

Press Release

NCBA Group PLC reports Profit After Tax growth of 56% to KES 21.5 billion

Nairobi, March 27th, 2024: NCBA Group PLC has posted a profit after tax of **KES 21.5 billion** in its Full Year 2023 results which is a **56 per cent** increase compared to KES 13.8 billion reported during a similar period in 2022.

Key Highlights

- Customer deposits closed at KES 579 billion, 15.3 per cent up year on year.
- Assets grew to KES 735 billion, 18.6 per cent up year on year.
- NCBA disbursed KES 930 billion in digital loans, 27.5 per cent increase year on year.
- Operating income of KES 63.7 billion, 4.5 per cent up year on year
- Provision for credit losses was KES 9.2 billion, 29.9 per cent down year on year.
- Profit before tax of KES 25.5 billion, 13.3 per cent up year on year.
- Profit after tax of KES 21.5 billion, 55.7 per cent up year on year

The growth trajectory for the Group remained solid driven by positive operating income and a decline in loan impairment charges by 29.9 per cent year on year. Operating expenses closed at 19 per cent up year on year driven by inflationary pressures and continued investment in the current strategic priorities.

While releasing the Full Year 2023 financial results, NCBA Group Managing Director, John Gachora commented, “The Business has sustained growth momentum in line with our five-year strategic plan, which has positively enhanced shareholder value while supporting customers amidst a challenging macro-economic environment.”

“Our regional subsidiaries (Tanzania, Rwanda and Uganda) collectively delivered a profit before tax of KES 3.0 billion, a notable improvement from the loss of KES 308 million posted in Full Year 2022” said Gachora. These outstanding results were driven by the Group’s turnaround strategy in Tanzania through recalibration of the business model and a rightsizing of the operating models in Uganda and Rwanda to accelerate growth.



To become a distinguished Brand known for customer experience, the Group launched and trained its over 3000 employees on the NCBA Way service behaviors. The relaunch of NCBA`s Service Charter reiterated the commitment to deliver on customer promise. The Group received 3 awards during the Institute of Customer Experience {ICX} Kenya Service Excellence Awards that recognize and celebrate the success of corporates that provide exemplary customer service.

- 1st Place Winner Best Customer Experience Strategy
- 1st Place CX week Innovation Category
- 3rd Place Best Use of Technology in Customer Experience

NCBA continues its journey to increase customer accessibility across the regional markets it operates in. The Group now boasts of a branch network of 109 having opened 8 branches in 2023.

The Group`s Asset Finance market share and leadership position reached 34% while retail asset finance disbursements increased by 18% enabled by stronger relationships with distinctive strategic partnerships. The partnerships were further scaled through product launch of the logbook loans, the KMI Motor Show and Johari Awards which affirmed NCBA as a true supporter of the automotive industry.

Access to digital credit remained a key focus area to help customers manage their financial well-being. Digital lending for the period reached KES 930 billion for NCBA`s over 60 million customers across Africa while mobile transaction volumes grew 37% year on year.

Through "Change the Story" platform and together with multiple strategic partners, NCBA made progress on its 15 Sustainability Commitments. More than 3,000 students and teachers were impacted through education programs, over 344,000 trees were planted, 7,000 golfers participated in driving inclusive regional sports and Electric Vehicle charging stations were installed. On the commitment to mobilize KES 30 billion of Green & Sustainable Financing, NCBA joined forces with Proparco a subsidiary of the AFD Group to unlock a USD 50million facility. The funding is targeted towards fostering sustainable economic development and to promote diversity, equity, and inclusion.



With insurance increasingly becoming a basic financial need for the type of customers served, NCBA announced its intention to acquire 100% of AIG Kenya Insurance Company Limited subject to regulatory approvals. By bringing together NCBA's physical and digital distribution platforms and AIG Kenya's insurance capabilities, the transaction will unlock the Group's ambition to become a universal bank and catalyze deeper market penetration of insurance in Kenya and the region.

"Looking ahead to 2024, we will continue to execute within the Group's strategic framework cycle which is now in its final year. The prevailing economic uncertainties will require increased investment in enhancing our customer experience and the collective strengths of our diversified business model to sustain shareholder returns." said Mr. Gachora.

The Group's strong performance enabled the Board of Directors to recommend a final dividend declaration of KES 3.00 per share bringing the total dividend for the year to KES 4.75 per share.

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About NCBA Group

NCBA Group is a full-service banking group providing a broad range of financial products and services to corporate, institutional, SME and consumer banking customers. NCBA Group operates a network of more than 100 branches in five countries including Kenya, Uganda, Tanzania, Rwanda, and Ivory Coast. Serving over 60 million customers, the NCBA Group is the largest banking group in Africa by customer numbers. NCBA Bank Kenya PLC is among the top leading banks by assets. The Bank continues to play a key role in supporting Africa's economic ambitions. The Bank is a Market Leader in Corporate Banking, Asset Finance and Digital Banking.