

LETSHEGO RWANDA PLC

FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2023



STATEMENT OF PROFIT AND LOSS AND OTHER COMPREHENSIVE INCOME FOR THE PERIOD ENDED 31 DECEMBER 2023		
In "000" Frw	Dec-23	Dec-22
Interest income	3,431,339	2,194,296
Interest Expense	(1,570,228)	(760,953)
Net interest income	1,861,111	1,433,343
Fee and commission income	63,884	16,785
Other operating income	3,204	8,194
Operating income	1,928,199	1,458,322
Impairment charges on loans and advances	(17,523)	(147,096)
Post-write off recoveries	102,475	400,246
Net operating income	2,013,151	1,711,473
Personnel expenses	(1,061,621)	(1,233,551)
Administrative and general expenses	(508,591)	(184,815)
Depreciation and amortization	(33,085)	(29,252)
Depreciation of right of use assets	(137,191)	(133,258)
Total operating expenses	(1,740,488)	(1,580,876)
Profit before impairment and taxation	272,663	130,597
Income tax expense	(210,728)	-
Net impairment expense	61,935	130,597

2. OTHER INDICATORS	Amount / Ratio /Number
I. Capital strength	
a. Core capital (Tier 1)	3,091,137
b. Supplementary capital	-
c.Total capital	3,091,137
d.Total risk weighted assets	16,295,923
e.Core capital/ Total risk weighted assets(Tier 1)	19%
f.Tier 2 Ratio	-
g. Total capital /Total risk weighted assets	19%
h. Leverage Ratio	442%
II.Credit Risk	
1. Total gross credit risk exposure : After accounting offsets and without taking into account credit risk mitigation.	
2. Average gross credit exposure, broken down by major types of credit exposure.	
MSE Loan	
DAS loan	
Consumer loan	
a) Loan, commitments and other non derivatives , off balances exposure	

STATEMEN OF FINANCIAL POSITION AS OF 31 DECEMBER 2023		
In "000" Frw	Dec-23	Dec-22
ASSETS		
Cash, Deposits and balance due from financial institution	1,086,788	1,413,941
Loans and Advances to Customers	16,295,923	12,134,302
Other receivables and prepayments	247,102	120,745
Current income tax	12,253	205,722
Right of Use Assets	137,709	274,900
Property and Equipment	62,551	68,359
TOTAL ASSETS	17,842,326	14,217,969
EQUITY AND LIABILITIES		
EQUITY ATTRIBUTABLE TO OWNERS		
Share capital	5,500,000	5,500,000
Accumulated Losses	(2,408,863)	(2,470,798)
Share based payamnet reserve		127,854
TOTAL EQUITY	3,091,137	3,157,056
LIABILITIES		
Customer Deposits	5,626,334	3,827,733
Payables and accruals	761,729	580,495
Intercompany loan -Letshego Holding (LHL)	8,041,323	6,466,938
Income Tax Payables	210,728	-
Provisions	57,600	-
Lease Libaility	53,474	185,747
TOTAL LIABILITIES	14,751,188	11,060,913
TOTAL EQUITY AND LIABILITIES	17,842,325	14,217,969

1. OTHER DISCLOSURE		
Item	Dec-23	Dec-22
Total Full time employee	60	55
Number of Branches and outlet	4	4
Assets quality LLR to average gross advances	2%	-1%
NPL provision coverage (%)	0.8%	1.7%

EXPLANATORY NOTES TO THE FINANCIALS

- Net interest income increased by 30% as compared to December 2022, following the increase of loan book size generated more interest, gross loan moved from 12Bn FRW to 16.5Bn RWF.
- The business self-sustained its operation, and for the first time since 2017, the company covered entirely including IT expenses, which were previously cated for by Letshego Group, thus Justify the increase of 10% in total operating expenses.
- The profit before tax increased by 109%, and the business started paying corporate income tax after which the PAT is 61M Rwf