



PRESS RELEASE

I&M Bank (Rwanda) PLC delivers a 45 percent growth in Profit Before Tax on the back of continued investments in digital solutions for its customers.

Kigali, Rwanda, 30th November 2021: I&M Bank (Rwanda) PLC has announced its financial results for the period ended 30th September 2021

In line with the favorable momentum in the local economy, the Bank has reported profits before tax of RWF 8.3 Billion for the first nine months of 2021, up from RWF 5.8 Billion recorded in the same period last year.

Commenting on the financial results, Mr. Robin Bairstow, the CEO of I&M Bank (Rwanda) PLC said:

“Our results highlight our efforts in improving our digital infrastructure in line with our strategy and aspiration to be Rwanda’s leading financial partner for growth. We will continue building state-of-the-art digital platforms and growing the MSME sector which significantly supports the Rwandan economy.”

KEY FINANCIAL PERFORMANCE

During the period under review, the Bank’s balance sheet and income metrics improved on the backdrop of a solid capital base and liquidity.

BALANCE SHEET HIGHLIGHTS

- The Bank’s asset base rose to RWF 435 billion, reflecting a 4% year on year growth as a result of an increase in the loan book and investments in government securities.
- The Bank’s customer lending portfolio grew by 6% to RWF 217 billion in September 2021 (RWF 205 billion in September 2020).
- The quality of the loan book improved with the NPL ratio of 3.6 %
- The Bank closed the period with RWF 298 billion of customer’s deposits, and a loan-to-deposit ratio of 73%. The Liquidity coverage ratio stood at 415% as at end September 2021
- The Shareholder’s Equity of the Bank grew to RWF 60 billion, up from RWF 54 billion as at 31st December 2020. The Bank’s capital position remained strong with Tier 1 & Tier 2 CAR being at 16% and 19% respectively

INCOME STATEMENT HIGHLIGHTS

- The Bank recorded a profit after tax of RWF 5.4 billion, reflecting a 46% growth over last year. This has been supported by increased net interest income which rose by 21% from the levels in 2020, closing the period at RWF 20 billion
- The operating income for the Bank increased to RWF 24 billion, a 15% increase year on year.
- The Bank’s net fees and commission income increased by 14% on the back of income from digital products and an increase in off balance sheet income.
- The Bank improved its cost-to-income ratio to 60% from 64% for the year before, while also maintaining a positive cost/income jaws (after impairment) of 11%.
- The total operating expenses for the Bank was at RWF 14 billion, which reflected a 6.7% year on year increase on account of increased investment in digitisation.
- The Bank’s loan impairment charges for the period stood at RWF 1.5 billion, which is 20% lower year on year, in light of improved macroeconomic conditions and despite a challenging start of the year for all stakeholders.



COMMITMENT TO CREATING VALUE

Commenting on the Bank's commitment to create long term value to all the stakeholders, the CEO Mr. Bairstow said "Underpinning our performance is our commitment to being there for our customers and for the community we serve. Throughout this pandemic period, we lent our full weight on safeguarding the lives and livelihoods of our staff through implementation of remote working, as well as conducting staff wellbeing and mental-health programs. For our customers, we created long term value by leading from the front in the fight against COVID-19 through moratoria, government supported lending and other support measures. Through the IFE grant, the bank has helped to retain over 1,900 jobs in 139 MSMEs".

CONTINUED INVESTMENT IN DIGITAL SOLUTIONS

Speaking on the Bank's commitment to continuously support innovation through offering digital solutions to customers, Mr. Bairstow said, "We have significantly sustained our contribution in the financial sector over the years. We remain committed to diversifying our financial services and leveraging on existing opportunities to better serve the Rwandan population through investments and partnerships in new technologies. Our efforts in supporting the growth of the MSME sector was recognized with the Product Innovation of the Year Gold Award at the Global Finance Awards 2021 organized by the SME Finance Forum in partnership with International Finance Corporation (IFC) for delivering outstanding products and services to our SME clients and segment. Our MSME division has recorded a customer base growth of 65% over the last year. We will continue to make major investments in digital technology in line with the I&M Group strategy that places digitisation as a key growth accelerator".

In Q4 the Bank will continue investing in digital products and services as well as supporting its customers so as to manage net interest income. Further it will continue applying cost management best practices to ensure that healthy margins are maintained.

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More information on I&M Bank (Rwanda) PLC can also be found on our website: <https://www.imbankgroup.com/rw>

ABOUT I&M BANK (RWANDA) PLC

Incorporated in 1963, I&M Bank (Rwanda) Plc. is the oldest Bank in Rwanda. It is today one of the leading players in the industry with a strong footprint across the country.

The Bank, which is listed on the Rwanda Stock Exchange (RSE), is a subsidiary of I&M Group PLC, a leading regional financial services group in Eastern Africa. I&M Group PLC has other banking subsidiaries in Kenya, Tanzania and Uganda as well as a joint venture in Mauritius and is listed on the Nairobi Securities Exchange. I&M Group has a long history in banking and has established a wide network of correspondent banks across the globe and enjoys a strong relationship with leading international Development Financial Institutions.