



OUR BRAND PROMISE

We Are On Your Side

Our Core Values



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The Financial results of the Bank can be sourced from the link: <https://www.imbankgroup.com/rw/about-us/annual-reports/>

Today's speakers



ROBIN C. BAIRSTOW
MANAGING DIRECTOR



DEDERI WIMANA
CHIEF FINANCE OFFICER

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Operating context & Business Highlights



Financial Review



Strategy Update & Outlook



Rwanda | Operating Context



Outlook Review on Rwanda

- **GDP growth of 7.9%** (Q1-2022) - *(10.3% in Dec 2021)*
- **Rebound of business & economic activities:** following the lifting of all COVID-related restrictions.
- **COVID vaccinations** at +80% in the country. ⁽¹⁾
- **Resumption of MICE and tourism promotion.**



Efforts to boost economic growth & recovery

- **Increase of lending rate to 6%** by the National Bank of Rwanda & managing exchange rates adjustments
- **Acceleration of the vaccination campaign across the country**
- **Subsidies cushioning** against food & energy prices.



Macroeconomic pressures

- **Currency depreciation by 3.78% YoY against the US Dollars** ⁽²⁾ *(slower than 5.34% recorded by June 2021)*
- **Inflation rate: + 16.1% YTD in June 2022** ⁽³⁾ *(0.1% overall CPI increase recorded by June 2021)*
- **25% increase YoY** in food & non-alcoholic beverages prices ⁽³⁾ - *(0.2% YoY increase recorded by June 2021)*
- **15% avg. increase YoY** in Housing water, electricity, gas and other fuels prices ⁽³⁾ - *(1.8% YoY increase recorded by June 2021)*

Source:

1. Vaccination data: "[Our World in Data](#)"
2. Depreciation sourced from the National Bank of Rwanda (BNR)
3. Inflation rate, prices and GDP sourced from the National Institute of Statistics (NISR)

Abbreviations:

- * YOY: year-on-year
- * CPI: Overall Consumer Price Index



Business Highlights | Delivered strong half-year results

Growth

- **Customer base: +62 K**, up by 31% YoY.
- **Customer deposits** of RWF 352Bn, up by 8% YTD.
- **Loan book** of RWF 237Bn, up by 7% YTD.
- **Revenue growth**: Net Interest Income +17% YoY and Non-funded Income +35% YoY.

Profitability

- **Headline earnings** +16% YoY.
- **Cost discipline** leading to an efficiency ratio of 57.8%
- **Profit before tax of RWF 6.5 Bn**: +25% YoY

Strength

- **NPL Ratio** of 1.58%
- **Strong capital adequacy position**: Tier I CAR of 17.36%; Tier II of 19.35%
- **Healthy funding & liquidity positions**: LCR of 170%



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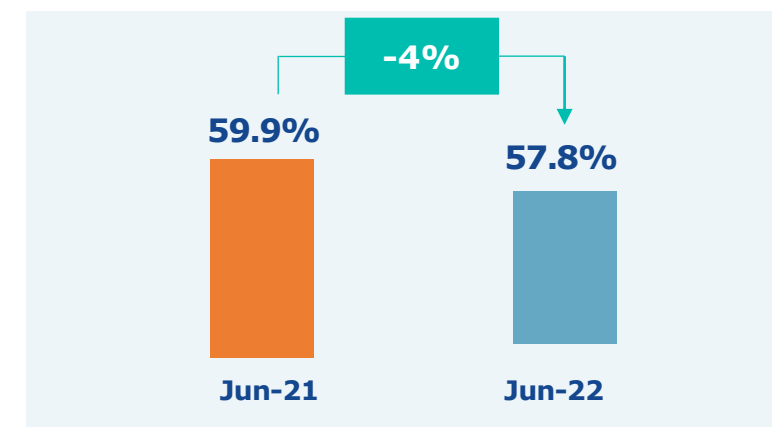
Strategy Update &
Outlook



H1-2022 Financial highlights – ongoing execution of our iMara 2.0 strategy

Rwf 'Millions	Jun-22	Jun-21	Jun-20	% YoY Var.
Net interest income	15,572	13,309	11,230	17.0
Net fee income	1,075	857	768	25.4
Trading and other income	2,965	2,134	2,067	38.9
Total operating income	19,616	16,300	14,065	20.3
Operating expenses	-11,335	-9,769	-9,144	16.0
Net operating income	8,277	6,531	4,921	26.7
Net Impairment Charge	-1,772	-1,342	-1,582	32.0
Profit Before Tax	6,505	5,189	3,339	25.4
Tax Expense	-2,277	-1,816	-1,169	
Profit After Tax	4,229	3,373	2,170	

Cost-to-Income Ratio



Key take-aways

- **H1-2022 performance** reflects the continued benefits of our **diversification strategy**.
- **NII** increased on the back of the loan book growth, revenues from investment securities and cost of funds management.
- **Non-Funded Income** grew on the back of investments made on our digital platforms and various revenue-generating initiatives put in place by the Bank.

Well-funded, diversified, and highly liquid balance sheet (large % contribution from deposits from customers & other financial institutions)

Rwf 'Billions	Jun-22	Dec-21	Dec-20	% Var. Dec-21
Loans & Advances	237.1	222.4	205.2	7%
Financial Investments	113.3	91.5	100.9	24%
Other Assets	146.0	153.0	111.1	-5%
Total Assets	496.5	466.9	417.2	6%
Deposits from customers	300.3	266.5	248.4	13%
Deposits from Banks	51.8	60.4	49.8	-14%
Borrowings	59.6	61.0	49.1	-2%
Other Liabilities	18.3	16.8	15.4	9%
Shareholders' Equity	66.5	62.2	54.5	7%
Total Liability & Equity	496.5	466.9	417.2	6%

Credit Quality indicators

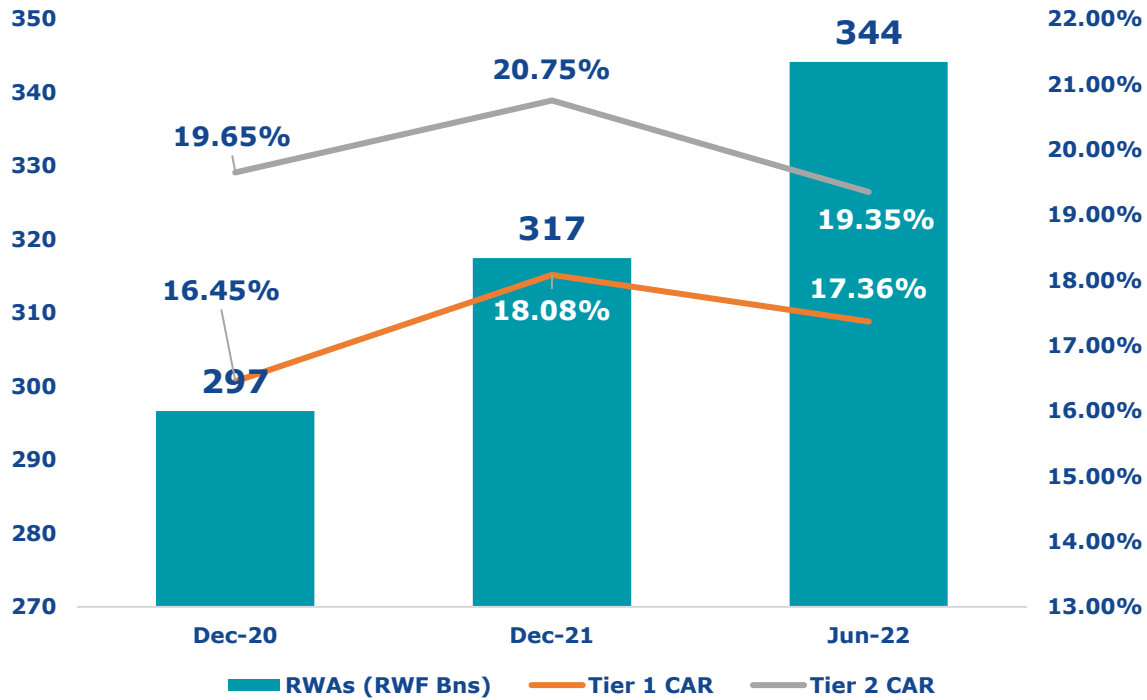
	Jun-22	Dec-21	Dec-20
NPL Ratio	1.58%	3.45%	3.51%

Key take-aways

- **Deposit liabilities** increased on the back of growth in customer base by 31% YoY
- **Loans & Advances** reflects refocused business environment & improvement in credit quality.

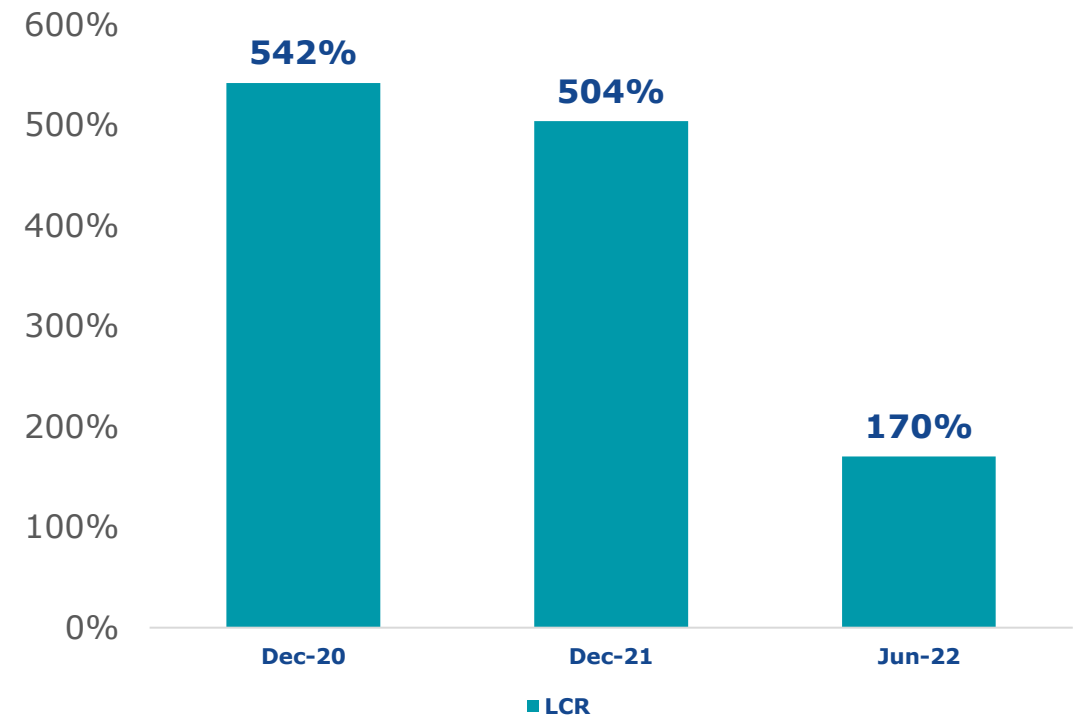
Strong capital levels & liquidity Ratios

Capital Adequacy Ratio



Regulatory requirement:
 Tier I CAR: 13%
 Tier II CAR: 15%

Liquidity Coverage Ratio



Regulatory requirement:
 LCR: minimum of 100%

Key ratios reflects the business growth and tangible momentum behind our strategy execution.

	Dec-20	Dec-21	Jun-22
Return on Equity (ROAE), %	10.9	15.7	13.1*
Return on Assets (ROAA), %	1.39	2.1	1.8*
Liquidity Coverage Ratio, %	542	504	170
Cost/ Income Ratio, %	57.1	62.1	57.8
Net Loans to Deposit Ratio, %	68.8	68.0	67.4
Tier I Capital Adequacy Ratio, %	16.45	18.08	17.36
Tier II Capital Adequacy Ratio, %	19.65	20.75	19.35
Earnings Per share, RWF	4.72	6.61	5.60

**June-2022 data computed based on annualized PBT*

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**Strategy Update &
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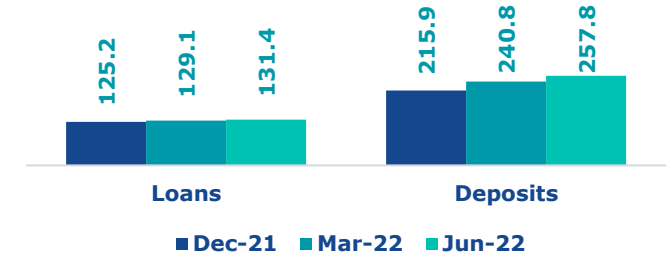


Continue to be guided by our iMara 2.0 strategy & maintain a strong underlying performance across all business segments

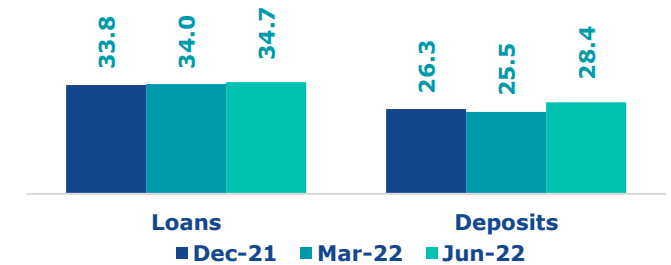
Strategy Highlights

- **Executing our MSME strategy;** +2,247 new businesses (50% YoY growth)
- **Revenue diversification** Strategic initiatives continue to gain strength with a 10% contribution to the total net revenue of the bank with outstanding results from MSME buildout, Bancassurance business line, and digital channels.
- Implementation of enterprise risk management systems
- automation and digitization of key customer processes with I&M Leading with an end-to-end digital customer online onboarding.
- Roll-out of AML platform, IFRS 9 modelling system & Corporate loan origination system
- Net promoter Score: **93% YTD**
- **Digital Channels: 75%** of the Bank's transactions are done on alternative channels
- **400+ Merchant acquiring** terminals
- **SPENN: 370K** users (as of end June 2022) on the platform
- **SPENN: 3000+** loans disbursed through SPENN micro-lending product.

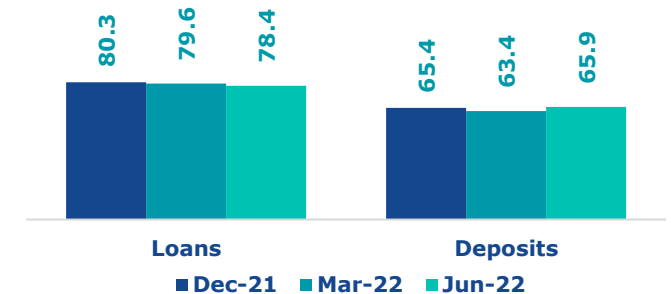
Corporate Banking







Business Banking



Retail Banking



We reiterate our 2022 main targets

-  **Portfolio Growth;** Diversifying loan book with focus on MSMEs and Retail Banking and maintaining good asset quality.
-  **Revenue diversification;** Leverage on strategic partnerships to capitalize on market opportunities.
-  **Digital & Customer Experience;** leverage our digital channels to enable more complex sales and service capabilities
-  **Cost management** Roll out cost containment initiatives

Outlook: What Success will look like in 2022



**70,000
Customers**

USD 5.5 Mn
Fees & Commission Income



PBT:

USD 13Mn



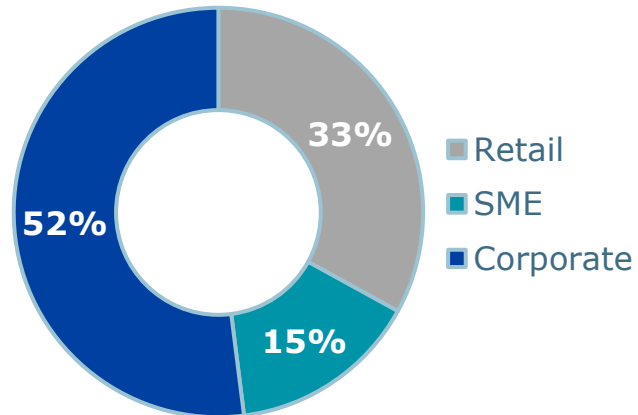
Active customers on digital channels: from 70% to 73%

Card uptake: from 55% to 66%

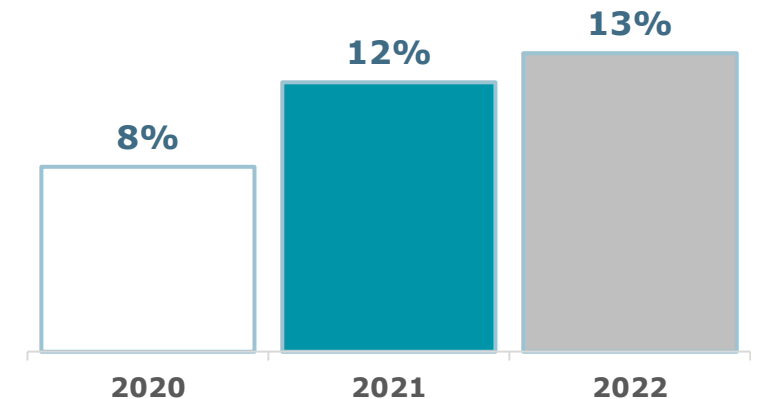
Dormancy: from 25% to 15%

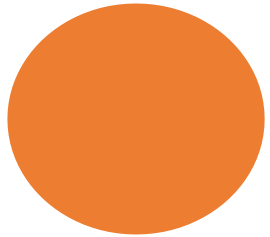
NFR Ratio: from 31% to 33%

**Portfolio
structure**



**Return on
Equity**





APPENDIX



I&M Rwanda' JOURNEY



2003: The Government of Rwanda increased the share capital to Frw 7.6 Bn and BCR became 86.8% owned by the Government of Rwanda.

I&M Bank Rwanda is listed on the Rwanda Stock Exchange (RSE)

2004: Actis acquired 80% share in BCR after a recapitalization.

1963

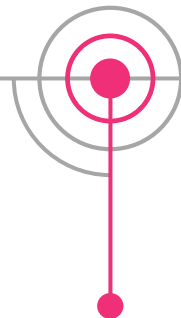


Banque Commerciale du Rwanda (BCR) was incorporated as the first commercial Bank in Rwanda.

2003-4

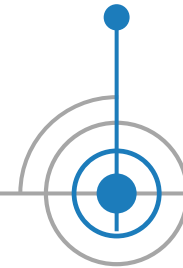


2012

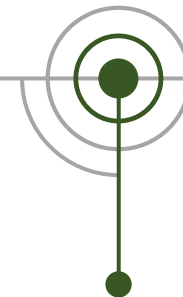


I&M Bank enters Rwanda with the acquisition of a majority shareholding in BCR, in consortium with Proparco and DEG.

2017

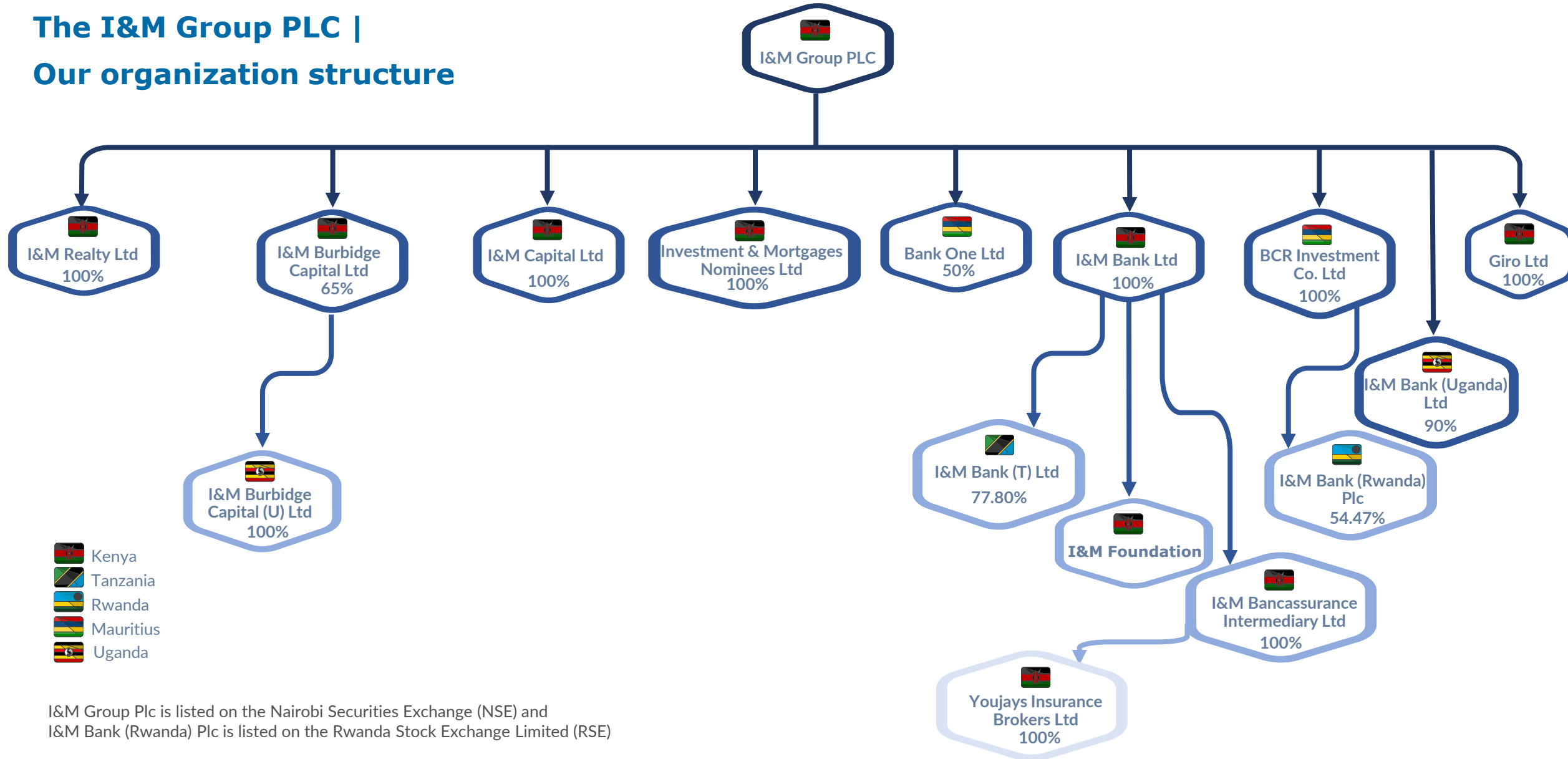


2018



Digitalization journey
- Launch of new core banking systems.

The I&M Group PLC | Our organization structure





Thank you

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