

URWEGO BANK PLC
STATEMENT OF PROFIT OR LOSS
FOR THE PERIOD ENDED 30 JUNE 2021 (REVIEWED BY EXTERNAL AUDITORS)

	Note	June-21 Frw'000	June-20 Frw'000
Interest and similar income	1	1,859,544	1,353,768
Interest and similar expense	2	<u>(189,267)</u>	<u>(187,325)</u>
Net interest income		<u>1,670,277</u>	<u>1,166,443</u>
Fee and commission income	3	399,333	264,638
Fee and commission expense	4	<u>(151,819)</u>	<u>(46,586)</u>
Net fees and commission income		247,514	218,052
Net foreign exchange income		94,159	57,222
Premium income		6,868	5,800
Other operating income	5	<u>215,571</u>	<u>275,016</u>
Total operating income		<u>2,234,389</u>	<u>1,722,533</u>
Impairment losses on financial assets	6	79,737	(1,201,554)
Operating income after impairment losses		<u>2,314,126</u>	<u>520,979</u>
Personnel expenses	7	(1,225,971)	(1,238,910)
Depreciation on property and equipment	9	(73,614)	(89,284)
Amortization of intangible assets	10	(11,394)	(15,204)
Depreciation on right of use assets	11	(121,188)	(147,058)
Other operating expenses	8	<u>(608,992)</u>	<u>(610,907)</u>
Total operating expenses		<u>(2,041,159)</u>	<u>(2,101,363)</u>
Profit/(Loss) before tax		<u>272,967</u>	<u>(1,580,384)</u>
Profit/(Loss) for the period		<u>272,967</u>	<u>(1,580,384)</u>
Other comprehensive income		-	-
Total comprehensive Profit/(Loss)		<u>272,967</u>	<u>(1,580,384)</u>

URWEGO BANK PLC
STATEMENT OF FINANCIAL POSITION
FOR THE PERIOD ENDED 30 JUNE 2021 (REVIEWED BY EXTERNAL AUDITORS)

	Note	June-21 Frw'000	Dec-20 Frw'000
ASSETS			
Cash in hand	12(a)	1,379,856	652,572
Due from the National Bank of Rwanda	12(b)	503,049	515,712
Due from other banking institutions	12(c)	4,885,401	4,894,856
Loans and advances to customers	13	13,365,827	12,216,022
Financial investments	14	3,168,433	3,001,761
Other assets	15	491,376	339,954
Current income tax assets		317,401	310,524
Property and equipment	9	446,234	453,349
Right of use assets	10	855,093	968,174
Intangible assets	11	<u>37,037</u>	<u>44,554</u>
TOTAL ASSETS		<u>25,449,707</u>	<u>23,397,478</u>
LIABILITIES			
Deposits from customers	16	17,645,854	16,080,577
Other payables	17	1,117,317	980,770
Borrowed funds	18	<u>2,983,391</u>	<u>2,905,953</u>
TOTAL LIABILITIES		<u>21,746,562</u>	<u>19,967,300</u>
EQUITY			
Share capital	19	11,012,677	11,012,677
Share premium	20	(1,394,481)	(1,394,481)
Accumulated losses		<u>(5,915,051)</u>	<u>(6,188,018)</u>
Total equity		<u>3,703,145</u>	<u>3,430,178</u>
TOTAL LIABILITIES AND EQUITY		<u>25,449,707</u>	<u>23,397,478</u>

The statement of financial position and statement of profit or loss were approved by the Board of Directors

on 14 SEPT.....2021 and signed on its behalf by


 Chief Executive Officer



Chairperson of the Board of Audit Committee



URWEGO BANK PLC
AS AT 30 JUNE 2021
APPENDIX 1: OTHER DISCLOSURES (REVIEWED BY EXTERNAL AUDITORS)

Item			
A. Capital Strength	Figures in Frw'000		
a. core capital (Tier 1)	3,393,140		
b. supplementary capital (Tier 2)	181,987		
c. total capital	3,575,127		
d. total risk weighted assets	14,621,408		
e. core capital/ Total risk weighted assets ratio (Tier 1 ratio)	23.21%		
f. tier 2 ratio	1.24%		
g. total capital/total risk weighted assets ratio	24.45%		
h. leverage ratio	14%		
B. Credit Risk			
1. total gross credit risk exposures: after accounting offsets and without taking into account credit risk mitigation;	22,972,722		
2. average gross credit exposures, broken down by major types of credit exposure:	22,972,722		
a) loans, commitments and other non-derivative off-balance sheet exposures;	-		
b) debt securities;	-		
c) OTC derivatives	-		
3. Regional or geographic distribution of exposures, broken down in significant areas by major types of credit exposure;			
a. Kigali City	16,610,047		
b. Northern Province	815,380		
c. Eastern province	2,750,107		
d. Western Province	1,367,600		
f. Southern Province	1,429,588		
4. Sector distribution of exposures, broken down by major types of credit exposure and aggregated in the following areas:			
a) public;	503,049		
b) financial;	4,885,401		
c) manufacturing;	-		
d) infrastructure and construction;	7,362,047		

URWEGO BANK PLC

AS AT 30 JUNE 2021

APPENDIX 1 (CONT'D): OTHER DISCLOSURES (REVIEWED BY EXTERNAL AUDITORS)

e) services and commerce.	6,290,618		
f) others	3,931,607		

5. Off- balance sheet items			
6. Non-performing loans indicators			
a) Non-performing loans (NPL)	741,270		
b) (b) NPL ratio	5.12%		
7. Related parties			
a. Loans to directors, shareholders and subsidiaries	-		
b. Loans to employees	346,230		
8. Restructured loans as at 30 June 2021			
a. No. of borrowers with restructured loans	1,695		
b. No. of loans restructured	1,702		
c. Amount outstanding (Frw'000) on restructured loans	3,118,861		
d. Provision thereon (Frw'000) (regulatory)	297,898		
e. Restructured loans as % of outstanding loan amounts (all borrowers)	22%		
C. LIQUIDITY RISK			
a. Liquidity Coverage Ratio (LCR)	234%		
b. Net Stable Funding Ratio (NSFR)	244%		
D. OPERATIONAL RISK			
	Types	Number	amount Frw'000
a. Number and types of frauds and their corresponding amount		-	-
E. MARKET RISK			
a. Interest rate risk	-		
b. Equity position risk	-		
c. Foreign exchange risk	5,150		
F. COUNTRY RISK			
a. Credit exposures abroad	0		
b. Other assets held abroad	496,597		

URWEGO BANK PLC
AS AT 30 JUNE 2021
APPENDIX 1(CONT'D): OTHER DISCLOSURES (REVIEWED BY EXTERNAL AUDITORS)

c.	Liabilities to abroad	2,003,855		
G. Management and board composition				
a.	Number of Board members	10		
b.	Number of independent directors	6		
c.	Number of non-independent directors	4		
d.	Number of female directors	4		
e.	Number of male directors	6		
f.	Number of Senior Managers	6		
g.	Number of females senior managers	3		
h.	Number of males senior managers	3		

Note: These financial statements and other disclosures are also accessible at the website of Urwego Bank PLC with this URL address: www.urwegobank.com

Our head office address: Umuyenzi Plaza-3rd floor, KG 5 RD, Rukiri Cell, Remera Sector, Gasabo District

EXPLANATORY NOTES ON KEY VARIANCES FOR Q2-2021 VERSUS Q2-2020

- In Q2-2021, Interest income were 37% higher than prior year same period since lending activities were slow in year 2020 as a result of covid-19 which affected many borrowers.
- In Q2-2021, Fees and commission incomes are 56% higher than prior year same period driven namely by increase in lending activities whereby total fees and commissions on loans are 63% higher than prior year same period.
- In Q2-2021, Impairment losses was 107% lower than prior year same period as loan defaults and delinquency reduced significantly in 2021 as result of business returning back to normal as well as Bank's underwriting efforts and recovery
- Net loan portfolio was 10% higher than Dec-2020 due to increase in lending activities
- In Q2-2021, customers deposits were 10% higher to Dec-2020 due to increased mobilization of customers deposit in 2021 as a result of more Bank's operations
- In Q2-2021 Bank's equity was 8% higher than Dec-2020 as a result of profit realized by the Bank in 2021.