

STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME FOR THE NINE-MONTH PERIOD ENDED 30 SEPTEMBER 2023 (UNREVIEWED)

in `000 Frw	SEPT 2023	SEPT 2022
Interest income	4,221,181	3,535,503
Interest expense	(712,341)	(611,534)
Net income interest before impairment charge	3,508,839	2,923,969
Debit charge for loan losses	(27,004)	194,280
Net Interest Income	3,481,835	3,118,249
Fee and commission income	215,192	185,629
Fee and commission expense	(3,585)	(2,706)
Net fee and commission income	211,607	182,923
Net result from foreign exchange operations	(41)	(10,391)
Net other operating income	57,498	66,717
Net non-interest income	269,064	239,249
Net operating income	3,750,899	3,357,498
Personnel expenses	(1,926,673)	(1,517,845)
Depreciation and amortization expenses	(325,648)	(292,790)
Other administrative expenses	(1,117,932)	(774,786)
Total operating expenses	(3,370,252)	(2,585,421)
Profit before tax	380,647	772,077
Income tax expense	(114,194)	(231,389)
Profit for the year	266,453	540,668
Other comprehensive income	-	-
Total comprehensive income for the year	266,453	540,668

The financial statements were approved and authorized for issue by the Board of Directors on 28th November 2023 and were signed on its behalf by:


Mr. Zachary Raymond
 Chief Executive Officer


Mrs. Dianne Dusaidi
 Chairperson of the Board of Directors

These financial statements and other disclosures can be accessed on the institution's website www.abbank.rw. They may also be accessed at the institution's Head Office located at KN 78 Street #15, Nyarugenge, Kiyovu (BCK Building). Telephone: +25078 819 83 00.

EXPLANATORY NOTES TO THE FINANCIALS

Net Interest income increased by 19% as compared to September-2022, following the increase in loan book size that generated more interest income, gross loans moved from 11.3 Bn to 15.2 Bn as at end September 2023; investment in government securities increased as well, moving from 2 Bn to 2.3 Bn for the same period.

Interest Expenses Increased by 16% following the increase in Deposit portfolio size moved from 9Bn to 13.8 bn

Impairment charge moved from a Credit charge of 194 Mio to provision expense of 27 Mio, following the increase in Loan book size moved from 9.3 bn to 13.2 Bn.

Increase of 12% in fees and commissions income is mainly due to increase in loan origination fees, following the growth of the loan book.

Staff cost increased by 27%; following the increase in headcounts to support the bank growth on one hand, on the other hand the bank adjusted the general payroll to cater for inflationary pressure for staff members.

Other operating expense increased significantly by 44%, increase in IT costs, especially core banking license, which was of free of charge during the whole period of last year.

Cash items " cash in hand and Balances with banks" Increased significantly from 827 Mio to 2.5 Bn., following increase in both Money market borrowing and Deposits.

The bank acquired new softwares, justifying the increase of intangible assets.

Net loans increased by 38%, following increase in gross loans that moved from 11.3 Bn to 15.2 Bn..

Deposits increased by 51%, dominated by term deposits

Money Market borrowing increased by 100%, moving from 300 Mio to 600 Mio.

STATEMENT OF FINANCIAL POSITION FOR THE NINE-MONTH PERIOD ENDED 30 SEPTEMBER 2023.

in `000 Frw	30 SEPT 2023	31 DEC 2022
(UNREVIEWED)	(UNREVIEWED)	(REVIEWED)
ASSETS		
Cash and cash equivalents	357,477	771,965
Balances with other banks	2,193,157	55,352
Debt securities	2,338,765	2,291,815
Loans and advances to customers	13,284,682	9,626,100
Other financial assets	222,125	116,703
Other non-financial assets	152,715	189,564
Intangible assets	665,800	44,971
Property and equipment	492,689	571,442
Rights-of-use assets	872,111	892,208
Deferred income tax asset	727,491	841,685
Total assets	21,307,012	15,401,804
LIABILITIES		
Short term borrowings from other banks	600,000	300,000
Customer accounts	13,782,399	9,097,114
Provisions	83,844	113,642
Lease Liabilities	893,532	963,804
Other financial liabilities	864,223	121,022
Other non-financial liabilities	92,982	82,642
Total liabilities	16,316,980	10,678,224
EQUITY		
Share capital	11,461,300	11,461,300
Accumulated losses	(6,471,267)	(6,737,720)
Total equity	4,990,033	4,723,580
Total liabilities and equity	21,307,012	15,401,804

OTHER DISCLOSURES

ITEM	AMOUNT/ RATIO/NUMBER
I. CAPITAL STRENGTH	
1. Core capital (Tier 1)	3,463,516
2. Supplementary Capital (Tier 2)	183,091
3. Total capital	3,646,606
4. Total Risk Weighted Assets	14,647,241
5. Core capital /Total Risk Weighted Assets (Tier 1)	23.65%
6. Tier 2 ratio	1.25%
7. Total Capital /Total Risk Weighted Assets	24.90%
8. Leverage Ratio	17%
II. CREDIT RISK	
1. Total Gross Credit risk exposures: After accounting offsets and without taking into account credit risk mitigation	15,148,551
2. Average gross credit exposure, broken down by major types of credit exposure	13,237,049
Micro Loans	9,933,072
Super Micro Loans	2,639,045
SME loans	139,490
Agro loans	2,202,432
Other Loans	234,511
a) Loans, commitments and other non-derivative off-balance sheet exposure	-
b) Debt securities	2,338,765

3. REGIONAL OR GEOGRAPHIC DISTRIBUTION OF EXPOSURES, BROKEN DOWN IN SIGNIFICANT AREAS BY MAJOR TYPES OF CREDIT EXPOSURES

	KIGALI	NORTH	EAST	WEST	SOUTH	TOTAL
Micro loans	7,199,306	1,510,519	2,178,690	800,811	2,997,237	14,686,563
SME loans	147,219	0	0	0	0	147,219
Other loans	190,348	12,762	6,237	3,523	101,898	314,768
Total	7,536,872	1,523,282	2,184,927	804,333	3,099,135	15,148,551

4. SECTEUR DISTRIBUTION OF EXPOSURES, BROKEN DOWN BY MAJOR TYPES OF CREDIT EXPOSURE AND AGGREGATED IN THE FOLLOWING AREAS

	MICRO LOANS	SME LOANS	OTHER LOANS	TOTAL
a) Financial	56,258	0	159,484	215,742
b) Manufacturing	331,265	19,994	0	351,258
c) Service and commerce	844,003	17,960	87,746	949,709
d) Others	12,131,426	109,266	65,844	12,306,536
e) Construction	1,323,611	0	1,695	1,325,306
TOTAL	14,686,563	147,219	314,768	15,148,551

5. OFF-BALANCE SHEET ITEMS

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6. NON-PERFORMING LOANS INDICATORS

a) Non-Performing Loans (NPL)	788,079
b) NPL Ratio	5.2%

7. RELATED PARTIES

Loans to Directors, Shareholders and Subsidiaries	-
Loans to employees	215,076

8. RESTRUCTURED LOANS AS AT 30.09.2023

a. Number of borrowers	61
b. Amount outstanding (Frw'000)	272,041
c. Provision thereon (Frw'000) (regulatory)	190,754
c. Restructured loans as % of gross loans	1.8%

OTHER RISKS

LIQUIDITY RISK	
High Quality Liquidity Assets	3,376,832
Total net cash outflows	602,246
a) Liquidity Coverage Ratio (LCR)	561%
Available stable funding	13,924,535
Required stable funding	12,144,791
b) Net Stable Funding Ratio (NSFR)	115%

OPERATIONAL RISK

	TYPE	NUMBER	AMOUNT
Number and Types of Frauds and Their corresponding amount	-	-	-

MARKET RISK

Interest rate risk	-
Equity position risk	-
Foreign exchange risk	6,573

COUNTRY RISK

1. Credit exposures abroad	-
2. Other assets held Abroad	-
3. Liabilities to Abroad	281,460

MANAGEMENT AND BOARD COMPOSITION

a. Number of Board members	5
b. Number of independent directors	3
c. Number of non-independent directors	2
d. Number of female directors	2
e. Number of male directors	3
f. Number of senior managers	4
g. Number of females senior managers	1
h. Number of males senior managers	3

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