



FINCA[®]

FINCA UGANDA LIMITED

PILLAR 3:

**MARKET DISCIPLINE
DISCLOSURES**

JUNE 30TH, 2024

Building Tomorrow Together

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FINCA Uganda is regulated by Bank of Uganda and Customer deposits are protected by the Deposit Protection Fund of Uganda up to 10 million shillings. Terms and Conditions apply.

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Introduction

This report provides the MDI's Pillar 3 market discipline disclosures as at June 30, 2024. The disclosures were introduced by Bank of Uganda effective April 30, 2023 to reduce information asymmetry and help to promote comparability of supervised financial institutions' (SFI) risk profiles, and to promote market discipline through these regulatory disclosures.

The disclosures herein focus on the regulatory capital and risk exposures with the purpose of increasing transparency and confidence about an SFI's exposure to risk and the overall adequacy of its regulatory capital.

The information in this report is unaudited.

DIS01: KEY PRUDENTIAL METRICS - AS AT JUNE 30, 2024

		June, 24	Mar, 24	Dec, 2023	Sep, 2023
		T	T-1	T-2	T-3
Available capital (amounts)					
1	Core capital	39,343,130.68	41,456,270.48	39,741,412.45	38,946,727.99
2	Supplementary capital	5,669,784.99	5,707,834.71	5,431,180.27	5,734,915.32
3	Total capital	45,012,915.66	47,164,105.19	45,172,592.72	44,681,643.31
Risk-weighted assets (amounts)					
4	Total risk-weighted assets (RWA)	165,379,507.43	171,798,786.45	177,335,948.89	171,726,735.04
Risk-based capital ratios as a percentage of RWA					
5	Core capital ratio (%)	23.79%	24.13%	22.41%	22.68%
6	Total capital ratio (%)	27.22%	27.45%	25.47%	26.02%
Capital buffer requirements as a percentage of RWA					
7	Capital conservation buffer requirement (2.5%)	4,134,487.7	4,294,969.7	4,433,398.7	4,293,168
8	Countercyclical buffer requirement (%)				
9	Systemic buffer (for DSIBs) (%)				
10	Total of capital buffer requirements (%)	4,134,487.69	4,294,969.66	4,433,398.72	4,293,168.38
	(row 7 + row 8 + row 9)				

		June, 24	Mar, 24	Dec, 2023	Sep, 2023
11	Core capital available after meeting the bank's minimum capital requirements (%)	24,806,926.11	25,769,817.97	26,600,392	25,759,010
Basel III leverage ratio					
13	Total Basel III leverage ratio exposure measure	222,716,972	220,829,745.27	228,945,759.36	219,327,632.28
14	Basel III leverage ratio (%) (row 1 / row 13)	17.67%	18.77%	17.36%	17.76%
Liquidity Coverage Ratio					
15	Total high-quality liquid assets (HQLA)	4,134,487.7	4,294,969.7	4,433,398.7	4,293,168
16	Total net cash outflow				
17	LCR (%)				
Net Stable Funding Ratio					
18	Total available stable funding				
19	Total required stable funding	4,134,487.69	4,294,969.66	4,433,398.72	4,293,168.38
20	NSFR				

DIS03: OVERVIEW OF THE RISK WEIGHTED ASSETS(RWA)- AS AT JUNE 30, 2024

				Minimum capital requirements
		RWA		
		Q2, 2024	Q1, 2024	Q2, 2024
1	Credit risk (excluding counterparty credit risk)	125,178,614	131,605,772.87	10,427,378.6
2	Counterparty credit risk (CCR)	-	-	-
3	Market risk	-	-	-
4	Operational risk	6,428,503.3	6,183,276	771,729.1
5	Total (1+2+3+4)	131,607,117.4	137,789,048.4	11,199,108

DIS04: COMPOSITION OF REGULATORY CAPITAL - AS AT JUNE 30, 2024

		June, 2024
		Amounts
Common Equity Tier 1 capital: instruments and reserves		
1	Permanent shareholders equity (issued and fully paid-up common shares)	13,893,323.5
2	Share premium	6,795,620
3	Retained earnings	18,271,616
4	Net after tax profits current year-to date (50% only)	155,861
5	General reserves (permanent, unencumbered, and able to absorb losses)	1,164,224
6	Tier 1 capital before regulatory adjustments	
Tier 1 capital: regulatory adjustments		40,280,644.92
8	Goodwill and other intangible assets	
9	Current year's losses	
10	Investments in unconsolidated financial subsidiaries	
12	Deficiencies in provisions for losses	
14	Other deductions determined by the central bank	
26	Other deductions determined by the central bank	
28	Total regulatory adjustments to Tier 1 capital	
29	Tier 1 capital	40,280,644.92
Tier 2 capital: Supplementary capital		5,707,834.71
46	Revaluation reserves on fixed assets	1,216,092.94
47	Unencumbered general provisions for losses (not to exceed 1.25% of RWA)	
48	Hybrid capital instruments	
49	Subordinated debt (not to exceed 50% of core capital subject to a discount factor)	4,491,741.77
58	Tier 2 capital	5,707,834.7
59	Total regulatory capital (= Tier 1 + Tier2)	45,988,480
60	Total risk-weighted assets	171,798,786

DIS04: COMPOSITION OF REGULATORY CAPITAL - AS AT JUNE 30, 2024

		June, 2024
		Amounts
Capital adequacy ratios and buffers		
61	Tier 1 capital (as a percentage of risk-weighted assets)	25,769,817.97
63	Total capital (as a percentage of risk-weighted assets)	26.77%
64	Total Institution-specific buffer requirement (capital conservation buffer plus countercyclical buffer requirements plus systemic buffer, expressed as a percentage of risk-weighted assets)	-
65	Of which: capital conservation buffer requirement	-
66	Of which: countercyclical buffer requirement	-
67	Of which: bank specific systemic buffer requirement	-
68	Tier 1 capital (as a percentage of risk-weighted assets) available after meeting the bank's minimum capital requirements	
Minimum statutory ratio requirements		23.45%
70	Tier 1 capital adequacy ratio	15%
71	Total capital adequacy ratio	20%

DIS05: ASSET QUALITY- AS AT JUNE 30, 2024

		a	b	d	e	f	g
		Gross carrying values of		Provisions as per FIA2004/MDIA2003		Interest in suspense	Net
		Defaulted exposures	Non-defaulted exposures	Specific	General		values (FIA/MDIA)
							(a+b-d-e)
1	Loans and advances	9,611,339.07	122,308,231.21	7,045,474.9	1,164,224.4	1,682,947.8	123,191,148
	Debt	0	0	0	0	0	0
	Securities	0	0	0	0	0	0
	Off-balance sheet exposures	0	0	0	0	0	0
	Total	9,611,339.07	122,308,231.21	7,045,474.9	1,164,224.4	1,682,947.8	123,191,148

DIS06: CHANGES IN STOCK OF DEFAULTED LOANS AND DEBT SECURITIES-AS AT JUNE, 30, 2024

		June, 2024
1	Defaulted loans & advances, debt securities and off balance sheet exposures at end of the previous reporting period	9,611,339.1
2	Loans and debt securities that have defaulted since the last reporting period	-
3	Returned to non-defaulted status	-
4	Amounts written off	2,270,718.9
	Other changes	-
	Defaulted loans & advances, debt securities and off balance sheet exposures at end of the reporting period	
	(1+2-3-4+5)	7,340,620.2