

STATEMENT FROM THE MANAGING DIRECTOR



R.K. Meena, Managing Director

It's my pleasure to share Bank's financial statements for the year ended December 31, 2020. During the last financial year substantial growth was witnessed by the Bank in almost all the business parameters. This performance is the outcome of our Customer Centric approach and leveraging technology for enhancing our reach.

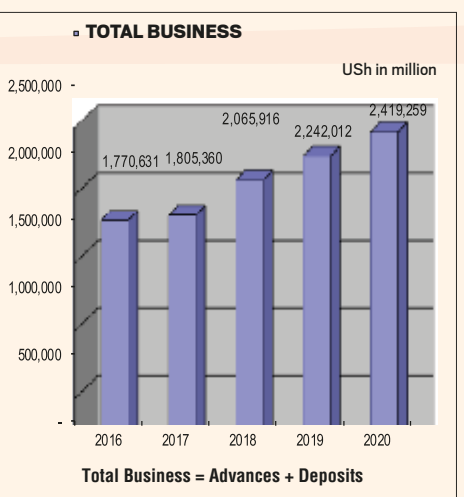
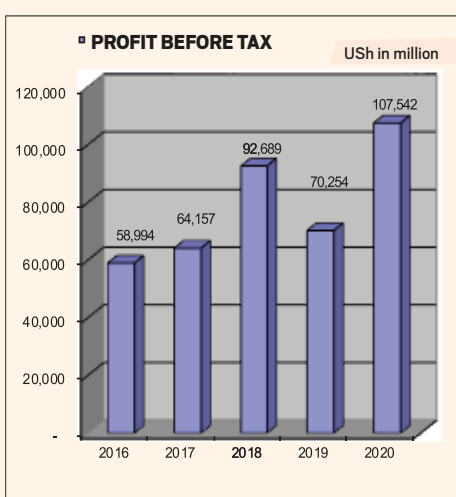
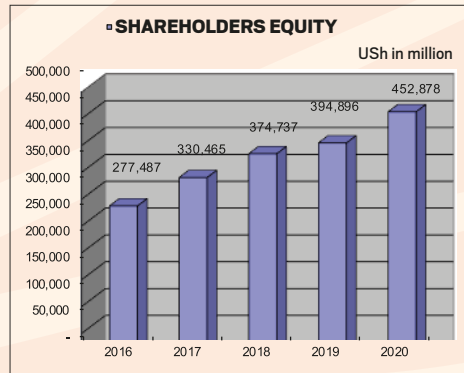
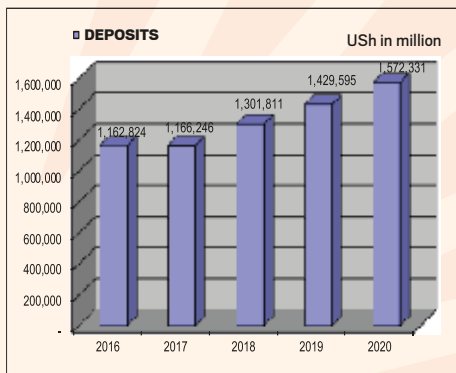
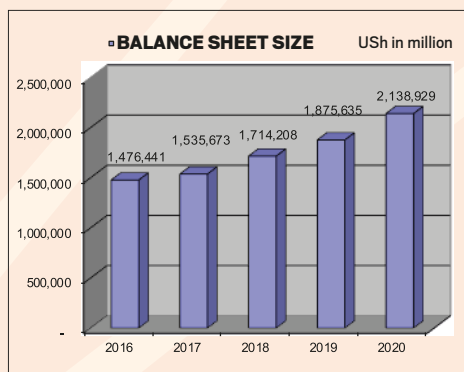
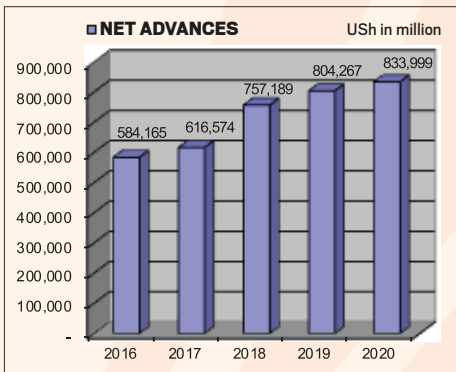
Year 2020 was a productive year for the Bank despite competitive business environment & highly challenging external circumstances of COVID-19 pandemic. Total Deposits of the Bank increased by USh 142.74 Bn, showing a growth of 9.98% over the previous year & Total Assets increased by 14.04% in 2020, to USh 2,138.93 Bn from USh 1,875.64 Bn in 2019. The net profit of the Bank has also increased from Ush 45.36 Bn in 2019 to USh 83.32 Bn in 2020.

In order to leverage the technology further, Bank has replaced 7 ATMs with Cash Recycler machines which will provide our esteemed customers with facility of 24X7 cash withdrawal as well as cash deposit

facilities. Bank constantly strives to adopt the latest technology in order to improve operational excellence, increased efficiency and to create competitive advantage. In the same line Bank will soon be launching Agency Banking and also planning to initiate a new experience of doorstep banking through Tablets.

Year 2020 was an important milestone on our path as our Bank was bestowed with 'People's choice Quality Awards 2020' for being **Best Competent and Consistent Bank in Uganda**. The Bank was also conferred with "Superbrands of East Africa" for Consecutive 6th Term. I take this opportunity to place my sincere thanks and gratitude to the Government of the Republic of Uganda and Bank of Uganda- the Central Bank for their valuable guidance and continued support in strengthening the operations of the Bank. I express my deepest gratitude to all our employees, esteemed customers and shareholders for their continuous support and patronage.

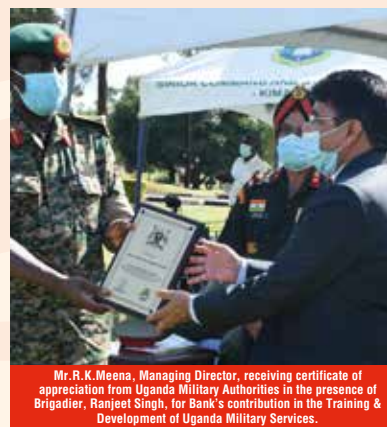
PERFORMANCE AT A GLANCE



THE CORPORATE SOCIAL RESPONSIBILITY AND OTHER ACTIVITIES



Board Members & Company Secretary at 50th Annual General Meeting of Bank of Baroda (Uganda) Limited



Mr. R.K. Meena, Managing Director, receiving certificate of appreciation from Uganda Military Authorities in the presence of Brigadier, Ranjeet Singh, for Bank's contribution in the Training & Development of Uganda Military Services.



Team of Bank of Baroda (U) Ltd was bestowed with 'People's choice Quality Awards 2020' for being best competent and consistent Bank.



Blood Donation Camp was inaugurated by Mr. R.K. Meena, Managing Director along with staff & valued customers at Kansanga Branch on the occasion of Celebration of 113th Foundation Day of Parent Bank on 20.07.2020



Restoration of -02- Hectares of forest land area by planting of -1300- saplings by Mr. R.K. Meena, Managing Director and other staff members along with the staff of National Forestry Authority and residents of Mpigi Town organized on the occasion of 113th Foundation Day of the Parent Bank on 20.07.2020.

SERVING THE PEOPLE OF UGANDA SINCE 1953

Our Branches with ATM: Kampala Main/Railway Station/Jinja/Mbale/Mbarara/Iganga/Kansanga/Kawempe/Lira/Mukono/Ovino Market/Kabale/Entebbe/Industrial Area/Kololo/Lugazi
Our off-Site ATM: Oasis Mall, Kampala | Susie House, Kabalagala | Njeru Industrial Area, Jinja



SUMMARY CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS FOR THE YEAR ENDED DECEMBER 31, 2020
I. INDEPENDENT AUDITOR'S REPORT ON THE SUMMARY CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS TO THE MEMBERS OF BANK OF BARODA (UGANDA) LIMITED
Opinion

The summary consolidated and separate financial statements of Bank of Baroda (Uganda) Limited ("the Bank") and its subsidiary (together "the Group"), which comprise the summary consolidated and separate statement of financial position as at December 31, 2020 and the summary consolidated and separate statement of profit or loss and other comprehensive income for the year then ended, and related notes, are derived from the audited consolidated and separate financial statements of the Group for the year ended December 31, 2020.

In our opinion, the accompanying summary consolidated and separate financial statements are consistent, in all material respects, with the audited consolidated and separate financial statements of the Group for the year ended December 31, 2020 in accordance with the Financial Institutions (External Auditors) Regulations, 2010 and the Financial Institutions Act, 2004, and as amended.

Summary consolidated and separate financial statements

The summary consolidated and separate financial statements do not contain all the disclosures as required by International Financial Reporting Standards ("IFRSs"), the Companies Act, 2012 and the Financial Institutions Act, 2004, and as amended. Reading the summary consolidated and separate financial statements and the auditors' report thereon, therefore, is not a substitute for reading the audited consolidated and separate financial statements and the auditor's report thereon.

The audited consolidated and separate financial statements and our report thereon

We expressed an unmodified audit opinion on the audited consolidated and separate financial statements in our report dated April 15, 2021. That report also includes the communication of Key Audit Matters. Key Audit Matters are those matters that, in our professional judgement, were of most significance in our audit of the consolidated and separate financial statements for the year ended December 31, 2020.

Directors' responsibility of the summary consolidated and separate financial statements

The Directors are responsible for the preparation of the summary consolidated and separate financial statements in accordance with the requirements of the Financial Institutions (External Auditors) Regulations 2010 and the Financial Institutions Act, 2004, and as amended.

Auditor's responsibility

Our responsibility is to express an opinion on whether the summary consolidated and separate financial statements are consistent in all material aspects, with the audited consolidated and separate financial statements based on our procedures which were conducted in accordance with International Standard on Auditing (ISA) 810 (Revised), Engagements to Report on Summary Financial Statements.

Grant Thornton

Grant Thornton
Certified Public Accountants
April 21, 2021
Kampala, Uganda

II SUMMARY CONSOLIDATED AND SEPARATE STATEMENT OF FINANCIAL POSITION AS AT DECEMBER 31, 2020

	Group		Bank	
	2020	2019	2020	2019
	US\$ '000	US\$ '000	US\$ '000	US\$ '000
Assets				
Cash and balances with Bank of Uganda	127,286,020	180,908,902	127,256,890	180,886,135
Balances with banking institutions	393,154,012	307,814,346	393,154,012	307,814,346
Due from parent / group companies	10,936,367	9,752,300	10,936,367	9,752,300
Marketable (trading) securities	631,121,790	520,251,915	631,121,790	520,251,915
Loans and advances (net)	833,998,928	804,266,970	833,998,928	804,266,970
Investment securities	106,376,821	17,899,500	106,376,821	17,899,500
Interest receivable and other assets	3,435,166	3,768,263	3,430,694	3,583,907
Investments in subsidiary	-	-	40,000	40,000
Property, equipment and right-of-use assets	28,913,224	27,259,233	28,911,906	27,257,713
Intangible assets	176,044	129,044	176,044	129,044
Tax recoverable	1,331,750	822,637	1,306,247	806,301
Deferred tax asset	2,198,427	2,761,653	2,178,683	2,757,160
Total assets	2,138,928,549	1,875,634,763	2,138,888,382	1,875,445,291
Liabilities and shareholders' equity				
Customers' deposits	1,572,331,133	1,429,594,726	1,572,968,177	1,430,128,588
Interest payable and other liabilities	88,154,232	50,574,026	88,068,024	50,466,639
Dividends payable	25,564,981	570,163	25,564,981	570,163
Total liabilities	1,686,050,346	1,480,738,915	1,686,601,182	1,481,165,390
Share capital	25,000,000	25,000,000	25,000,000	25,000,000
Treasury shares	-	(6,433)	-	-
Retained earnings	395,133,119	338,752,401	394,542,116	338,105,684
Proposed dividends	25,000,000	25,000,000	25,000,000	25,000,000
Reserves	7,745,084	6,149,880	7,745,084	6,174,217
Total shareholders' equity	452,878,203	394,895,848	452,287,200	394,279,901
Total liabilities and shareholders' equity	2,138,928,549	1,875,634,763	2,138,888,382	1,875,445,291

III SUMMARY CONSOLIDATED AND SEPARATE INCOME STATEMENT FOR THE YEAR ENDED DECEMBER 31, 2020

	Group		Bank	
	2020	2019	2020	2019
	US\$ '000	US\$ '000	US\$ '000	US\$ '000
Income				
Interest on deposits and placements	12,711,763	13,182,978	12,711,763	13,182,978
Interest on loans and advances	89,510,206	87,430,501	89,510,206	87,430,501
Interest on marketable/trading securities	25,855,864	17,834,307	25,855,864	17,834,307
Interest on investments	42,217,120	44,169,891	42,217,120	44,169,891
Foreign exchange income	4,485,054	3,583,121	4,485,054	3,583,121

	Group		Bank	
	2020	2019	2020	2019
	US\$ '000	US\$ '000	US\$ '000	US\$ '000
Fees and commission income	16,367,081	15,610,485	16,367,081	15,610,485
Other income	15,958,382	18,125,864	15,942,858	18,024,838
Total income	207,105,470	199,937,147	207,089,946	199,836,121
Expenditure				
Interest expense on deposits	57,530,520	61,429,376	57,544,715	61,456,992
Interest expense on borrowings	361,827	345,085	361,827	345,085
Other interest expense	439,538	281,541	439,538	281,541
Provision for bad and doubtful debts	2,587,394	3,143,056	2,587,394	3,143,056
Management fees	2,238,131	3,916,729	2,238,131	3,916,729
Operating expenses	36,406,540	60,567,728	36,314,632	60,509,216
Total expenditure	99,563,950	129,683,515	99,486,237	129,652,619
Profit before tax	107,541,520	70,253,632	107,603,709	70,183,502
Taxation	24,224,076	24,891,793	24,232,716	24,870,754
Profit after tax	83,317,444	45,361,839	83,370,993	45,312,748

IV OTHER DISCLOSURES

	Group		Bank	
	2020	2019	2020	2019
	US\$ '000	US\$ '000	US\$ '000	US\$ '000
Contingent liabilities				
Letter of credit	116,381,590	61,207,169	116,381,590	61,207,169
Guarantees and performance bonds	67,064,534	90,201,585	67,064,534	90,201,585
Total	183,446,124	151,408,754	183,446,124	151,408,754
Commitments				
Undrawn credit lines	216,647,923	178,284,123	216,647,923	178,284,123
Total	216,647,923	178,284,123	216,647,923	178,284,123
Non-performing loans and other assets				
Interest in suspense	462,438	469,386	462,438	469,386
Bad debts written off	205,024	33,982,061	205,024	33,982,061
Large loan exposures	293,116,000	205,468,000	293,116,000	205,468,000
Insider loan exposures	108,734	29,567	108,734	29,567

	Bank	
	2020	2019
	US\$ '000	US\$ '000
Capital position		
Core capital	409,366,954	352,813,801
Supplementary capital	16,628,453	16,780,978
Total qualifying capital	425,995,407	369,594,779
Total Risk Weighted Assets (RWA)	1,226,226,223	1,175,697,211
Core capital to RWA	33.38%	30.01%
Total qualifying capital to RWA	34.74%	31.44%

V. BASIS OF PREPARATION

The summary consolidated and separate financial statements for the year ended December 31, 2020 were prepared in accordance with the requirements of section 12(1) of the Financial Institutions (External Auditors) Regulations, 2010. The regulations require that a financial institution shall, within four months after the end of its financial year, publish its audited annual financial statements and the external auditor's report, in a newspaper circulating in the whole of Uganda in the format prescribed in the schedule to the regulations. These summary consolidated and separate financial statements have been reviewed by Grant Thornton Certified Public Accountants of Uganda. The directors take full responsibility of this report.

VI. DIVIDENDS

The Board has resolved to recommend dividend of US\$ 25 billion for the year ended December 31, 2020 i.e. US\$ 10 per share. The proposal for paying dividend at US\$ 10 per share (100%) will be subject to approval from Bank of Uganda and by the shareholders at the ensuing Annual General Meeting. The Book closure date will be advised following receipt of the said regulatory approval.

VII. MESSAGE FROM DIRECTORS

The above summary consolidated and separate statements of financial position and profit or loss and other comprehensive income were audited by Grant Thornton Certified Public Accountant of Uganda and received an unmodified audit opinion. The consolidated and separate financial statements were approved by the Board of Directors on **March 24, 2021** and discussed with the Bank of Uganda on **April 8, 2021**. A copy of the audited consolidated and separate financial statements of the Bank can be obtained from our website at www.bankofbaroda.ug as well as from our Head Office.


Prithvi Singh Bhati
Executive Director


Raj Kumar Meena
Managing Director


Vastina Rukimirana Nsanze
Chairperson

SERVING THE PEOPLE OF UGANDA SINCE 1953

Our Branches with ATM: Kampala Main/Railway Station/Jinja/Mbale/Mbarara/Iganga/Kansanga/Kawempe/Lira/Mukono/Ovino Market/Kabale/Entebbe/Industrial Area/Kololo/Lugazi
Our off-Site ATM: Oasis Mall, Kampala | Susie House, Kabalagala | Njeru Industrial Area, Jinja

