

I&M Bank (Rwanda) PLC

Investor presentation

for the year ended 31 December 2022

31 March 2023

WE ARE ON YOUR SIDE

Nine on the avenue - Rwanda



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Agenda

- Operating context & Business Highlights <
- Financial Review <
- Strategy Update & Outlook <
- Appendix <

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

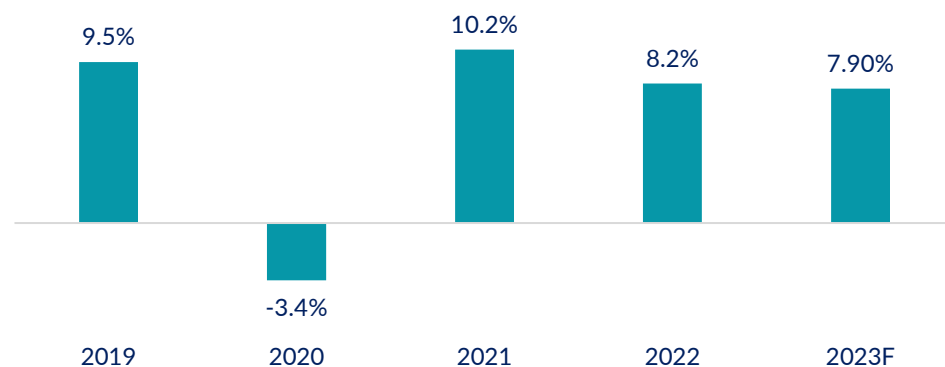


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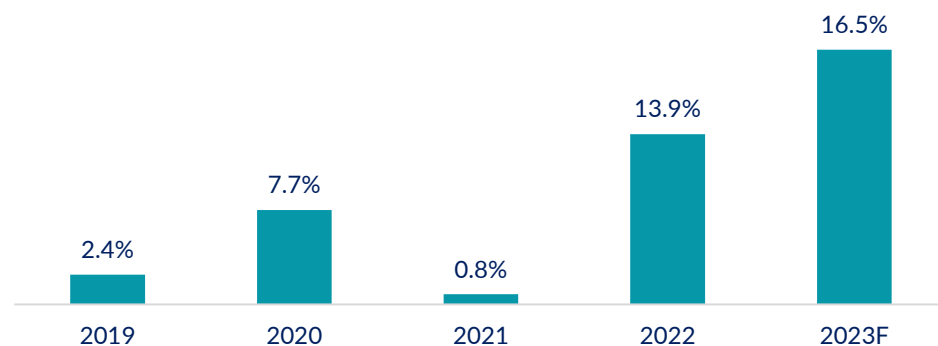
Operating context & Business Highlights



Rwanda GDP Growth (%)



Rwanda Inflation Rate (%)



Macro-economic Outlook

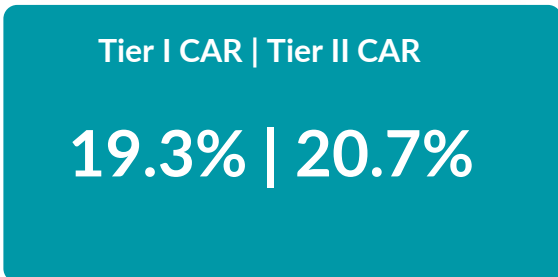
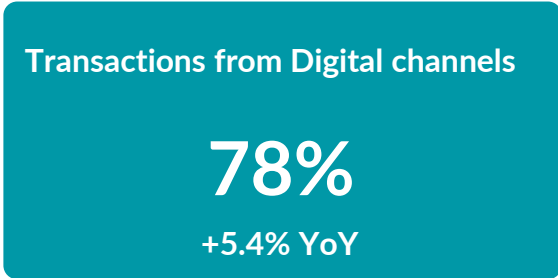
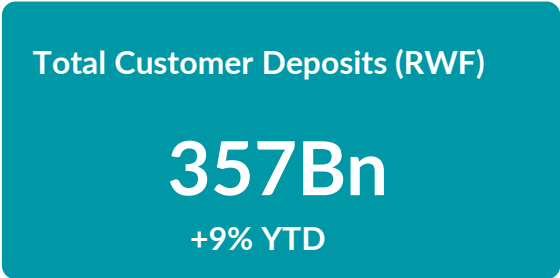
- Rwanda's GDP growth is projected to increase by 7.9% in 2023, even though global growth is projected to experience a sharper than-expected decline, and a continued rise in inflation;
- The annual average inflation rate between February 2023 and February 2022 was 16.5 percent, and projected to remain high in the whole of 2023H1, particularly due to continued global economic challenges as well as lower domestic agricultural production;

Banking Sector

- National Bank of Rwanda increased the Central Bank Rate (CBR) from 6.5 to 7%, to curb the spillover of supply-driven inflationary pressures;
- The banking sector continues to grow and remains profitable, well-capitalized and liquid as of December 2022. With the NPL ratio dropping to 3.1% in December 2022 from 4.6% in December 2021;
- The sector grew by 18.3%, on account of the growth of capital and external borrowings.



Business Highlights | Executing our strategy to drive greater growth, and profitability





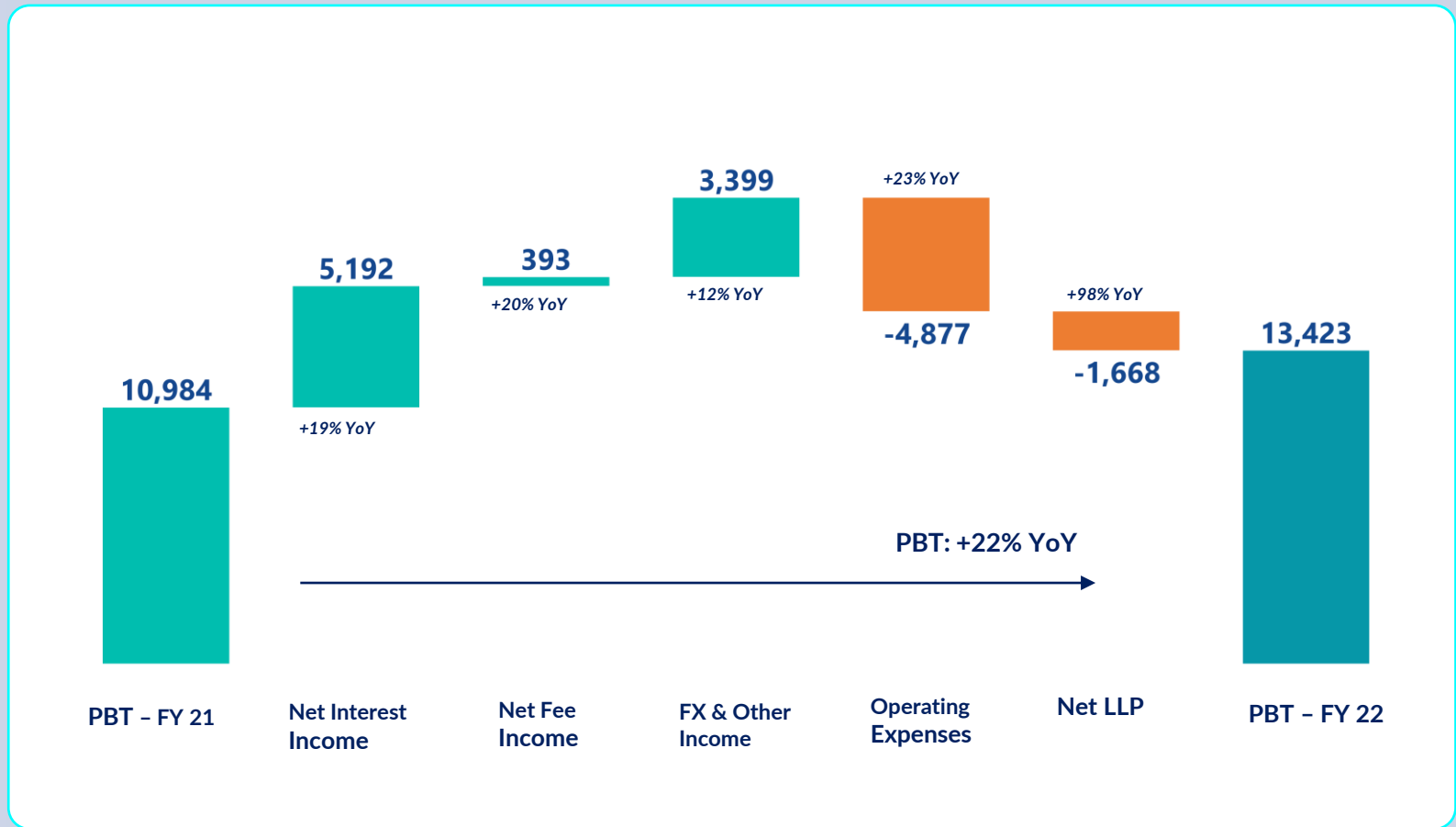
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Financial Review

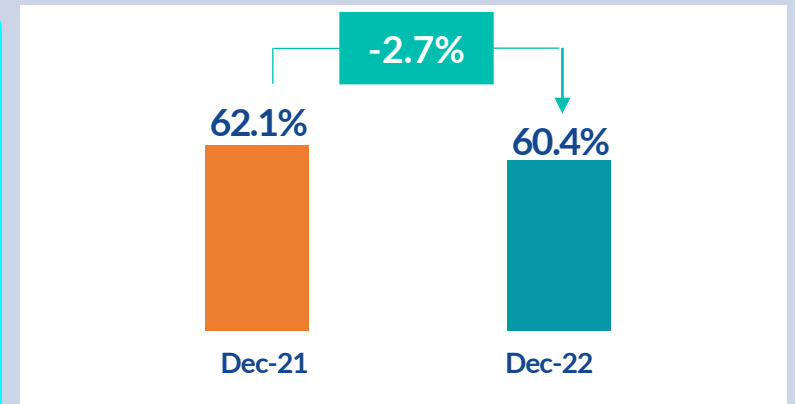


FY 2022 Financial highlights | ongoing execution of our iMara 2.0 strategy

Snapshot | Income Statement (RWF 'Millions)



Cost-to-Income Ratio



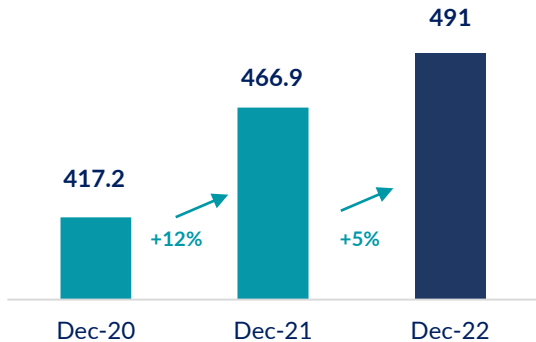
Key take-aways

- **2022 full year performance** reflects the continued benefits of **optimizing our operating model**.
- **NII** increased on the back of the loan book growth, revenues from money market, securities trading and cost of funds management.
- **Non-Funded Income** grew on the back of various revenue-generating initiatives and increase in foreign currencies trading.

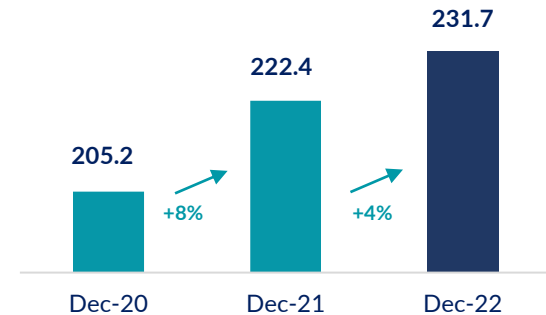
Note: The above should be read in conjunction with the full financial publication available on our website:
<https://www.imbankgroup.com/rw/about-us/annual-reports/>

Snapshot | Balance Sheet (RWF 'Billions)

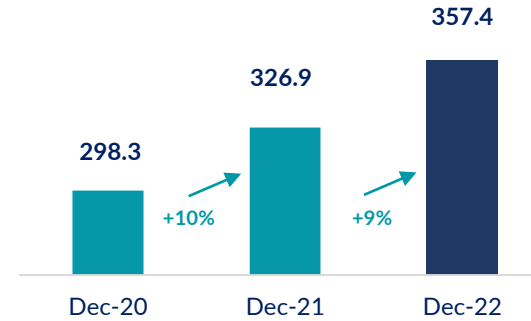
Total Assets



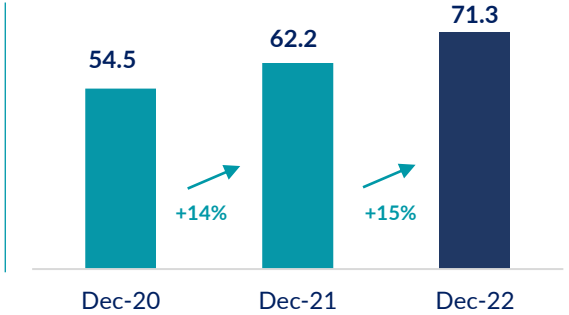
Loans & Advances



Customer Deposits



Total Equity



- Growth in total assets was supported by both increase in Loan and Advances portfolio and investments in Government Securities during the quarter;
- 4% increase in Loans and Advances was supported by new deals booked across all segments;
- Deposit liabilities increased on the back of growth in customer base by 34.4% YoY; Continued focus on deposit mobilization and CASA collection solutions;

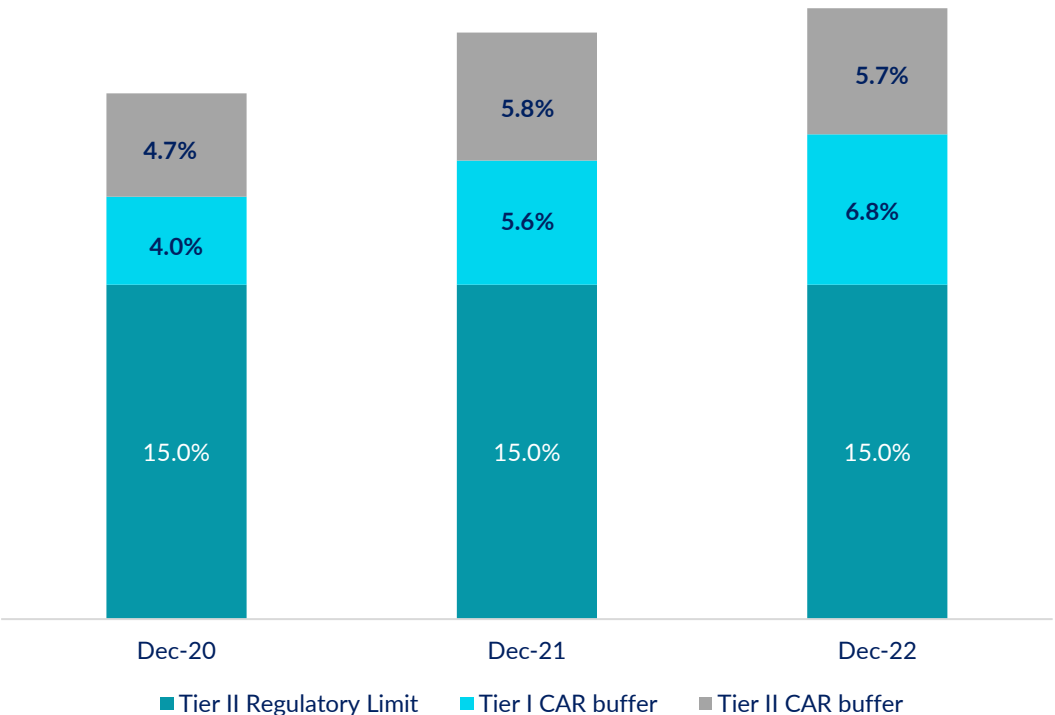
Key Ratios	Dec-20	Dec-21	Dec-22
Net NPL Ratio, %	0.01	-0.45	1.50
CASA to Total Deposits, %	82.7	79.0	83.7

Note: The above should be read in conjunction with the full financial publication available on our website: <https://www.imbankgroup.com/rw/about-us/annual-reports/>

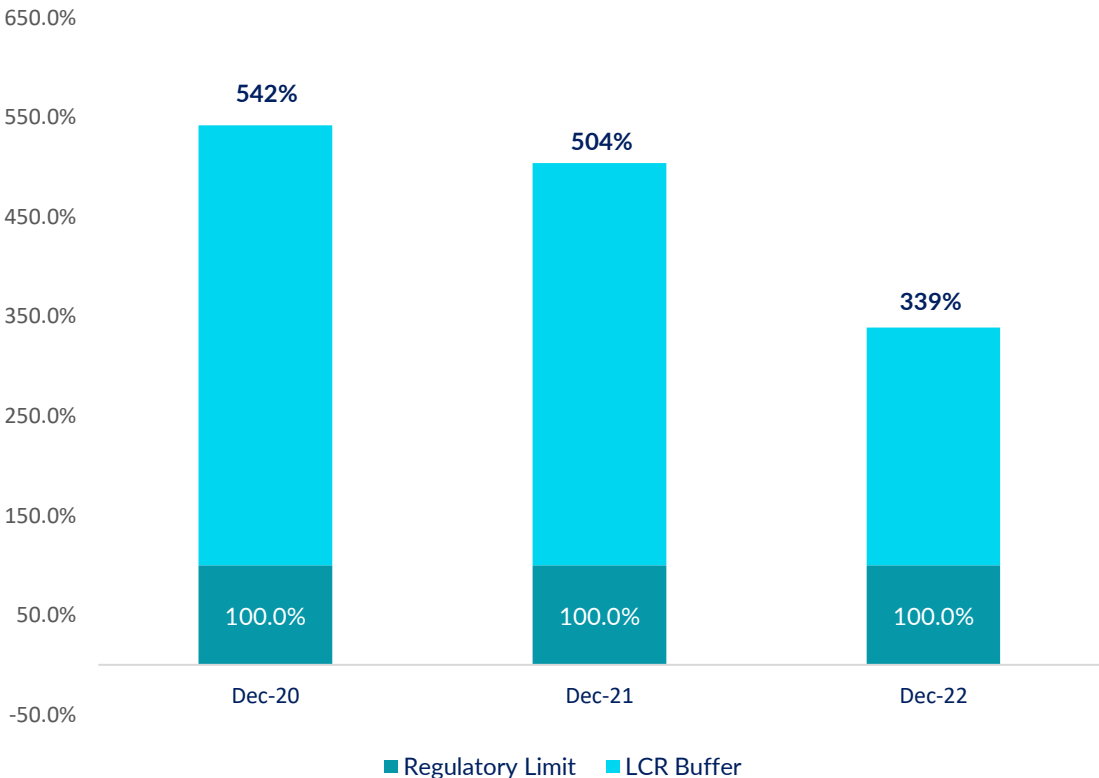


Strong capital levels & liquidity Ratios

Capital Adequacy Ratios



Liquidity Coverage Ratio





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

	Dec-20	Dec-21	Dec-22
Return on Equity (ROAE), %	10.9	15.7	13.92
Return on Assets (ROAA), %	1.39	2.1	1.92
Liquidity Coverage Ratio, %	542	504	339
Cost/ Income Ratio, %	57.1	62.1	60.4
Net Loans to Deposit Ratio, %	68.8	68.0	65.2
Tier I Capital Adequacy Ratio, %	16.45	18.08	19.26
Tier II Capital Adequacy Ratio, %	19.65	20.75	20.65



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Strategy Update & Outlook

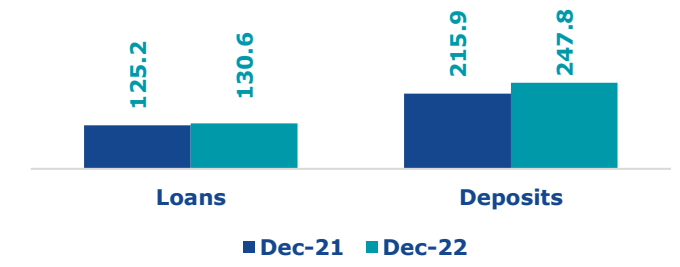


Continue to be guided by our iMara 2.0 strategy & maintain a strong underlying performance across all business segments.

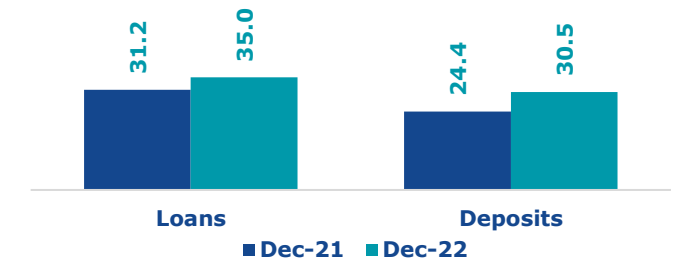
Strategy Highlights

- **Executing our MSME Strategy;** +2,038 New Businesses (35% YoY growth)
- **Revenue Diversification:** Proper execution of strategic initiatives led 14% contribution of total Bank revenues.
- Implementation of Enterprise Risk Management System;
- 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 modeling system & Corporate loan origination system
- **Customer Satisfaction Score:** 79% of our customers had their banking expectations met. Net Promoter Score (80%) Corporate & (78%) Business.
- **Digital Channels:** 78% of the Bank's transactions are done on digital channels, with 80% of Bank customers being digitally active.
- **Merchant Acquiring:** Earned 8% market share in one year in business.
- **SPENN:** 378K Users on the platform, Nearly 10,000 Micro loans issued amounting to RWF 3Bn.

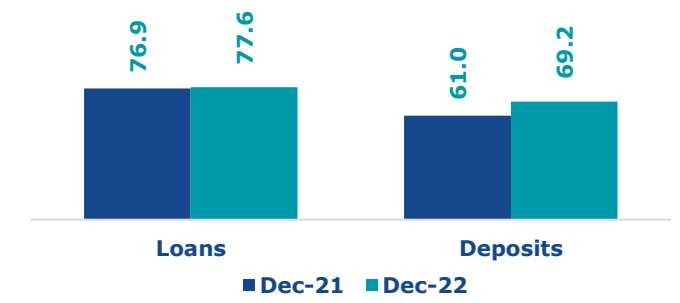
Corporate Banking



Business Banking



Retail Banking





2023 Strategic Focus

Operational efficiency - improve credit management and recovery, cost control, customer service, leadership, and corporate governance

Business transformation to be the best bank for our target retail, business, and corporate customers by building an organization with an omni-channel distribution network.

Expansion of services and outreach across the country through alternative banking channels and branch network

Align corporate culture, staff skill set, and investment in IT to achieve our vision in line with the digital transformation.

Enhance our corporate brand and visibility



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Appendix



We continue to be guided by our iMara 2.0 strategy



I&M Rwanda's Journey

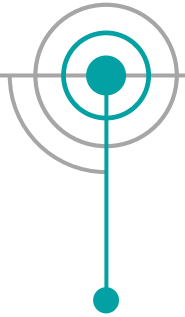


2003: The Government of Rwanda increased the share capital to Frw 7.6 Bn and BCR became 86.8% owned by the Government of Rwanda.

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

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

1963

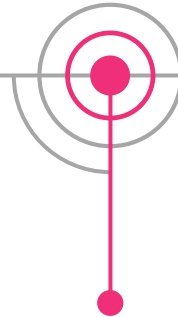


Banque Commerciale du Rwanda (BCR) was incorporated as the first commercial Bank in Rwanda.

2003-4

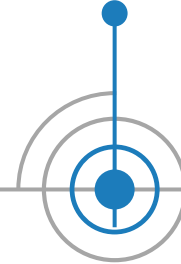


2012

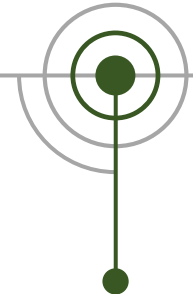


I&M Bank enters Rwanda with the acquisition of a majority shareholding in BCR, in consortium with Proparco and DEG.

2017



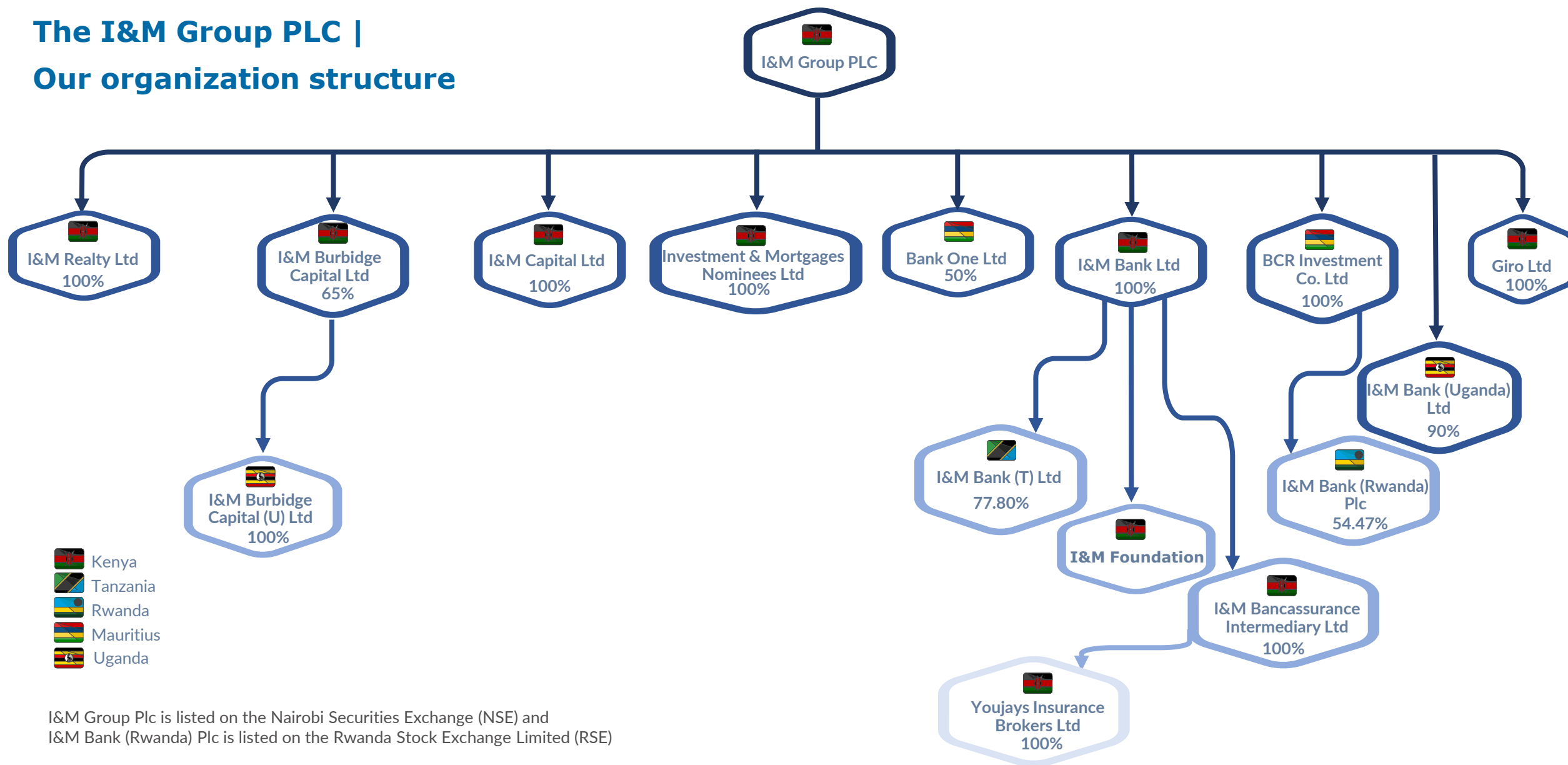
2018



Digitalization journey
- Launch of new core banking systems.

The I&M Group PLC |

Our organization structure



I&M Group Plc is listed on the Nairobi Securities Exchange (NSE) and
I&M Bank (Rwanda) Plc is listed on the Rwanda Stock Exchange Limited (RSE)



Have any follow-up questions? Get in touch with us:
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Telephone: + 250 788 162 475

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Thank You
Q&A