

URWEGO BANK PLC
CONDENSED STATEMENT OF COMPREHENSIVE INCOME
FOR THE PERIOD ENDED 30 JUNE 2023 (REVIEWED BY EXTERNAL AUDITORS)

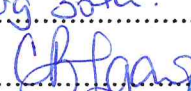
	Note	June-23 Frw'000	June 2022 Frw'000
Interest and similar income	3	3,333,802	2,818,154
Interest and similar expense	4	(338,268)	(203,807)
Net interest income		<u>2,995,534</u>	<u>2,614,347</u>
Fees and commissions income	5	132,947	137,672
Fees and commissions expense	6	(134,660)	(137,155)
Net fees and commission income		<u>(1,713)</u>	<u>517</u>
Net foreign exchange income	7(a)	71,864	47,018
Other operating income	7(b)	<u>113,055</u>	<u>102,982</u>
Total operating income		<u>3,178,740</u>	<u>2,764,864</u>
Net impairment charge on loans and advances	8	<u>174,847</u>	<u>67,278</u>
Operating income after impairment losses		<u>3,353,587</u>	<u>2,832,142</u>
Employee benefits	9	(1,701,407)	(1,325,176)
Depreciation on property and equipment	10	(77,781)	(81,658)
Depreciation on right of use assets	11	(101,275)	(102,364)
Amortisation of intangible assets	12	(4,150)	(6,899)
Other operating expenses	13	<u>(1,062,807)</u>	<u>(744,396)</u>
Total operating expenses		<u>(2,947,420)</u>	<u>(2,260,493)</u>
Profit before income tax		406,167	571,649
Income tax expense		-	-
Profit for the period		<u>406,167</u>	<u>571,649</u>
Other comprehensive income		-	-
Total Comprehensive income		<u>406,167</u>	<u>571,649</u>


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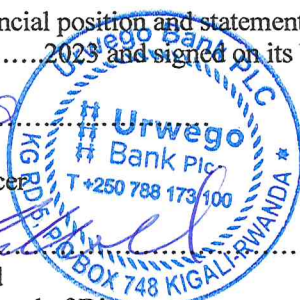
URWEGO BANK PLC
CONDENSED STATEMENT OF FINANCIAL POSITION
As At 30 JUNE 2023 (REVIEWED BY EXTERNAL AUDITORS)

	Note	June-23 Frw'000	Dec-22 Frw'000
ASSETS			
Cash in hand	14(a)	1,639,919	973,623
Due from the National Bank of Rwanda	14(b)	1,359,575	1,133,388
Due from other banking institutions	14(c)	2,969,574	2,670,774
Loans and advances to customers	15	21,236,357	22,478,240
Financial investments	16	1,743,274	1,743,373
Other assets	17	553,761	507,375
Current income tax		328,772	328,012
Property and equipment	10	936,609	663,576
Right of use assets	11	764,822	718,477
Intangible assets	12	9,359	13,509
Deferred income tax		<u>64,179</u>	<u>64,179</u>
TOTAL ASSETS		<u>31,606,201</u>	<u>31,294,526</u>
LIABILITIES			
Deposits from customers	18	20,304,383	19,429,862
Other payables	19	998,706	1,635,955
Borrowed funds	20	2,914,822	3,255,715
Lease liabilities	21	<u>825,460</u>	<u>816,331</u>
TOTAL LIABILITIES		<u>25,043,371</u>	<u>25,137,863</u>
EQUITY			
Share capital	22	11,077,450	11,077,450
Share premium		126,605	126,605
Accumulated losses	23	<u>(4,641,225)</u>	<u>(5,047,392)</u>
Total equity		<u>6,562,830</u>	<u>6,156,663</u>
TOTAL LIABILITIES AND EQUITY		<u>31,606,201</u>	<u>31,294,526</u>

The statement of financial position and statement of profit or loss were approved by the Board of Directors on Aug 30th 2023 and signed on its behalf by


 Christine Baingana
 Chief Executive Officer


 Carl Daniel Lundblad
 Chairperson of the Board of Directors



URWEGO BANK PLC
APPENDIX: OTHER DISCLOSURE
AS AT 30 JUNE 2023

Item	Figures in Frw'000		
A. Capital Strength			
a. Core capital (Tier 1)	6,286,209		
b. Supplementary capital (Tier 2)	244,948		
c. Total capital	6,534,747		
d. Total risk weighted assets	19,595,877		
e. Core capital/ Total risk weighted assets ratio (Tier 1 ratio)	32.10%		
f. Tier 2 ratio	1.25%		
g. Total capital/total risk weighted assets ratio	33.35%		
h. Leverage ratio	20%		
B. Credit Risk			
1. Total gross credit risk exposures: after accounting offsets and without taking into account credit risk mitigation;	30,208,202		
2. Average gross credit exposures, broken down by major types of credit exposure:	30,208,202		
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	19,215,964		
b. Northern Province	1,703,345		
c. Eastern province	4,980,126		
d. Western Province	2,329,375		
f. Southern Province	1,979,392		
4. Sector distribution of exposures, broken down by major types of credit exposure and aggregated in the following areas:			
a) Public;	1,367,576		
b) Financial;	2,983,037		
c) Manufacturing;	-		

URWEGO BANK PLC
APPENDIX: OTHER DISCLOSURE (CONT'D)
AS AT 30 JUNE 2023

d) Infrastructure and construction;	10,785,450		
e) Services and commerce.	10,404,235		
f) Others	4,667,904		
5. Off- balance sheet items	2,911,386		
6. Non-performing loans indicators			
a) Non-performing loans (NPL)	423,230		
b) NPL ratio	1.99%		
7. Related parties			
a. Loans to directors, shareholders and subsidiaries	-		
b. Borrowing from related parties(Hope International)	1,054,965		
c. Loans to employees	397,616		
8. Restructured loans as at 31 DECEMBER 2022			
a. No. of borrowers with restructured loans	51		
b. No. of loans restructured	59		
c. Amount outstanding (Frw'000) on restructured loans	1,307,268		
d. Provision thereon (Frw'000) (regulatory)	10,183		
e. Restructured loans as % of outstanding loan amounts (all borrowers)	5.90%		
C. LIQUIDITY RISK			
a. Liquidity Coverage Ratio (LCR)	208%		
b. Net Stable Funding Ratio (NSFR)	184%		
D. OPERATIONAL RISK			
	Types	Number	Amount Frw'000
a. Number and types of frauds and their corresponding amount	cash misappropriation	1	1,523
E. MARKET RISK			
a. Interest rate risk		50	
b. Equity position risk		-	
F. COUNTRY RISK			
a. Credit exposures abroad		-	
b. Other assets held abroad		30,817,733	

URWEGO BANK PLC
APPENDIX: OTHER DISCLOSURE (CONT'D)
AS AT 30 JUNE 2023

c.	Liabilities to abroad	29,883,409		
G. Management and board composition				
a.	Number of Board members	9		
b.	Number of independent directors	6		
c.	Number of non-independent directors	3		
d.	Number of female directors	3		
e.	Number of male directors	6		

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 Q2-2023 VERSUS Q2-2022

- In Q2-2023, net interest income grew by 15% compared to prior year same period due to increase in lending activities
- Interest expense increased by 66% as a result of increase in the source of funding to support Bank's effort to expand its outreach
- Net Impairment loss on loans was 166% % better than prior year same period as a result of increased quality of loans, recovery activities and clients' follow ups
- Net operating income is 18% higher than prior year same period due to increase in lending and banking operations compared to prior year same period
- Personnel expenses increased by 28% compared to prior year due to new hires to support Bank's efforts to serve the underserved and increase its outreach as well other management initiative to support the well-being of its staff
- Cash and cash equivalents increased by 25% as a result of increase in deposits as well as inflows from other source of funds
- Due to better underwriting, early delinquency management as well as recovery effort, the ratio of Non-Performing loans was impressive standing at 1.99%
- The Bank has sound liquidity in the short and long term period with a buffer of 108% for LCR and a buffer of 84% for NSFR