DEVELOPMENT BANK OF RWANDA PLC.

FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2025

STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME FOR THE YEAR ENDED 31 DECEMBER 2025

Audited by External Auditors	2025 Frw' 000	2024 Frw' 000
Interest revenue calculated using the effective interest method	74,263,502	53,633,546
Interest expense calculated using the effective interest method	(31,489,008)	(22,950,180)
Net interest income	**42,774,494**	**30,683,366**
Other interests and similar income:		
Fee and commission income	2,152,601	2,623,838
Fee and commission expense	(553,166)	(671,019)
Net fee and commission income	**1,599,435**	**1,952,819**
Net foreign exchange losses	(971,745)	(3,870,141)
Other operating income	2,145,308	1,922,918
Operating income	**45,547,492**	**30,688,963**
Net losses on financial instruments	(12,164,699)	(15,175,798)
Gain on derivative instruments at fair value through profit or loss	386,013	4,270,816
Remeasurement (loss)/gain on investment in associates	(563,690)	10,508
Amortization of the government grant	6,057,979	4,800,643
Net operating income	**39,263,095**	**24,595,131**
Personnel expenses	(10,075,803)	(8,492,904)
Depreciation and amortization	(1,237,828)	(770,801)
Other operating expenses	(4,805,645)	(4,853,764)
Profit before tax	**23,143,819**	**10,477,662**
Income tax expense	-	-
Profit for the year, after tax	**23,143,819**	**10,477,662**
Other comprehensive income that will not be reclassified to profit or loss		
Fair value loss on equity investments at fair value through OCI	(1,129,070)	(116,745)
Fair value gain on land	12,365,174	-
	11,236,104	**(116,745)**
Other comprehensive income that will be reclassified to the income statement	-	-
Total comprehensive income for the year	**34,379,923**	**10,360,917**

STATEMENT OF FINANCIAL POSITION AS AT 31 DECEMBER 2025

Audited by External Auditors	2025 Frw' 000	2024 Frw' 000
ASSETS		
Cash and cash equivalents	229,076,267	207,536,169
Investments at amortized cost	30,392,026	30,382,167
Loans and advances	675,640,369	476,425,176
Investment in associates	10,575,220	11,514,137
Equity investments at fair value through OCI	18,596,755	19,350,597
Derivative financial instruments	16,549,262	16,403,739
Other assets	8,130,919	8,817,299
Non-current assets held for sale	-	250,000
Intangible assets	1,070,537	277,871
Property and equipment	24,664,298	11,958,452
TOTAL ASSETS	**1,014,695,653**	**782,915,607**
LIABILITIES		
Other payable	29,135,238	29,221,006
Dividends payable	3,287	11,019
Borrowings	501,202,383	376,202,581
Special funds	203,715,457	138,474,048
Grants	116,265,470	105,757,132
TOTAL LIABILITIES	**850,321,835**	**649,665,786**
EQUITY		
Share capital	81,023,720	76,873,190
Share premium	11,665,569	11,665,569
Other reserves	41,607,303	30,371,199
Accumulated profit	30,077,226	14,339,863
TOTAL EQUITY	**164,373,818**	**133,249,821**
TOTAL EQUITY AND LIABILITIES	**1,014,695,653**	**782,915,607**

The financial statements for the year ended 31st December 2025 were approved and authorized for issue by Board of Directors and were signed on its behalf by

Chief Executive Officer

Date: 18th March 2026

BRD
Development Bank of Rwanda PLC
P.O Box 1341 Kigali - Rwanda

Chairperson, Board Audit Committee

Date: 18th March 2026

The Bank's full financial statements for the year ended 31st December 2025 are available on : www.brd.rw

DEVELOPMENT BANK OF RWANDA PLC.

FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2025

STATEMENT OF CHANGES IN EQUITY FOR YEAR ENDED 31 DECEMBER 2025

Audited by External Auditors	Share Capital	Share Premium	Revaluation Reserve	Fair Value Reserve	Supplementary Capital Reserve	Accumulated profit/loss)	Total Equity
	Frw' 000	Frw' 000	Frw' 000	Frw' 000	Frw' 000	Frw' 000	Frw' 000
Year ended 31 December 2025							
As at 1 January	**76,873,190**	**11,665,569**	**11,096,575**	**7,764,302**	**11,510,322**	**14,339,863**	**133,249,821**
Profit for the year	-	-	-	-	-	23,143,819	23,143,819
Fair Value gains on Equity investments at fair value through OCI (Note 19(b))	-	-	-	(1,129,070)	-	-	(1,129,070)
Gain on revaluation (Note 24)	-	-	12,365,174	-	-	-	12,365,174
Total Comprehensive income:	**-**	**-**	**12,365,174**	**(1,129,070)**	**-**	**23,143,819**	**34,379,923**
Issue of new shares* (Note 29(a))	4,781,907	-	-	-	-	-	4,781,907
Transfer to special fund (Note 15)	-	-	-	-	-	(7,406,456)	(7,406,456)
Share register adjustment	(631,377)	-	-	-	-	-	(631,377)
As at 31 December	**81,023,720**	**11,665,569**	**23,461,749**	**6,635,232**	**11,510,322**	**30,077,226**	**164,373,818**
Year ended 31 December 2024							
As at 1 January	**73,685,690**	**11,665,569**	**11,096,575**	**7,881,047**	**11,510,322**	**5,611,394**	**121,450,597**
Profit for the year	-	-	-	-	-	10,477,662	10,477,662
Fair Value gains on Equity investments at fair value through OCI (Note 19(b))	-	-	-	(91,061)	-	-	(91,061)
OCI reserve transferred to retained earnings* (Note 19(b))	-	-	-	(25,684)	-	25,684	-
Total Comprehensive income:	**-**	**-**	**-**	**(116,745)**	**-**	**10,503,346**	**10,386,601**
Issue of new shares* (Note 29(a))	3,187,500	-	-	-	-	-	3,187,500
Transfer to special fund (Note 15)	-	-	-		-	(1,774,877)	(1,774,877)
As at 31 December	**76,873,190**	**11,665,569**	**11,096,575**	**7,764,302**	**11,510,322**	**14,339,863**	**133,249,821**

STATEMENT OF CASHFLOWS FOR YEAR ENDED 31 DECEMBER 2025

Audited by External Auditors	2025	2024
	Frw' 000	Frw' 000
Cash flows from operating activities		
Profit before income tax	23,143,819	10,477,662
Adjustment for:		
Depreciation on property and equipment	579,585	667,587
Amortization of intangible assets	165,157	103,214
Impairment losses on property and equipment	493,086	-
Impairment losses on financial instruments	12,126,317	15,175,798
Gain on derivative instruments at fair value through profit or loss	(386,013)	(4,270,816)
Amortization on government grant	(6,057,979)	(4,800,643)
Interest expense on fair value adjustments and modification	8,782,336	4,937,887
Gain on disposal of property and equipment	-	(4,165)
Remeasurement gain/(loss) of investment in associates	563,690	(10,508)
Net foreign exchange losses	971,745	3,870,141
Interest accrued on borrowings	7,153,612	6,119,071
Cash flows before changes in operating accounts	**47,535,355**	**32,265,228**
Increase in Loans and advances	(211,216,431)	(113,259,059)
Decrease in Other assets	561,301	(5,099,011)
Increase in Other payables	(85,768)	9,230,163
Increase/(decrease) in derivative financial instruments	240,491	(1,458,023)
Net cash used in operating activities	**(162,965,053)**	**(78,320,702)**

Audited by External Auditors	2025	2024
	Frw' 000	Frw' 000
Cash flows from investing activities		
Purchase of property and equipment	(1,413,343)	(77,930)
Proceeds on disposal of property and equipment	-	4,165
Purchase of intangible assets	(957,823)	(50,586)
Proceeds on disposal of Equity Investment at FVTOCI	-	388,686
Proceeds from sale of properties held for sale	250,000	-
Change in investment at amortized cost	(9,859)	(18,065,227)
Net cash flows used in investing activities	**(2,131,025)**	**(17,800,892)**
Cash flows from financing activities		
Drawdown of borrowings	137,328,538	284,393,628
Repayment of borrowings	(28,264,684)	(296,994,262)
Drawdown of special funds	79,999,660	141,211,991
Decrease in special funds	(22,164,708)	(14,366,207)
Grants received	19,926,021	12,947,745
Grants used	(3,359,703)	(11,751,969)
Share register adjustment	(631,377)	-
Payment of long outstanding dividend to dormant shareholders	(7,733)	-
Additional share capital	4,781,907	3,187,500
Net cash flows generated from financing activities	**187,607,921**	**118,628,426**
Net increase in cash and cash equivalents	**22,511,843**	**22,506,832**
Net foreign exchange difference	(971,745)	(3,959,230)
Cash and Cash equivalents at 1 January	207,536,169	188,988,567
Cash and Cash equivalents at 31 December	**229,076,267**	**207,536,169**
Additional information on operational cash flows from interest		
Interest received	**69,265,433**	**53,587,678**
Interest Paid	**30,454,467**	**22,951,008**

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DEVELOPMENT BANK OF RWANDA PLC.

FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2025

OTHER DISCLOSURES FOR YEAR ENDED 31 DECEMBER 2025

Quantitative Disclosures			2025	2024
I CAPITAL STRENGTH				
1.	Core capital (Tier 1)	**Frw' 000**	124,165,757	105,126,223
2.	Supplementary capital (Tier 2)	**Frw' 000**	21,374,411	20,574,833
3.	Total Capital	**Frw' 000**	145,540,169	105,126,232
4.	Total risk weighted assets	**Frw' 000**	677,322,663	503,207,888
5.	Core capital/total risk weighted assets (Tier 1 Ratio)	%	18.33%	20.89%
6.	Tier 2/total risk weighted assets (Tier 2 ratio)	%	3.16%	4.08%
7.	Total capital/total risk weighted assets (Total Capital ratio)	%	21.49%	24.98%
8.	Leverage ratio	%	12%	11%
II. CREDIT RISK				
1.	Total gross credit risk exposures: after accounting offsets and without taking into account credit risk mitigation;	**Frw' 000**	715,420,226	502,300,760
2.	Average gross credit exposures, broken down by major types of credit exposure:			
	a) Loans, commitments, and other non-derivative off balance sheet exposures;(note 32)	**Frw' 000**	146,544,006	72,369,029
	b) Debt securities;	**Frw' 000**	-	-
	c) OTC derivatives	**Frw' 000**	117,574,060	99,713,499
3.	Regional or geographic distribution of exposures, broken down in significant areas by major types of credit exposure;			
	a) City of Kigali	**Frw' 000**	671,804,825	437,592,408
	b) Northern Province	**Frw' 000**	80,426	2,759,545
	c) Eastern Province	**Frw' 000**	18,269,520	31,955,400
	d) Western Province;	**Frw' 000**	20,849,338	24,063,115
	e) Southern Province.	**Frw' 000**	4,416,124	5,930,292
4.	Sector distribution of exposures, broken down by major types of credit exposure and aggregated in the following areas:			
	a) Government;	**Frw' 000**	157,718,614	30,509,429
	b) Financial;	**Frw' 000**	315,655,928	254,004,665
	c) Manufacturing;	**Frw' 000**	48,468,773	29,514,973
	d) Infrastructure and construction;	**Frw' 000**	120,656,767	153,924,445
	e) Services and commerce.	**Frw' 000**	53,209,351	33,282,177
	f) Others	**Frw' 000**	19,710,799	1,065,071
5.	Off- balance sheet items	**Frw' 000**	146,544,006	72,369,029
6.	Non-performing loans indicators			
	a) Non-performing loans (NPL)	**Frw' 000**	5,372,448	3,779,999
	b) NPL ratio	%	0.75%	0.66%
7.	Related parties			
	a) Loans to Directors, shareholders, and subsidiaries	**Frw' 000**	51,973,685	55,046,611
	b) Loan to employees	**Frw' 000**	6,165,596	4,155,846
8.	Restructured Loans:			
	a) Number of Borrowers	**Number**	2	5
	b) Outstanding Amount	**Frw' 000**	795,905	2,875,529
	c) Provisions there on	**Frw' 000**	699,320	689,510
	d) Restructured loans as a percentage of gross loans	%	0.11%	0.57%

Quantitative Disclosures			2025	2024
III. LIQUIDITY RISK				
a)	Liquidity Coverage Ratio (LCR)	%	3250%	2,681%
b)	Internal liquidity coverage ratio (1 year ahead)	%	182%	176%
c)	Net Stable Funding Ratio (NSFR)	%	151%	177%
IV. OPERATIONAL RISK				
Number and types of frauds and their corresponding amount		**Type**	-	-
		Number	-	-
		Amount	-	-
V. MARKET RISK				
1. Interest rate risk		%	926,095	-
2. Equity position risk		Frw' 000	-	-
3. Foreign exchange risk		Frw' 000	136,180	2,599,010
VI. COUNTRY RISK				
1. Credit exposures abroad		Frw' 000	-	-
2. Other assets held abroad		Frw' 000	-	-
3. Liabilities to abroad		Frw' 000	-	-
VII. MANAGEMENT AND BOARD COMPOSITION				
1. Number of Board members			8	9
2. Number of independent Directors			5	6
3. Number of non-independent Directors			3	3
4. Number of female Directors			3	4
5. Number of male Directors			5	5
6. Number of Senior Managers			13	9
7. Number of female senior managers			5	4
8. Number of male senior managers			8	5

EXPLANATORY NOTES TO THE FINANCIALS

- **Total Assets Increased by 30%**
  Total assets increased by **30% year on year**, reaching **Frw 1.015 trillion** as of 31 December 2025. This milestone reflects the Bank's strong growth trajectory and marks a significant achievement in surpassing the Frw 1 trillion threshold, driven by expansion in the loan portfolio and effective deployment of funds.

- **Interest Income Increased by 32%**
  The significant increase in interest income of **32% year on year** is primarily driven by the strong growth in loans and advances, as well as increased treasury income from placements in interest-earning assets during the year.

- **Interest Expense Increased by 37%**
  Interest expenses grew by **37% year on year** as a result of additional drawdowns from both traditional and development partners to support the expansion of the Bank's loan portfolio, coupled with a moderate increase in the cost of funds.

- **Net Fees and Commissions Income Decreased by 18%**
  Net fees and commissions income **decreased by 18% year on year**, mainly due to a reduction in fee-based activities during the period, partially offset by improved control over commission-related expenses.

- **Net Loans and Advances Increased by 30%**
  The growth of **30% year on year** in net loans and advances is supported by significant disbursements to key sectors of the economy, including energy, transport, and on-lending to financial institutions and SACCOs.

- **Gross Borrowings Increased by 25%**
  The increase of **25% year on year** in gross borrowings is mainly attributed to new funding secured from development partners and financial institutions to meet the growing financing needs of the Bank.

- **Share Capital Increased by 5%**
  The **5% year on year** increase in share capital reflects additional capital injection from the shareholder aimed at strengthening the Bank's capital base and supporting future growth.