



UGAFODE MICROFINANCE LIMITED (MDI)

**PILLAR 3 MARKET DISCIPLINE DISCLOSURES REPORT FOR THE PERIOD ENDED
30TH JUNE 2025**

The Report

Disclosures in this report are made in accordance with the Bank of Uganda Pillar 3 Market Discipline guidelines on disclosures.

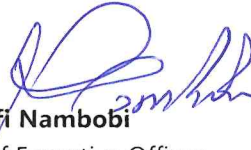
All amounts are in thousand Ugandan shillings unless otherwise stated.

Board Attestation

The Board attests that the Pillar 3 Market Discipline Disclosure Reports for Quarter 2 2025 have been prepared in accordance with the Board-agreed internal control processes.



Ruth Doreen Mutebe
Board Chairperson



Shafi Nambobi
Chief Executive Officer

1.0 DIS01: KEY PRUDENTIAL METRICS

The following key prudential regulatory metrics are shown in the table below.

Frequency: Quarterly.

	Ushs ("000")	Jun-25	Mar-25	Dec-24	Sep-24	Jun-24
Available capital (amounts)						
1	Core capital	30,252,745	29,533,920	26,287,465	25,346,500	24,513,277
2	Supplementary capital	1,971,027	1,968,754	1,956,775	1,864,897	1,825,783
3	Total capital	32,223,772	31,502,674	28,244,241	27,211,397	26,339,059
Risk-weighted assets (amounts)						
4	Total risk-weighted assets (RWA)	132,779,111	157,726,764	156,551,691	146,585,725	143,946,953
Risk-based capital ratios as a percentage of RWA						
5	Core capital ratio (%)	23%	19%	17%	17%	17%
6	Total capital ratio (%)	24%	20%	18%	19%	18%
Capital buffer requirements as a percentage of RWA						
7	Capital conservation buffer requirement (2.5%)	2.5%	2.5%	2.5%	2.5%	2.5%
8	Countercyclical buffer requirement (%)	0.0%	0.0%	0.0%	0.0%	0.0%
9	Systemic buffer (for DSIBs) (%)	0.0%	0.0%	0.0%	0.0%	0.0%
10	Total of capital buffer requirements (%) (row 7 + row 8 + row 9)	2.5%	2.5%	2.5%	2.5%	2.5%
11	Core capital available after meeting the bank's minimum capital requirements (%)	5%	1%	-1%	0%	0%
Basel III leverage ratio						
13	Total Basel III leverage ratio exposure measure	157,144,009	144,323,815	144,534,484	138,363,537	136,212,625
14	Basel III leverage ratio (%) (row 1 / row 13)	19%	20%	18%	18%	18%
Liquidity Coverage Ratio						
15	Total high-quality liquid assets (HQLA)	9,276,625	7,530,974	4,954,487	4,833,885	8,293,372
16	Total net cash outflow	778,528	3,326,621	1,734,046	2,413,830	5,469,257
17	LCR (%)	1192%	226%	286%	200%	152%
Net Stable Funding Ratio						
18	Total available stable funding	99,383,604	86,396,261	101,588,278	94,617,973	93,613,147
19	Total required stable funding	44,531,869	123,240,957	120,959,435	111,731,401	107,847,728
20	NSFR	223%	70%	84%	85%	87%

2.0 DIS03: OVERVIEW OF RWA

The table below is an overview of RWA and Minimum Capital Requirements

Frequency: Quarterly.				
		a	b	c
		RWA		Minimum capital requirements
		Jun-25	Mar-25	Jun-25
1	Credit risk (excluding counterparty credit risk)	115,749,940	114,996,619	23,149,988
2	Counterparty credit risk (CCR)	4,484,871	13,880,501	896,974
3	Market risk	0	0	
4	Operational risk	30,238,836	28,849,644	3,630,112
5	Total (1 + 2 + 3 + 4)	150,473,647	157,726,764	27,677,075

3.0 DIS04: COMPOSITION OF REGULATORY CAPITAL

Frequency: Semi-annual.			
		Jun-25	Dec-24
		Amounts	Amounts
	Common Equity Tier 1 capital: instruments and reserves		
1	Permanent shareholders equity (issued and fully paid-up common shares)	10,000,000	10,000,000
2	Share premium	6,392,246	6,392,246
3	Retained earnings	12,126,409	6,734,832
4	Net after tax profits current year-to date (50% only)	1,734,090	3,160,387
5	General reserves (permanent, unencumbered and able to absorb losses)	-	-
6	Tier 1 capital before regulatory adjustments	30,252,745	26,287,465
	Tier 1 capital: regulatory adjustments	30,252,745	26,287,465
8	Goodwill and other intangible assets	0	0
9	Current year's losses	0	0
10	investments in unconsolidated financial subsidiaries	0	0



12	deficiencies in provisions for losses	0	0
14	Other deductions determined by the Central bank	0	0
26	Other deductions determined by the Central bank	0	0
28	Total regulatory adjustments to Tier 1 capital	0	0
29	Tier 1 capital	30,252,745	26,287,465
	Tier 2 capital: Supplementary capital		
46	Revaluation reserves on fixed assets	0	0
47	<i>Unencumbered general provisions for losses (not to exceed 1.25% of RWA)</i>	1,098,288	1,084,036
48	Hybrid capital instruments	872,739	872,739
49	<i>Subordinated debt (not to exceed 50% of core capital subject to a discount factor)</i>	0	0
58	Tier 2 capital	1,971,027	1,956,775
59	Total regulatory capital (= Tier 1 + Tier2)	32,223,772	28,244,241
60	Total risk-weighted assets	132,779,111	156,551,691
	Capital adequacy ratios and buffers		
61	Tier 1 capital (as a percentage of risk-weighted assets)	23%	17%
63	Total capital (as a percentage of risk-weighted assets)	24%	18%
64	Total Institution-specific buffer requirement (capital conservation buffer plus countercyclical buffer requirements plus systemic buffer, expressed as a percentage of risk-weighted assets)	3%	3%
65	Of which: capital conservation buffer requirement	2.5%	2.5%
66	Of which: countercyclical buffer requirement	0	0
67	Of which: bank specific systemic buffer requirement	0.0%	0.0%
68	Tier 1 capital (as a percentage of risk-weighted assets) available after meeting the bank's minimum capital requirements	4.8%	-1.2%
	Minimum statutory ratio requirements		
70	Tier 1 capital adequacy ratio	15%	15%
71	Total capital adequacy ratio	20%	20%



4.0 DIS05: Asset Quality

Frequency: Semi-annual.							
		a	b	d	e	f	g
		Gross carrying values of		Provisions as per FIA2004/MDIA2003		Interest in suspense	Net values (FIA/MDIA) (a+b-d-e)
		Defaulted exposures	Non-defaulted exposures	Specific	General		
1	Loans and advances	2,499,734	116,970,484	3,198,827	1,098,288	521,451	115,173,104
2	Debt Securities	0	0	0	0	0	0
3	Off-balance sheet exposures	0	0	0	0	0	0
4	Total	2,499,734	116,970,484	3,198,827	1,098,288	521,451	115,173,104

5.0 DIS06: Changes in stock of defaulted loans and debt securities

Frequency: Semiannual.		
		Jun-25
1	Defaulted loans & advances, debt securities and off balance sheet exposures at end of the previous reporting period	2,144,884
2	Loans and debt securities that have defaulted since the last reporting period	2,499,734
3	Returned to non-defaulted status	724,464
4	Amounts written off	1,420,420
5	Other changes	0
6	Defaulted loans & advances, debt securities and off balance sheet exposures at end of the reporting period (1+2-3-4+5)	2,499,734