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

EQUITY

STATEMENT OF FINANCIAL POSITION	30th Sep 2024 Frw '000' (Unreviewed)	31st Dec 2023 Frw '000' (Audited)
ASSETS		
Cash, deposits, and balances due from financial institutions	353,910,293	216,911,890
Restricted cash with Central Bank of Rwanda	45,353,084	38,726,148
Investment securities at amortised cost	59,396,418	97,601,022
Investment securities at FVOCI	216,859,455	194,168,707
Due from related parties	388,175	962,166
Loans and advances to customers	484,761,096	430,460,456
Other assets and prepaid expenses	23,084,932	18,499,274
Non-Current assets held for Sale	2,000,000	3,981,484
Property and equipment	16,748,650	13,871,185
Intangible assets	1,468,251	495,569
Right of use assets	4,688,319	6,114,587
Deferred tax assets	8,377,375	6,823,574
TOTAL ASSETS	**1,217,036,049**	**1,028,616,062**
LIABILITIES		
Deposits from customers	847,026,364	742,562,135
Deposits from banks	62,280,388	38,369,053
Due to related parties	1,352,412	2,226,356
Borrowed funds	62,707,533	62,358,122
Other liabilities and deferred income	52,853,924	25,944,685
Lease liabilities	5,493,285	6,558,277
Current income tax	2,277,840	4,192,476
Dividend payable	10,000,000	10,000,000
TOTAL LIABILITIES	**1,043,991,745**	**892,211,104**
EQUITY		
Share capital	23,301,283	23,301,283
Share premium	18,359,844	18,359,844
FVOCI reserve	(8,179,162)	(8,301,907)
Regulatory reserve	4,628,780	2,374,504
Retained earnings	134,933,560	100,671,234
TOTAL EQUITY	**173,044,304**	**136,404,958**
TOTAL LIABILITIES AND EQUITY	**1,217,036,049**	**1,028,616,062**

The financial statements of Equity Bank Rwanda Plc were approved by the board of directors on 29th October 2024 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	30th Sep 2024 Frw '000' (Unreviewed)	30th Sep 2023 Frw '000' (Unreviewed)
Interest and similar income	75,359,977	72,871,003
Interest and similar expense	(15,162,146)	(14,369,134)
NET INTEREST INCOME	**60,197,831**	**58,501,869**
Fees and commission income	19,353,629	15,360,940
Fees and commission expense	(8,098,648)	(6,296,582)
NET FEES AND COMMISSION INCOME	**11,254,982**	**9,064,358**
Net foreign exchange income	5,475,288	5,559,610
Other operating income	3,798,443	1,351,505
OPERATING INCOME BEFORE IMPAIRMENT	**80,726,544**	**74,477,342**
Impairment losses on loans and advances to customers	(2,182,841)	(4,777,424)
OPERATING INCOME AFTER IMPAIRMENT LOSSES	**78,543,703**	**69,699,918**
Employee benefits	(12,600,666)	(15,296,968)
Depreciation of property and equipment	(1,876,647)	(2,034,571)
Amortisation of intangible assets	(123,471)	(103,834)
Depreciation of Right of use assets	(991,927)	(687,555)
Other operating expenses	(12,233,489)	(10,543,602)
TOTAL OPERATING EXPENSES	**(27,826,201)**	**(28,666,530)**
PROFIT BEFORE INCOME TAX	**50,717,503**	**41,033,388**
Income tax expense	(14,200,901)	(12,153,726)
PROFIT FOR THE PERIOD	**36,516,602**	**28,879,662**
STATEMENT OF OTHER COMPREHENSIVE INCOME		
Items that will be reclassified to profit or loss:		
FVOCI investment securities		
Fair value gain	122,745	(4,722,073)
Deferred income tax	(34,368)	1,416,622
Total other comprehensive income for the period	**88,376**	**(3,305,451)**
Total comprehensive income for the period	**36,604,978**	**25,574,211**

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Hannington Namara
Managing Director

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

EQUITY

APPENDIX: OTHER INFORMATION	30th Sep-24 Frw 000 Amount/ Ratio/ Number
ITEM	
I. CAPITAL STRENGTH	
1.Core Capital (Tier 1)	144,940,378
2.Supplementary Capital (Tier 2)	11,462,742
3.Total Capital	156,403,120
4.Total Risk Weighted Assets	917,019,375
5.Core Capital/ Total Risk Weighted Assets Ratio (Tier 1 Ratio)	15.81%
6.Tier 2 Ratio	1.25%
7.Total Capital/Total Risk Weighted Assets Ratio	17.06%
8.Leverage Ratio	11.29%
II.CREDIT RISK	
1.Total gross credit risk exposures: after accounting offsets and without taking into account credit risk mitigation;	517,067,536
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	16,745,054
• Building and construction	32,102,201
• Education	17,072,411
• Energy and water	23,855,530
• Financial intermediation	238,621
• Information and communication	13,651,496
• Manufacturing	10,403,333
• Mining & quarrying	509,014
• Other service activities	16,647,210
• Personal/household	107,666,551
• Real estate	70,375,852
• Tourism, rest & hotels	53,717,825
• Trade	130,247,677
• Transport and communication	23,834,761
b) Debt securities;	276,255,872
c) OTC derivatives;	-
3. Regional or geographic distribution of gross exposures, broken down in significant areas by major types of credit exposure:	
a) Kigali	437,038,044
b) Southern	26,205,696
c) Western	20,326,840
d) Northern	12,304,869
e) Eastern	21,192,086
4.Sector distribution of exposures, broken down by major types of credit exposure and aggregated in the following areas:	
a) Government	28,638,740
b) Financial	351,864
c) Manufacturing	17,415,258
d) Infrastructure and construction	89,415,110
e) Services and commerce	262,891,152
f) Others	118,355,412
5. OFF- BALANCE SHEET ITEMS	
a) Guarantees issued outward	133,778,301
b) Outward letter of credit contra	22,509,317
6. NON-PERFORMING LOANS INDICATORS	
a) Non-performing loans (NPL)	22,607,649
b) NPL ratio	4.37%
7. RELATED PARTIES	
a) Loans to directors, shareholders, and subsidiaries	759,018
b) Loan to employees	9,708,743
8. RESTRUCTURED LOANS	
a. No. of borrowers	378
b. Amount outstanding	73,008,223
c. Regulatory Provision thereon	7,087,107
c. Restructured loans as % of gross loans	14.03%
III. LIQUIDITY RISK	
1) Liquidity Coverage Ratio (LCR)	503%
2) Net Stable Funding Ratio (NSFR)	186%

APPENDIX: OTHER INFORMATION	30th Sep-24 Frw 000 Amount/ Ratio/ Number		
ITEM			
IV. OPERATIONAL RISK	Type	Number	Amount (000)
Number and types of frauds and their corresponding amount	-	-	-
V. MARKET RISK			
1. Interest rate risk	16,685,871		
2. Equity position risk	-		
3. Foreign exchange risk % of Core Capital (NOP)	2.83%		
VI. COUNTRY RISK			
1. Credit exposures abroad	-		
2. Other assets held abroad	219,781,139		
3. Liabilities to abroad	1,352,412		
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 SEPTEMBER 2024

1. Interest income increased by 3%; The increase is mainly driven by the growth in loans and advances, investments in government securities, and placements during the comparative periods.

2. Interest expense increased by 6%; The increase in interest expenses driven by the growth in number of clients and amounts of renumerated accounts. However, the bank Cost of funding remained on average 2.6%.

3. Net fees and commission increased by 26%; The increase is primarily due to a rise in customer transactions and their corresponding volumes and values.

4. Net loans and advances increased by 13%; The increase was bolstered by new deals recorded during the period, aligning with market opportunities.

5. Investment securities increased by 12%; The trend is attributed to new investments added mainly on Government securities during the period under review.

6. Customer deposits grew by 14%; The increase is mainly driven by the growth in bank's customer balances and new acquired customers during the period to 30th September 2024.

7. In December 2023, the National Bank of Rwanda approved the merger between Equity Bank Rwanda Plc and Compagnie Générale de Banque (Cogebanque) Plc, resulting in the combined entity operating under the name Equity Bank Rwanda Plc. The merger officially took effect on December 31, 2023.

8. The financial statements in this report are consolidated, and the comparative information has been restated retrospectively to show the merged financial performance from the earliest presented comparative period.