

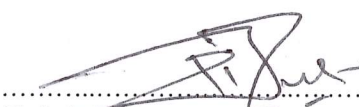
**URWEGO FINANCE CBC  
STATEMENT OF PROFIT OR LOSS & OTHER COMPREHENSIVE INCOME  
AS AT 31 DECEMBER 2024**

|   | Note | 2024<br>Frw'000           | 2023<br>Frw'000           |
|---|------|---------------------------|---------------------------|
| Interest and similar income                     | 3    | 7,716,042                 | 6,678,014                 |
| Interest and similar expense                    | 4    | <u>(760,690)</u>          | <u>(716,021)</u>          |
| <b>Net interest income</b>                      |      | <b><u>6,955,352</u></b>   | <b><u>5,961,993</u></b>   |
| Fees and commissions income                     | 5    | 800,747                   | 650,692                   |
| Fees and commissions expense                    | 6    | <u>(440,700)</u>          | <u>(276,402)</u>          |
| <b>Net fees and commission income</b>           |      | <b><u>360,047</u></b>     | <b><u>374,290</u></b>     |
| Net foreign exchange income                     |      | 516,733                   | 142,666                   |
| Other operating income                          | 7    | <u>512,895</u>            | <u>390,146</u>            |
| <b>Total operating income</b>                   |      | <b><u>8,345,027</u></b>   | <b><u>6,869,095</u></b>   |
| Net impairment charge on loans and advances     | 8    | (318,289)                 | (244,069)                 |
| <b>Operating income after impairment losses</b> |      | <b><u>8,026,738</u></b>   | <b><u>6,625,026</u></b>   |
| Employee benefits                               | 9    | (4,200,249)               | (3,762,974)               |
| Depreciation on property and equipment          | 10   | (272,386)                 | (200,200)                 |
| Depreciation on right of use assets             | 11   | (207,289)                 | (204,032)                 |
| Amortisation of intangible assets               | 12   | (39,325)                  | (19,204)                  |
| Other operating expenses                        | 13   | <u>(2,585,571)</u>        | <u>(2,203,022)</u>        |
| <b>Total operating expenses</b>                 |      | <b><u>(7,304,820)</u></b> | <b><u>(6,389,432)</u></b> |
| <b>Profit/(Loss) before tax</b>                 |      | <b><u>721,918</u></b>     | <b><u>235,594</u></b>     |
| Income tax                                      | 14   | (253,364)                 | 132,184                   |
| <b>Profit/(Loss) for the year</b>               |      | <b><u>468,554</u></b>     | <b><u>367,778</u></b>     |
| <b>Other comprehensive income</b>               |      | <b>=</b>                  | <b>=</b>                  |
| <b>Total comprehensive profit/(loss)</b>        |      | <b><u>468,554</u></b>     | <b><u>367,778</u></b>     |

**URWEGO FINANCE CBC  
STATEMENT OF FINANCIAL POSITION  
AT 31 DECEMBER 2024**

|                                      | Note  | 2024<br>Frw'000          | 2023<br>Frw'000          |
|--------------------------------------|-------|--------------------------|--------------------------|
| <b>ASSETS</b>                        |       |                          |                          |
| Cash in hand                         | 15(a) | 1,107,365                | 947,096                  |
| Due from the National Bank of Rwanda | 15(b) | 572,506                  | 1,508,061                |
| Due from other banking institutions  | 15(c) | 7,370,564                | 4,112,595                |
| Loans and advances to customers      | 16    | 29,048,610               | 23,239,527               |
| Financial investments                | 17    | 1,748,990                | 1,758,539                |
| SWAP Arrangement                     | 29    | 270,141                  | 119,008                  |
| Other assets                         | 18    | 358,809                  | 393,407                  |
| Current income tax assets            | 14    | 231,016                  | 341,676                  |
| Property and equipment               | 10    | 1,187,680                | 1,028,074                |
| Right of use assets                  | 11    | 625,625                  | 645,075                  |
| Intangible assets                    | 12    | 147,295                  | 155,792                  |
| Deferred tax assets                  | 14    | 65,082                   | 196,362                  |
| <b>TOTAL ASSETS</b>                  |       | <b><u>42,733,683</u></b> | <b><u>34,445,212</u></b> |
| <b>LIABILITIES</b>                   |       |                          |                          |
| Deposits from customers              | 19    | 26,428,636               | 21,181,343               |
| Other payables                       | 20    | 4,158,772                | 1,446,687                |
| Borrowed funds                       | 21    | 4,372,066                | 4,460,689                |
| Lease Liabilities                    | 22    | 718,761                  | 769,599                  |
| <b>TOTAL LIABILITIES</b>             |       | <b><u>35,678,235</u></b> | <b><u>27,858,318</u></b> |
| <b>EQUITY</b>                        |       |                          |                          |
| Share capital                        | 23    | 11,139,900               | 11,139,900               |
| Share premium                        | 24    | 126,608                  | 126,608                  |
| Statutory Reserve                    | 26    | 250,899                  | 110,333                  |
| Accumulated losses                   | 25    | (4,461,959)              | (4,789,947)              |
| <b>Total equity</b>                  |       | <b><u>7,055,448</u></b>  | <b><u>6,586,894</u></b>  |
| <b>TOTAL LIABILITIES AND EQUITY</b>  |       | <b><u>42,733,683</u></b> | <b><u>34,445,212</u></b> |

The statement of financial position and statement of profit or loss were approved by the Board of Directors on .....March 2025 and signed on its behalf by

  
Christine Baingana  
Chief Executive Officer



  
Amanda Y. Fung  
Chairperson of the Board of Audit Committee

**URWEGO FINANCE CBC  
STATEMENT OF CHANGES IN EQUITY  
FOR THE YEAR ENDED 31 DECEMBER 2024**

|  | Share capital     | Share premium  | Statutory reserve | Accumulated losses | Total equity     |
|--|-------------------|----------------|-------------------|--------------------|------------------|
|  | Frw'000           | Frw'000        | Frw'000           | Frw'000            | Frw'000          |
| <b>At 01 January 2023</b>                          | 11,077,450        | 126,605        | -                 | (5,047,392)        | 6,156,663        |
| Profit and total comprehensive for the year        | -                 | -              | -                 | 367,778            | 367,778          |
| Statutory reserve                                  | -                 | -              | 110,333           | (110,333)          | -                |
| Issue of shares                                    | 62,450            | 3              | -                 | -                  | 62,453           |
| <b>At 31 December 2023</b>                         | <b>11,139,900</b> | <b>126,608</b> | <b>110,333</b>    | <b>(4,789,947)</b> | <b>6,586,894</b> |
| <b>At 01 January 2024</b>                          | 11,139,900        | 126,608        | 110,333           | (4,789,947)        | 6,586,894        |
| Profit and total comprehensive income for the year | -                 | -              | -                 | 468,554            | 468,554          |
| Statutory reserve                                  | -                 | -              | 140,566           | (140,566)          | -                |
| Issue of shares                                    | -                 | -              | -                 | -                  | -                |
| <b>At 31 December 2024</b>                         | <b>11,139,900</b> | <b>126,608</b> | <b>250,899</b>    | <b>(4,461,959)</b> | <b>7,055,448</b> |

\* Statutory reserve relates to regulatory reserve requirement for Microfinance Institution in Rwanda as per article 20 of Law No. 072/2021 of 5/11/2021 governing deposit taking microfinance institutions. The reserve is non distributable.

**URWEGO FINANCE CBC  
STATEMENT OF CASH FLOWS  
AS AT 31 DECEMBER 2024**

|  |       | 2024                    | 2023                      |
|--|-------|-------------------------|---------------------------|
|  | Note  | Frw'000                 | Frw'000                   |
| <b>Cash flows from operating activities:</b>                               |       |                         |                           |
| <b>Profit before income tax</b>  |       | <b>721,918</b>          | <b>235,594</b>            |
| <u>Adjustments for:</u>  |       |                         |                           |
| Amortization of intangible assets  | 12    | 39,325                  | 19,204                    |
| Depreciation on property and equipment                                     | 10    | 272,386                 | 200,200                   |
| Depreciation on right of use assets  | 11    | 207,289                 | 204,032                   |
| Impairment charge on financial assets                                      |       | 318,289                 | 489,537                   |
| Gain on disposal of property and equipment                                 | 13    | -                       | (1,321)                   |
| Interest expense of leases   | 4     | 84,176                  | 103,225                   |
| Other non-cash movements:  |       |                         |                           |
| Right-of-use assets  |       | (187,839)               | (130,630)                 |
| Lease liabilities  |       | 227,118                 | 260,500                   |
| Property and equipment   |       | <u>(4,630)</u>          | =                         |
| <b>Operating profit before changes in operating assets and liabilities</b> |       | <b><u>1,678,032</u></b> | <b><u>1,380,341</u></b>   |
| <b>Changes in working operating assets and liabilities</b>                 |       |                         |                           |
| Increase in loans and advances   |       | (5,541,663)             | (832,723)                 |
| Decrease/(increase) in other assets  |       | 34,419                  | (13,664)                  |
| Increase in deposits from customers  |       | 5,247,293               | 1,751,481                 |
| Increase/(decrease) in other liabilities                                   |       | 2,603,771               | (246,639)                 |
| Increase in derivatives  |       | 151,133                 | 119,008                   |
| Increase in cash reserve balances with National Bank                       |       | =                       | <u>(86,490)</u>           |
|  |       | <b><u>4,172,985</u></b> | <b><u>2,071,314</u></b>   |
| Taxes paid   | 14    | <u>(11,424)</u>         | <u>(9,392)</u>            |
| <b>Cash generated from operations</b>                                      |       | <b><u>4,161,561</u></b> | <b><u>2,061,922</u></b>   |
| <b>Cash flows from investing activities</b>                                |       |                         |                           |
| Decrease/(increase) in financial investments                               |       | 7,867                   | (1,376,019)               |
| Purchase of property and equipment   | 10    | (427,362)               | (588,484)                 |
| Purchase of intangible assets  | 12    | (30,712)                | (161,488)                 |
| Proceeds from sale of property and equipment                               |       | =                       | <u>2,074</u>              |
| <b>Net cash flows from / (used in) investing activities</b>                |       | <b><u>(450,207)</u></b> | <b><u>(2,123,917)</u></b> |
| <b>Cash flows from financing activities:</b>                               |       |                         |                           |
| Proceeds from borrowings   |       | 1,127,490               | 1,263,931                 |
| Principal repayment  |       | (1,000,000)             | -                         |
| Interest repayment   |       | (216,113)               | (58,957)                  |
| Lease payments   |       | (277,956)               | (307,256)                 |
| Repayment from sublease  |       | 22,199                  | 29,976                    |
| Proceeds of issuance of share capital                                      | 23    | =                       | <u>62,451</u>             |
| <b>Net cash (used in)/ from financing activities</b>                       |       | <b><u>(344,380)</u></b> | <b><u>990,145</u></b>     |
| <b>Net increase/(decrease) in cash and cash equivalents</b>                |       | <b><u>3,366,974</u></b> | <b><u>928,150</u></b>     |
| Net foreign exchange difference  |       | 196,957                 | 853,315                   |
| Cash and cash equivalents at 01 January                                    |       | <u>5,609,762</u>        | <u>3,828,297</u>          |
| Cash and cash equivalents  | 15(d) | <b><u>9,173,693</u></b> | <b><u>5,609,762</u></b>   |

**URWEGO FINANCE CBC**  
**APPENDIX 1: OTHER DISCLOSURES**  
**FOR THE YEAR ENDED 31 DECEMBER 2024**

| <b>Item</b>   | <b>Figures in Frw'000</b> |  |  |
|---|---------------------------|--|--|
| <b>A. Capital Strength</b>  |                           |  |  |
| a. core capital (Tier 1)  | 6,843,071                 |  |  |
| b. supplementary capital (Tier 2)   | 2,604,911                 |  |  |
| c. total capital  | 9,447,982                 |  |  |
| d. total risk weighted assets   | 31,065,332                |  |  |
| e. core capital/ Total risk weighted assets ratio (Tier 1 ratio)  | 22.03%                    |  |  |
| f. tier 2 ratio   | 8.39%                     |  |  |
| g. total capital/total risk weighted assets ratio   | 30.41%                    |  |  |
| <b>B. Credit Risk</b>   |                           |  |  |
| 1. total gross credit risk exposures: after accounting offsets and without taking into account credit risk mitigation;    | 30,170,901                |  |  |
| 2. average gross credit exposures, broken down by major types of credit exposure:   | 30,170,901                |  |  |
| a) loans, commitments and other non-derivative off-balance sheet exposures;   | -                         |  |  |
| b) debt securities;   | -                         |  |  |
| c) OTC derivatives  | 1,728,736                 |  |  |
| 3. Regional or geographic distribution of exposures, broken down in significant areas by major types of credit exposure;  |                           |  |  |
| a. Kigali City  | 14,506,752                |  |  |
| b. Northern Province  | 2,698,602                 |  |  |
| c. Eastern province   | 6,905,641                 |  |  |
| d. Western Province   | 3,170,903                 |  |  |
| f. Southern Province  | 2,889,003                 |  |  |
| 4. Sector distribution of exposures, broken down by major types of credit exposure and aggregated in the following areas: |                           |  |  |
| a) Construction   | 5,122,542                 |  |  |
| b) Whole sale and retail  | 19,011,437                |  |  |
| c) Agriculture  | 3,474,405                 |  |  |
| d) Transport, warehousing and communication   | 1,616,894                 |  |  |
| e) Other industries   | 945,623                   |  |  |
| <b>5. Off- balance sheet items</b>  | 1,728,736                 |  |  |
| <b>6. Non-performing loans indicators</b>   |                           |  |  |
| a) Non-performing loans (NPL)   | 295,256                   |  |  |
| b) NPL ratio  | 0.99%                     |  |  |
| <b>7. Related parties</b>   |                           |  |  |
| a. Loans to directors, shareholders and subsidiaries  | -                         |  |  |
| b. Loans to employees   | 720,587                   |  |  |

**URWEGO FINANCE CBC  
STATEMENT OF PROFIT OR LOSS & OTHER COMPREHENSIVE INCOME  
AS AT 31 DECEMBER 2024**

|  |                       |        |                   |
|--|-----------------------|--------|-------------------|
| a. No. of borrowers with restructured loans                            | 148                   |        |                   |
| b. No. of loans restructured   | 150                   |        |                   |
| c. Amount outstanding (Frw'000) on restructured loans                  | 556,328               |        |                   |
| d. Provision thereon (Frw'000) (regulatory)                            | 33,927                |        |                   |
| e. Restructured loans as % of outstanding loan amounts (all borrowers) | 2%                    |        |                   |
| <b>C. LIQUIDITY RISK</b>   |                       |        |                   |
| Liquidity ratio  | 39%                   |        |                   |
| <b>D. OPERATIONAL RISK</b>   |                       |        |                   |
|  | Types                 | Number | Amount<br>Frw'000 |
| a. Number and types of frauds and their corresponding amount           | cash misappropriation | 3      | 4,002             |
| <b>F. COUNTRY RISK</b>   |                       |        |                   |
| a. Credit exposures abroad   | -                     |        |                   |
| b. Other assets held abroad  | 583,452               |        |                   |
| c. Liabilities to abroad   | 3,372,066             |        |                   |
| <b>G. Management and board composition</b>                             |                       |        |                   |
| a. Number of Board members   | 7                     |        |                   |
| b. Number of independent directors                                     | 6                     |        |                   |
| <b>G. Management and board composition (cont'd)</b>                    |                       |        |                   |
| c. Number of non-independent directors                                 | 1                     |        |                   |
| d. Number of female directors  | 3                     |        |                   |
| e. Number of male directors  | 4                     |        |                   |

Note: These financial statements and other disclosures are also accessible at Urwego Finance CBC website: [www.urwegofinance.com](http://www.urwegofinance.com)

Our head office address: KG5, Rukiri Cell, Remera Sector, Gasabo District

### **Explanatory notes on 2024 performance vs 2023 performance**

- 1) Urwego Finance CBC's profit after tax was 27% higher than prior year same period driven by the growth in portfolio with a rip on effect on interest income and commission income.
- 2) Interest income grew by 16% year on year driven by the increase in lending activities, improvement in the quality of loans due to proper underwriting and better delinquency management
- 3) Interest expense was 6% higher than prior same period triggered by the mobilization of source of funds through long term loans and customer deposits to fund growth in loan portfolio and other operations
- 4) Fees and commission income was 23% higher than prior year same period driven by the increase in lending activities
- 5) Loan to clients was 25% higher than prior year same period due to increase in lending activities
- 6) Deposits from customers were 24% higher than prior year same period due to the mobilization of current and term deposits to funds lending activities
- 7) Urwego total assets grew by 24.1% driven namely by growth in cash and cash equivalents as well as loan portfolio.