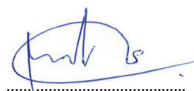



AUDITED FINANCIAL STATEMENT FOR THE YEAR ENDED 31 DECEMBER 2021
STATEMENT OF COMPREHENSIVE INCOME

| | Audited 31 December 2021 Frw'000 | Audited 31 December 2020 Frw'000 |
|--|--|--|
| Interest and similar income | 9,263,735 | 6,154,999 |
| Interest and similar expense | (3,566,675) | (2,584,539) |
| Net interest income | 5,697,060 | 3,570,460 |
| Net fees and commissions income | 1,413,535 | 1,154,327 |
| Net trading income | 498,454 | 320,945 |
| Other net operating income | (202,645) | 178,013 |
| Operating income | 7,406,404 | 5,223,745 |
| Expenses | | |
| Impairment losses on financial instruments | (1,319,657) | (394,830) |
| Employee benefits | (2,235,570) | (2,000,035) |
| Depreciation and amortisation | (724,055) | (808,970) |
| Other operating expenses | (1,683,928) | (1,195,700) |
| Operating profit | 1,443,194 | 824,210 |
| Finance costs | (303,176) | (319,040) |
| Profit before income tax | 1,140,018 | 505,170 |
| Tax income/expense | 377,114 | (64,138) |
| Net profit for the year | 1,517,132 | 441,032 |
| Other comprehensive income | - | - |
| Total comprehensive income | 1,517,132 | 441,032 |



 Managing Director
 Date23.../...03.../2022


 Board Member
 Date23.../...03.../2022

AUDITED FINANCIAL STATEMENT FOR THE YEAR ENDED 31 DECEMBER 2021
STATEMENT OF FINANCIAL POSITION

| ASSETS | Audited December 2021 Frw'000 | Audited December 2020 Frw'000 |
|---|-------------------------------------|-------------------------------------|
| Cash and balances with National Bank of Rwanda | 2,493,593 | 8,163,427 |
| Deposits and balances due from other banking institutions | 24,024,446 | 26,217,542 |
| Deposits due from financial institutions abroad | 12,251,562 | 3,861,537 |
| Government securities | 36,980,980 | 20,993,920 |
| Loans and advances | 38,162,497 | 28,034,733 |
| Other assets | 5,514,006 | 3,756,174 |
| Property and equipment | 1,296,259 | 1,270,019 |
| Right of use assets | 1,937,001 | 2,123,220 |
| Intangible assets | 1,005,845 | 865,112 |
| Deferred tax asset | 312,976 | 104,742 |
| TOTAL ASSETS | 123,979,165 | 95,390,426 |
| LIABILITIES | | |
| Current liabilities | | |
| Balance due to Central Bank | 50,441 | 119,601 |
| Customer deposits | 48,804,491 | 39,785,944 |
| Deposits and balances due to other banking institutions | 71,186 | 58,199 |
| Lease liabilities | 2,331,278 | 2,482,502 |
| Other liabilities | 1,119,512 | 6,841,867 |
| Borrowings | 54,125,249 | 37,392,687 |
| Deferred tax liability | - | 168,880 |
| TOTAL LIABILITIES | 106,502,157 | 86,849,680 |
| EQUITY | | |
| Share capital | 20,000,000 | 12,580,870 |
| Share premium | 871,740 | 871,740 |
| Accumulated losses | (3,394,732) | (4,911,864) |
| Total equity | 17,477,008 | 8,540,746 |
| TOTAL LIABILITIES AND EQUITY | 123,979,165 | 95,390,426 |


 Managing Director
 Date23.../...03.../2021


 Board Member
 Date23.../...03.../2021

AUDITED FINANCIAL STATEMENT FOR THE YEAR ENDED 31 DECEMBER 2021
STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31 DECEMBER 2021

| | Notes | Share capital Frw'000 | Share premium Frw'000 | Accumulated Losses Frw'000 | Total Frw'000 |
|---------------------------------|-------|-----------------------------|-----------------------------|----------------------------------|------------------|
| At 1 January 2021 | | 12,580,870 | 871,740 | (4,911,864) | 8,540,746 |
| Total comprehensive income | | - | - | 1,517,132 | 1,517,132 |
| Profit for the year | | - | - | 1,517,132 | 1,517,132 |
| Other comprehensive income | | - | - | - | - |
| Total comprehensive income | | - | - | 1,517,132 | 1,517,132 |
| Transactions with shareholders: | | | | | |
| Issued share Capital | | 7,419,130 | - | - | - |
| At 31 December 2021 | | 20,000,000 | 871,740 | (3,394,732) | 17,477,008 |
| At 1 January 2020 | | 12,580,870 | 871,740 | (5,352,896) | 8,099,714 |
| Total comprehensive income: | | | | | |
| Profit for the year | | - | - | 441,032 | 441,032 |
| Other comprehensive income | | - | - | - | - |
| Total comprehensive income | | - | - | 441,032 | 441,032 |
| Transactions with shareholders: | | | | | |
| Capital contribution | | - | - | - | - |
| At 31 December 2020 | | 12,580,870 | 871,740 | (4,911,864) | 8,540,746 |

AUDITED FINANCIAL STATEMENT FOR THE YEAR ENDED 31 DECEMBER 2021
STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 31 DECEMBER 2021

| | 31-Dec-21 Frw'000 | 31-Dec-20 Frw'000 |
|---|----------------------|----------------------|
| Cash flows from operating activities: | | |
| Profit before income tax | 1,140,018 | 505,170 |
| Adjustments for: | | |
| Depreciation on property and equipment | 300,427 | 392,136 |
| Amortization of intangible assets | 214,195 | 198,312 |
| Unrealized foreign exchange gains | (700,556) | (604,155) |
| Provision for risks | 29,226 | 1,148 |
| Interest expense | 1,644,376 | 887,770 |
| Gain on disposal of assets | (345) | - |
| Loss on disposal of assets | 227 | - |
| Depreciation, Interests expense on leased assets | 512,609 | 537,561 |
| Operating loss before changes in operating assets and liabilities | 3,140,177 | 1,917,942 |
| Changes in operating assets and liabilities: | | |
| Increase in loans and advances | (10,127,764) | (8,796,856) |
| Increase in cash reserve requirement | (1,320,328) | (12,908) |
| Increase in other assets | (437,504) | (863,047) |
| Increase in deposits from customers | 9,018,547 | 7,770,095 |
| Increase in deposits due to other banks | 12,987 | 50,265 |
| Increase in accrued interest on borrowings | 412,493 | 129,840 |
| (Decrease)/increase in other liabilities | (5,722,355) | 6,520,450 |
| | (8,163,924) | 4,797,839 |
| Interest expense | (1,644,376) | (887,770) |
| Cash (utilized) /generated in operating activities | (6,668,123) | 5,828,011 |
| Cash flows from investing activities: | | |
| Purchase of property and equipment | (326,989) | (208,646) |
| Government securities and other bonds | (15,394,200) | (8,848,700) |
| Purchase of intangible assets | (414,402) | (376,704) |
| Proceeds from sale of property and equipment | 440 | - |
| Net cash used in investing activities | (16,135,151) | (9,434,050) |
| Cash flows used in financing activities: | | |
| Proceeds from borrowings | 1,168,746,081 | 830,468,663 |
| Loan repayments | (1,152,495,173) | (805,656,872) |
| Lease payments | (477,615) | (462,926) |
| Proceeds from issued share capital | 7,419,130 | - |
| Net cash generated from financing activities | 23,192,423 | 24,348,865 |
| Net increase in cash and cash equivalents | 389,149 | 20,742,826 |
| Cash and cash equivalents at 01 January | 38,995,574 | 17,648,593 |
| Effects of exchange rates | 700,556 | 604,155 |
| Cash and cash equivalents at 31 Dec | 40,085,279 | 38,995,574 |

AUDITED FINANCIAL STATEMENT FOR THE YEAR ENDED 31 DECEMBER 2021
OTHER REGULATORY DISCLOSURES

| Item | 31 December 2021 Amount/ Ratio/Number | 31 December 2020 Amount/ Ratio/Number |
|--|--|--|
| I. Capital Strength | | |
| 1. Core capital (Tier 1) | 16,482,104 | 7,790,944 |
| 2. Supplementary capital (Tier 2) | 816,559 | 448,292 |
| 3. Total capital | 17,298,662 | 8,239,236 |
| 4. Total risk weighted assets | 62,711,931 | 41,384,291 |
| 5. Core capital/ Total risk weighted assets ratio (Tier 1 ratio) | 26.28% | 18.80% |
| 6. Tier 2 ratio | 1.30% | 1.10% |
| 7. Total capital/total risk weighted assets ratio | 27.58% | 19.90% |

| | | | |
|--|-------------------------------------|-----------------------------------|-----------------------------------|
| 8. Leverage ratio | | 8.17% | 8.40% |
| II. Credit Risk | | | |
| 1. Total gross credit risk exposures: after accounting offsets and without taking into account credit risk mitigation; | | 91,907,663 | 56,717,077 |
| 2. Average gross credit exposures, broken down by major types of credit exposure: | | | |
| a) Loans, commitments and other non-derivative off-balance sheet exposures; | | 54,926,683 | 35,723,157 |
| b) Debt securities; | | 36,980,980 | 20,993,920 |
| c) OTC derivatives | | - | - |
| | | 91,907,663 | 56,717,077 |
| 3. Regional or geographic distribution/ types of credit exposure | Geographic distribution | Total exposure (Frw' 000') | Total exposure (Frw' 000') |
| | Kigali City | 82,137,405 | 51,777,433 |
| | Muhanga | 804,778 | 657,493 |
| | Huye | 1,980,379 | 837,213 |
| | Rusizi | 3,332,298 | 818,965 |
| | Rubavu | 1,487,461 | 777,211 |
| | Musanze | 1,550,192 | 1,262,350 |
| | Kayonza | 615,151 | 586,412 |
| | | 91,907,663 | 56,717,077 |
| 4. Sector distribution of exposures, broken down by major types of credit exposure and aggregated in the following areas: | Sector distribution | Total exposure (Frw' 000') | Total exposure (Frw' 000') |
| | a) Government | 36,980,980 | 20,993,920 |
| | b) Financial; | 161,454 | 572,171 |
| | c) Manufacturing; | 721,845 | 69,712 |
| | d) Infrastructure and construction; | 1,646,554 | 208,407 |
| | e) Services and commerce. | 27,573,815 | 18,828,170 |
| | f) Others | 24,823,015 | 16,044,697 |
| | Total | 91,907,663 | 56,717,077 |
| 5. Off- balance sheet items | | 14,559,635 | 6,267,100 |
| 6. Non-performing loans indicators | | | |
| a) Non-performing loans (NPL) | | 2,766,264 | 1,245,471 |
| b) NPL ratio | | 6.85% | 4.20% |
| 7. Related parties | | | |
| a) Loans to directors, shareholders and subsidiaries | | 342,902 | 125,959 |
| b) Loan to employees | | 1,254,880 | 924,199 |
| 8. Restructured loans as at 31 December 2021 | | | |
| a. No. of borrowers | | 284 | 356 |
| b. Amount outstanding (Frw '000) | | 5,936,721 | 5,187,991 |
| c. Provision thereon (Frw '000) (regulatory): | | 43,253 | 52,532 |
| d. Provision IFRS P (Frw '000) | | 709,285 | 159,621 |
| e. Restructured loans as % of gross loans | | 14.71% | 17.60% |
| III. LIQUIDITY RISK | | | |
| a) Liquidity Coverage Ratio (LCR) | | 188.18% | 183.00% |
| b) Net Stable Funding Ratio (NSFR) | | 195.18% | 164.00% |
| IV. OPERATIONAL RISK | | | |
| Number and types of frauds and their corresponding amount | | | |
| | Type | Number | Amount (Frw '000') |
| | Thefts | - | - |
| V. MARKET RISK | | | |
| 1. Interest rate risk | | | |
| 2. Equity position risk | | - | - |
| 3. Foreign exchange risk | | 410,170 | 131,995 |
| VI. COUNTRY RISK | | | |
| 1. Credit exposures abroad | | 1,538,297 | 995,800 |
| 2. Other assets held abroad | | 12,251,562 | 3,861,537 |
| 3. Liabilities to abroad | | 71,186 | 58,199 |
| VII. MANAGEMENT AND BOARD COMPOSITION | | | |
| 1. Number of Board members | | 7 | 7 |
| 2. Number of independent Directors | | 4 | 4 |
| 3. Number of non-independent Directors | | 3 | 3 |
| 4. Number of female Directors | | 1 | - |
| 5. Number of male Directors | | 6 | 7 |
| 6. Number of Senior Managers | | 15 | 17 |
| 7. Number of female Senior Managers | | 5 | 6 |
| 8. Number of male Senior Managers | | 10 | 11 |

EXPLANATORY NOTES TO FINANCIALS

- Interest and similar income**
Increase in interest income is consecutive to increase in loans to clients as well as increase in placements with banks and investment in Government securities.
- Loan impairment charge**
The increase in loan impairment is related to the COVID-19 effects.
- Commission income**
Improvement in commission income is linked to increase in loan book and international transfers.
- Operating expenses**
The increase is due to increase in activities volume.
- Loan portfolio**
Lending to corporate clients allowed the loan portfolio to grow.
- Borrowings**
Borrowings from financial institutions helped the bank make interbank transactions profitable.