

STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME FOR THE NINE-MONTH PERIOD ENDED 30 SEPTEMBER 2022. UNREVIEWED BY EXTERNAL AUDITORS.

in `000 Frw	SEPT 2022	SEPT 2021
Interest income	3,535,503	3,221,239
Interest expense	(611,534)	(1,046,571)
Net income interest before impairment charge	2,923,968	2,174,668
Impairment credit on loans and advances	194,280	(200,931)
Net Interest Income	3,118,248	1,973,737
Fee and commission income	185,629	147,483
Fee and commission expense	(2,706)	(5,921)
Net fee and commission income	182,922	141,562
Net result from foreign exchange operations	(10,391)	(44,416)
Net other operating income	66,717	2,255,559
Net non-interest income	239,248	2,352,706
Net operating income	3,357,497	4,326,443
Personnel expenses	(1,517,845)	(1,532,665)
Depreciation and amortization expenses	(292,790)	(309,297)
Other administrative expenses	(774,786)	(735,201)
Total operating expenses	(2,585,421)	(2,577,164)
Profit before tax	772,076	1,749,279
Deferred income tax credit/(expense)	(231,389)	97,625
Profit for the period	540,687	1,846,903

The financial statements were approved and authorized for issue by the Board of Directors on 25th November 2022 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

Interest income

The 10% increase follows the growth of loan book that grew by 7% moving from 10.5Bn to 11.3Bn.

Interest expense

The decrease of 42% on interest expenses is associated with the external loan that was repaid fully in Q1 2022.

Impairment credit charges

The impairment credit charges being reported results mainly from significant recoveries for written off loans and improved loan portfolio quality.

Fees and commissions

Increase of 26% in fees and commissions income is mainly due to increase in loan origination fees, following the growth of the loan book.

Net other operating income

The huge income reported in the line September last year was mainly due to

restructuring agreement of the external loan where the creditors agreed to waive 40% of the outstanding balance.

Loans and advances to banks

The decrease of 61% is due to investment in government bonds and loan portfolio.

Loans and advances to customers

Net loans increased by 15% due to new loans disbursed during the period and improved loan portfolio quality.

Loans from banks

The decrease of 100% is mainly explained by the external borrowing fully repaid in Q1 2022.

Customer deposits

The increase is mainly contributed by the new mobilized deposits to replace external debts which was fully repaid during Q1 2022.

STATEMENT OF FINANCIAL POSITION FOR THE NINE-MONTH PERIOD ENDED 30 SEPTEMBER 2022.

in `000 Frw	30 SEPT 2022	31 DEC 2021
	(UNREVIEWED)	(AUDITED)
ASSETS		
Cash and cash equivalents	279,143	731,288
Debt securities	2,009,992	1,363,785
Loans and advances to banks	971,396	1,567,534
Loans and advances to customers	9,386,787	8,132,971
Other financial assets	372,462	161,316
Other non-financial assets	116,149	282,718
Intangible assets	49,903	77,350
Property and equipment	600,894	673,055
Rights-of-use assets	951,991	907,869
Deferred income tax asset	701,546	932,935
Total assets	15,440,263	14,830,821
LIABILITIES		
Loans from banks and other financial institutions	-	1,019,422
Customer accounts	9,747,434	8,646,478
Provisions	93,568	119,406
Lease Liabilities	961,570	951,219
Other financial liabilities	159,781	153,670
Other non-financial liabilities	85,535	88,938
Total liabilities	11,047,888	10,979,133
EQUITY		
Share capital	11,461,300	11,461,300
Retained earnings	(7,068,925)	(7,609,612)
Total equity	4,392,375	3,851,688
Total liabilities and equity	15,440,263	14,830,821

OTHER DISCLOSURES

ITEM	AMOUNT/ RATIO/NUMBER
I. CAPITAL STRENGTH	
1. Core capital (Tier 1)	3,370,584
2. Supplementary Capital (Tier 2)	129,086
3. Total capital	3,499,670
4. Total Risk Weighted Assets	10,326,913
5. Core capital /Total Risk Weighted Assets (Tier 1)	32.64%
6. Tier 2 ratio	1.25%
7. Total Capital /Total Risk Weighted Assets	33.89%
8. Leverage Ratio	22%
II. CREDIT RISK	
1. Total Gross Credit risk exposures: After accounting offsets and without taking into account credit risk mitigation	11,321,076
2. Average gross credit exposure, broken down by major types of credit exposure	10,917,130
Micro Loans	7,559,437
Super Micro Loans	2,335,890
Micro Agro Loans	865,776
SME	314,883
Other Loans	245,090
a) Loans, commitments and other non-derivative off-balance sheet exposure	-
b) Debt securities	2,009,992
c) OTC derivatives	-

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	4,280,702	627,576	902,851	443,293	1,060,400	7,314,821
Super Micro	1,642,443	175,981	166,353	20,863	275,573	2,281,213
Micro-Agro	10,083	317,197	315,671	30,650	174,146	847,747
Other Loans	244,615	-	-	-	-	244,615
SME	307,699	-	-	-	-	307,699
TOTAL	6,485,542	1,120,754	1,384,874	494,806	1,510,119	10,996,096

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

	MICRO	SUPER MICRO	MICRO AGRO	SME	OTHER LOANS	TOTAL
a) Financial	29,258	-	-	-	106,111	135,369
b) Manufacturing	123,302	99,055	-	19,994	-	242,351
c) Service and commerce	6,344,457	1,780,601	672	203,836	491	8,330,056
d) Others	350,522	152,099	-	25,636	3,831	532,089
e) Transport	84,304	58,854	-	15,085	-	158,244
f) Farming	51,258	-	815,428	9,871	-	876,557
g) Building and construction	363,368	180,732	-	43,148	134,182	721,430
TOTAL	7,346,468	2,271,342	816,100	317,570	244,615	10,996,096

5. OFF-BALANCE SHEET ITEMS

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6. NON-PERFORMING LOANS INDICATORS

a) Non-Performing Loans (NPL)	1,113,845
b) NPL Ratio	9.84%

7. RELATED PARTIES

Loans to Directors, Shareholders and Subsidiaries	-
Loans to employees	243,967

8. RESTRUCTURED LOANS AS AT 30.09.2022

a. Number of borrowers	420
b. Amount outstanding (Frw'000)	951,731
c. Provision thereon (Frw'000) (regulatory)	631,495
c. Restructured loans as % of gross loans	8.41%

OTHER RISKS

LIQUIDITY RISK	
High Quality Liquidity Assets	2,556,971
Total net cash outflows	243,947
a) Liquidity Coverage Ratio (LCR)	1048%
Available stable funding	10,846,893
Required stable funding	9,142,274
b) Net Stable Funding Ratio (NSFR)	119%

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	154

COUNTRY RISK

1. Credit exposures abroad	-
2. Other assets held Abroad	-
3. Liabilities to Abroad	14,212

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	2
g. Number of females senior managers	0
h. Number of males senior managers	2

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