



FY 2024 Investor Pack

March 2025

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WHO WE ARE <

OPERATING ENVIRONMENT <

UPDATE ON STRATEGY <

FINANCIAL PERFORMANCE FY 2024 <

1

Solid fundamentals across our business

- ✓ Delivered a resilient **ROAE of 21.7%**, up from **5% in 2020**
- ✓ Maintained strong capitalization with a **CAR of 21.2%**, well above the **14.5% regulatory minimum**
- ✓ Strong delivery of profitability from our digital business growing **+74% y-o-y** across all our markets
- ✓ Our non banking subsidiaries grew by **+37% y-o-y** owing to both organic growth and strong performance from **our newest subsidiary NCBA Insurance**
- ✓ Final Dividend for 2024 of KES 3.25 per share bringing FY 2024 Dividend to **KES 5.50 per share**

2

Well controlled risks

- ✓ We are delivering a better-quality loan book compared to similarly sized peers and the industry at large with NPL ratio at **11.2% (Industry at 16.4%)**
- ✓ A deliberate decision to reduce expensive deposits led to a more optimal & better priced funding mix **delivering stable net interest income performance**
- ✓ The Regional Business has undergone significant transformation during the strategy cycle, **transitioning from negative performance in 2020 to a sizeable 13% contribution to PBT in 2024.**

3

We have delivered on our 2020-2024 strategic ambitions

- ✓ Our investment in brand recognition is driving **consideration ~ 46%** (30% in 2020) and customer growth
- ✓ Expanded our retail banking footprint, increasing our branch network to **119 branches (89 in FY 20)**
- ✓ Solidified our leadership in asset finance with **35% market share**
- ✓ In 2024, we disbursed **KES 1 Trillion in digital loans**. Leveraging AI-driven credit scoring, we've significantly enhanced our digital credit performance
- ✓ We continue to deliver on high-performance culture with a balanced **51:49** gender ratio (**M:F**)

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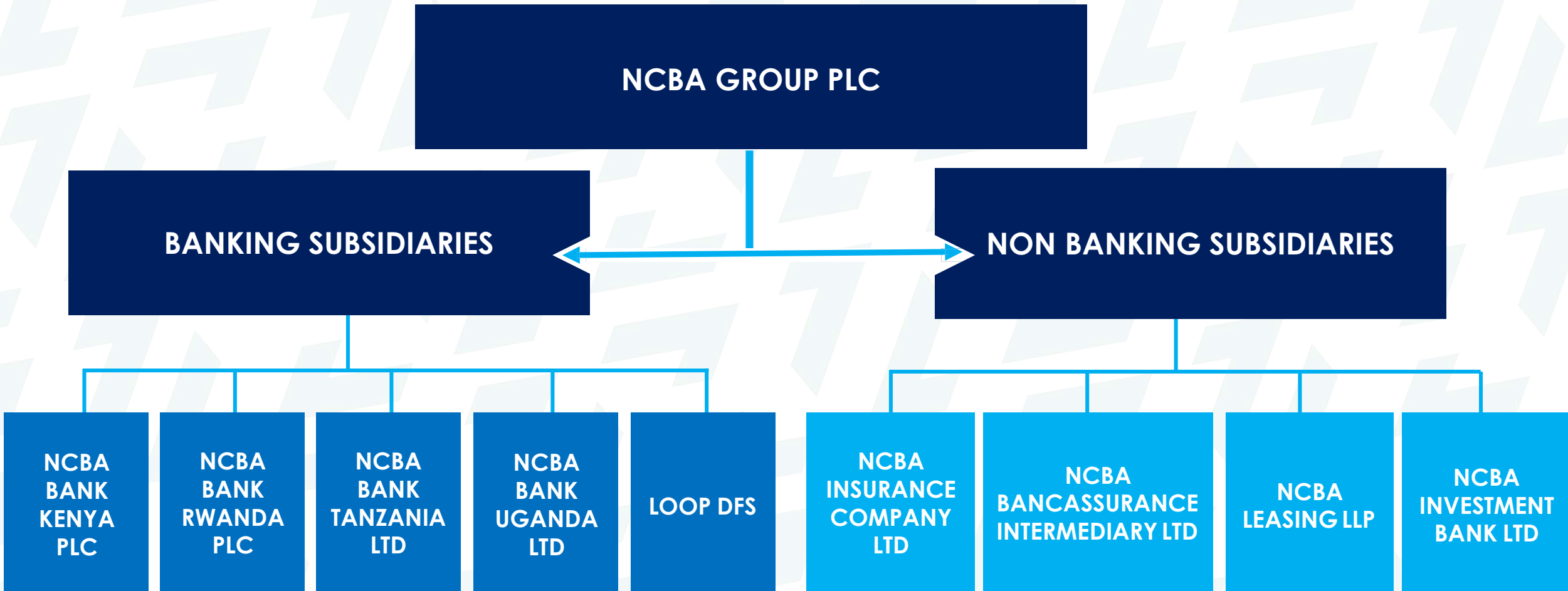
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Our Group Structure : We have expanded beyond our banking roots to providing non-banking services to our customers



* All our subsidiaries are fully owned by NCBA Group Plc

Welcome to the bank that says **Go For It**, Welcome to the bank that banks on your ambition,
Welcome to NCBA

The NCBA Way

Who We Are and What Guides us

Our Purpose

To be the **Financial Partner** that Inspires your Growth




Our Values


- **Driven**
- **Open**
- **Responsive**
- **Trusted**


Our Customer Promise

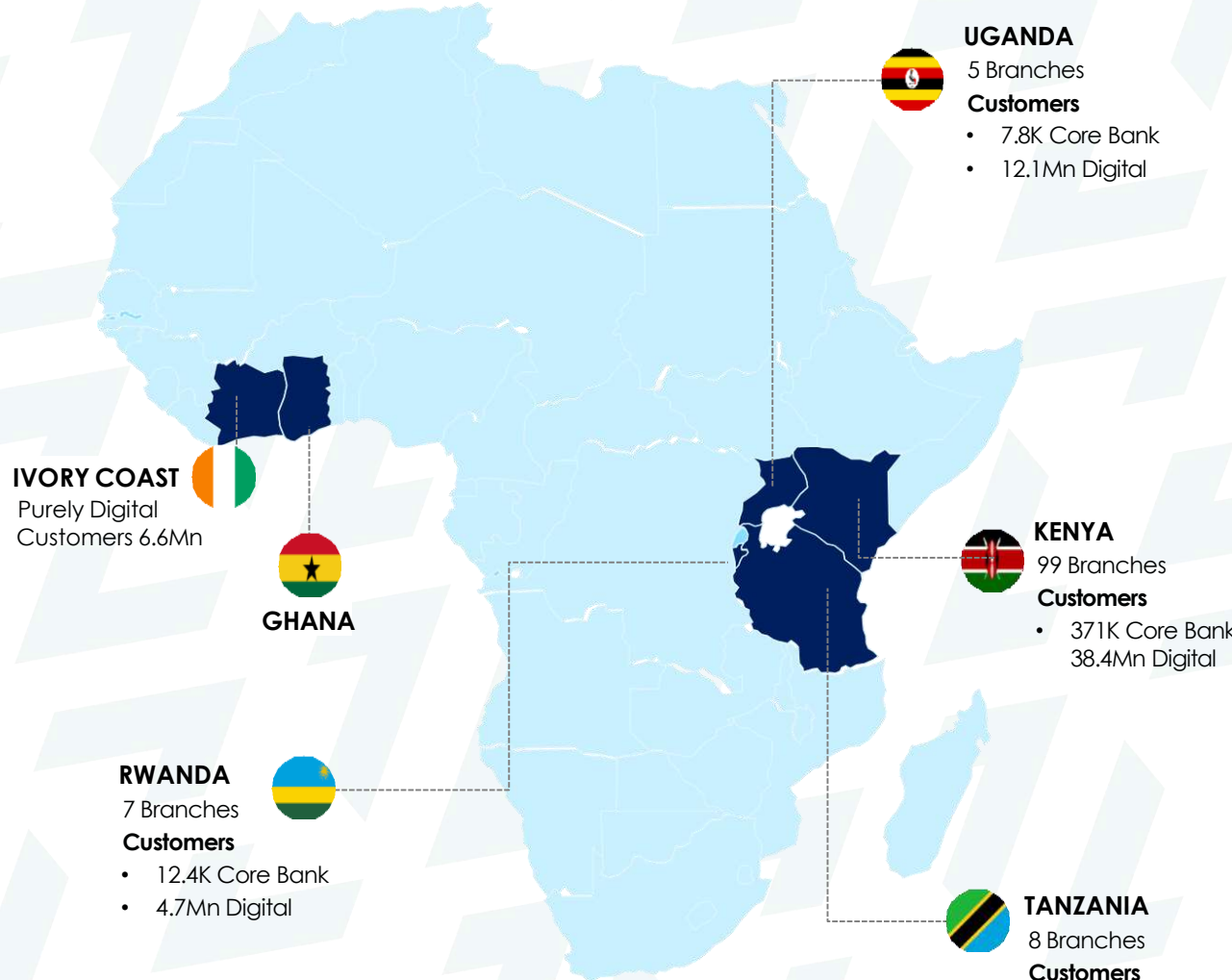
- We **Know** You
- We **Back** You
- We **Wow** You

Our footprint demonstrates a diversified group and a unique financial services partner across the region


+3,700 Staff


119 Branches*


>60Mn Customers



Banking Business

KES **110Bn**
Capital
~USD 851Mn

KES **502Bn**
Deposits
~USD 4Bn

KES **331Bn**
Lending
~USD 3Bn

KES **1Tn**
Digital Disbursements+
~USD 8Bn

Non-Banking Business

KES **69Bn**
AUM
~USD 534Mn

KES **3.3Bn**
Insurance Premium
~USD 26Mn

KES **5.4Bn**
Leased Assets
~USD 42Mn

Notes:
* Branches opened in 2024: KE: Homabay, Githunguri, Kitui, Kerugoya, Nyahururu, Tatu City, Kawangware. UG: Namanve, RW: Gisozi & Ramera
+ Denotes Digital Loans disbursed by our Digital Financial Services business

We received over 40 notable awards with select recognitions for excellence in integrated reporting, renowned customer experience, digital banking and sustainability



We are led by an exceptional team which has demonstrated resilience and agility in responding to market dynamics and pursuing growth with an average tenure of 10yrs with the Group



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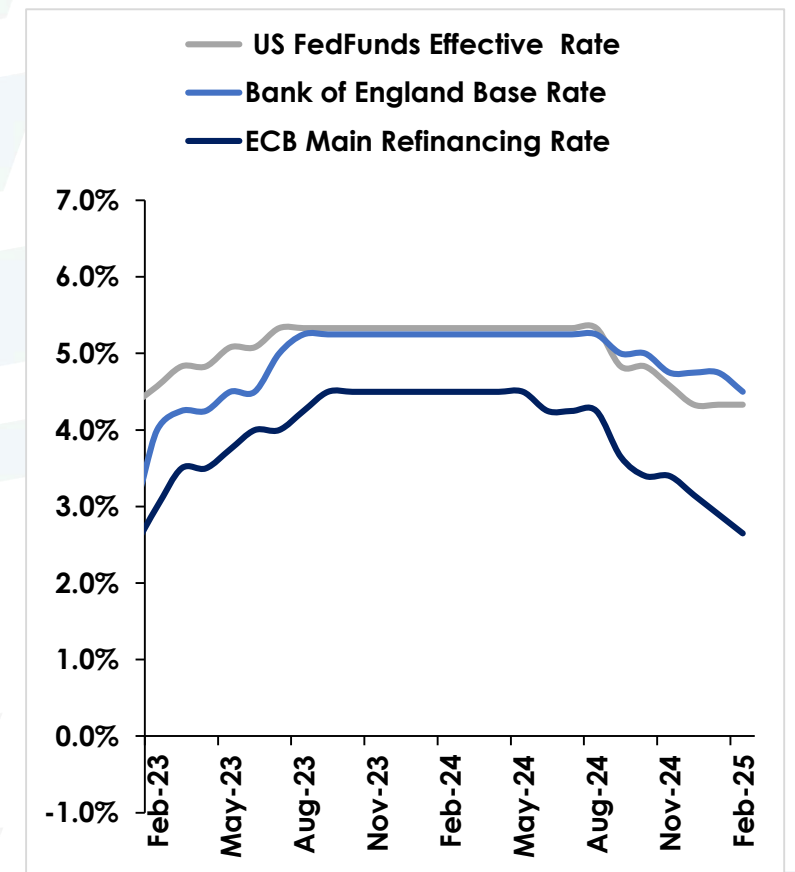
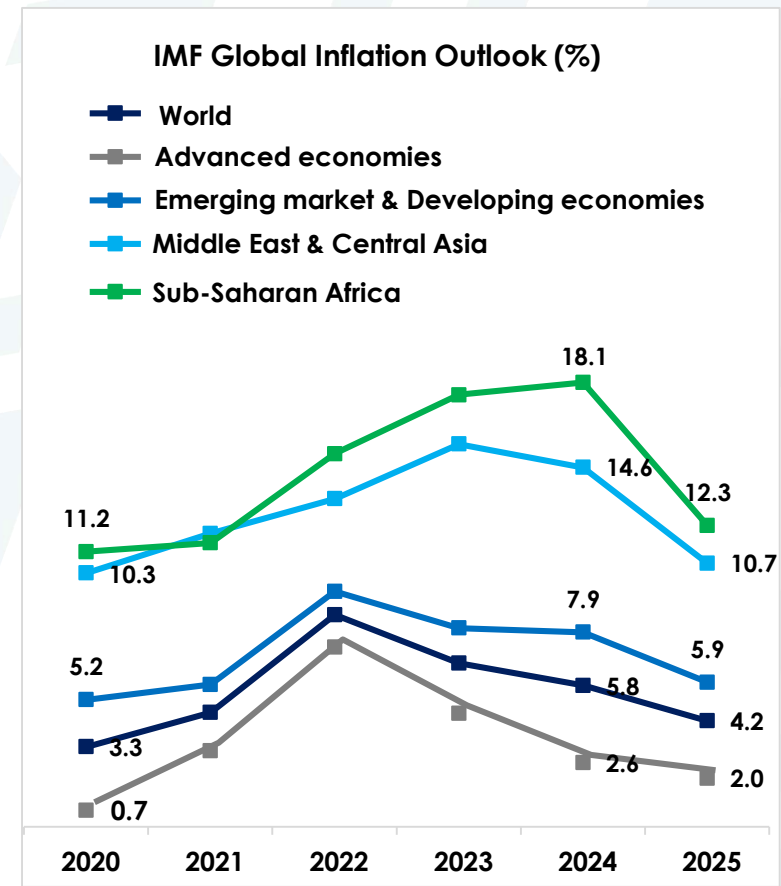
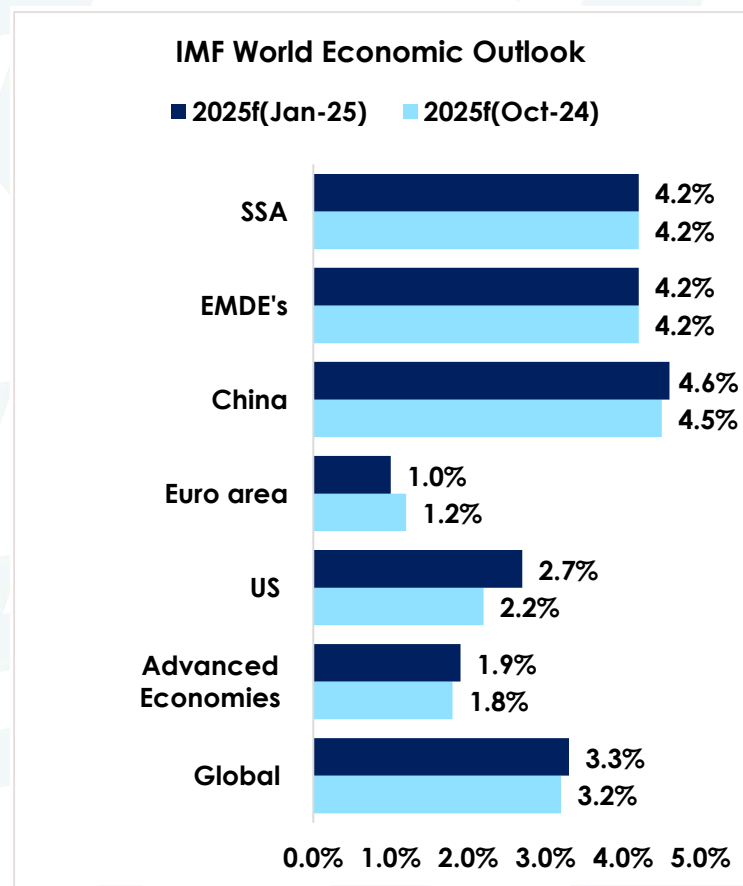
FINANCIAL PERFORMANCE FY 2024 <

Global economic growth is forecast to come in slightly higher at 3.3% in 2025 from 3.2% in 2024 on the back of policy easing in advanced and emerging markets.

1 Global growth is projected to remain moderate, with divergence across economies.

2 Global inflation is projected to fall to 4.2%, though could remain sticky in 2025.

3 Slow decline in USD interest rates likely to keep external financing costs elevated for Emerging and Frontier markets.



Growth and currency outlook divergent across the region; with growth uncertainty in Kenya and Rwanda, while currency depreciation is higher in Tanzania.

KENYA

- Economic activity subdued across most sectors.
- Monetary policy appears restrictive to economic growth.
- Attempts to stimulate growth by further monetary easing.
- However, fiscal space is quite limited.

UGANDA

- Business conditions remain favorable.
- However, restrictive monetary policy could hinder growth.
- Currency outlook uncertain, though performed well YTD.
- Oil investment crucial to medium- & long-term growth prospects.

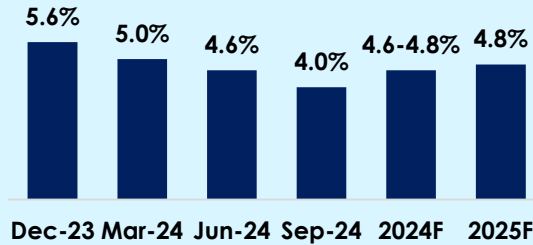
RWANDA

- Outlook is clouded by external vulnerabilities due to escalating conflict with the DRC.
- Economic growth and fiscal budget projections could be reviewed in May.
- A wider current account deficit expected in 2025.

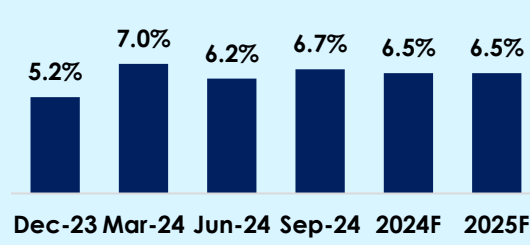
TANZANIA

- Government projects, agriculture and private investments to drive growth.
- Favourable donor relations expected to continue in 2025.
- Re-emergence of dollar scarcity in the local FX market.
- Monetary policy to pay more attention to the currency.

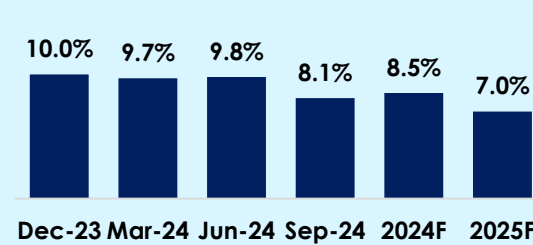
Real GDP Growth



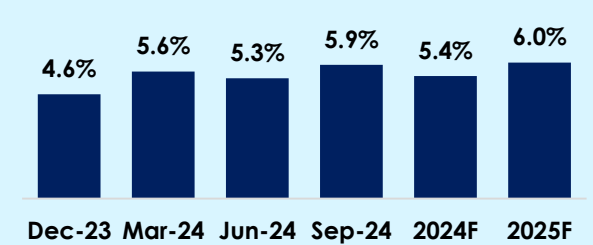
Real GDP Growth



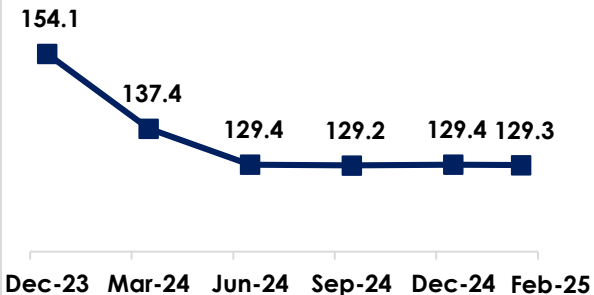
Real GDP Growth



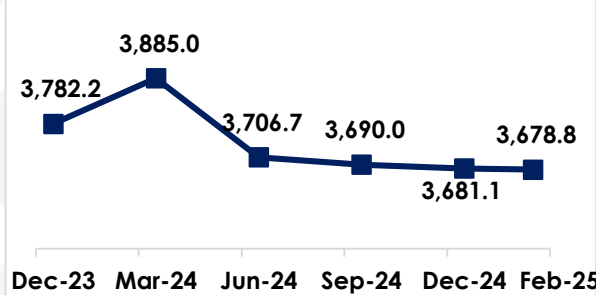
Real GDP Growth



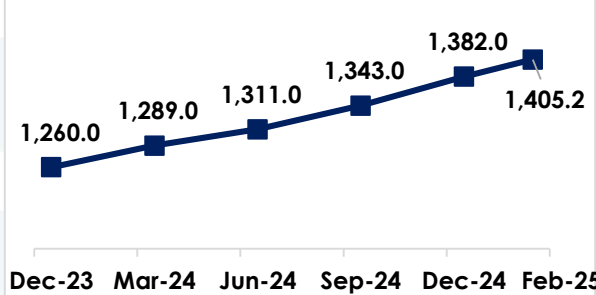
USD~KES



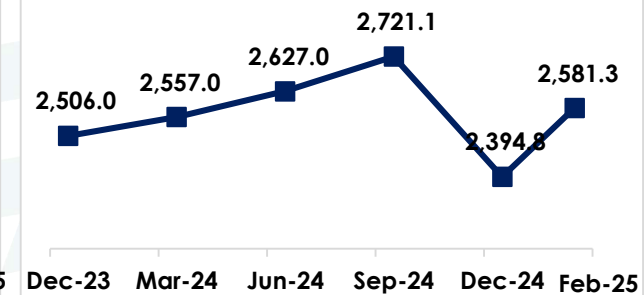
USD~UGX



USD~RWF



USD~TZS



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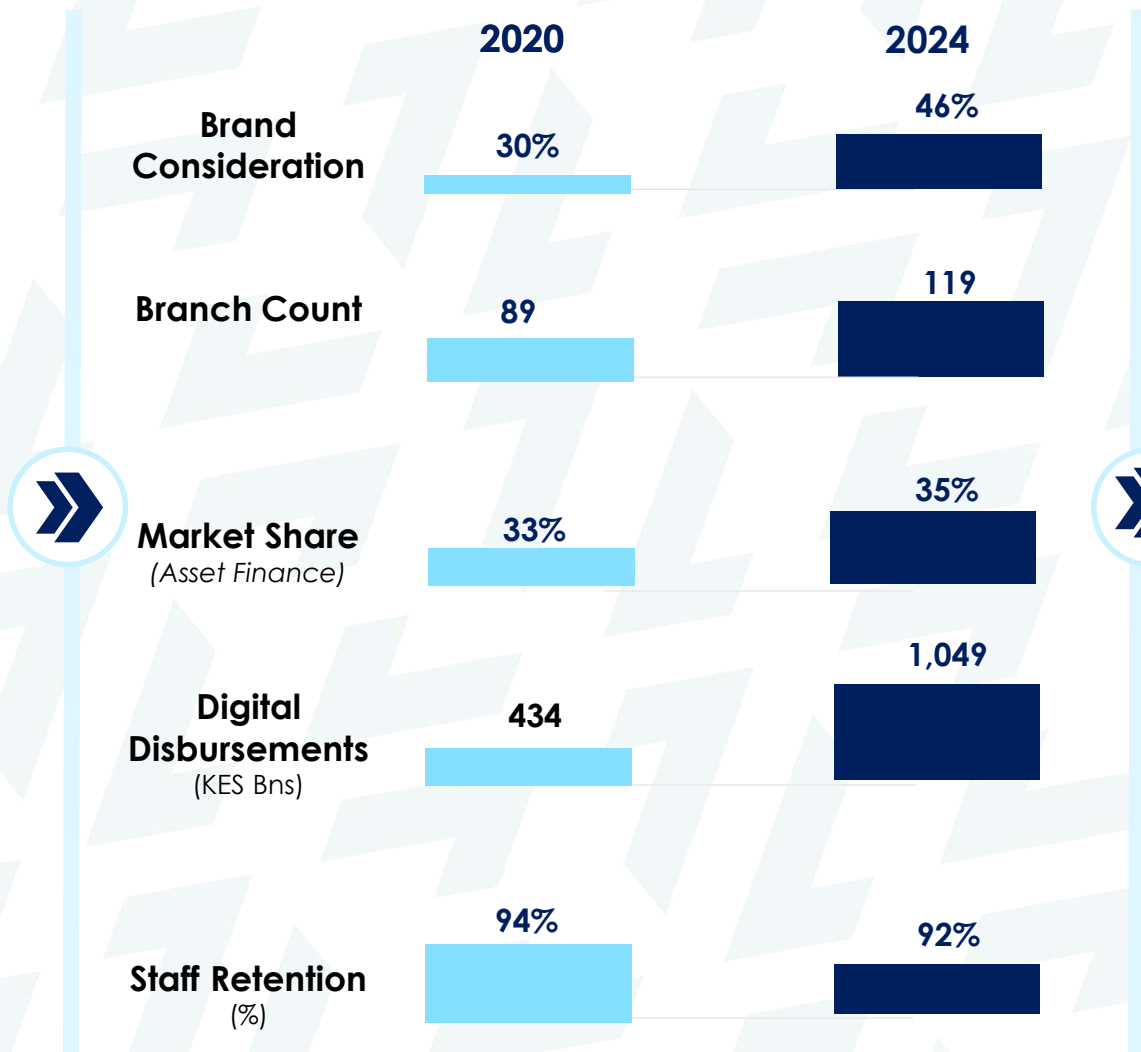
FINANCIAL PERFORMANCE FY 2024 <

Our strategy continues to deliver with all our metrics in line with target, with our Group ROAE registering at 22%

Our Measures of Success

Key Outcomes

-  **Become a Distinguished Brand Known For Customer Experience**
-  **Scale Retail Banking: Expand Distribution**
-  **Deepen Leadership in Corporate Banking & Asset Finance**
-  **Digital Transformation**
-  **Develop a High Performance Employee Culture**



PAT (KES)

22_{BN}

2020: 5Bn

ROAE

22%

2020: 7%

Dividends Paid out (since 2020)

31_{BN}

2024: KES 9Bn

Our investments in the NCBA brand is driving market consideration and customer growth

Key investments made...

...to drive our Brand consideration

... and our Brand Power

2

Thematic Campaigns
Numbers That Matter
Twende Mbele

+60

BU Product Campaigns

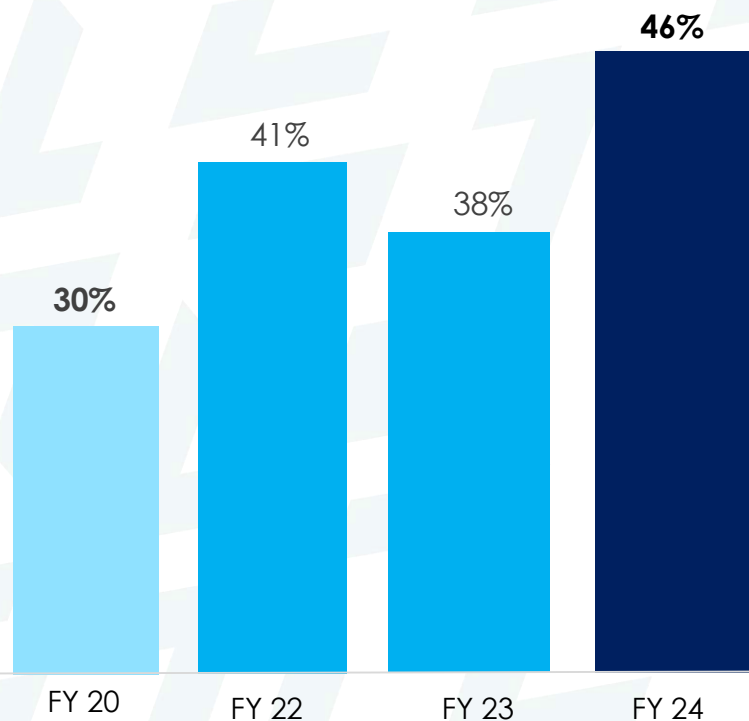
+3,000

Customer Engagements

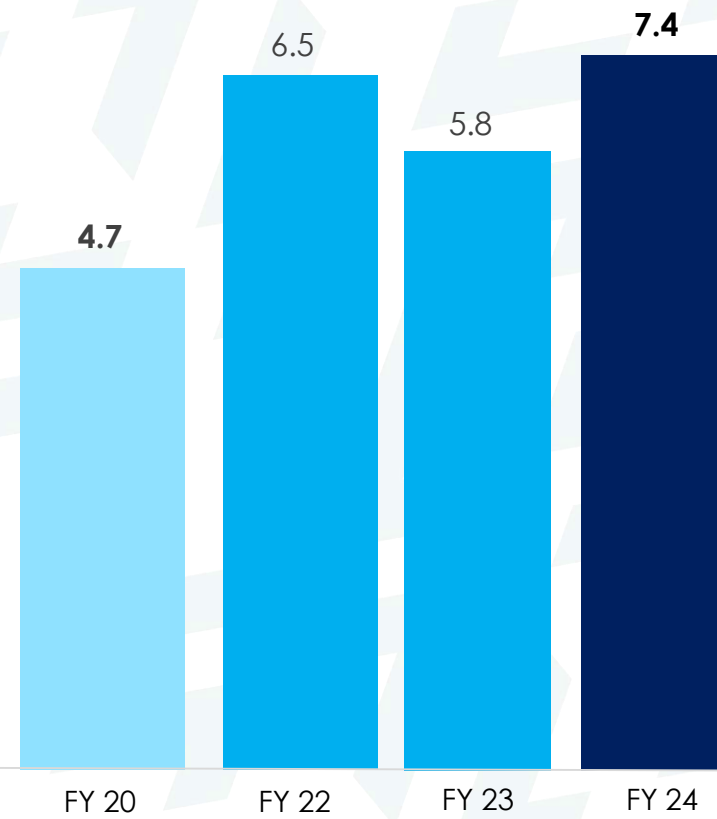
4

Brand Assets
NCBA Johari Awards
NCBA Golf Series / Junior Golf Series
NCBA - KMI Motor Show
NCBA Economic Forum

Brand Consideration*



Brand Power Index +



Source: Kantar Brand Health Report November 2024

*Brand Consideration assesses the likelihood of consumers choosing a brand, measured through survey responses analyzing awareness, preference, and purchase intent to evaluate the brand's market position.

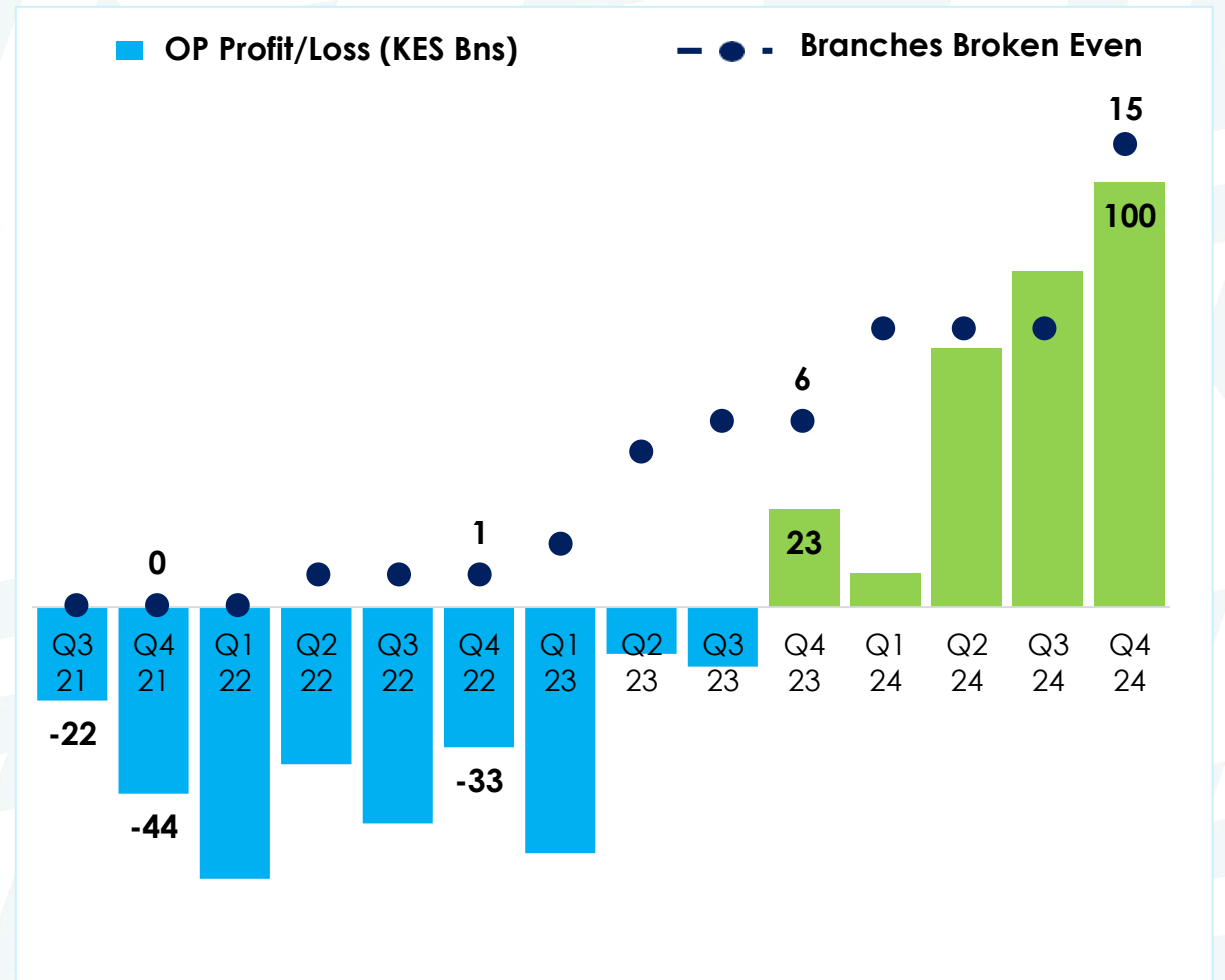
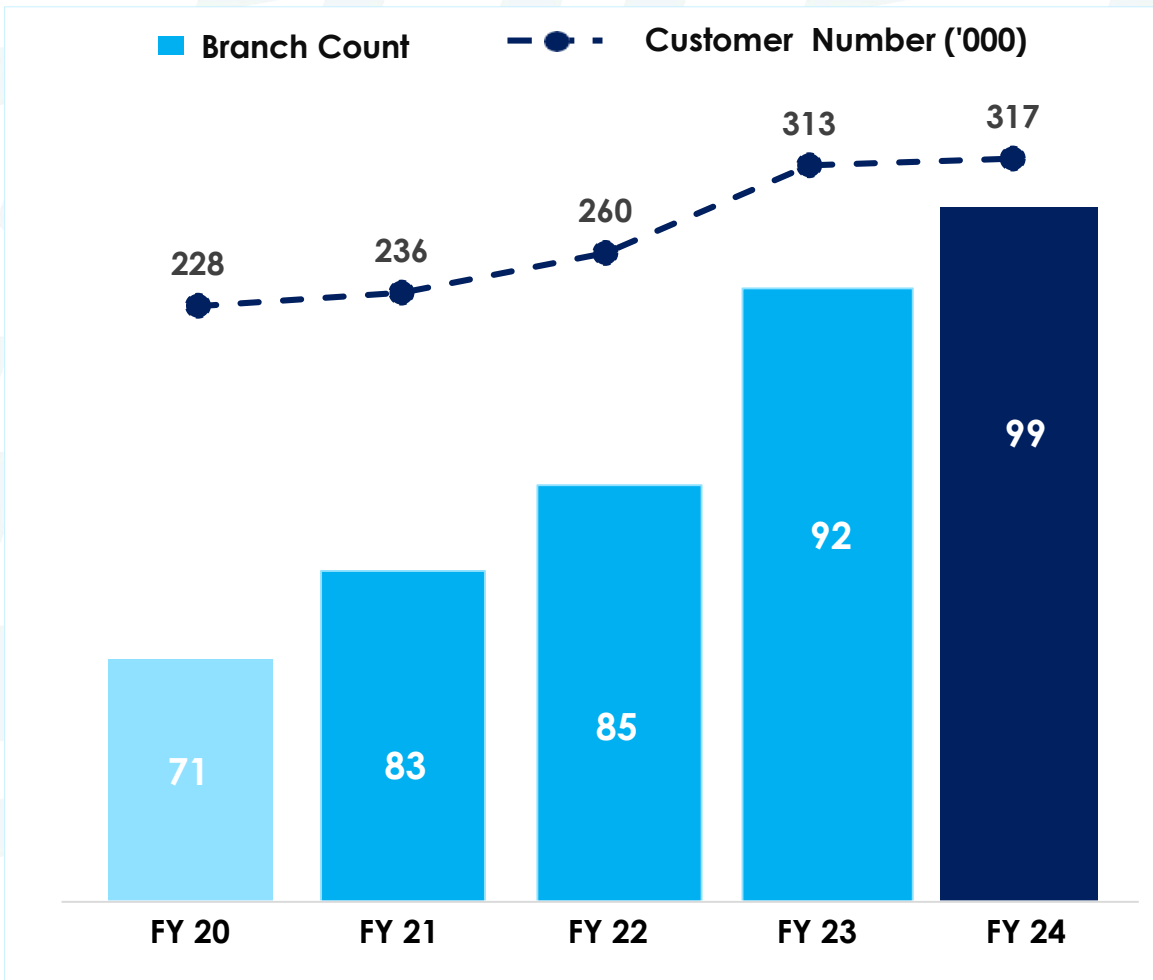
+Brand Power Index evaluates the strength and market influence of a brand, calculated based on survey responses, which are averaged across 3 key metrics meaningful, differentiation, and salience.



Significant growth in our retail business particularly on customer acquisitions , we now look to deepen these customer relationships for greater shared value

Our increasing footprint continues to support our core bank customer acquisition efforts....

... with 30 new branches opened, 15 of these have broken even . All new branches are collectively delivering positive operating income





Market dynamics notwithstanding, we continue to strengthen our dominant Corporate position through enhanced solutions including our upgraded Corporate Internet Banking platform

Enablers

Corporate internet banking outcomes at Dec 2024: 53k transactions processed of **KES 7.5B** in value with a 98% Success Rate

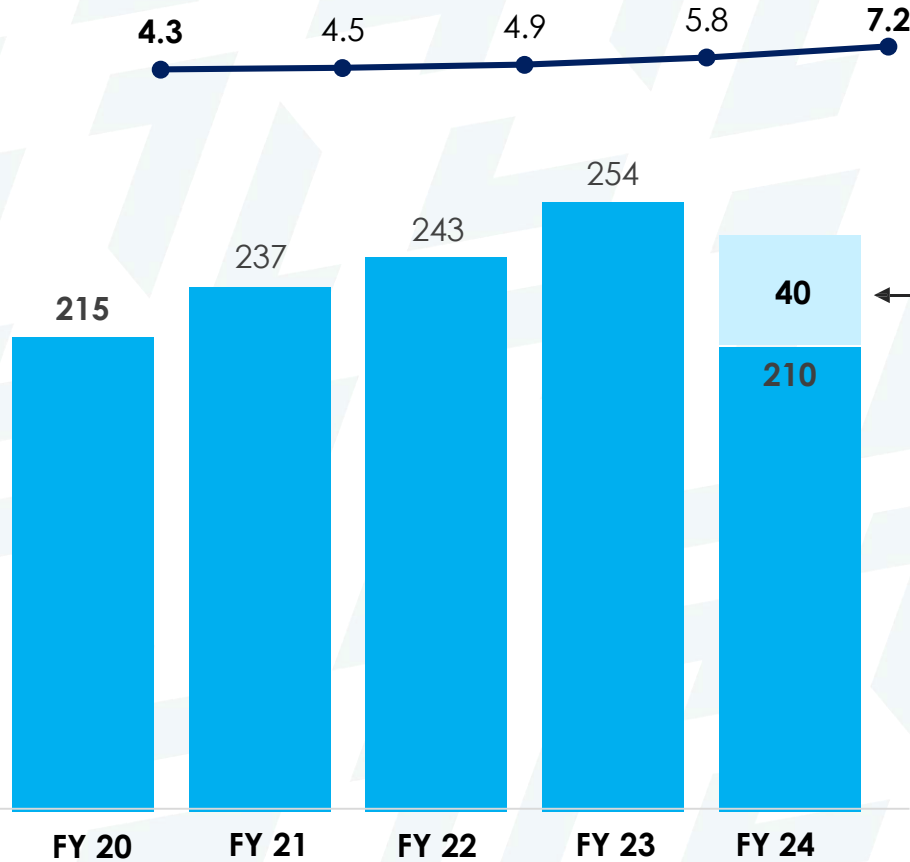
Banking Top 10

Customers in financial services, manufacturing, trade & telecommunication further reinforcing our sector focus

Deposits (KES Bns)

FY 24: Impacted by aggressive deposit repricing and FX

■ Corporate Deposits ● Corporate Cost of Funds

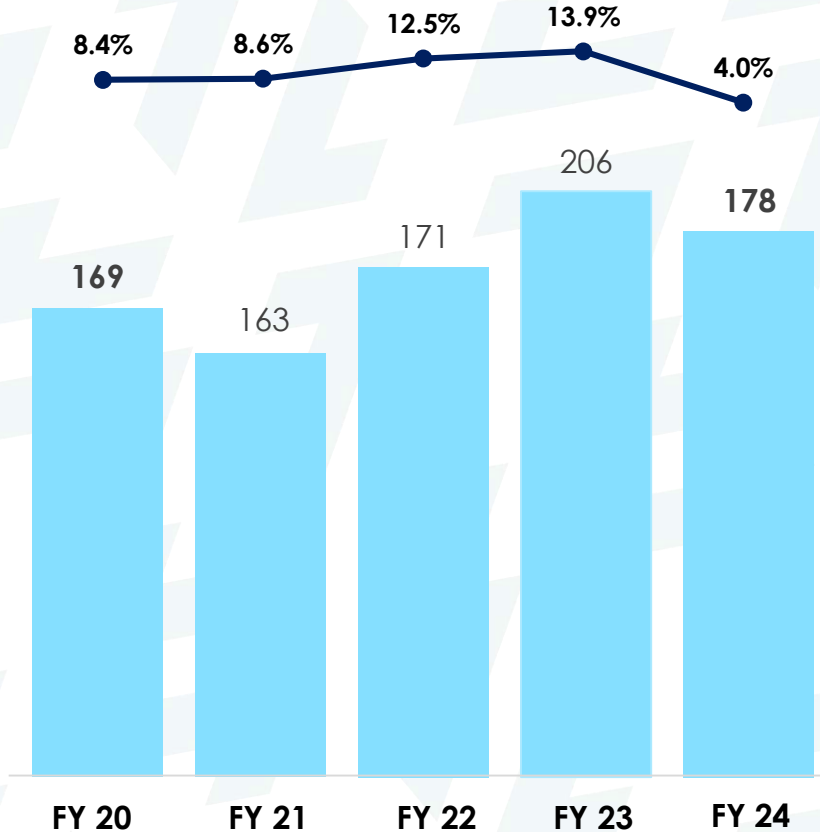


Outcome without impact of repricing & FX

Gross Loans (KES Bns)

FY 24: Impacted by KES appreciation (from 154 (Dec-23) to 129 (Dec-24))

■ Corporate Loans ● Kenya Private Sector* Credit Growth %



Notes:
* Source : IMF 2024 Kenya 7th and 8th Review



We continue to reinforce our leadership in Asset Finance by leveraging on our strategic partnerships and being first to market with innovative solutions

Enablers

15 Sec

Conditional Approval
(1st to Market)

15

Scheme Onboarded

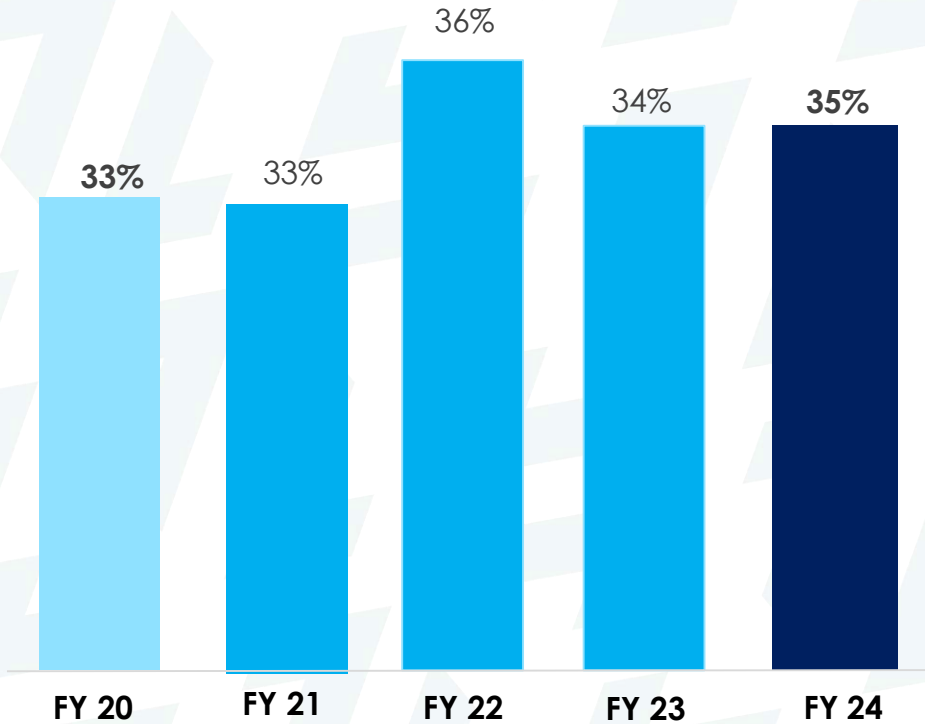
1.2

TAT (Days)

Automated auto equity/
log book origination
process

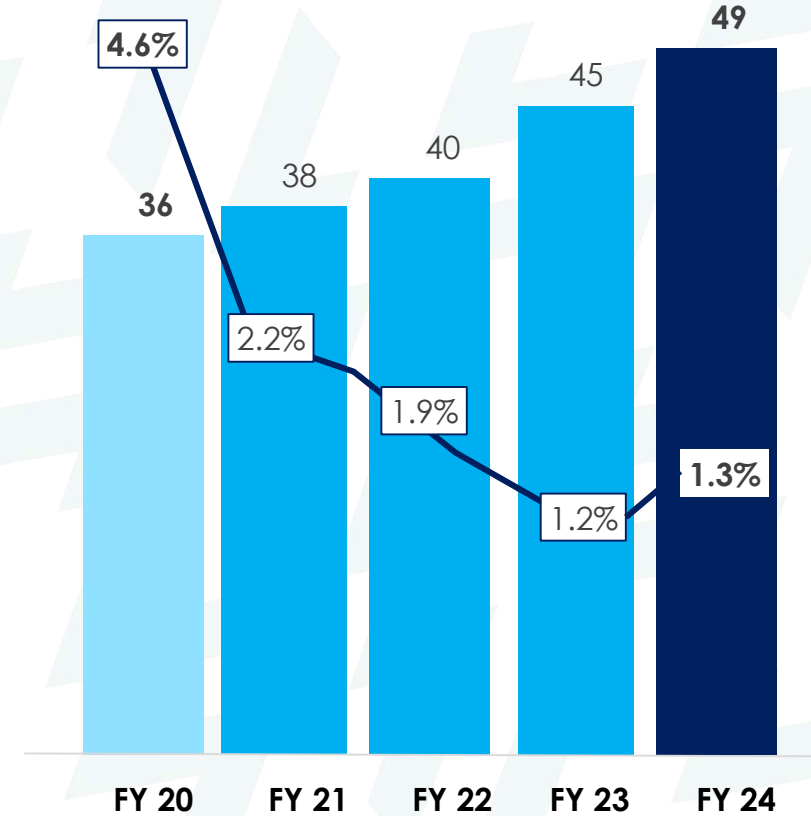
Market Dominance

Market Share (%)



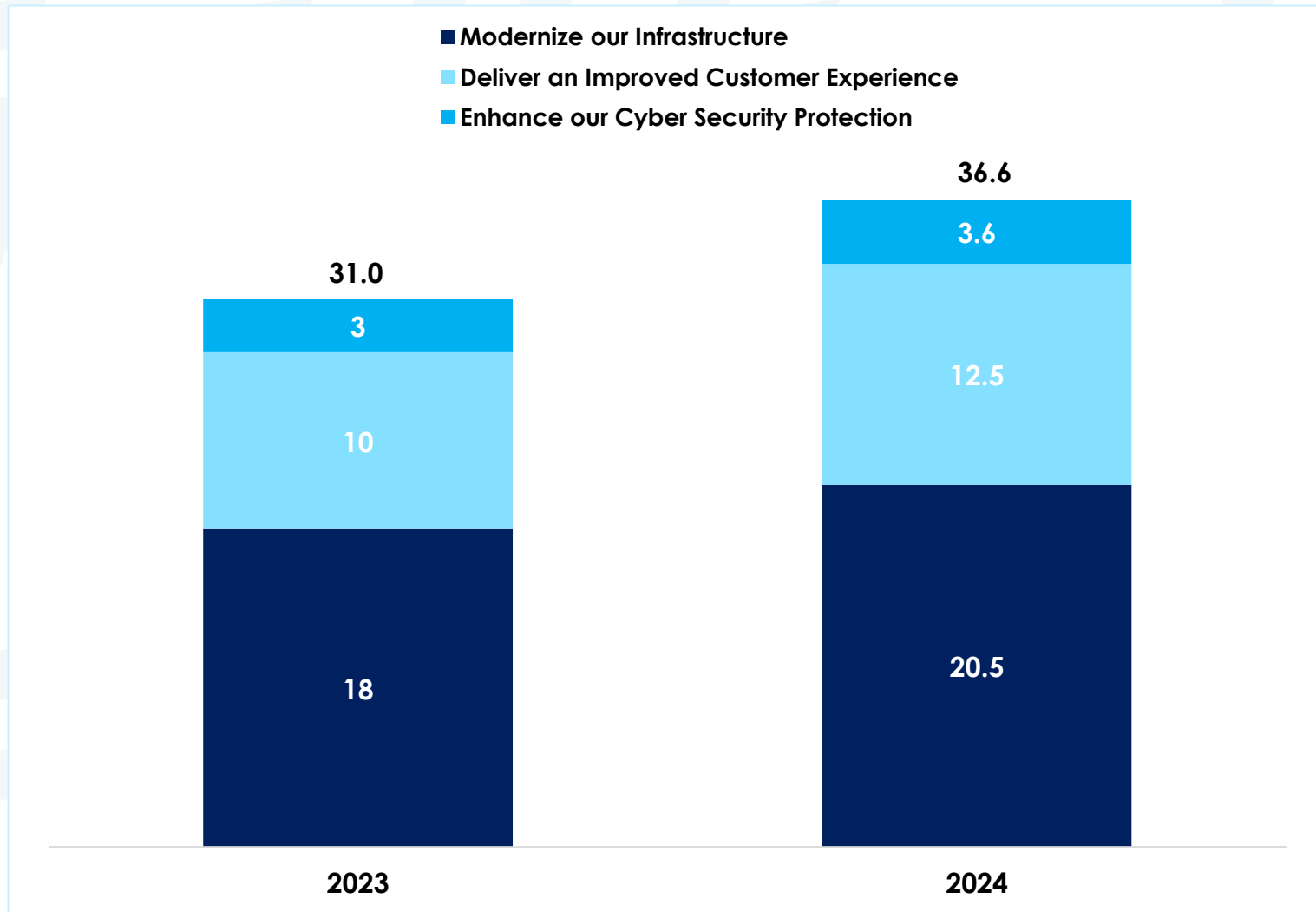
Controlled Risks

Gross Lending (KES Bns) — Cost of Risk (%)

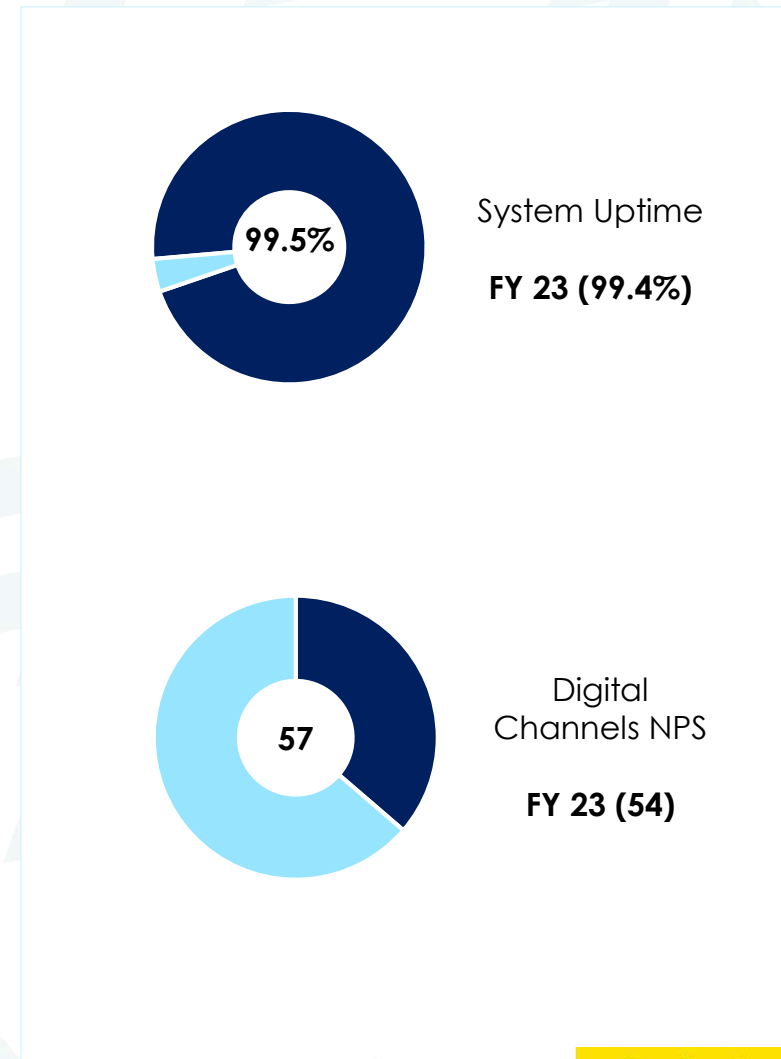


We continue to invest in our capability in technology to support customer experience and cyber security

Our Technology Investments * (USD Mns)

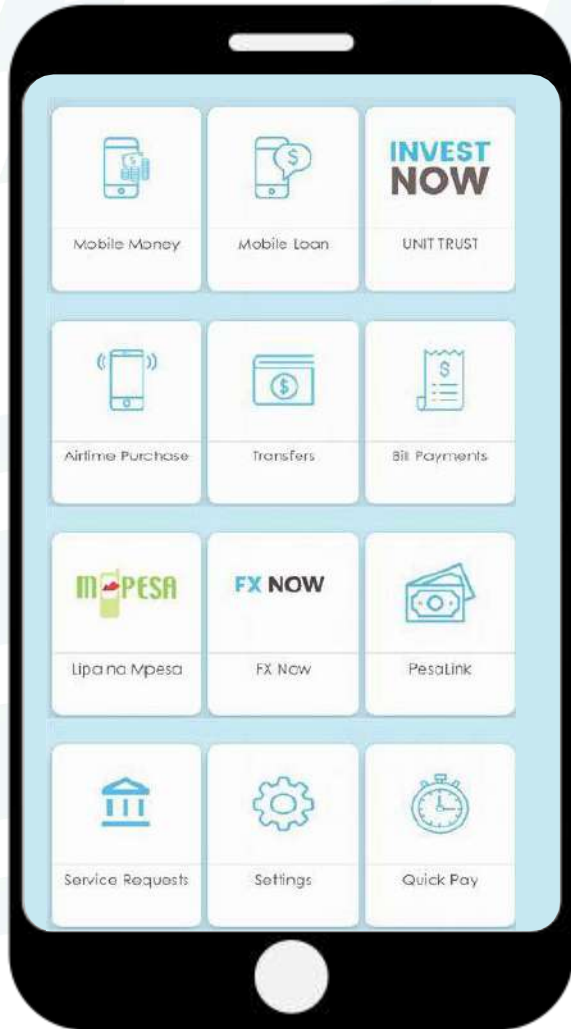


Outcomes

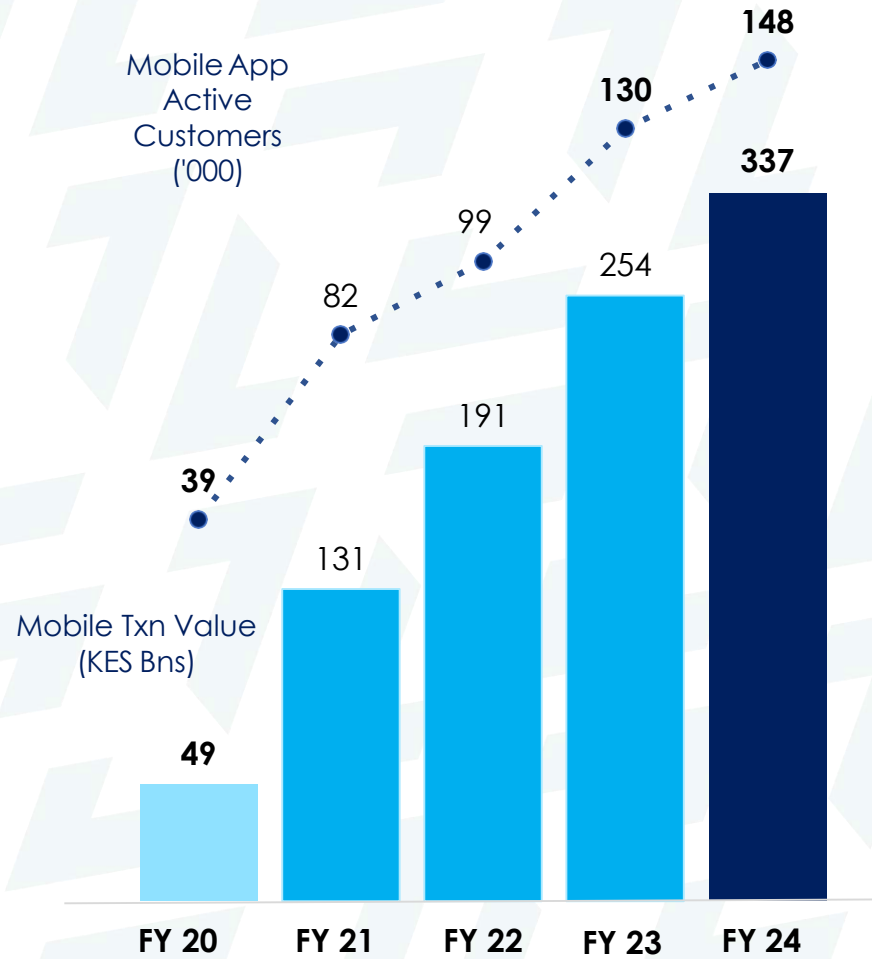


Notes:
* Denotes NCBA Kenya Core Bank's cumulative digital investments since 2020

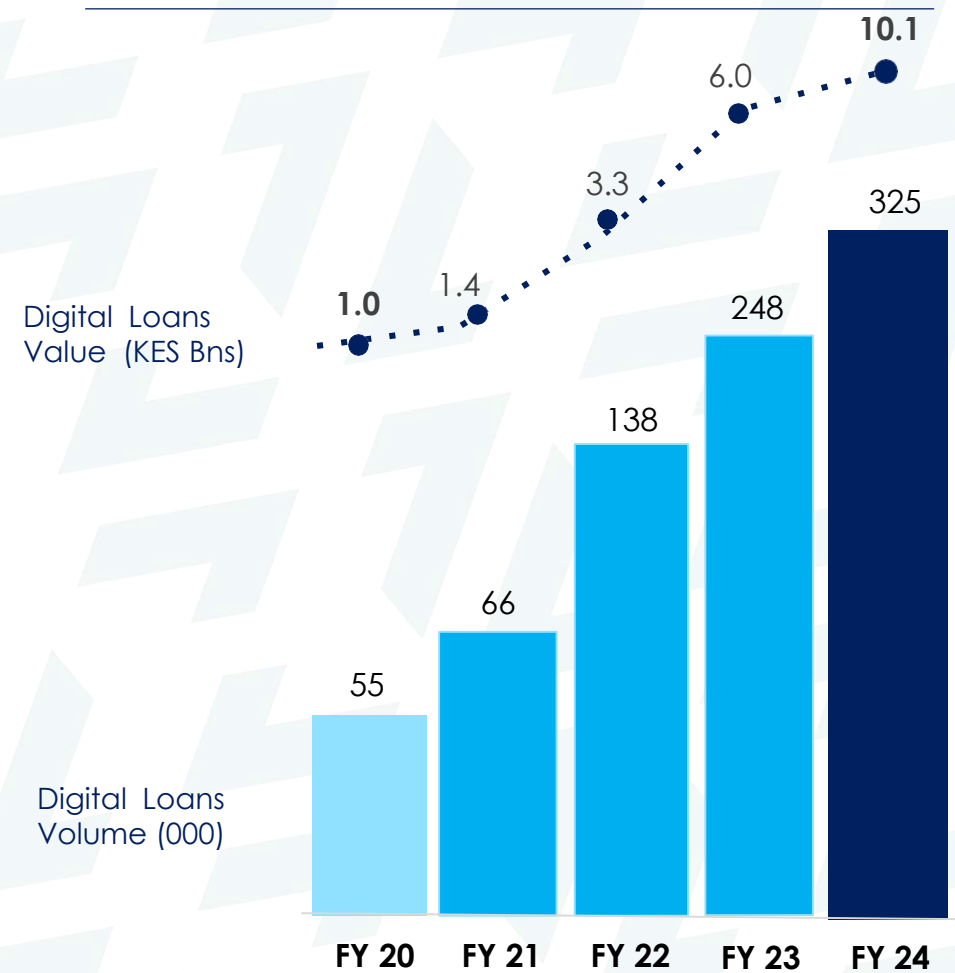
Capitalising on our digital banking heritage we have witnessed strong adoption on our mobile banking app in Kenya resulting in increasing active users and a growing on app loan book...



NCBA Now Utilization

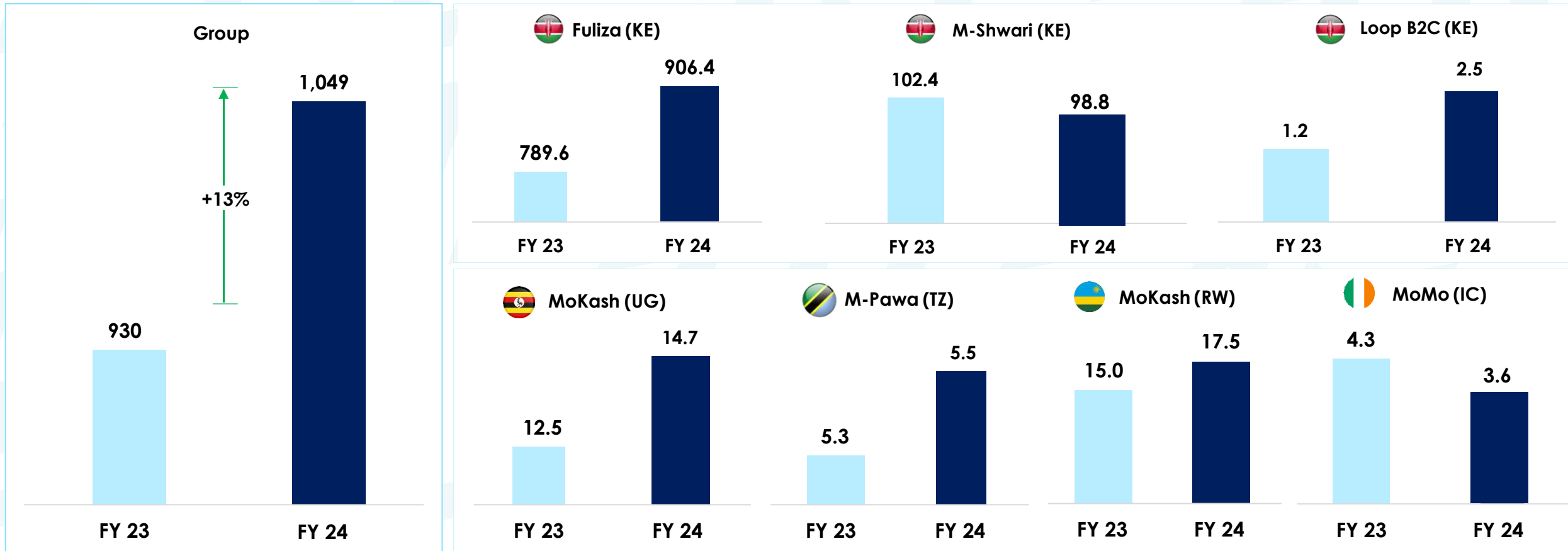


Benefits accruing from targeted mobile loans campaigns aimed at driving uptake



...In 2024, we've disbursed KES 1 trillion in digital loans collaborating with our partners, advancing financial inclusion and diversifying our Sub-Saharan Africa customer base.

Evolution of digital disbursements (KES Bns)



We became the first bank in Africa to launch its Sustainable Development Impact Disclosure report, a new approach to sustainability reporting under the Impact Disclosure Guidance released late last year



NCBA SDID launch with JP Morgan



NCBA Uganda, launch of its first electric vehicle (EV) charging station

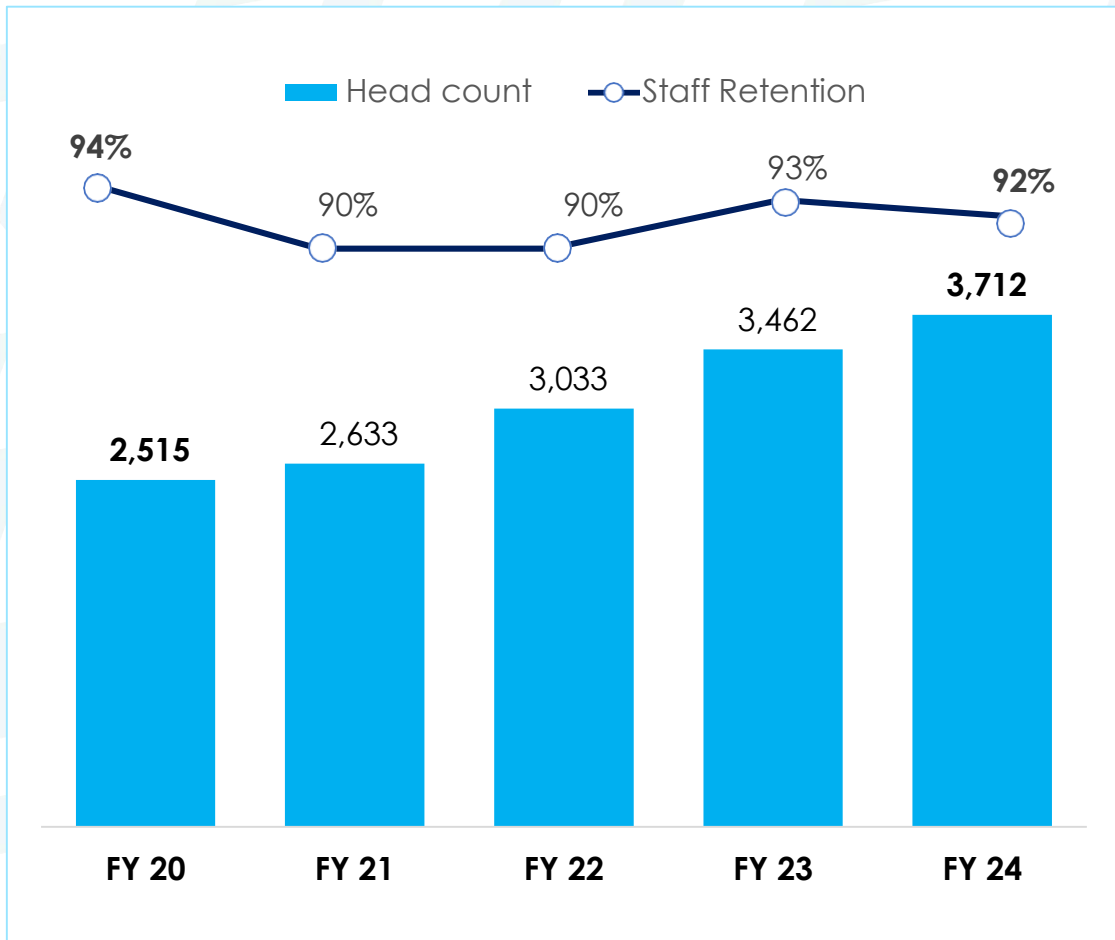
1. Minimize Our Direct Impact On the Climate and Amplify Our Tree Planting Program
2. Ignite Our Customers Transition to a Low Carbon Operating Model
3. Mitigate the Impact of Climate Related Risks to Our Long Term Performance
4. Enhance the Impact of our Community Engagement Model
5. Optimize our Corporate Governance



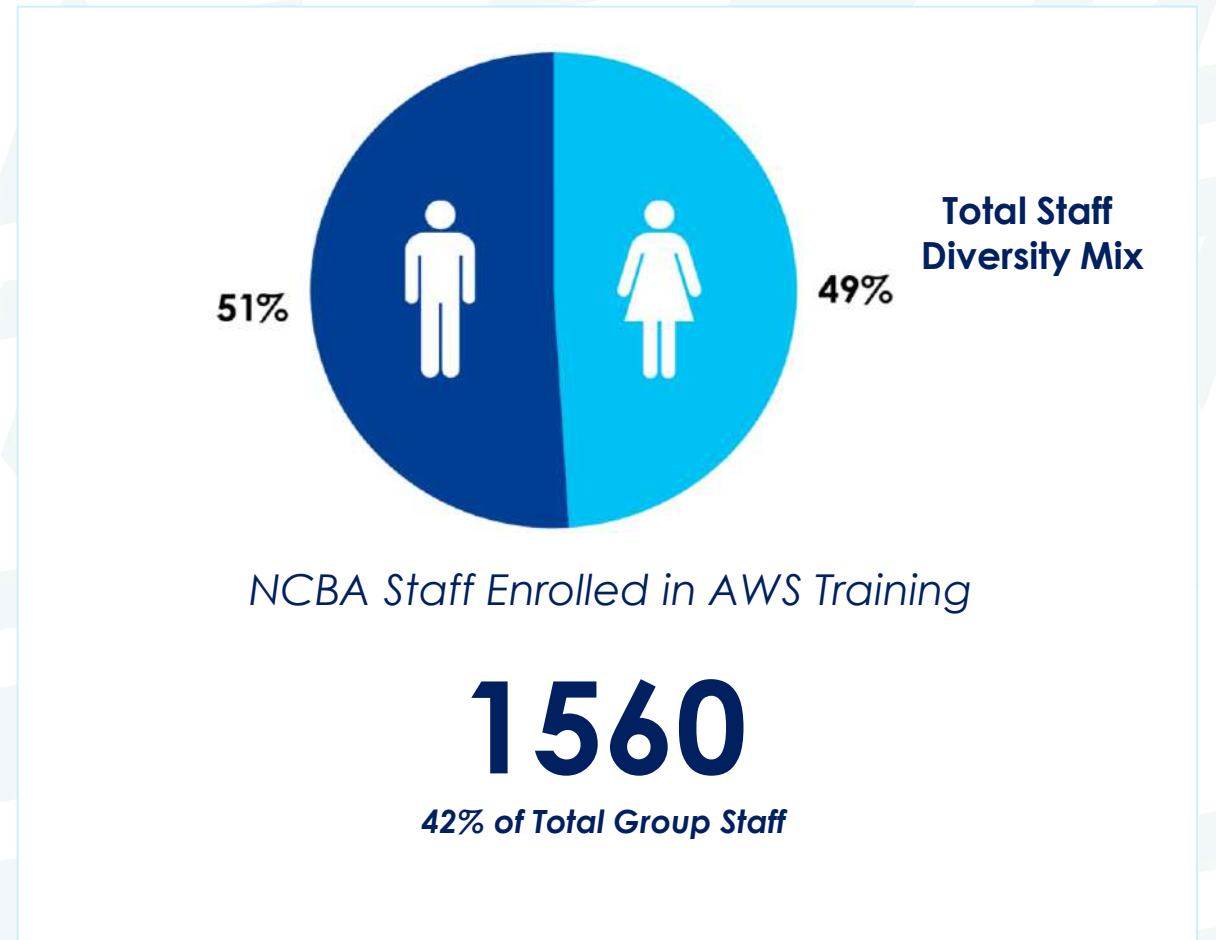
- ✓ **427K+** Cumulative trees Planted (344k+ in 2023)
- ✓ **72.8%** Waste recycled at HQs and pilot branches (34% in 2023)
- ✓ **42%** Proparco Total Fund utilized
- ✓ **6 EV Charging Stations** installed (3 Nairobi, 2 Kigali & 1 Kampala) (4 in 2023)
- ✓ **148** Scholarships offered (KES 12.9 M) (100 scholarships in 2023)
- ✓ **9,000+** Players from NCBA Golf Series & Golf Activations Golfers (7,000 in 2023)
- ✓ **3,700+** NCBA Staff upskilled (3000 in 2023)
- ✓ **6,000+ Women and Youth mentored** (3000 in 2023)
- ✓ **20%** General services procurement **spend to Women & Youth** (8.9% in 2023)

With a stable team of colleagues we are boosting productivity by equipping all our employees with future-ready digital skills

Employee turnover remains relatively stable, with headcount increasing to support organizational growth...



Our staff diversity mix is 51:49 male to female, with 42% of our Group staff enrolled in training in partnership with AWS



We have identified five priority areas to drive our key transformational goal this year of embedding customer obsession

Transformational Goal

To Embed Customer Obsession

1

Foster a Customer Obsession culture

2

Be the primary partner for SME and Retail customers

3

Reclaim Corporate leadership by Revenue

4

Embed Digital at the Core

5

Embed a Culture of Consistent execution excellence

Our 2025 Strategic Priorities

Key Metrics

▲ NPS
(Net Promoter Score)

▲ PPC
(Product per Customer)

▲ Revenue

▲ SLA
(Service Level Agreement)

▲ CIR
(Cost to Income Ratio)

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Our diversified business model continues to demonstrate strength, the decline in core banking broadly offset by strong growth in non banking and digital banking subsidiaries

PBT Amount in KES Mns

Core Banking Subsidiaries

	FY 23	%Δ	FY 24
Kenya	19,107	(18%)	15,751
Uganda	545	(21%)	429
Tanzania	432	7%	464
Rwanda	331	(>100%)	(130)
Total	20,415	(19%)	16,514

Non-Banking Subsidiaries

	FY 23	%Δ	FY 24
Investment Bank	454	(32%)	307
Bancassurance	292	+37%	401
Insurance	0	n/m	168
Leasing LLP	147	+100%	344
Total	893	+37%	1,220












PBT Amount in KES Mns

Digital Banking

	FY 23	%Δ	FY 24
Digital Business (KE)	2,593	+93%	5,011
Digital Ghana	(31)	(>26%)	(23)
M-Pawa (TZ)	317	+16%	369
Mo-Kash (UG)	680	+78%	1,208
Mo-Kash (RW)	711	+24%	882
Total	4,270	+74%	7,447

Our focus on enhancing the contribution from subsidiaries has demonstrated success with our Group deriving 18% of top line outside of Kenya bank

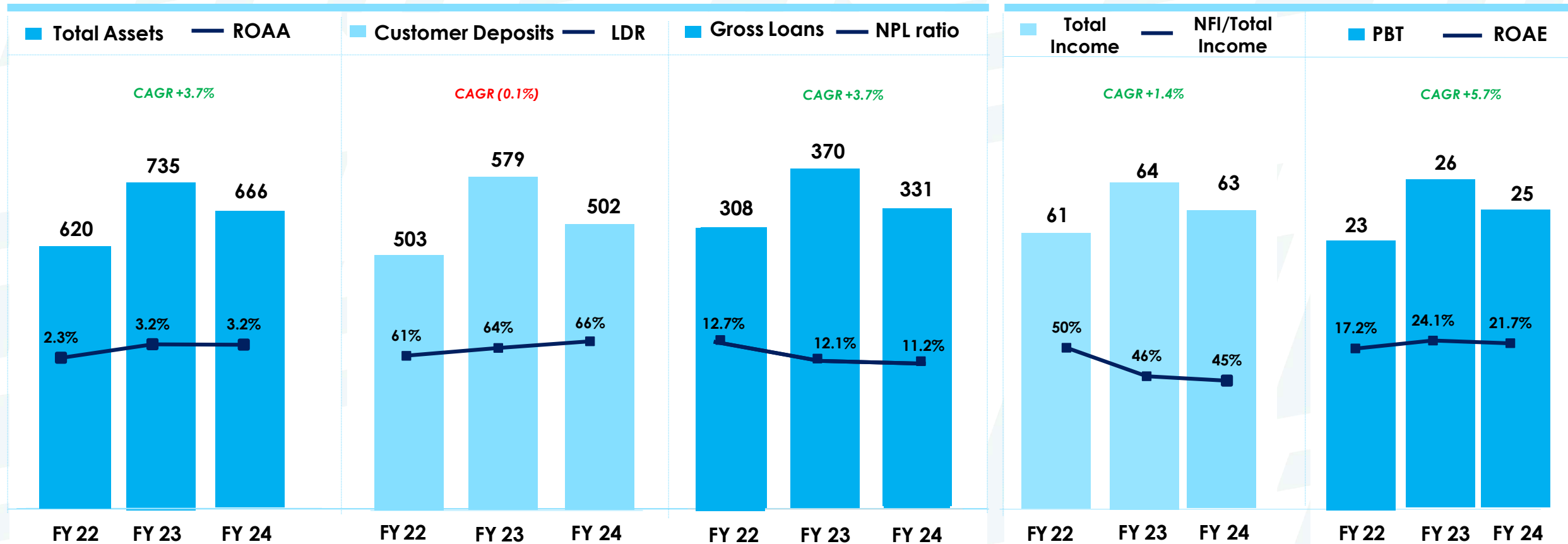
		REVENUE	% CONTRIBUTION	EFFICIENCY	RETURNS*
		TOTAL INCOME		COST TO INCOME RATIO	RETURN ON AVERAGE EQUITY
Banking Subsidiaries	 NCBAK	KES 51.2Bn (3%)		49.3%	19.2%
	 NCBAU	KES 3.4Bn +7		58.5%	31.0%
	 NCBAT	KES 2.8Bn (3%)		71.8%	38.4%
	 NCBAR	KES 2.8Bn +1		55.7%	15.7%
Non-Bank Subsidiaries		KES 2.5Bn 25%		54.4%	56.4%
Group		KES 62.7Bn		51.3%	21.7%

Our Group continues to demonstrate strong fundamentals with a resilient asset base which is delivering stability in our earnings

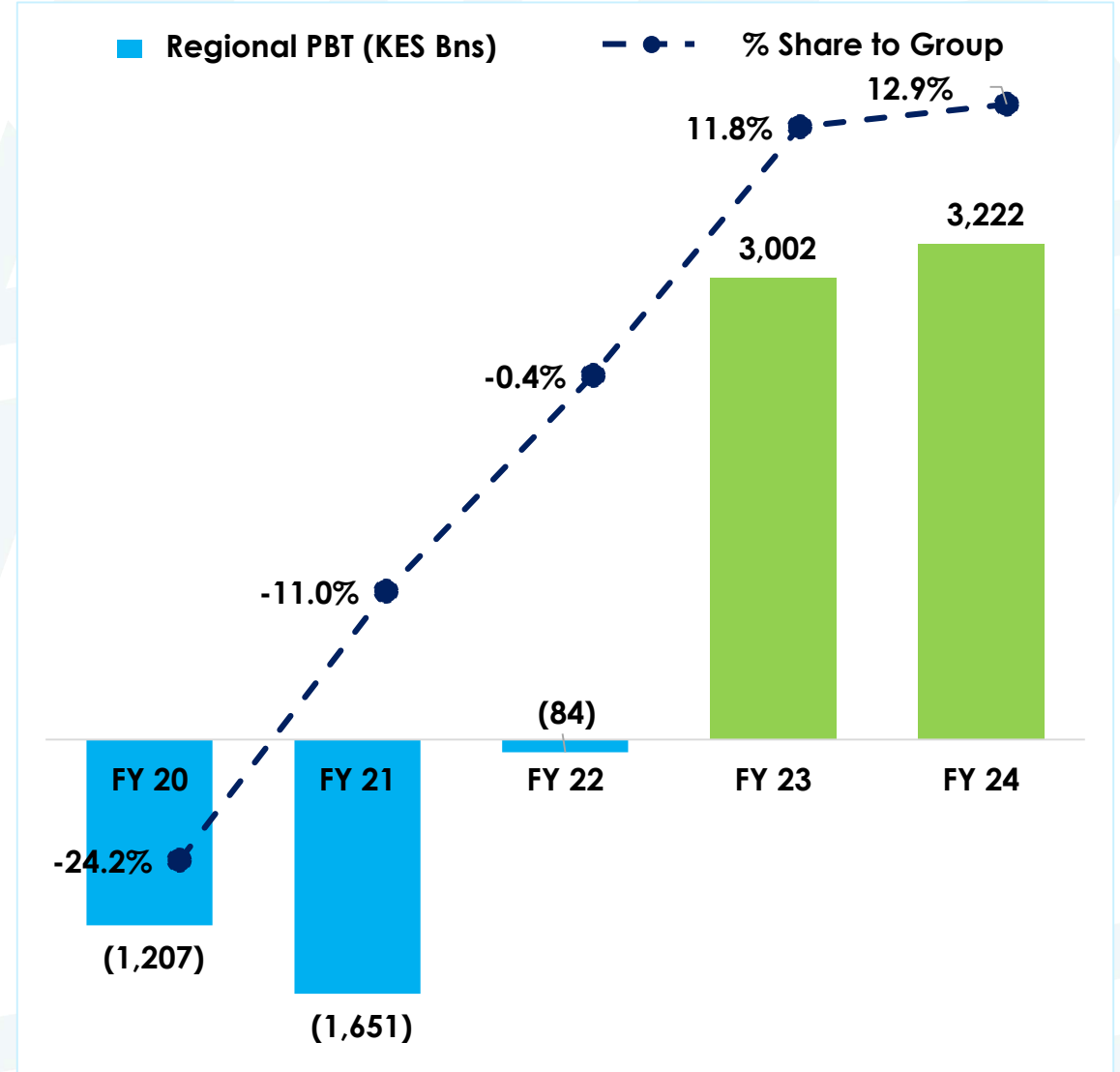
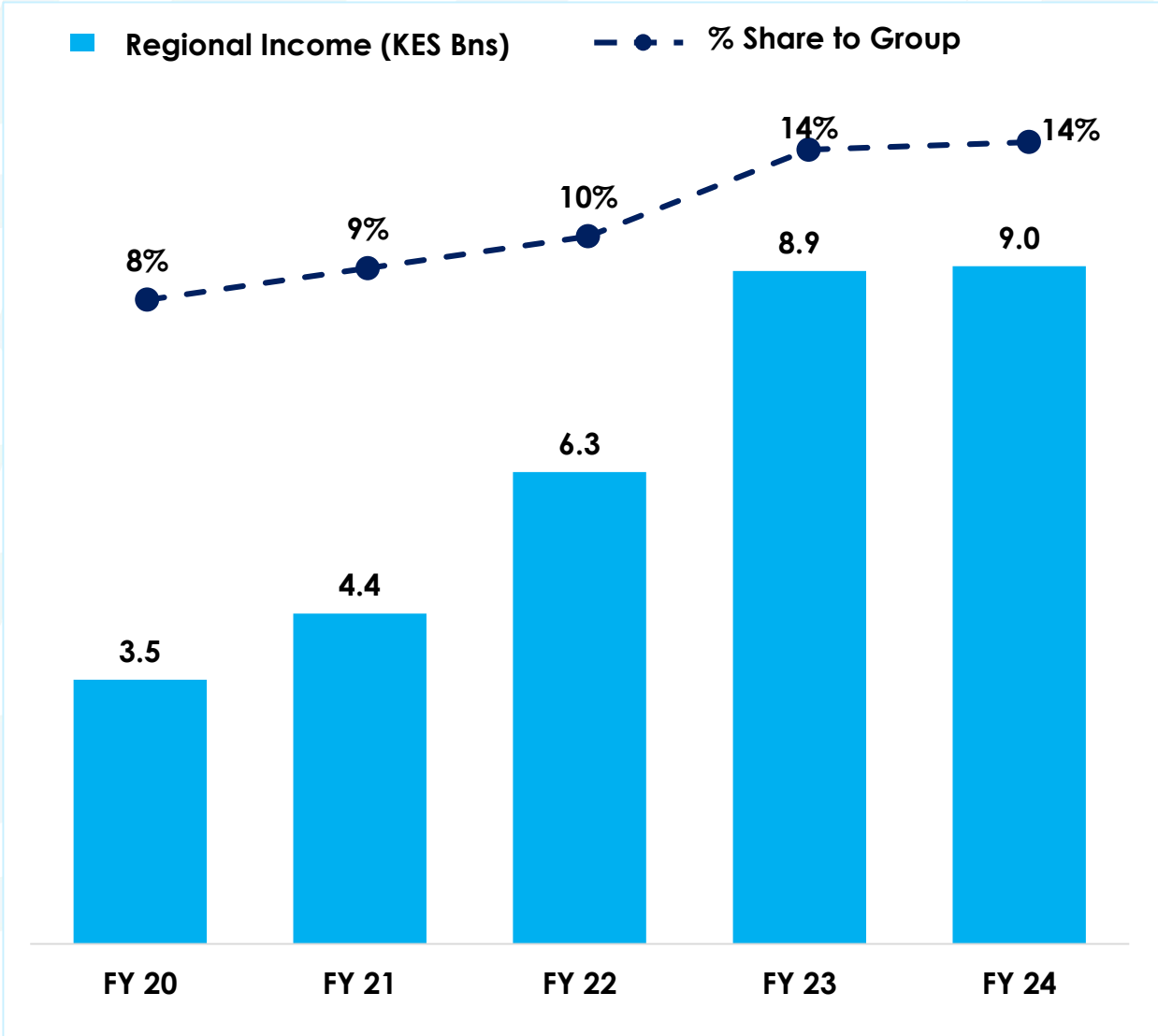
Amounts in KES Bns

Balance Sheet

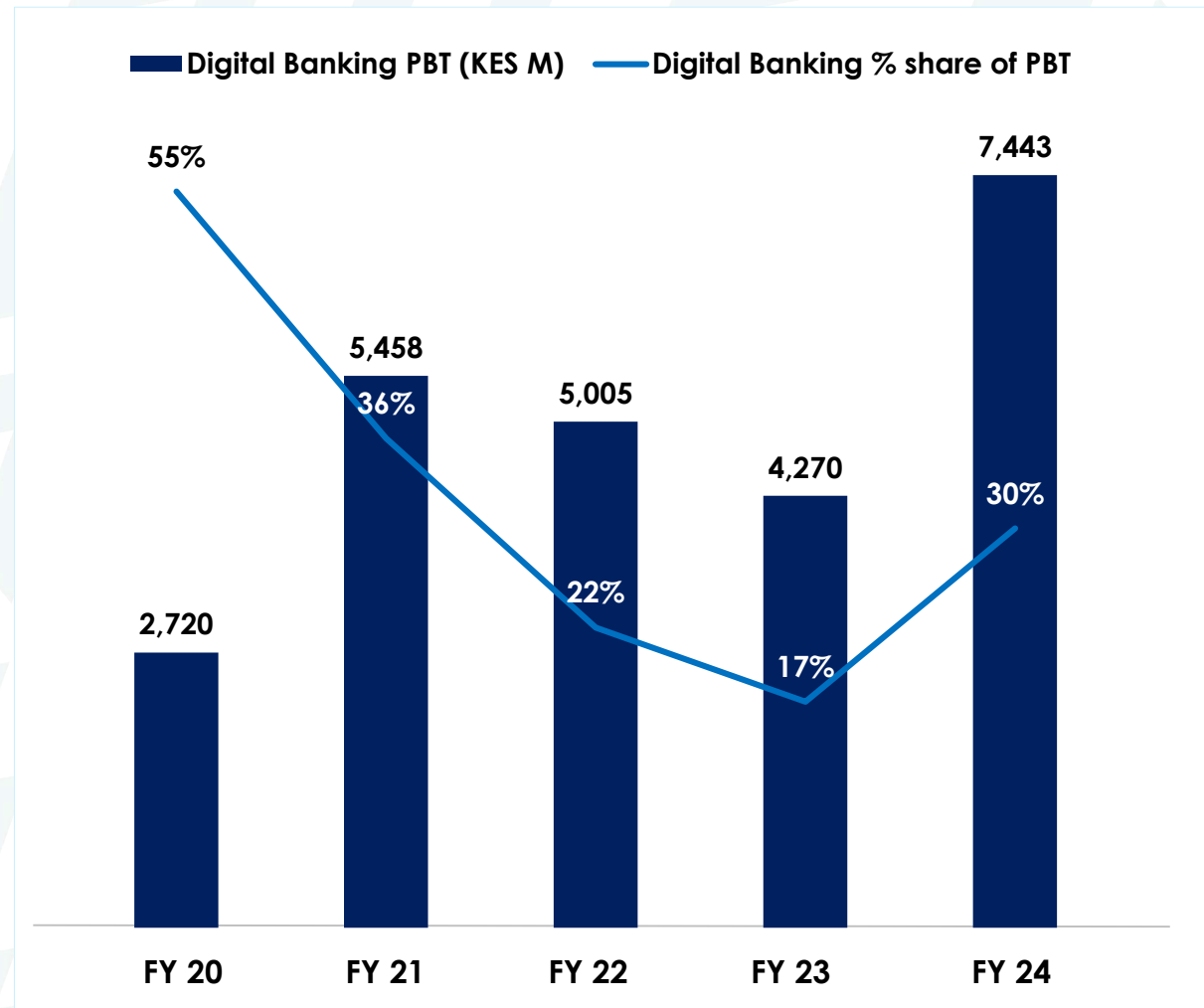
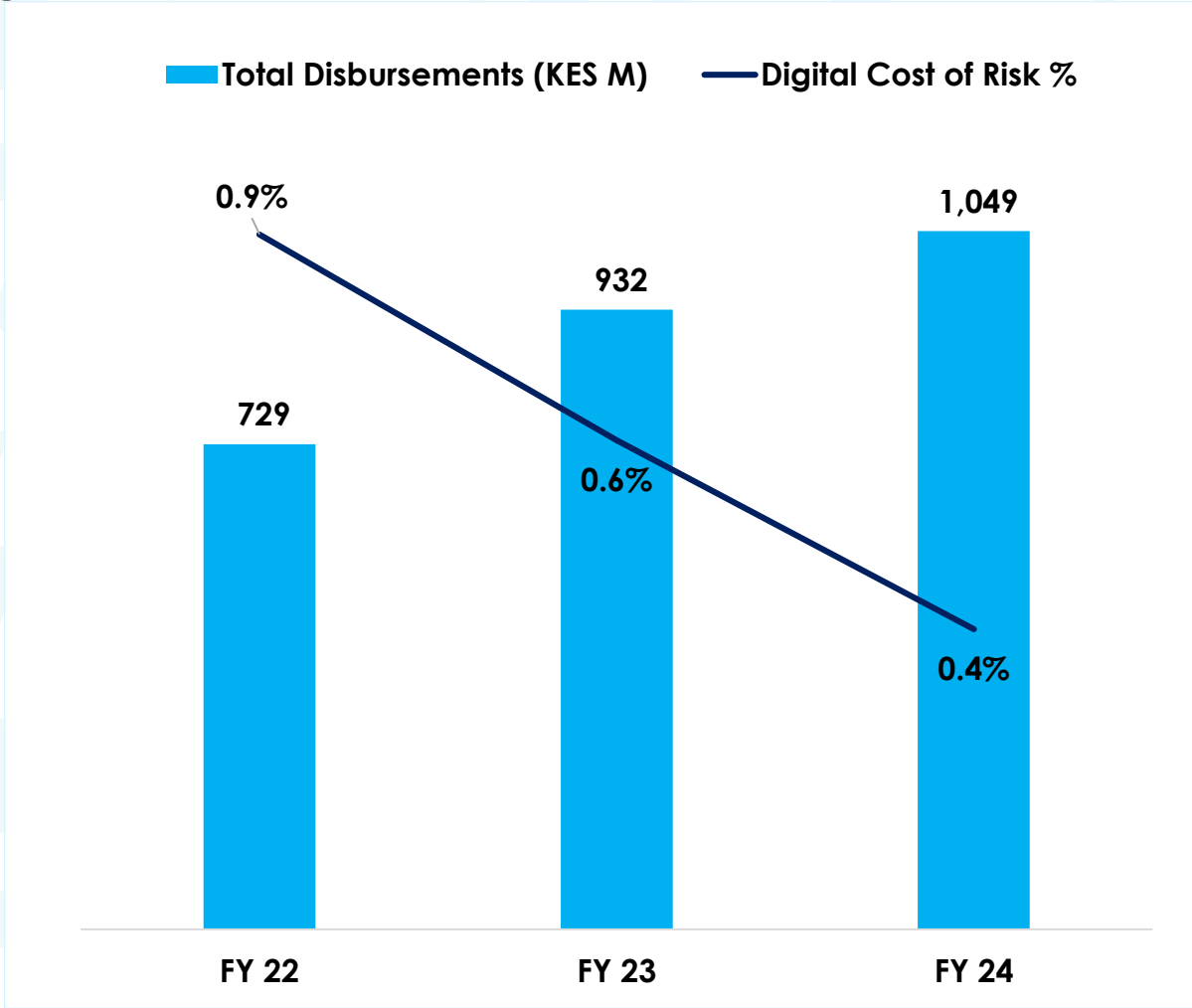
Income Statement



Over the strategy cycle, the Regional Business performance has followed a sustainable growth trajectory, establishing a strong foundation as a future growth engine



By leveraging AI capabilities in credit scoring, we have significantly improved our digital credit metrics and delivering strong PBT outcomes. This advancement positions us to achieve scalable growth in the future

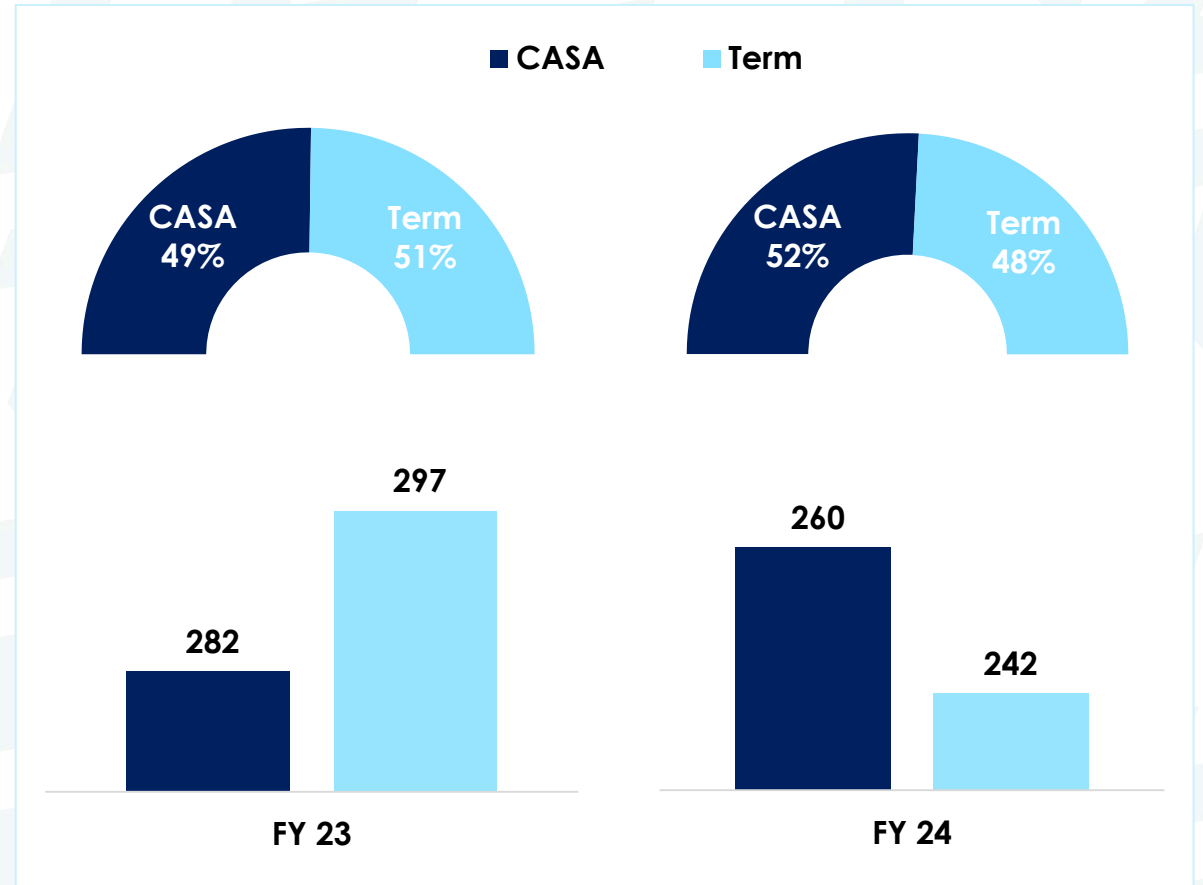
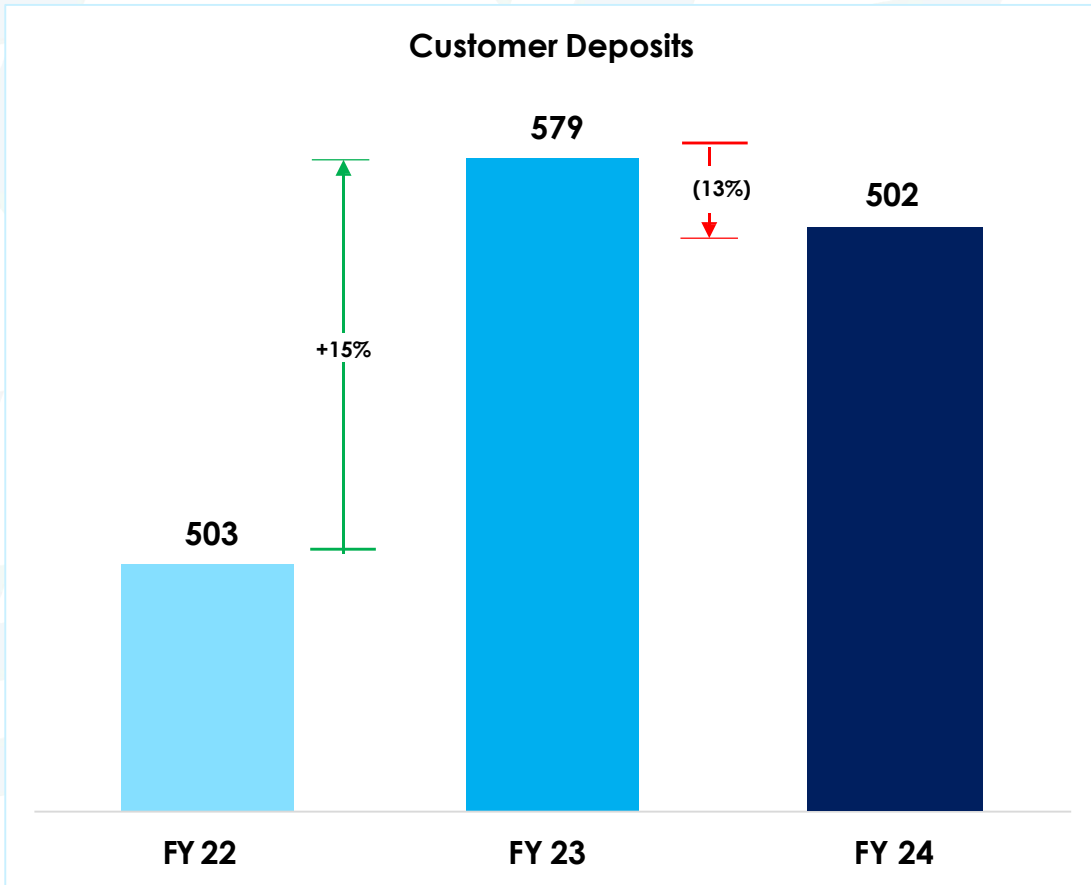


We have successfully reoriented our funding mix to strengthen our CASA deposit base

Amounts in KES Bns

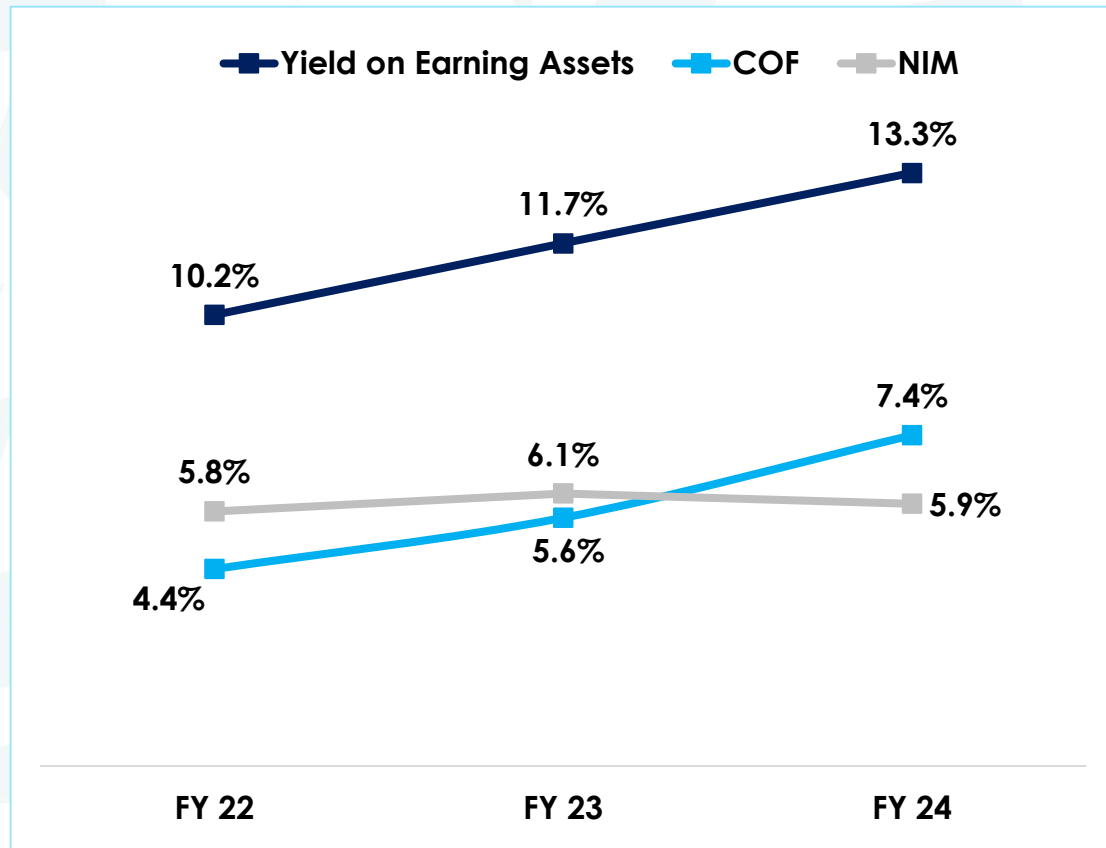
Drop in deposits reflecting reorientation to higher CASA and a more optimal & better priced funding mix

...CASA is now 52% of our deposit mix

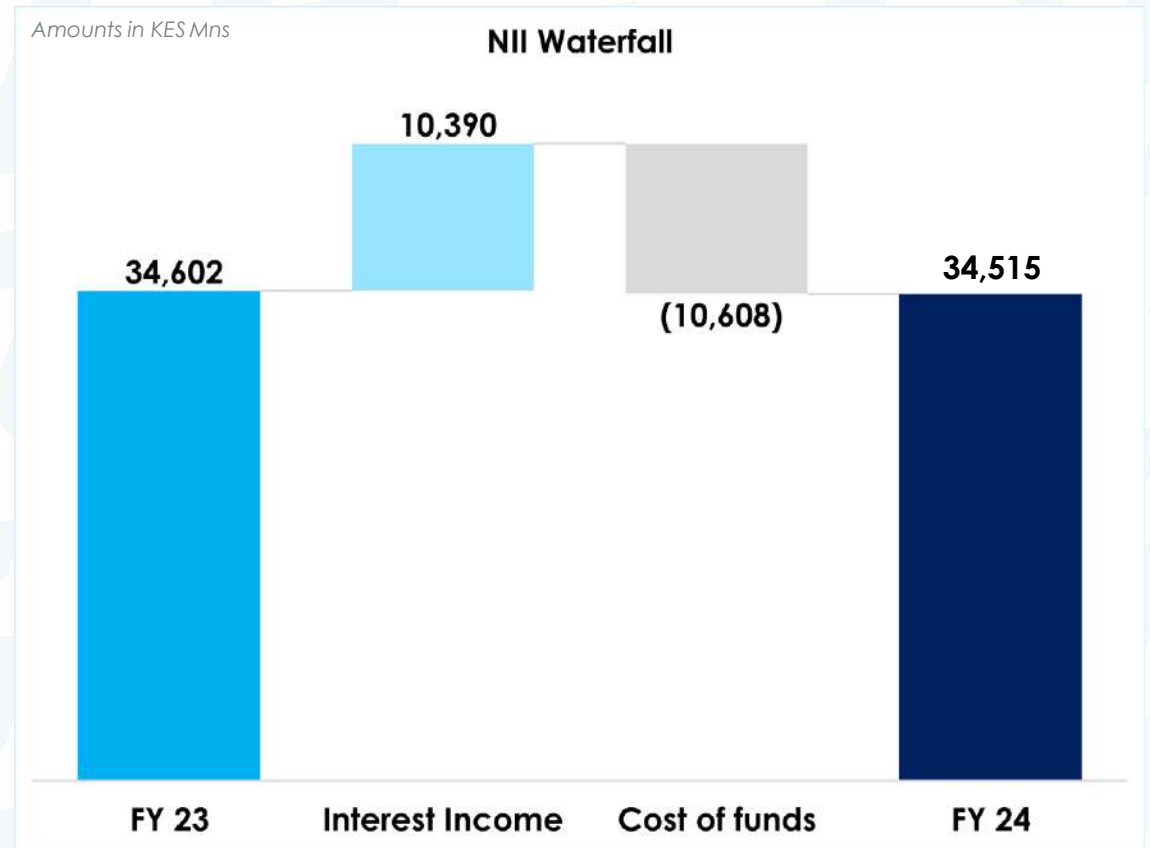


On the back of interest rate pressures, we focused on protecting our bottom line by tightening deposit costs and improving pricing across all lending ensuring margin protection

Our efforts on protecting our margins enabled us to largely defend our NIM position...



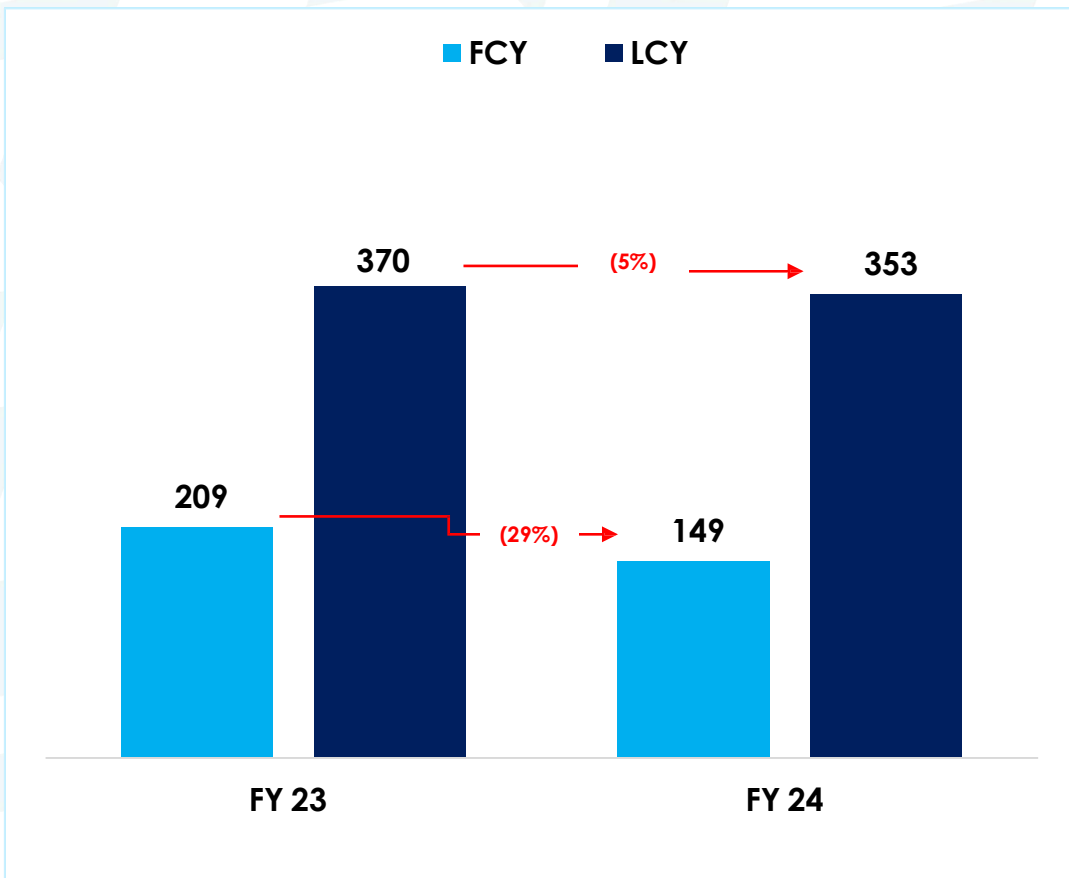
... delivering resilient net interest income performance



Our non funded income streams received a healthy boost from fees derived from varied solutions we offer our clients

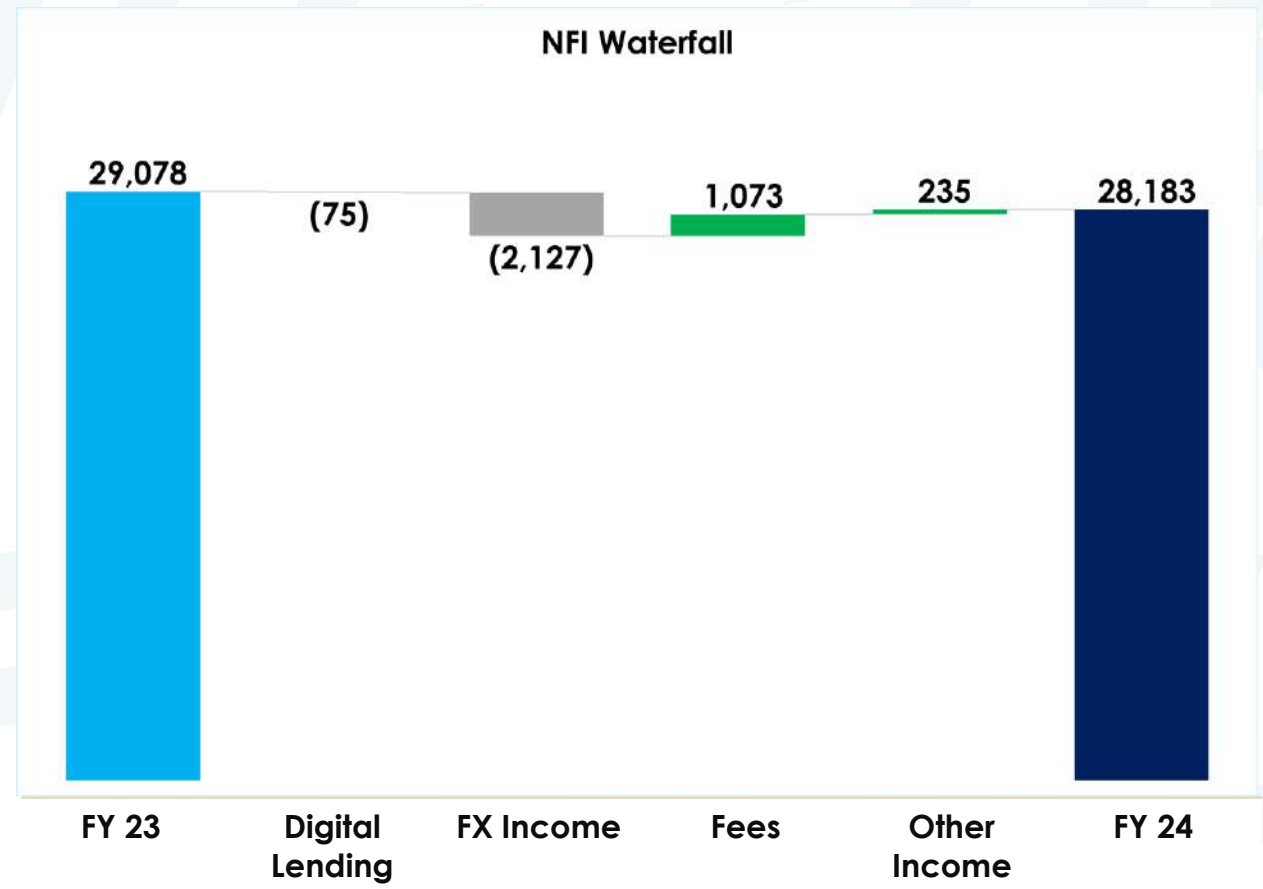
Y-o-Y we have seen a drop in our FCY deposit book due to translation effects given appreciation on the KES...

Amounts in KES Bns



...we nonetheless continue see solid performance in fees derived from cash management and insurance revenues

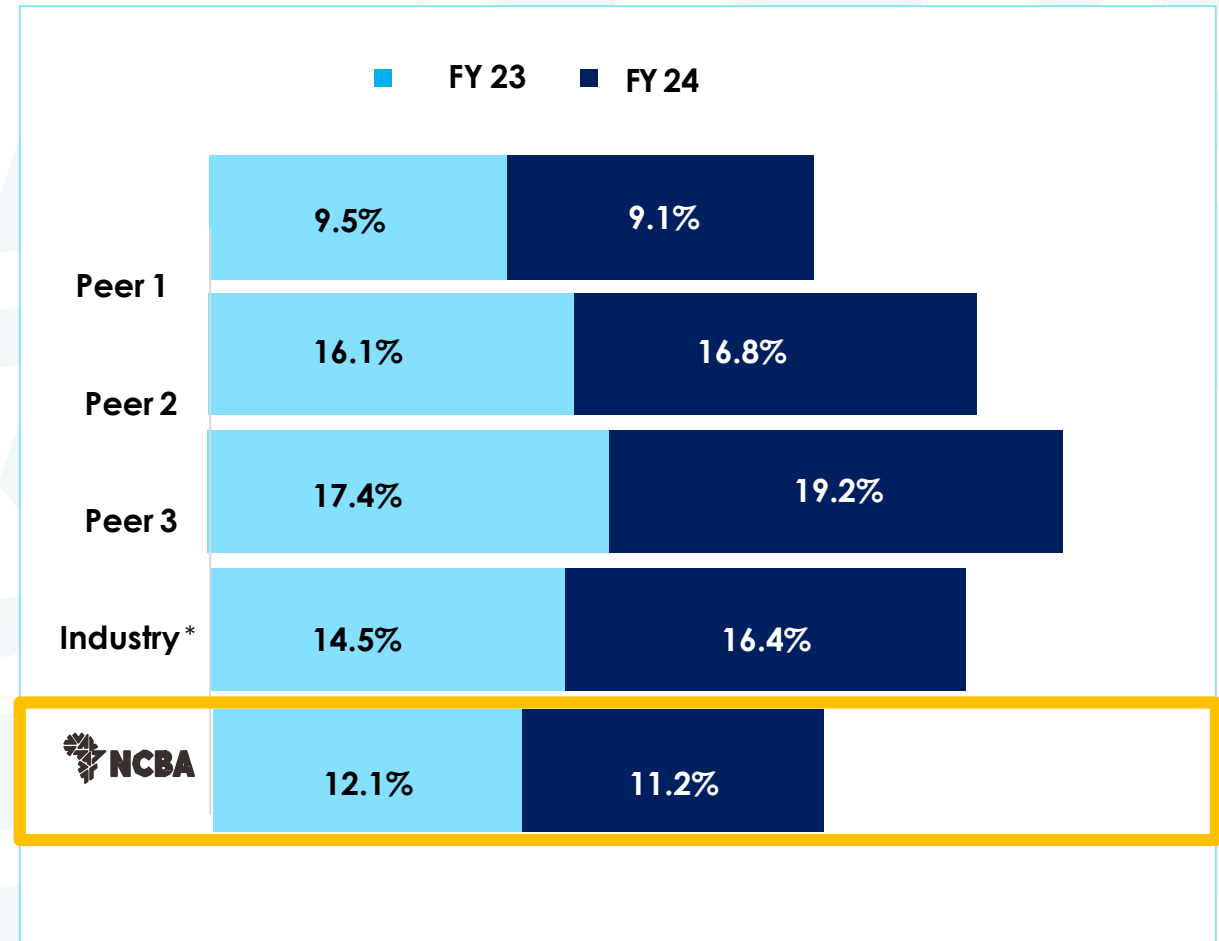
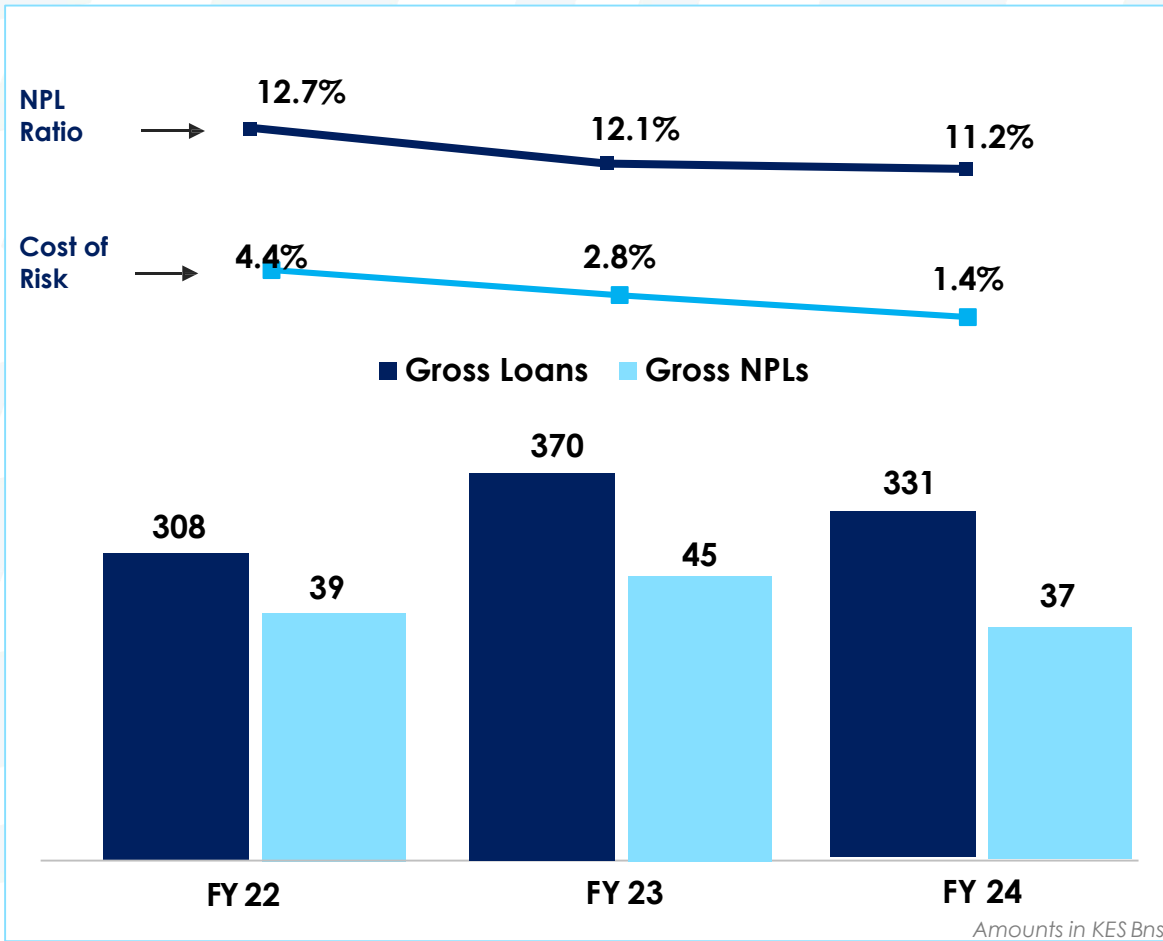
Amounts in KES Mns



Our credit outcomes continue to show improvement in loan quality albeit on the back of softness in lending y-o-y...

We experienced softness in lending given mixed economic conditions & currency revaluations...

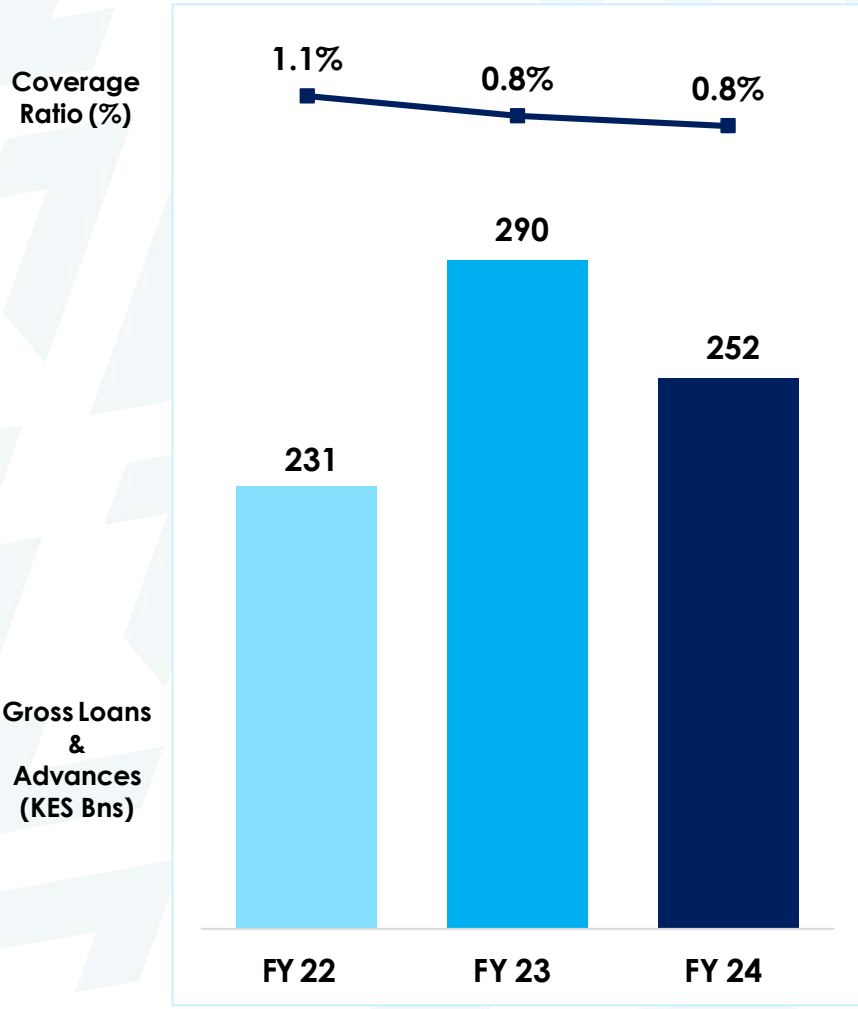
...however we continue to deliver a better quality loan book compared to similarly sized peers and the industry at large



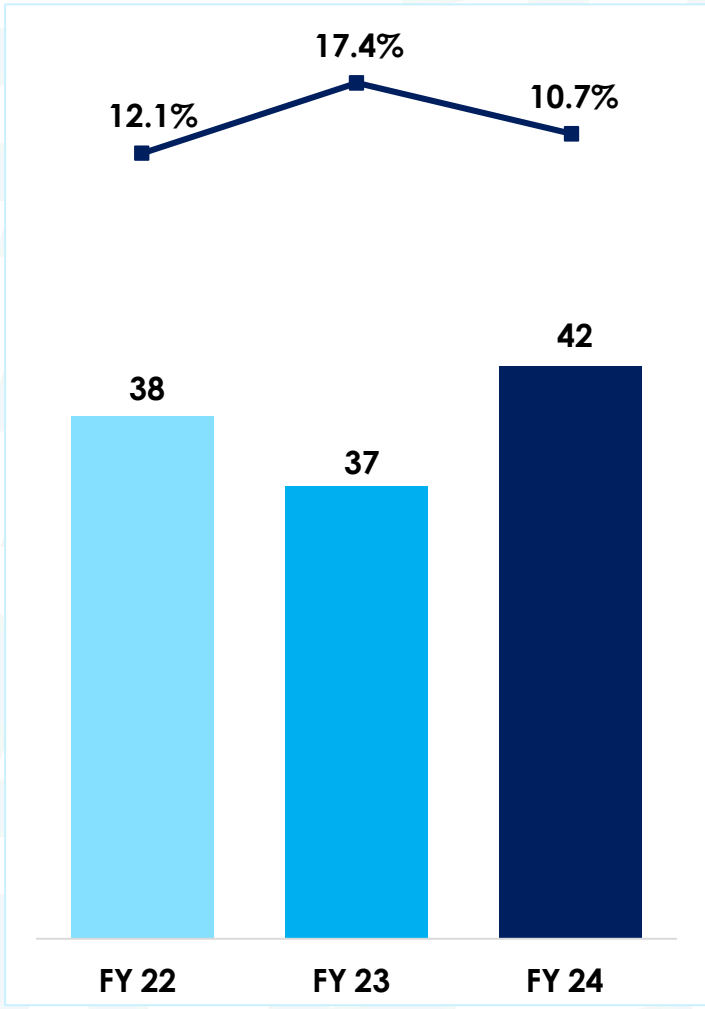
Notes:
 * Denotes Kenyan Banking Sector
 + Regional NPL ratios: RWA 3.1% TZ: 3.0%, UG 5.0%

...with adequate provisioning and coverage across loan classification buckets...

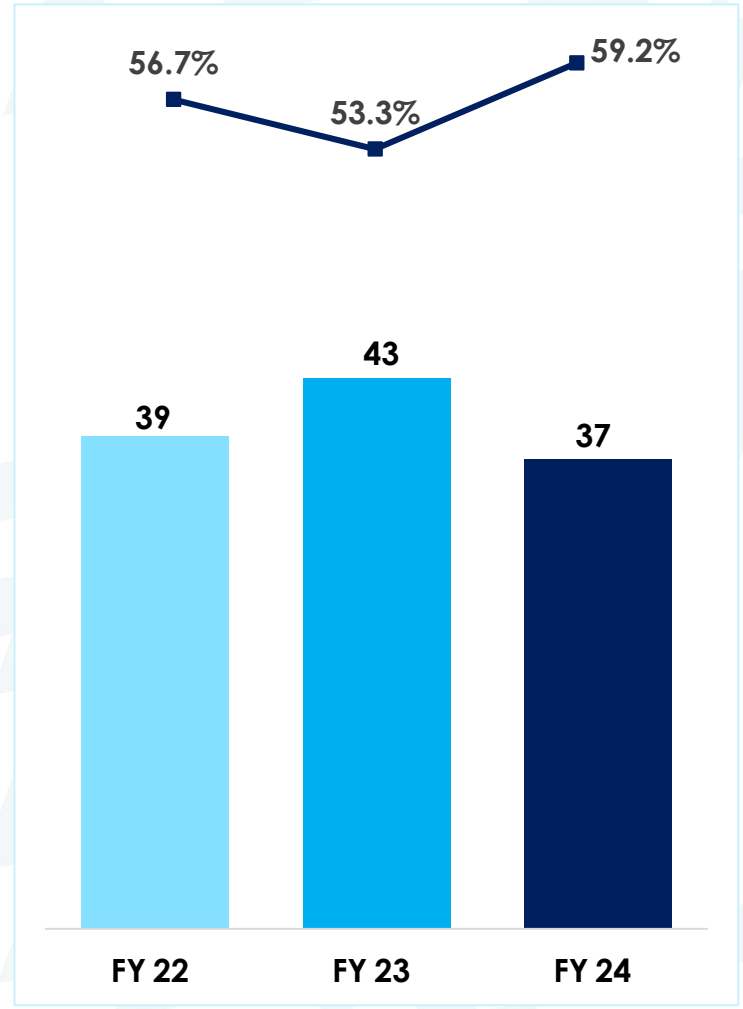
Stage 1



Stage 2



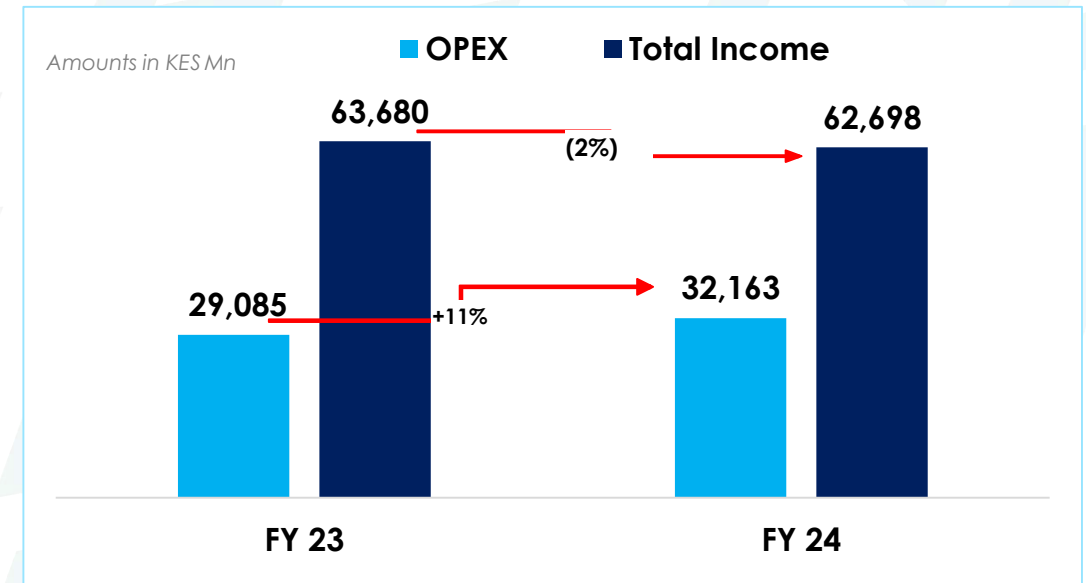
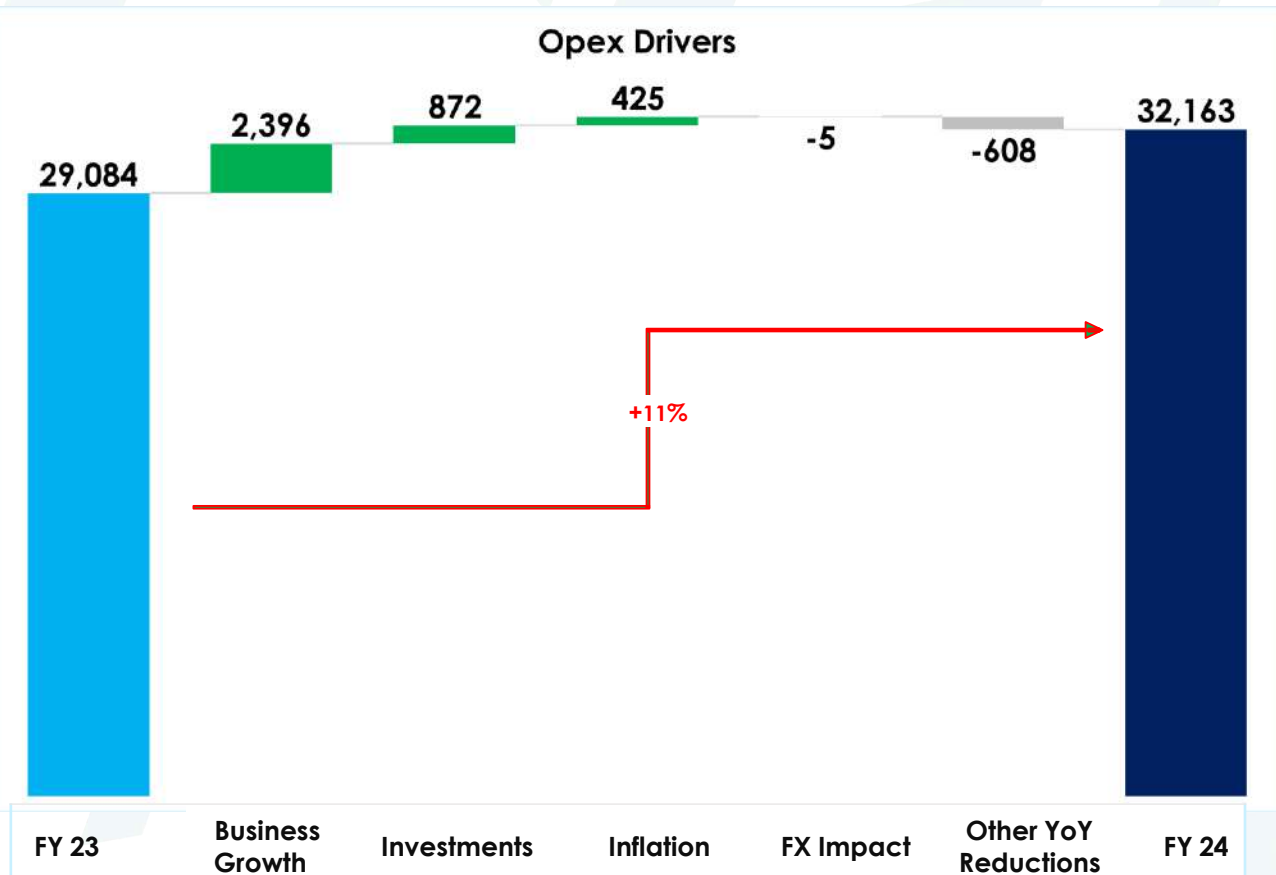
Stage 3



Our strategic investments, notably in our distribution network & digital platforms have put pressure on our near term efficiency metrics. We are focused on a 45% CIR in the medium term

OPEX Increased by 11% in FY 24 as we continued to book growth related expenses....

...notwithstanding the increase in costs, we believe we are at inflection point in efficiency given the peak of our investment cycle

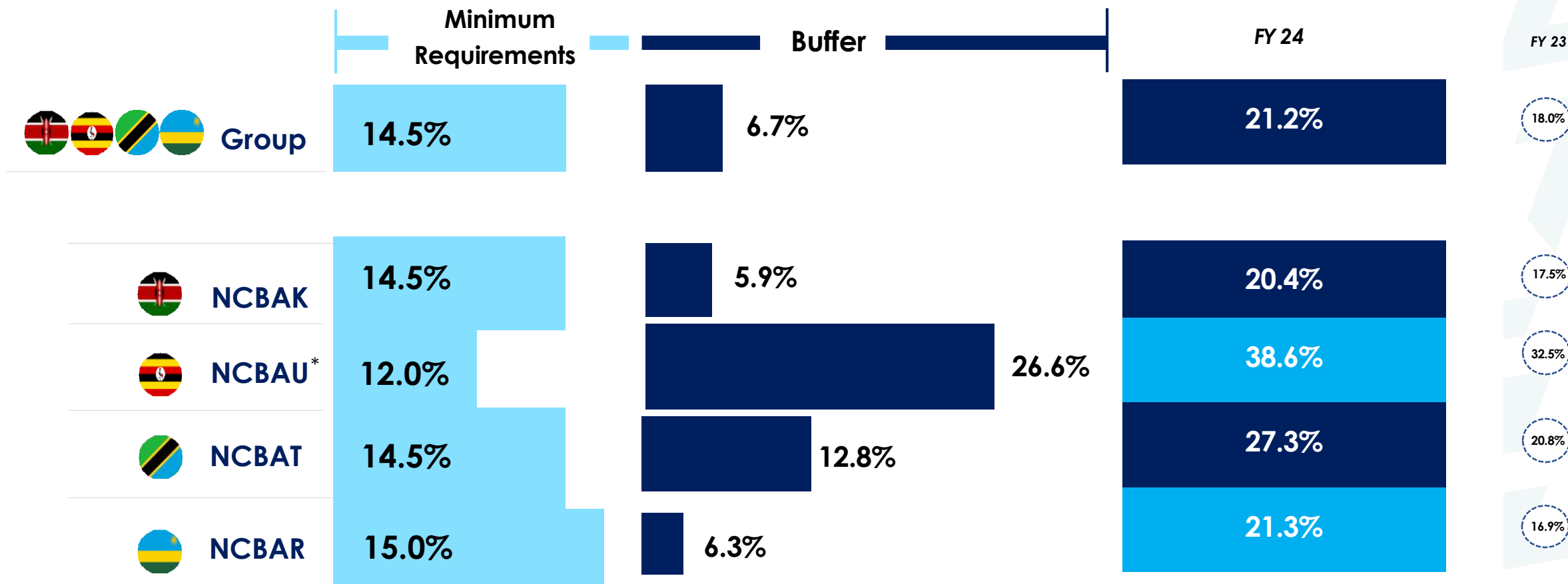


	FY 23	FY 24
Cost to Income Ratio	45.7%	51.3%
Cost to Assets	4.0%	4.8%
Staff Costs Intensity ⁽¹⁾	19.5%	21.8%
IT Costs Intensity ⁽²⁾	7.2%	9.3%

Notes:
 1: Staff Cost Intensity calculated as Staff costs vs. Operating Income
 2: IT Cost intensity calculated as IT OPEX vs. Operating Income

The Group efforts on reorienting the balance sheet to protect its bottom line is delivering capital across our core markets providing ample room to invest for growth....

Total Capital/RWA across our Markets

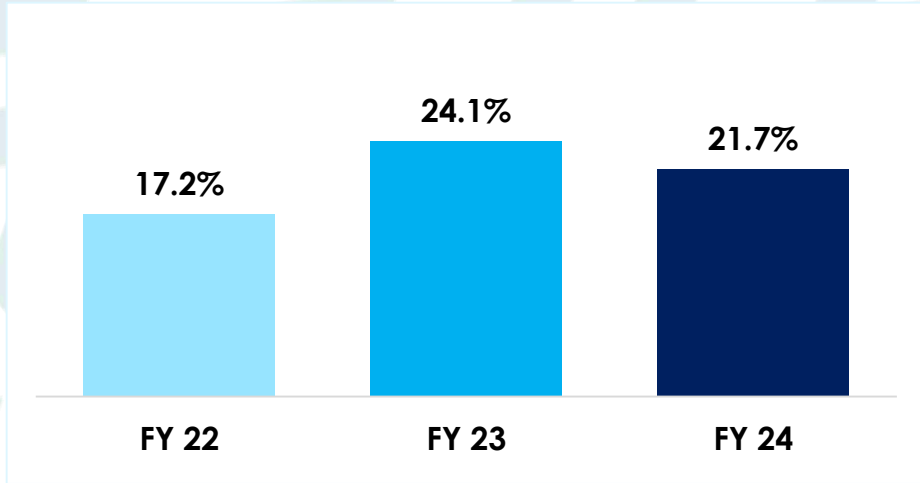


Notes:

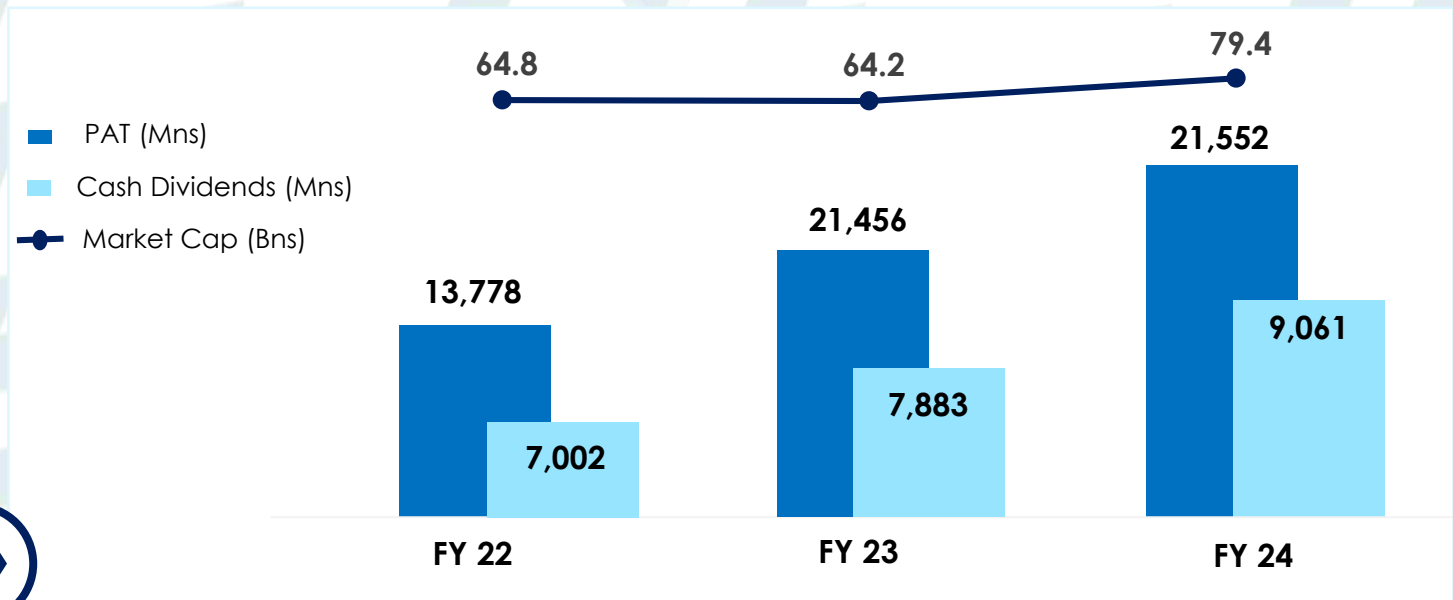
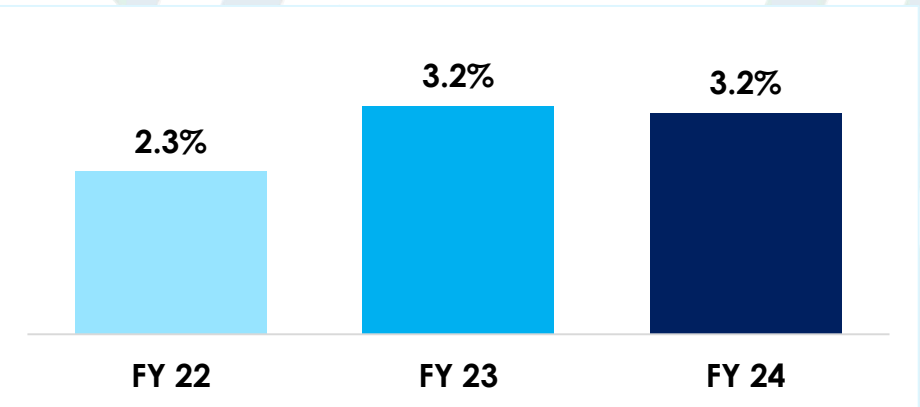
* Uganda's Total Capital to RWA is elevated given a regulatory change increasing Total Capital requirements from UGX 120 to 150bn

...and delivering the desired return outcomes for a Tier 1 Bank and consistent cash returns to our >27,000 shareholders over the last 3 years

We are delivering on post merger promises on ROE



...while matching similar sized peers on ROA



	2022	2023	2024
Earnings Per Share (EPS)	8.4	13.0	13.3
Dividends Per Share (DPS)	4.25	4.75	5.50
Price to Book	0.8x	0.7x	0.8x

We expect a continued and strong underlying growth trajectory across the following metrics

Metric	FY 25 Guidance	Commentary
Return on Equity	>22%	<ul style="list-style-type: none"> Create value for our shareholders and re-invest internal capital generated to foster growth
NPL Ratio	< 12%	<ul style="list-style-type: none"> Unlock more capital allocation to new underwritings and enhance profitability
Cost to Income Ratio	~50%	<ul style="list-style-type: none"> Stabilize efficiency metrics by maximizing value from strategic investments, while mitigating inflationary pressures
Capital Adequacy	300Bps above regulatory limits	<ul style="list-style-type: none"> The business to remain adequately capitalised across our core markets enabling asset growth
Core Bank Cost of Risk	1.5% - 2.0%	<ul style="list-style-type: none"> Maintain high standards in credit onboarding and proactive management of our loan portfolio

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1

Solid fundamentals across our business

- ✓ Delivered a resilient **ROAE of 21.7%**, up from **5% in 2020**
- ✓ Maintained strong capitalization with a **CAR of 21.2%**, well above the **14.5% regulatory minimum**
- ✓ Strong delivery of profitability from our digital business growing **+74% y-o-y** across all our markets
- ✓ Our non banking subsidiaries grew by **+37% y-o-y** owing to both organic growth and strong performance from **our newest subsidiary NCBA Insurance**
- ✓ Final Dividend for 2024 of KES 3.25 per share bringing FY 2024 Dividend to **KES 5.50 per share**

2

Well controlled risks

- ✓ We are delivering a better-quality loan book compared to similarly sized peers and the industry at large with NPL ratio at **11.2% (Industry at 16.4%)**
- ✓ A deliberate decision to reduce expensive deposits led to a more optimal & better priced funding mix **delivering stable net interest income performance**
- ✓ The Regional Business has undergone significant transformation during the strategy cycle, **transitioning from negative performance in 2020 to a sizeable 13% contribution to PBT in 2024.**

3

We have delivered on our 2020-2024 strategic ambitions


- ✓ Our investment in brand recognition is driving **consideration ~ 46%** (30% in 2020) and customer growth
- ✓ Expanded our retail banking footprint, increasing our branch network to **119 branches (89 in FY 20)**
- ✓ Solidified our leadership in asset finance with **35% market share**
- ✓ In 2024, we disbursed **KES 1 Trillion in digital loans**. Leveraging AI-driven credit scoring, we've significantly enhanced our digital credit performance
- ✓ We continue to deliver on high-performance culture with a balanced **51:49** gender ratio (**M:F**)

Disclaimer:

These results are provided for informational purposes only and should not be construed as an offer to buy or sell any securities or financial instruments. With regards to any market or other third-party data included in this release, NCBA Group Plc (“the Group”) can provide no assurances of the accuracy or completeness of such market or third-party data and information and takes no responsibility for it.

Forward-Looking Statements:

This release contains forward-looking statements that reflect the Group’s current views with respect to future events and financial performance. Although the Group believes that these estimates and forward-looking statements are based upon reasonable assumptions, they are subject to several risks and uncertainties and are made considering information currently available, and actual results may differ materially from those expressed or implied in the forward-looking statements. The Group undertakes no obligation to update any forward-looking statements to reflect events or circumstances after the date of this release.

 **THANK YOU**

Statement of Profit & Loss

Amounts in KES Millions

	NCBA Bank Kenya			NCBA Group Consolidated		
	FY 23	FY 24	Δ%	FY 23	FY 24	Δ%
Interest Income	57,863	67,754	17%	65,224	75,687	16%
Interest Expenses	(27,932)	(37,773)	35%	(30,623)	(41,173)	34%
Net Interest Income	29,931	29,981	0%	34,602	34,514	0%
FX Income	7,544	5,415	(28%)	8,377	6,250	(25%)
Other Non- Interest Income	15,366	15,823	3%	20,701	21,933	6%
Non – Funded Income	22,910	21,238	(7%)	29,078	28,183	(3%)
Operating Income	52,841	51,219	(3%)	63,680	62,697	(2%)
Operating Expenses	(22,866)	(22,250)	10%	(29,085)	(32,163)	11%
Operating Profit	29,975	25,969	(13%)	34,595	30,533	(12%)
Impairments	(8,275)	(5,206)	(37%)	(9,155)	(5,480)	(40%)
Profit Before Tax And Exceptional Items	21,700	20,736	(4%)	25,440	25,053	2%
Share of Profit from Associate	-	-		42	87	109%
Profit Before Tax	21,700	20,736	(4%)	25,482	25,140	(1%)

Statement of Financial Position

Amounts in KES Millions

	NCBA Bank Kenya			NCBA Group Consolidated		
	FY 23	FY 24	Δ%	FY 23	FY 24	Δ%
Assets						
Net Loans and Advances	296,400	269,146	(9%)	337,018	302,078	(10%)
Investments	214,325	189,489	(11%)	239,781	216,993	(10%)
Cash and Balances with Banks	91,519	77,143	(16%)	110,077	96,635	(12%)
Other Assets	59,499	52,924	(12%)	47,745	50,237	5%
Total Assets	661,744	588,703	(11%)	734,621	665,944	(9%)
Liabilities & Equity						
Customer Deposits	514,608	449,488	(13%)	579,402	502,016	(13%)
Borrowings	38,345	21,729	(43%)	33,093	23,580	(29%)
Other Liabilities	20,974	20,925	(0%)	25,463	30,633	20%
Shareholders Equity	87,817	96,560	10%	96,663	109,715	14%
Total Liabilities & Equity	661,744	588,703	(11%)	734,621	665,944	(9%)

Our loan book is well diversified across product, currency and industry

2024 Loan Book

