

End of 2020 market report

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List of abbreviations

ROAE: Return on average equity

ROAA: Return on average assets

y-o-y: year over year

Ytd: year to date

FRW: Rwandan franc

USD: US dollar

EUR: Euro

EPS: Earnings per share

DPS: Dividends per share

IPO: Initial public offering

Mov. Avg.: moving average

CPI: Consumer price index

RSE: Rwanda Stock Exchange

CTL: Crystal Telecom Plc

BOK: Bank of Kigali Group Plc

CMR: Cimerwa Plc

BLR: Bralirwa Plc

IMR: I&M Bank Rwanda Plc

Bralirwa Plc

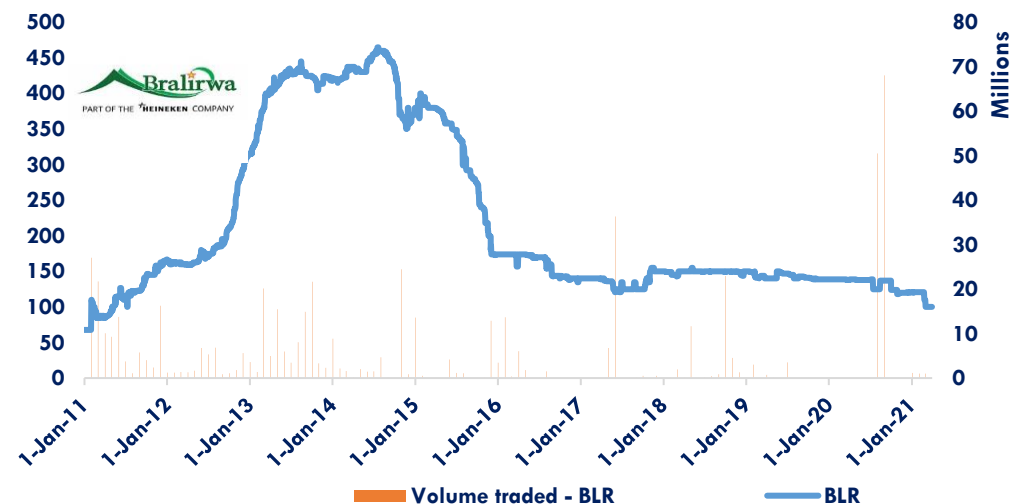
In 2020, Bralirwa Plc recorded a net profit of Frw 9 billion. The EPS is Frw 8.75 per share from Frw 1.16 in 2019 and 7.04 in 2018. The ROAE is 23.3%. The proposed dividend for 2020 is 99.9% of the 2020 net profit.

On the Rwanda Stock Exchange, 118.9 million shares were traded in 2020 with 118 million shares, or 99.2% of them, changing hands in the 3rd quarter of the year.

In 2020, the share price of Bralirwa decreased by 12.9% from Frw 139 to Frw 121 and the shareholders received a dividend of Frw 1 per share equivalent to 0.8% of the average share price, the holding period return in 2020 for the shareholder was -12%.

Year to date, the share price of Bralirwa decreased by -17% to Frw 100 from Frw 121.

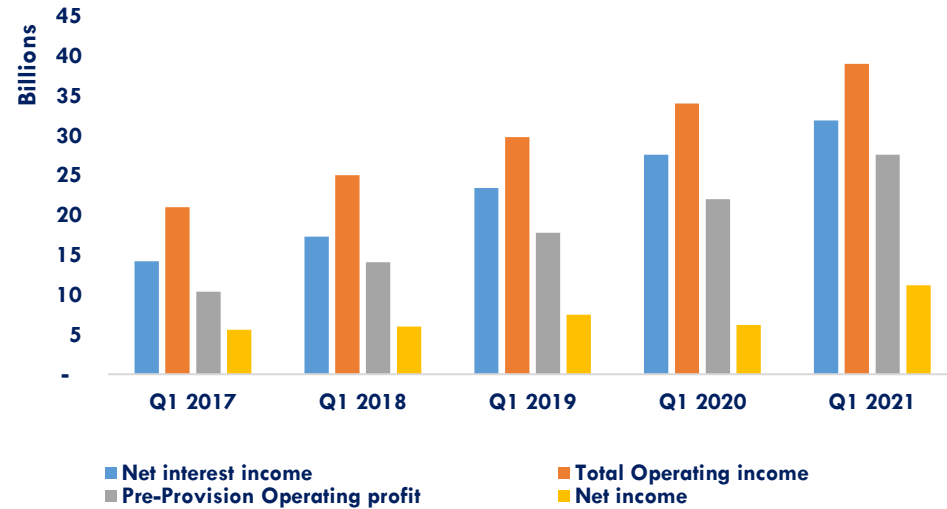
Market capitalization (Frw billion)	124.5	Book value per share, End of 2020	41.4
Net income, 2020 (Frw billion)	9.005	Stock price, 31st Dec. 2019	139
EPS, 2020	8.75	Stock price, 31st Dec. 2020	121
EPS, 2019	1.16	IPO Price (adjusted for stock split)	68 (2011)
Average EPS, 2015-2019	4.28	2015-2020 Low	118
Proposed dividends for 2020	8.75	2015-2020 High	400
Average dividends, 2015-2019	3.25	2020 Low	118
Total Assets (Frw billion), 2020	127	2020 High	139
Net assets (Frw billion), 2020	42.6	Current stock price April 2, 2021	100
Price to earnings	11.4		
Price to book value	2.4		



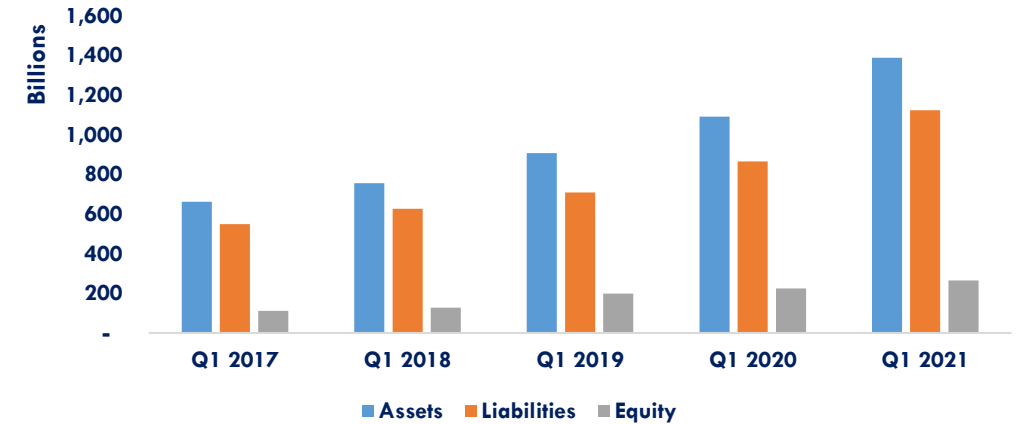
Bralirwa Plc											
Year	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
Price as at 01-january	68	166.5	315	419.5	380	174	140	150	150	139	121
Dividends paid	10.05	12.10	10.00	7.50	7.50	5.00	1.00	3.75	5.50	1.00	
Holding period return	160%	96%	36%	-8%	-52%	-17%	8%	2%	-4%	-12%	
Holding period return annualized 2011 - 2020											9.1%
Exchange rate (Rwf/USD) as at 01 - january	595	604	630	670	695	748	820	845	879	923	972
Price as at 01-january (usd)	0.114	0.276	0.500	0.626	0.547	0.233	0.171	0.177	0.171	0.151	0.124
Dividends paid (usd)	0.017	0.020	0.016	0.011	0.011	0.007	0.001	0.004	0.006	0.001	
Holding period return (usd)	156%	89%	29%	-11%	-55%	-24%	5%	-1%	-8%	-17%	
Holding period return annualized 2011 - 2020 (usd)											4.0%

Bralirwa Plc

Income statement



Balance sheet



In 2020, results from operating activities increased by 85.9% compared to 2019, and 8% compared to 2018. driven by selling and distribution expenses. The revenue decreased slightly by -0.5% as sales of soft drinks decreased while sales of beer volume increased.

Bralirwa

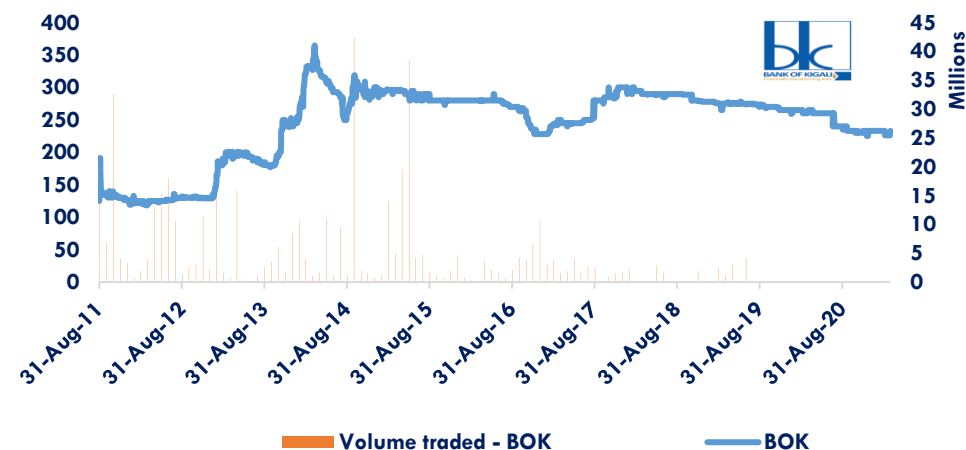
	2016	2017	2018	2019	2020
Return on Average Assets	1.1%	3.9%	5.5%	0.9%	7.2%
Return on Average Equity	4.2%	15.1%	19.4%	3.2%	23.3%
Interest coverage ratio	1.09	2.10	2.28	1.37	2.90
Gross profit margin	28.9%	30.4%	33.1%	34.6%	36.0%
Net profit margin	1.6%	5.9%	7.3%	1.2%	9.0%

BK Group Plc

In 2020, BK Group Plc recorded a net profit of Frw 38.4 billion. The EPS is Frw 42.6, equivalent to 18.3% of the current stock price. The ROAE is 16% in 2020 and the ROAA is 3.3%. A dividend of Frw 14.4 for 2019 was approved in 2020, however the payment did not occur in 2020 due to Central Bank's covid 19 related directive given to banks. The payment will be effected as soon as the Central Bank approves it.

On the RSE, the share price of BK Group Plc decreased by -12% in 2020 from Frw 265 to Frw 233 with 379,000 shares traded.

Year to date, 383,000 shares were traded at the RSE and the current stock price is Frw 233.

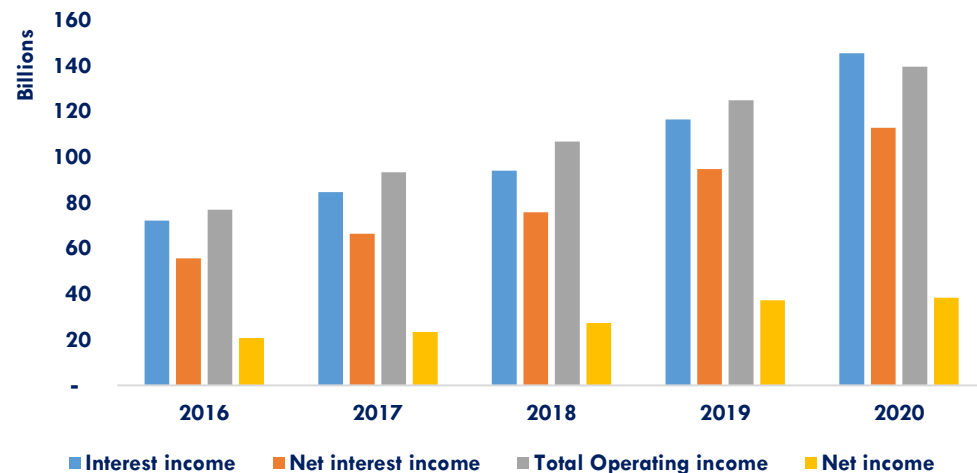


Market capitalization (Frw billion)	210.8	Book value per share, 2020	287
Net income, 2020 (Frw billion)	38.4	Stock price, 31st Dec. 2019	265
EPS, 2020	42.6	Stock price, 31st Dec. 2020	233
EPS, 2019	41.4	IPO Price	125 (2011)
Average EPS, 2015-2019	35.37	2015-2020 Low	225
Proposed dividends for 2020	0	2015-2020 High	300
Average dividends paid 2015-2019	10.1	2020 Low	225
Total Assets (Frw billion), 2020	1,304	2020 High	265
Net assets (Frw billion), 2020	259.3	Current stock price April 2, 2020	233
Price to earnings	5.5		
Price to book value	0.8		

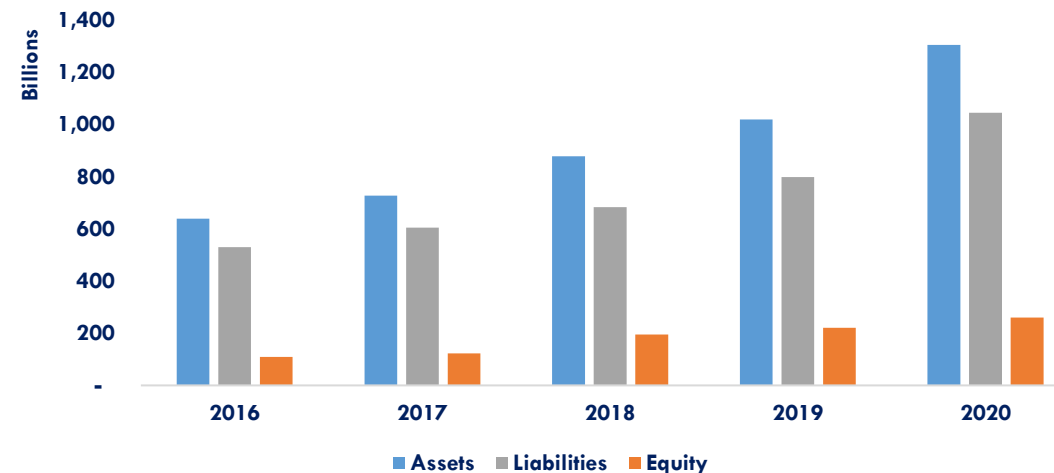
BK Group Plc										
Year	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
Price as at 01-january	127	129	240	300	280	228	300	278	265	233
Dividends paid	6.50	8.83	11.06	16.33	12.15	12.30	13.85	12.20	0	
Holding period return	7%	93%	30%	-1%	-14%	37%	-3%	0%	-12%	
Holding period return annualized 2012 - 2019										11.4%
Exchange rate (Rwf/USD) as at 01 - january	604	630	670	695	748	820	845	879	923	972
Price as at 01-january (usd)	0.2103	0.2046	0.3583	0.4319	0.3745	0.2780	0.3550	0.3162	0.2871	0.2397
Dividends paid (usd)	0.0108	0.0140	0.0165	0.0235	0.0162	0.0150	0.0164	0.0139	0.0000	
Holding period return (usd)	2%	82%	25%	-8%	-21%	33%	-6%	-5%	-17%	
Holding period return annualized 2012 - 2019 (usd)										5.9%

BK Group Plc

Income statement



Balance sheet



The net income increased by 3% in 2020, 36% in 2019 driven by an increase in shareholders equity done the year before, and 17% in 2018.

	2016	2017	2018	2019	2020
Return on Average Assets	3.5%	3.4%	3.4%	3.9%	3.3%
Return on Average Equity	20.0%	20.2%	17.2%	18.0%	16.0%
Financial leverage ratio	5.88	5.92	4.51	4.64	5.02
Loans to assets ratio	55.9%	60.4%	64.9%	64.7%	66.5%

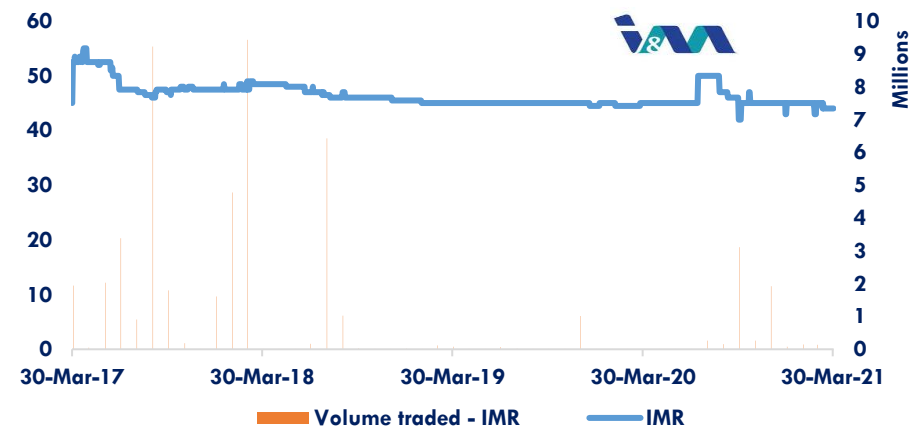
I&M Bank Rwanda Plc

In 2020, I&M Bank Rwanda Plc recorded a net profit of Frw 5.1 billion. The EPS is Frw 4.24, equivalent to 9.63% of the current stock price. The ROAE is 10.6% in 2020 and the ROAA is 1.4%. A dividend of Frw 3 for 2019 was approved in 2020, however the payment did not occur in 2020 due to Central Bank's covid 19 related directive given to banks. The payment will be effected as soon as the Central Bank approves it.

On the RSE, the share price of I&M Rwanda Plc remained at Frw 45 in 2020 with 5,700,000 shares traded. On the 5.3 of the 5.7 million shares were traded in the 2020 quarter 4.

Year to date, 376,000 shares were traded at the RSE and the current stock price decreased by -2.2% to reach Frw 44.

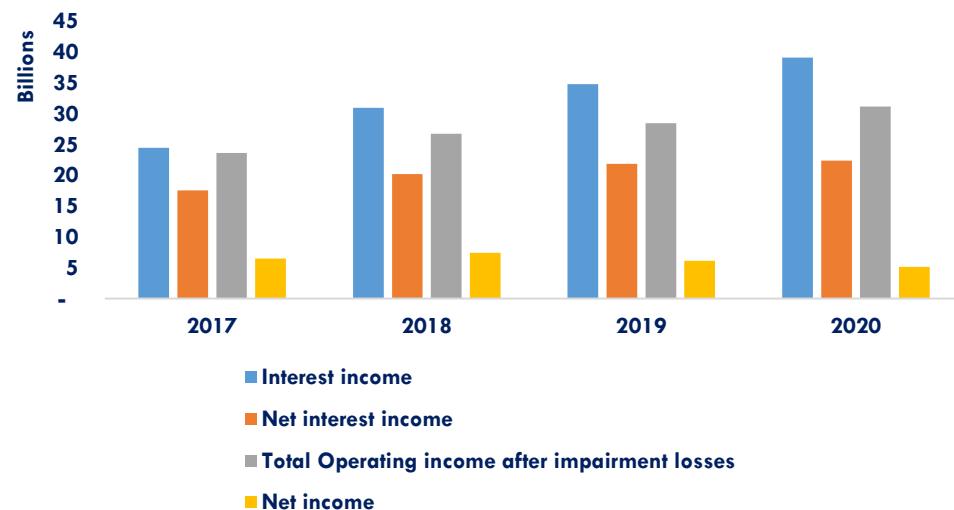
Market capitalization (Frw billion)	54.54	Book value per share, Q3 2020	44.9
Net income, 2020 (Frw billion)	2.17	Stock price, 31st Dec. 2019	45
EPS, 2020	4.24	Stock price, 31st Dec. 2020	45
EPS, 2019	3	IPO Price (adjusted for stock split)	45 (2017)
Average EPS, 2015-2019	6.13	2017-2020 Low	42
Proposed dividends for 2020	0	2017-2020 High	55
Average dividends paid, 2015-2020	1.95	2020 Low	42
Total Assets (Frw billion), 2020	417.2	2020 High	50
Net assets (Frw billion), 2020	54.5	Current stock price April 2, 2020	44
Price to earnings	10.38		
Price to book value	1		



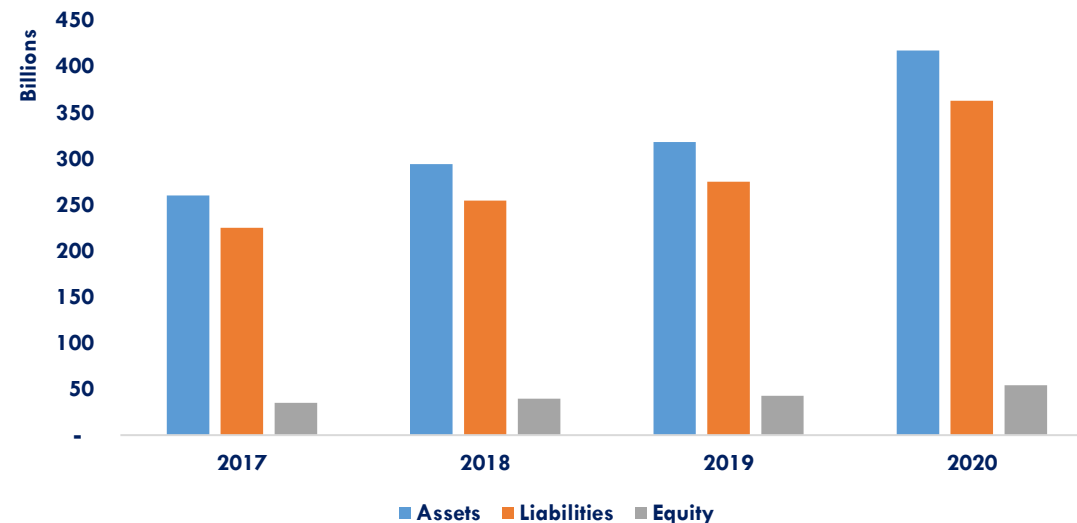
I&M Bank Plc					
Year	2017	2018	2019	2020	2021
Price as at 01-january	45	47.5	45.5	44.5	45
Dividends paid	2.27	2.58	2.95	0	
Holding period return	11%	1%	4%	1%	
Holding period return 2017 - 2019					4.2%
Exchange rate (Rwf/USD) as at 01 - january	820	845	879	923	972
Price as at 01-january (usd)	0.0549	0.0562	0.0517	0.0482	0.0463
Dividends paid (usd)	0.0028	0.0031	0.0034	0.0000	
Holding period return (usd)	7%	-2%	0%	-4%	
Holding period return annualized 2017 - 2019 (usd)					0.1%

I&M Bank Rwanda Plc

Income statement



Balance sheet



I&M Bank raised up to Rwf 8 billion by carrying a right issue, the closing date was on October 16, 2020. A dividend of Rwf 3 was approved by the bank and payment of the dividend will occur as soon as the Central Bank approves that.

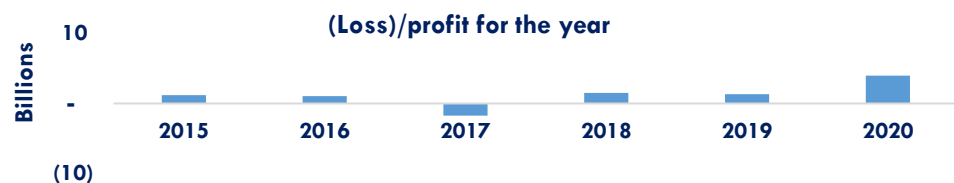
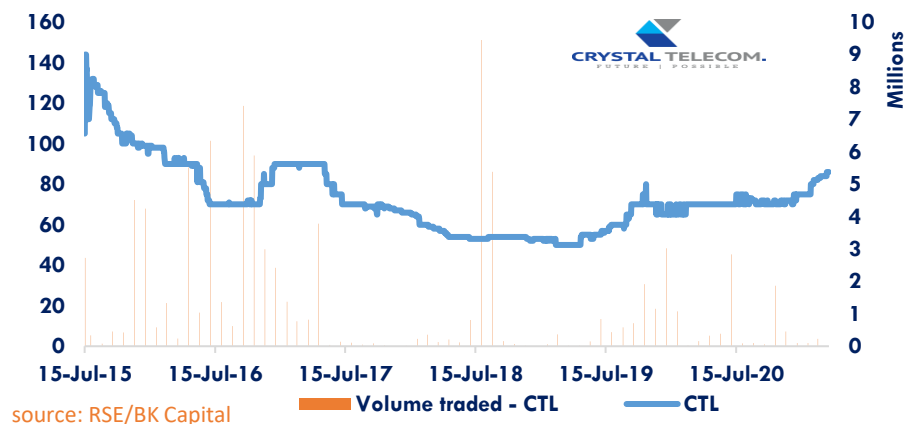
	2016	2017	2018	2019	2020
Return on Average Assets	3.1%	2.8%	2.7%	2.0%	1.4%
Return on Average Equity	21.1%	19.9%	20.0%	14.9%	10.6%
Financial leverage ratio	6.78	7.42	7.43	7.43	7.66
Loans to assets ratio	53.9%	56.3%	57.5%	54.1%	49.2%

Crystal Telecom Plc

Crystal Telecom Plc recorded a net profit of Frw 3,954,493 from its 20% stake in MTN Rwanda. The 2020 share of profit of associate from MTN Rwanda is 197% higher than the 2019 one bringing the 2020 EPS to Frw 14.64 or 17% of the current stock price.

In 2020, shareholders of CTL received Frw 7.62 of dividends in two installments and the share price rose by 7.1% with 10.3 million shares traded. Year to date the share price of CTL is up 14.76% with 486,500 shares changing hands.

In the recent extraordinary general meeting, shareholders of CTL approved that the company ceases business conditional upon the listing of MTN Rwanda. The listing is expected to happen in the first semester of 2021 and shareholders of CTL will become direct shareholders of MTN Rwanda.



Market capitalization (Frw billion)	19.5	Book value per share, HY 2020	95.5
Net income, 2020 (Frw billion)	1.84	Stock price, 31 st Dec. 2018	53
EPS, HY 2020	6.80	Stock price, 31 st Dec. 2019	70
Average EPS, 2015-2019	2.36	IPO Price	105 (2015)
Dividends for 2019	7.62	2014-2019 Low	50
Average dividends, 2015-2019	5.4	2014-2019 High	144
Total Assets (Frw billion), HY 2020	25.8	2020 Low	65
Net assets (Frw billion), HY 2020	25.8	2020 High	75
Price to earnings	15	Current stock price December 14, 2020	72
Price to book value	0.8		

Crystal Telecom Plc						
Year	2016	2017	2018	2019	2020	2021
Price as at 01-january	99	90	66	53	70	75
Dividends paid	3.75	11.178	5.552	8.6	7.62	
Holding period return	-5%	-14%	-11%	48%	18%	
Holding period return annualized 2015 - 2020						4.7%
Exchange rate (Rwf/USD) as at 01 - january	748	820	845	879	923	972
Price as at 01-january (usd)	0.132	0.110	0.078	0.060	0.076	0.077
Dividends paid (usd)	0.005	0.014	0.007	0.010	0.008	
Holding period return (usd)	-13%	-16%	-14%	42%	13%	
Holding period return annualized 2015 - 2020 (usd)						-0.2%

Cimerwa Plc

In August 2020, Cimerwa Plc listed by introduction at Frw 120. 220,300 shares of Cimerwa were traded at the RSE from from August 2020 to March 31, 2021 and the price remained constant at Frw 120.

In 2020, Cimerwa recorded an EBITDA of Frw 16.56 billion. Year over year the net income decreased by 43% to Frw 1.95 billion. Due to the Covid 19 pandemic, Cimerwa did a 40 day shutdown of cement production starting on March 22, 2020. At end of September 2020, the company had a liquidity ratio of 2.07 and a cash balance of Frw 13.3 billion.

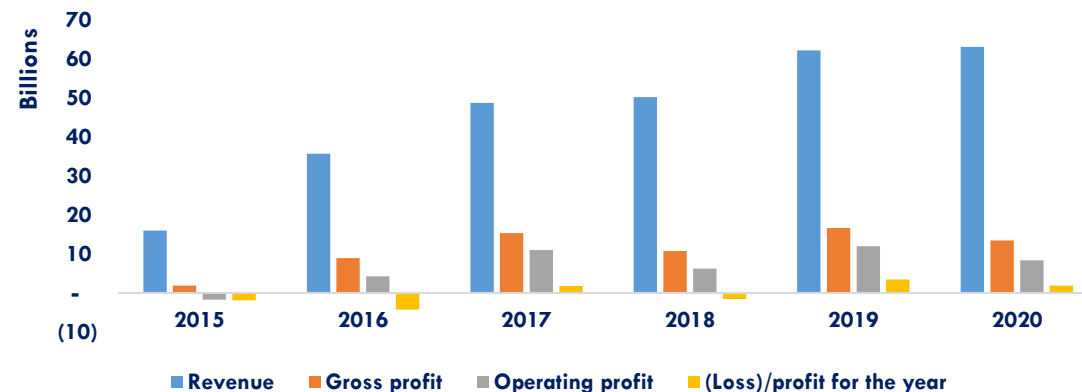
Market capitalization (Frw billion)

Market capitalization (Frw billion)	84.386
Net income, 2020 (Frw billion)	1.95
EPS, 2020	2.8
Average EPS, 2015-2019	-0.7
Dividends for 2019	0
Average dividends, 2015-2019	0
Total Assets (Frw billion), 2020	112
Net assets (Frw billion), 2020	57.58
Price to earnings	43.23
Price to book value	1.47

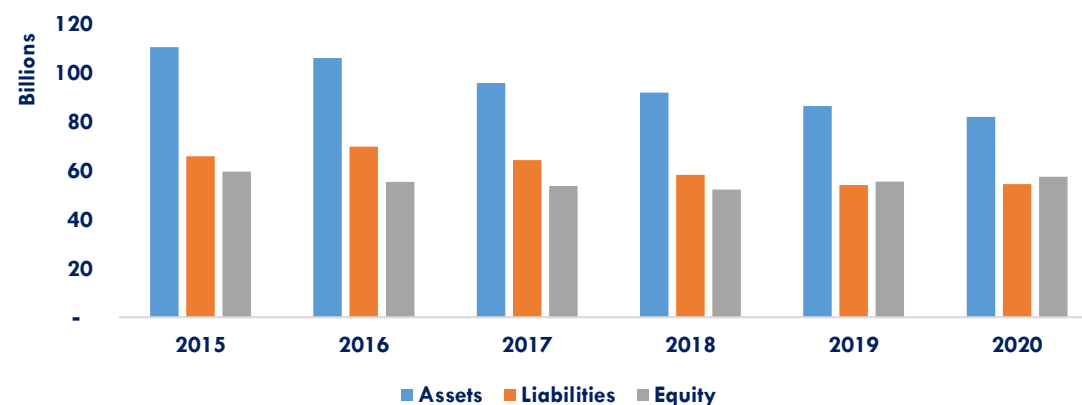
Book value per share, 2020	81.9
Listing Price	120 (2020)
Current stock price April 2, 2020	120

	2016	2017	2018	2019	2020	
Return on Average Assets	-3.4%	1.5%	-1.3%	3.1%	1.8%	
Return on Average Equity	-7.7%	3.5%	-2.9%	6.2%	3.4%	
Financial leverage ratio	2.26	2.20	2.12	1.97	1.95	
Interest coverage ratio	0.60	1.49	0.89	1.80	1.37	
Gross profit margin	25.2%	31.6%	21.5%	26.8%	21.4%	
Net profit margin	-11.9%	3.8%	-3.0%	5.6%	3.1%	

Income statement



Balance sheet

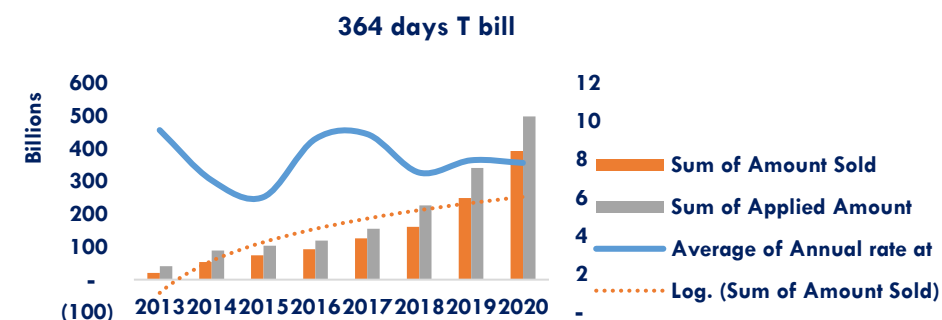


Fixed Income Instrument

Issuance calendar from NBR	On-the-run Government bonds offered monthly (and across the curve), as well as weekly T-bill auctions
Upcoming Government bond auctions	19 th of April, 2021 – 7-year reopened bond: Issued amount RWF 20 billion, tenor 6.58 years, coupon rate 11.435 %
Last Government bond auction results	22 nd of March, 2021 – 20-year reopened bond: Issued amount RWF 20 billion, tenor 20 years, coupon rate 13.15%, yield to maturity of 13.05%

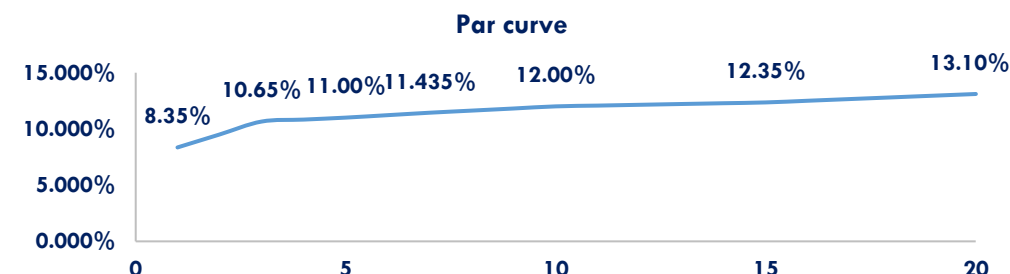
Rwanda Government T-Bills – Latest auction results

	28-DAYS T-BILLS	182-DAYS T-BILL	364-DAYS T-BILL
Auction Date:	April 1, 2021	April 1, 2021	April 1, 2021
Weighted Average Yield:	6.139	7.2	8.35
Total Amount Offered:	9 billion	6.2 billion	9 billion
Total Amount Bids Received:	34.049 billion	2 billion	0.3 billion
Total Amount Allocated:	29.6 billion	2 billion	0.3 billion



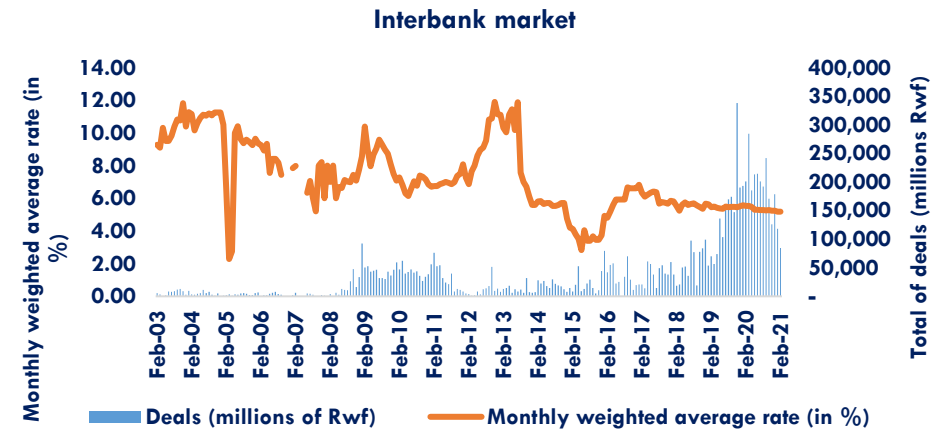
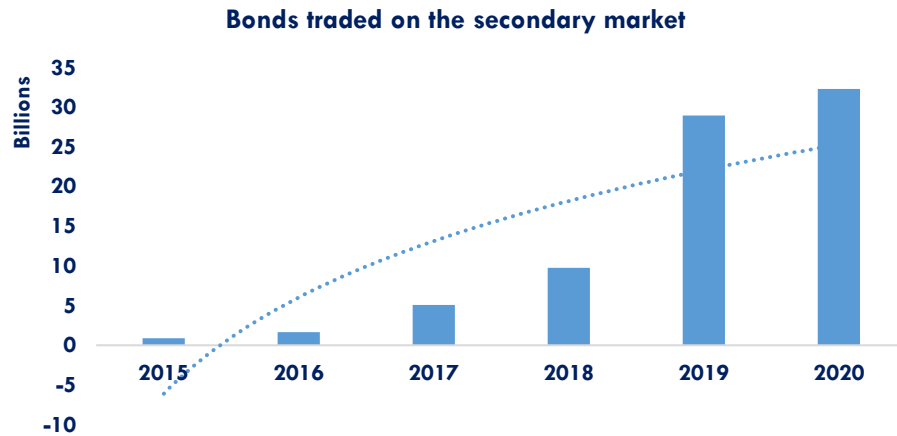
Current Markets View (Rwanda Stock Exchange-RSE)

Investor liquidity	Investor liquidity is mainly led by banks, pensions and insurance companies. One year T bill rate increased in the last 3 months by 30 basis point.
Interest rate outlook	Spread between short term and long term bonds expected to decrease, currently 475 basis point.
Upcoming Corporate Bond (RWF) issues (public information)	None
Secondary market developments	Increased liquidity on the secondary market likely to continue as investors are getting familiar with purchase and sale of bonds on the secondary market.



Fixed Income Instrument

Transactions on the secondary market increased again in 2020 with more than Frw 30 billion face value of bond traded from January to September 2020. More market participants are continuously getting familiar with secondary market bond trading. Volume of interbank market transactions in blue on the graph, increased considerably since 2017 and rates are more stable.



The Central bank rate was maintained at 4.5% on February 21, 2020 to continue supporting the financing of the economy by the banking sector and in April 2020, Banks reserve requirement were revised downward from 5% to 4%.

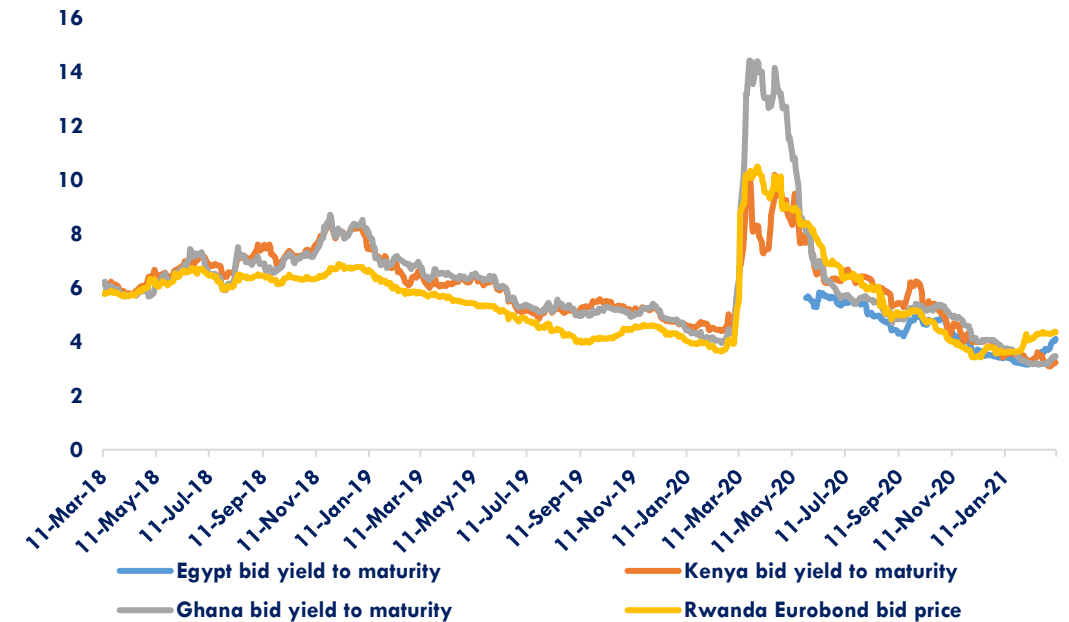
Eurobond Market Opportunities

Yields are lower as global risk sentiment improved

Eurobonds: Rwanda vs. Other Issuers < 4 Yrs to Maturity

Issuer	Republic of Rwanda	Republic of Kenya	Republic of Egypt	Republic of Ghana
Currency	USD	USD	USD	USD
Maturity	2-May-23	24-Jun-24	29-May-24	7-Aug-23
Years to Maturity	2.15	3.3	3.23	2.42
Coupon Type	Fixed	Fixed	Fixed	Fixed
Coupon	6.625%	6.875%	5.75%	7.875%
Bond ratings				
S&P	B+	B	B	B-
Fitch	B+	B+	B+	B
Composite	B+	B	B	B-
Moody's	B2	B2	B2u	B3
Moody's Outlook	NEGATIVE	NEGATIVE	STABLE	NEGATIVE
Credit Fundamentals				
Debt/GDP (%)	59%	63%	103%	72%
External Debt/ Gdp (%)	48%	41%	32%	31%
Pricing				
Yield to Maturity (%)_Midpoint	4.36%	3.24%	4.12%	3.48%
Current price in USD/100	104.573	111.272	104.862	110.046

Eurobond yields: Rwanda, Kenya & Egypt



- Yields on USD denominated assets are lower compared to last year as Covid 19 uncertainty is no longer there.
 - Yields on select Eurobonds with < 4 Years to Maturity:
 - Rwanda – 4.36% ; Kenya – 3.24% ; Egypt – 4.12% ; Ghana – 3.48%
 - We selected these 3 countries for comparison purposes with the Republic of Rwanda Bond as they have an almost similar tenor and credit rating.

Appendix

Rwanda Market Commentary

Public Debt:

- Expected level: Estimated at **46%** of GDP in present value terms at the end of 2020.

Economic Growth

- . The real GDP contracted by -0.4% in 2020 due to the covid 19 pandemic. In 2019, the GDP growth was 9.4%. Trade, transportation and tourism services were the most affected by the global pandemic.

Par curve

The 20 year bond yield to maturity is 13.15%, the 20 year bond issued in August will be reopened on December 21, 2020.



Inflation and currency depreciation:

- Headline inflation is 8.5% from January to October 2020.
- RWF Currency depreciation versus the USD averaged 6.14% per year for the period 2012-2019.

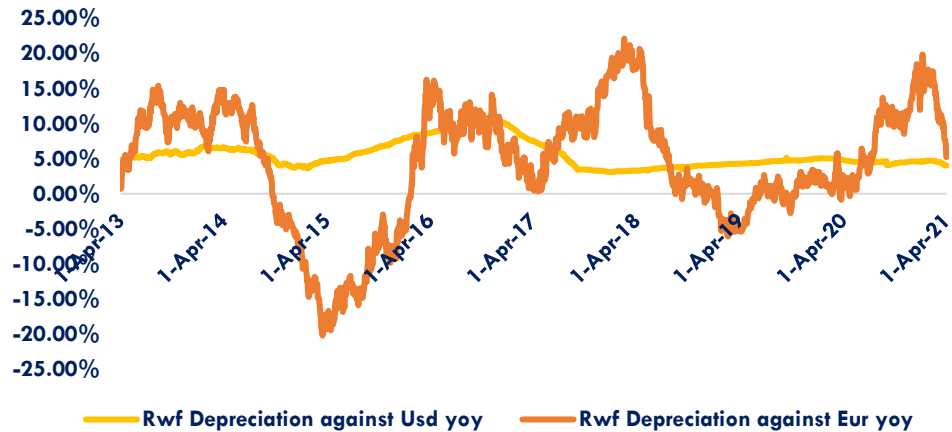
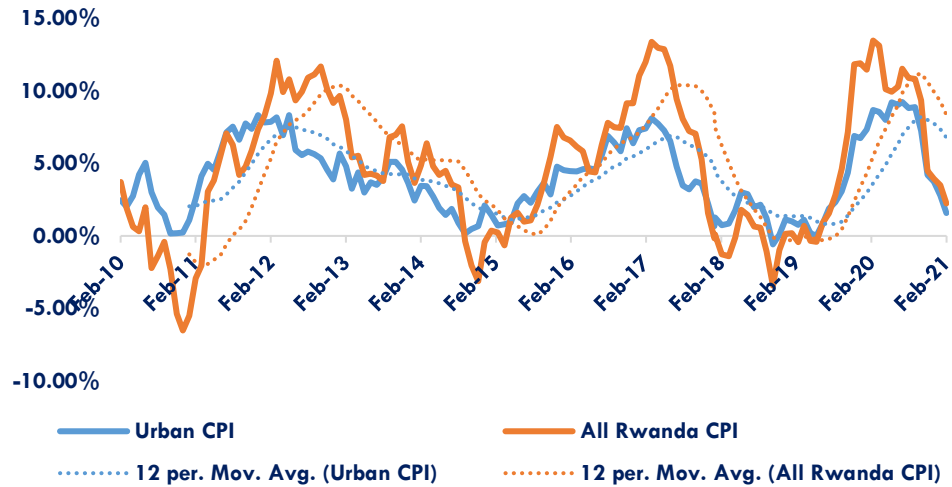
Yield Premium:

- Rwanda bonds rated B+ Outlook Stable by Fitch Ratings on August 9, 2020

Key figures

- Population: 12,955,736 (NISR projections as at end of 2020)
- Life expectancy at birth: 67.8 years

Inflation and Currency Depreciation



The urban headline inflation was 7.74% in 2020 and is expected to be lower this year.

As of April 1, year over year depreciation of the FRW against EUR is 3.99% and 5.2% against the USD.

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Investors may not get back the amount they invest. Changes in the rates of exchange between currencies may cause the value of investments to go up and down. Fluctuation may be particularly marked in the case of a higher volatility fund and the value of an investment may fall suddenly and substantially. Levels and basis of taxation may change from time to time.

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