENT OF CASH FLOWS	31st Dec 2024 Frw'000'	31st Dec 2023 Restated Frw'000'
OPERATING ACTIVITIES		
Profit before income tax	76,808,019	52,010,359
Adjustments for:		
Depreciation on property and equipment	2,115,765	2,081,533
Depreciation on right of use assets	1,515,090	1,450,943
Fair value Gain/Loss	528,388	769,633
Impairment on other assets/ operation loss	1,479,827	973,620
Amortisation of intangible	309,983	352,367
Interest expense on lease liability	641,686	530,059
Net Loss / (gain) on disposal	(4,066,479)	1,345,174
Impairment on loans and advances	8,235,357	13,415,799
Provision for litigation	913,347	1,027,948
Interest expense on term borrowings	3,965,153	2,116,482
Net foreign exchange gain on cash and cash equivalents	(7,526,408)	(7,937,025)
OPERATING PROFIT BEFORE CHANGES IN OPERATING ASSETS AND LIABILITIES	**84,919,728**	**68,136,892**
Movement in operating assets and operating liabilities:		
Loans and Advances	(139,311,031)	(63,054,045)
Other assets	2,346,789	(228,031)
Deposits and balances from customers and banks and other Financial Institutions	210,810,094	113,234,523
Balances with related parties	4,224,857	355,820
Other liabilities	21,456,598	582,457
Cash Reserve Requirement	(10,810,781)	(7,221,055)
CASH GENERATED FROM OPERATIONS	**173,636,254**	**111,806,561**
Income taxes paid	(21,175,474)	(19,410,879)
Interest paid on borrowed funds	(2,761,147)	(1,967,943)
NET CASH FROM OPERATING ACTIVITIES	**149,699,633**	**90,427,739**
INVESTING ACTIVITIES		
Purchase of property and equipment	(5,748,770)	(1,935,072)
Purchase of intangible assets	(1,253,145)	(537,407)
Proceeds from disposal of assets	12,026,060	-
Purchase of investment securities	(13,559,892)	(30,645,767)
NET CASH USED IN INVESTING ACTIVITIES	**(8,535,747)**	**(33,118,246)**
FINANCING ACTIVITIES		
Dividend Paid	-	(16,979,580)
Borrowings	8,971,672	19,123,826
Lease payment	(2,566,060)	(1,862,509)
NET CASH USED IN FINANCING ACTIVITIES	**6,405,612**	**281,737**
NET INCREASE / (DECREASE) IN CASH AND CASH EQUIVALENTS	**147,569,498**	**57,591,230**
MOVEMENT IN CASH AND CASH EQUIVALENTS		
At start of year	217,328,352	151,800,097
Net foreign exchange gain on cash and cash equivalents	6,464,633	7,937,025
AT END OF YEAR	**371,362,483**	**217,328,352**

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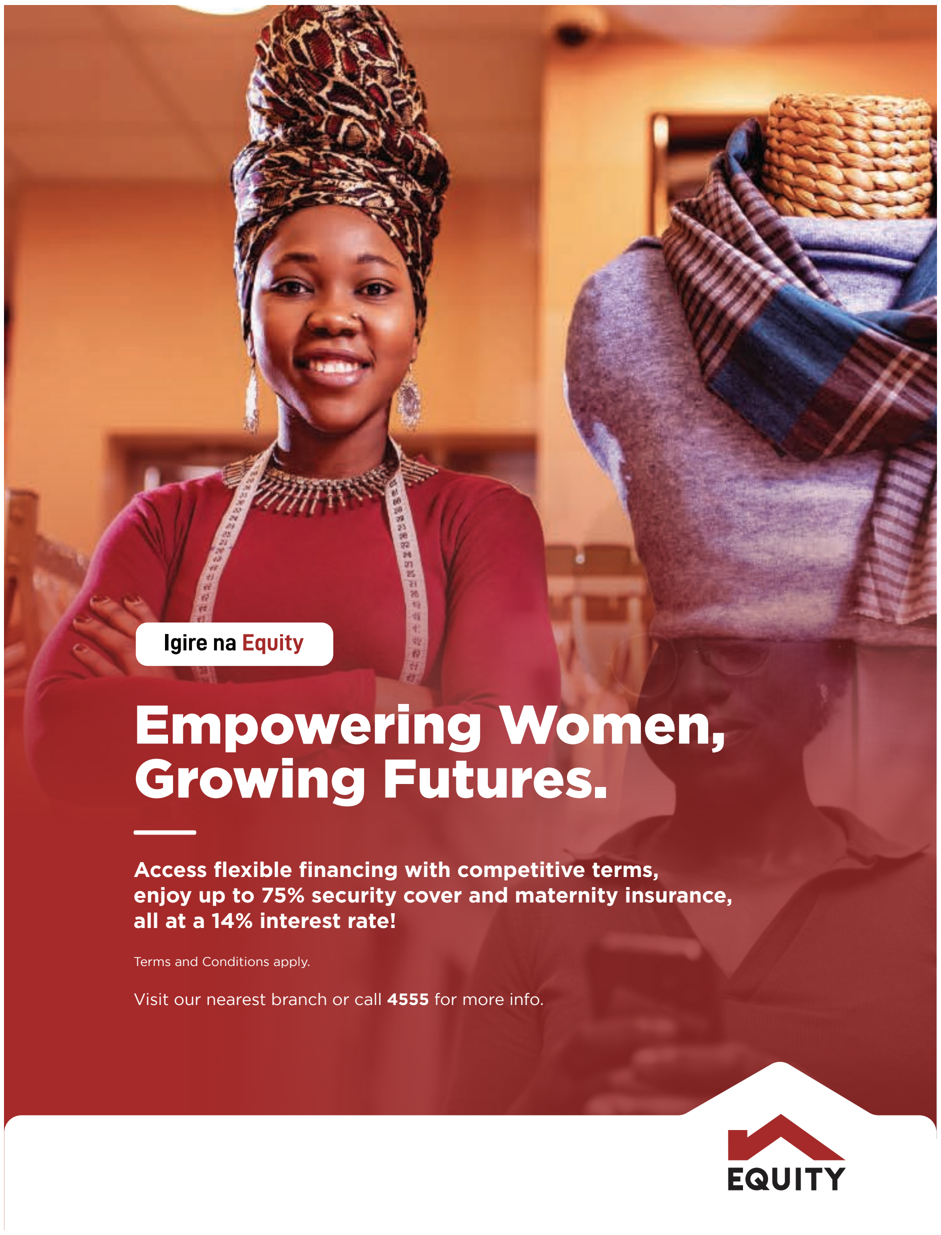
Managing Director

26 March 2025

Camille Karamaga
Chair of Board Audit Commitee

26 March 2025



STATEMENT OF CHANGES IN EQUITY	Share capital Frw '000'	Share premium Frw '000'	Retained earnings Frw '000'	FVOCI reserve Frw '000'	Statutory reserve Frw '000'	Total equity Frw '000'
AT 1 JANUARY 2023	**38,175,000**	**3,486,127**	**73,631,606**	**(7,714,395)**	**3,008,558**	**110,586,897**
Transfer to share premium	(14,873,717)	14,873,717	-	-	-	-
Profit for the year	-	-	36,405,577	-	-	**36,405,577**
Fair value gains on FVOCI	-	-	-	(832,205)	-	**(832,205)**
Deferred tax on fair value gain on FVOCI	-	-	-	244,693	-	**244,693**
Dividend declared	-	-	(10,000,000)	-	-	**(10,000,000)**
Transfer of 2022 excess provision to Retained earnings	-	-	3,008,558	-	(3,008,558)	**-**
Transfer of excess provision to statutory reserve	-	-	(2,374,504)	-	2,374,504	-
AT 31 DECEMBER 2023	**23,301,283**	**18,359,844**	**100,671,234**	**(8,301,907)**	**2,374,504**	**136,404,958**
AT 1 JANUARY 2024	**23,301,283**	**18,359,844**	**100,671,234**	**(8,301,907)**	**2,374,504**	**136,404,958**
Profit for the year	-	-	53,952,778	-	-	53,952,778
Fair value gains on FVOCI investments	-	-	-	1,545,002	-	1,545,002
Deferred tax on fair value gain on FVOCI	-	-	-	(229,510)	-	(229,510)
Dividend declared	-	-	(16,128,725)	-	-	(16,128,725)
Transfer of 2022 excess provision to Retained earnings	-	-	2,374,504	-	(2,374,504)	-
Transfer of 2024 excess provision to statutory reserve	-	-	(575,419)	-	575,419	-
AT 31 DECEMBER 2024	**23,301,283**	**18,359,844**	**140,294,372**	**(7,056,415)**	**575,419**	**175,474,503**

EQUITY BANK RWANDA PLC AUDITED FINANCIAL STATEMENTS AND OTHER DISCLOSURES FOR THE YEAR ENDED 31ST DECEMBER, 2024

EQUITY

APPENDIX: OTHER INFORMATION	Dec 2024 Frw 000 Amount/ Ratio/Number
I. CAPITAL STRENGTH	
1.Core Capital (Tier 1)	166,997,727
2.Supplementary Capital (Tier 2)	12,378,958
3.Total Capital	179,376,685
4.Total Risk Weighted Assets	990,316,651
5.Core Capital/ Total Risk Weighted Assets Ratio (Tier 1 Ratio)	16.86%
6.Tier 2 Ratio	1.25%
7.Total Capital/Total Risk Weighted Assets Ratio	18.11%
8.Leverage Ratio	11%
II.CREDIT RISK	
1.Total gross credit risk exposures: after accounting offsets and without taking into account credit risk mitigation;	590,741,095
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	17,355,325
• Building and construction	32,887,064
• Education	17,617,184
• Energy and water	29,038,797
• Financial intermediation	190,964
• Information and communication	24,090,502
• Manufacturing	8,084,078
• Mining & quarrying	323,556
• Other service activities	18,220,266
• Personal/household	125,874,468
• Real estate	82,046,016
• Tourism, rest & hotels	52,959,324
• Trade	155,522,807
• Transport and communication	26,530,743
b) Debt securities;	305,329,620
c) OTC derivatives;	-
3. Regional or geographic distribution of gross exposures, broken down in significant areas by major types of credit exposure:	
a) Kigali	500,939,927
b) Southern	29,628,871
c) Western	23,809,080
d) Northern	15,311,682
e) Eastern	21,051,536
4.Sector distribution of exposures, broken down by major types of credit exposure and aggregated in the following areas:	
a) Government	29,038,797
b) Financial	190,964
c) Manufacturing	8,084,078
d) Infrastructure and construction	114,933,080
e) Services and commerce	226,702,398
f) Others	211,659,414
5. OFF- BALANCE SHEET ITEMS	
a) Guarantees issued outward	168,168,095
b) Outward letter of credit contract	20,704,504
6. NON-PERFORMING LOANS INDICATORS	
a) Non-performing loans (NPL)	24,059,738
b) NPL ratio	4.07%
7. RELATED PARTIES	
a) Loans to directors, shareholders, and subsidiaries	909,813
b) Loan to employees	11,629,620

APPENDIX: OTHER INFORMATION	Dec 2024 Frw 000 Amount/ Ratio/Number
8. RESTRUCTURED LOANS	
a. No. of borrowers	320
b. Amount outstanding	66,262,918
c. Regulatory Provision thereon	7,050,733
d. Restructured loans as % of gross loans	11%
III. LIQUIDITY RISK	
1) Liquidity Coverage Ratio (LCR)	394%
2) Net Stable Funding Ratio (NSFR)	182%
IV. OPERATIONAL RISK	
Number and types of frauds and their corresponding amount	

Type	Number	Amount (000)
-	-	-

V. MARKET RISK	
1. Interest rate risk	237,927,895
2. Equity position risk	-
3. Foreign exchange risk % of Core Capital (NOP)	2.54%
VI. COUNTRY RISK	
1. Credit exposures abroad	-
2. Other assets held abroad	156,649,393
3. Liabilities to abroad	6,145,844
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	4
5. Number of male directors	7
6. Number of Senior Managers	12
7. Number of females senior managers	5
8. Number of males senior managers	7

EQUITY BANK RWANDA PLC AUDITED FINANCIAL STATEMENTS AND OTHER DISCLOSURES FOR THE YEAR ENDED 31ST DECEMBER, 2024

EQUITY

EXPLANATORY NOTES TO THE FINANCIAL STATEMENTS AS AT 31ST DECEMBER 2024:

1. **Profit before Income tax grew by 48%,** the increment is due to interest income, Non funded income, and the overall drop of 13% in operating expenses.
2. **Interest income increased by 7%;** The increase driven by the growth in the earning assets mainly loans and advances, investments in government securities, and placements during the period under review.
3. **Interest expense increased by 7%;** The Banks maintained an average cost of funding at 2.67%.
4. **Net fees and commission increased by 17%;** The increase is primarily due to a rise in customer transactions fees through the various channels backed by growth in the number and volumes, trade finance fees and foreign exchange incomes.
5. **Net loans and advances increased by 29%;** The increase was supported by new deals recorded during the period given market opportunities.
6. **Investment securities increased by 13%;** The trend is attributed to new investments mainly on Government Treasury Bills maintained during the period.
7. **Customer deposits grew by 23%;** The increase supported by the growth in bank's diversified customer base in Retail, Micro small and medium enterprises, Corporates and Public Institutions portfolios.
8. Overall, the Bank Balance sheet recorded 29% growth in total Assets from Frw 1.028 Trillion end December 2023 to Frw 1.330 Trillion in December 2024.
9. Following the successful Acquisition of Ex-Coge Bank by Equity Group in December 2023, Equity Bank Rwanda Plc seamlessly completed all business integrations and Branch rationalization processes that resulted to merging of 11 branches by end of year 2024.
10. Equity Bank Rwanda Plc plans to reach a wider customer base, particularly targeting Micro, small and medium enterprises and focusing on technological driven customer centric innovative solutions while ensuring a balance between technology-driven solutions and personalized customer service.

These financial statements and other disclosures can be accessed on the institution's website www.equitygroupholdings.com/rw They may also be accessed at the institutions head office located at

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