

Q1 2025 Investor Pack

May 2025

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WHO WE ARE <

OPERATING ENVIRONMENT <

UPDATE ON STRATEGY <

FINANCIAL PERFORMANCE Q1 2025<

1

Solid fundamentals across our business

- ✓ Delivered a resilient **ROAE of 19.4%** & maintained strong capitalization **CAR of 21.6%** (Regulatory minimum 14.5%)
- ✓ Strong delivery of profitability from our digital business growing **+15% y-o-y** across all our markets.
- ✓ Our regional Business performance has followed a sustainable growth trajectory, establishing a strong foundation as a future growth engine **delivering 16.5% share of Group profit** from 10.8% in the similar period last year

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 **11.9% (Industry at 17.2%)**
- ✓ A deliberate decision to reduce expensive deposits led to a more optimal & better priced funding mix **with visible interest margin accretion**
- ✓ In Q1'25, we disbursed **KES 307 billion in digital loans (+32% y-o-y growth)**. Leveraging AI-driven credit scoring, we've significantly enhanced our digital credit performance

3

We have delivered on our long term strategic ambitions

- ✓ Expanded our retail banking footprint, increasing our branch network to **119 branches (113 in Q1 '24)**
- ✓ Our investments in the NCBA brand is driving market consideration; we also invested in the rebranding of our latest subsidiary NCBA IG in Q1-25. These collective efforts have boosted customer acquisition to **397k core bank customers (a 21% y-o-y growth)**
- ✓ **We planted an extra 62K additional trees in Q1-25** and recycled 63.3% of Waste at HQs and pilot branches

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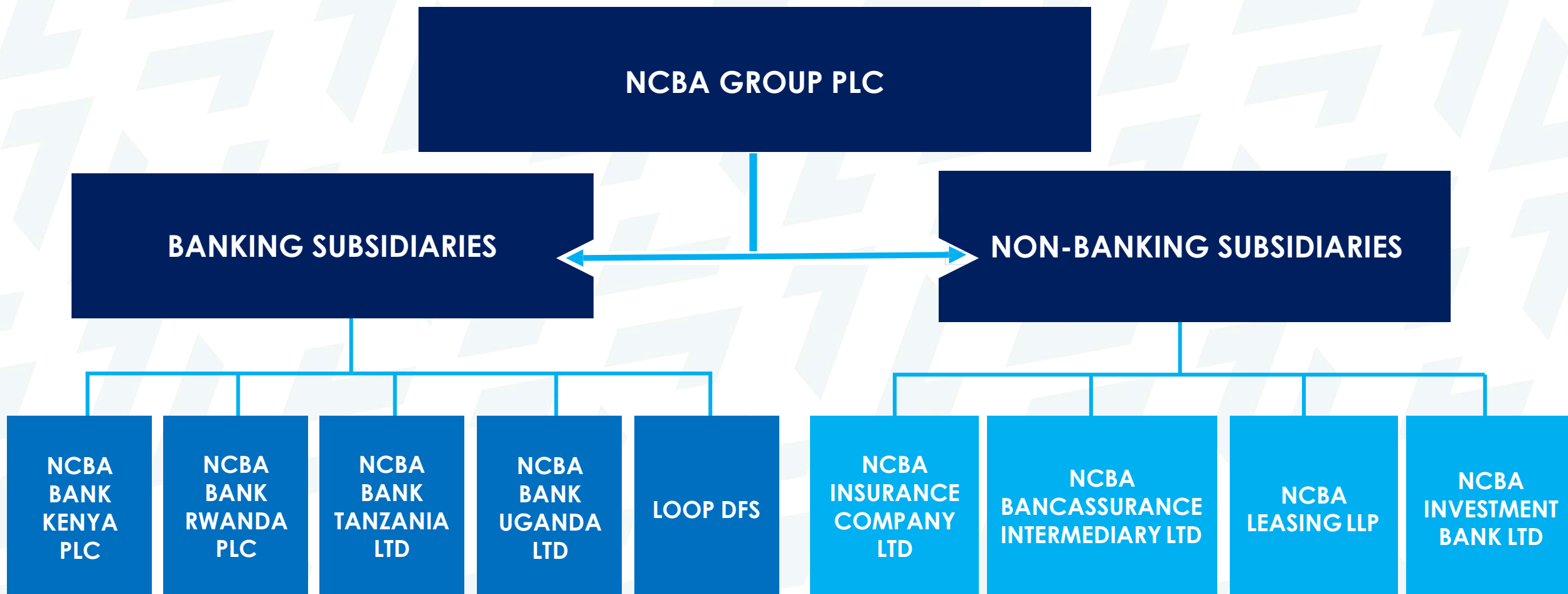
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Our Group Structure : We have expanded beyond our banking roots to providing non-banking services to our customers



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



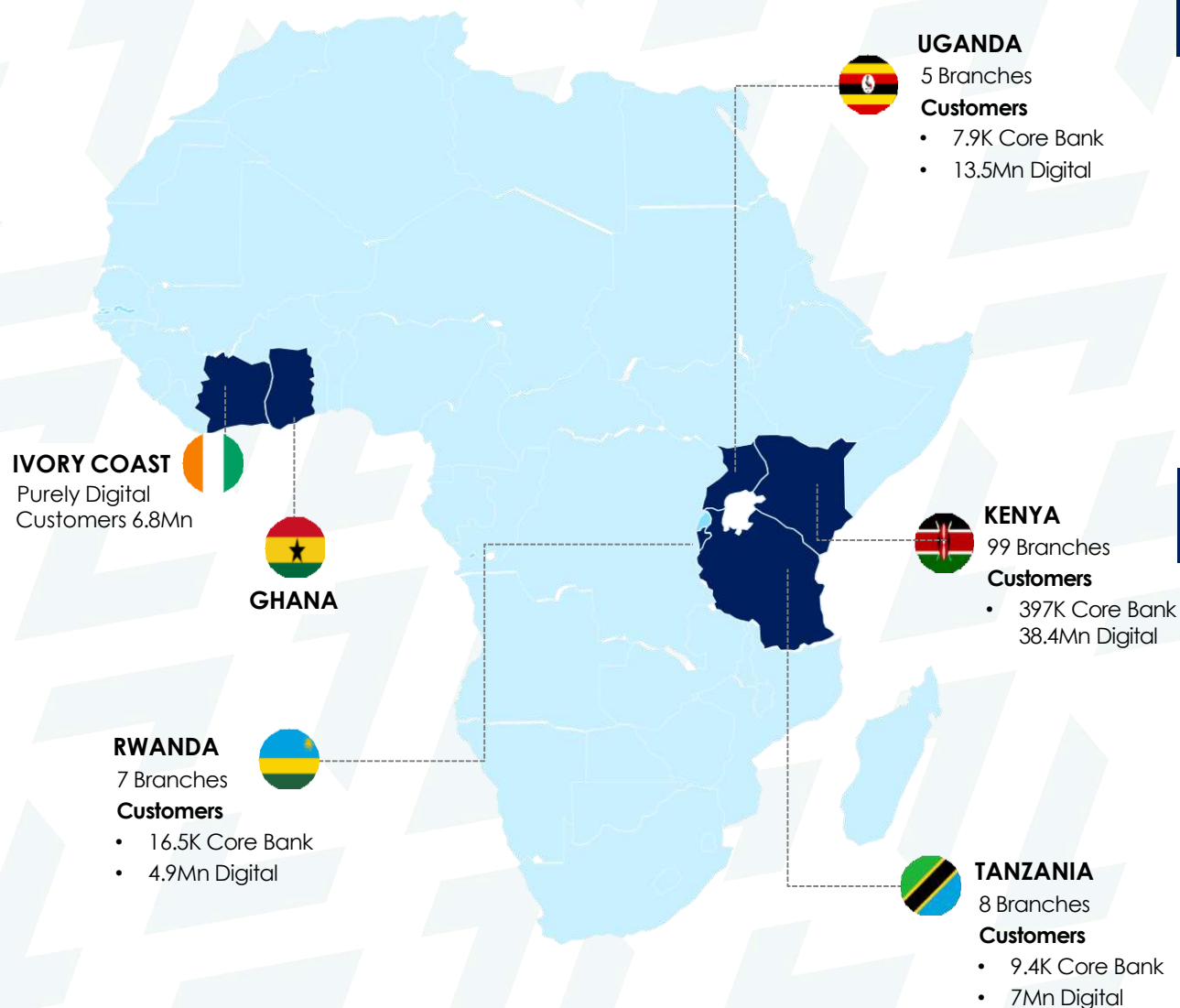
3,761 Staff



119 Branches*



>61Mn Customers



Banking Business

KES 116Bn Capital
~USD 897Mn

KES 496Bn Deposits
~USD 4Bn

KES 317Bn Lending
~USD 2Bn

KES 307Bn
Digital Disbursements+
~USD 2Bn

Non-Banking Business

KES 80Bn AUM
~USD 620Mn

KES 0.8Bn Insurance Premium
(Banca)
~USD 7Mn

KES 5.3Bn Leased Assets
~USD 41Mn

KES 1.2Bn Insurance Premium
(NCBA IG)
~USD 9Mn

We have received several notable awards, including recent recognitions for diversity & inclusion, SME financier of the year, excellence in customer experience 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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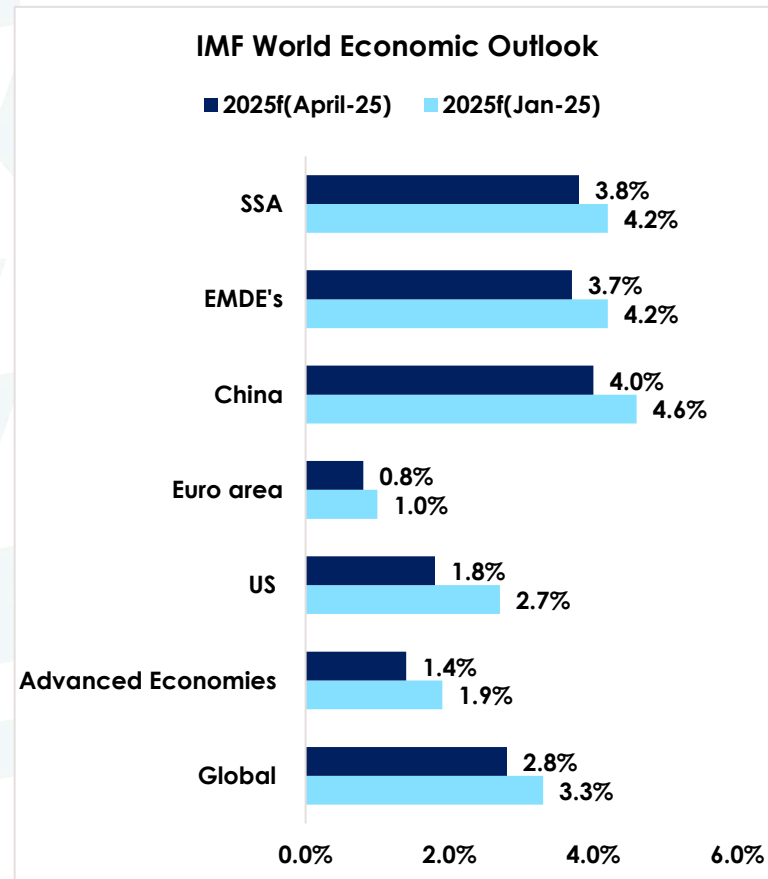
OPERATING ENVIRONMENT <

UPDATE ON STRATEGY <

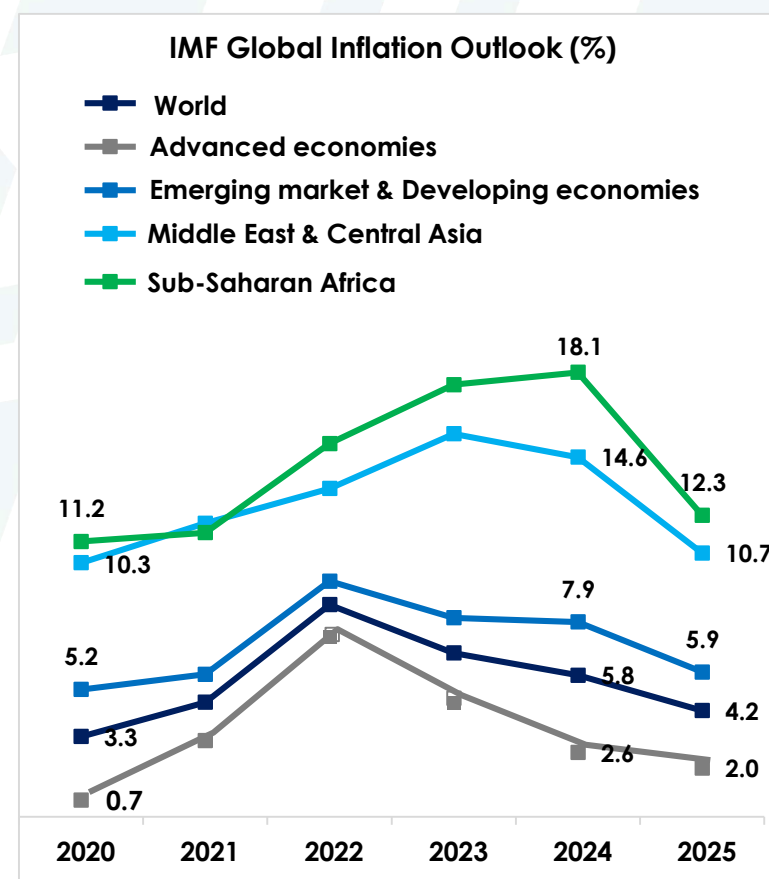
FINANCIAL PERFORMANCE Q1 2025 <

Global economic growth is expected to decline to 2.8% in 2025 from 3.2% in 2024 due to the impacts of US led tariff interventions on global trade

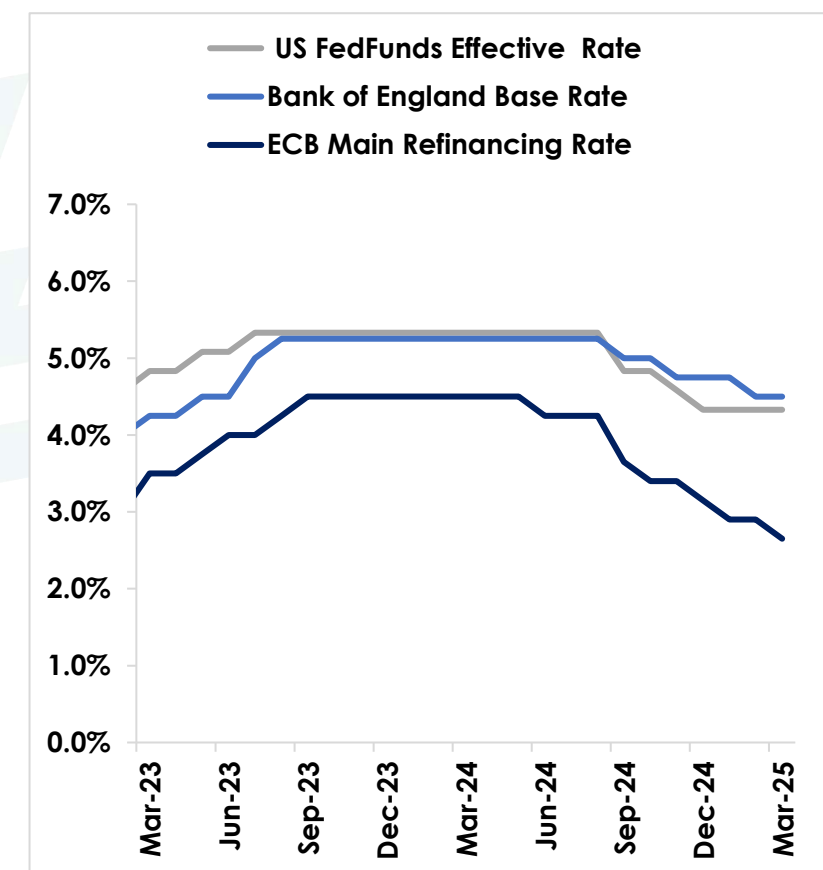
1 Global growth lower across all the main economies and economic blocs.



2 Global inflation is projected to fall to about 4.2% and could remain sticky in 2025.



3 Uncertainty in US monetary policy rate likely to keep external financing costs elevated for Emerging & Frontier markets.

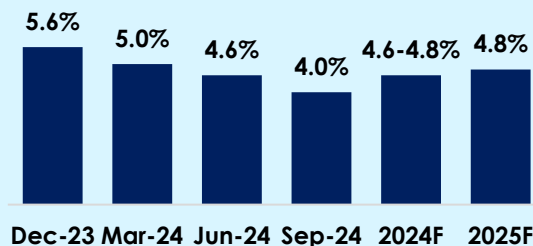


Divergent outlook across the region; subdued growth in Kenya and Rwanda with Uganda showing growth momentum, with marked currency depreciation in Tanzania

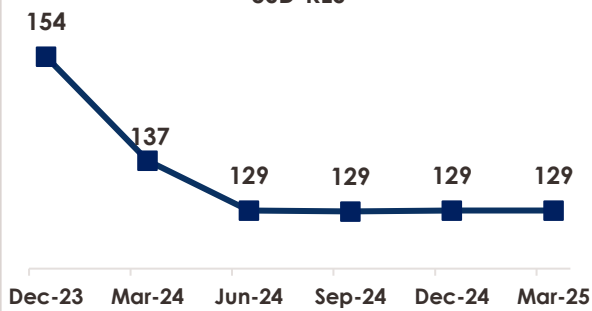
KENYA

- Economic activity subdued across most sectors.
- Monetary policy appears restrictive to economic growth.
- Expected economic stimulation to come from easing of monetary conditions as fiscal space remains limited.

Real GDP Growth



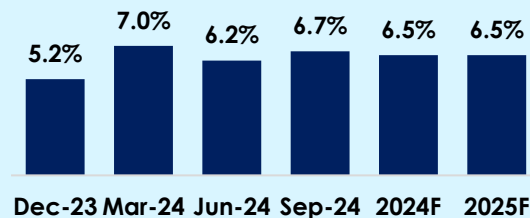
USD-KES



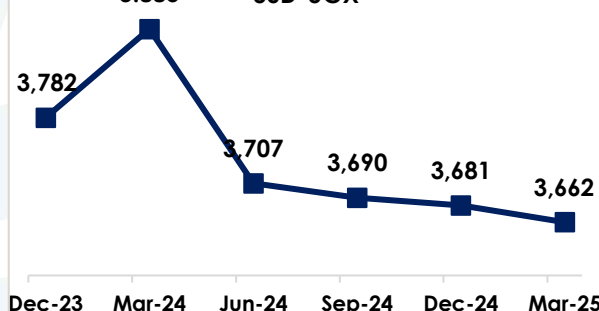
UGANDA

- 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.

Real GDP Growth



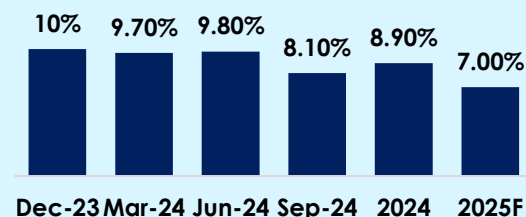
USD-UGX



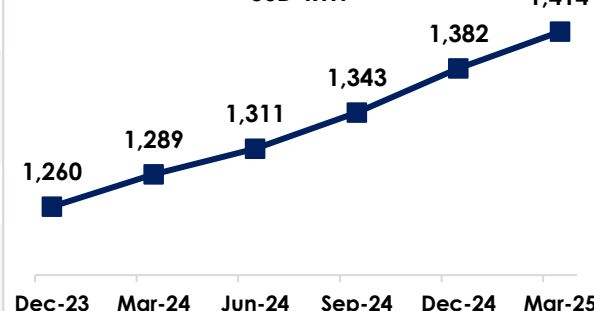
RWANDA

- 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.

Real GDP Growth



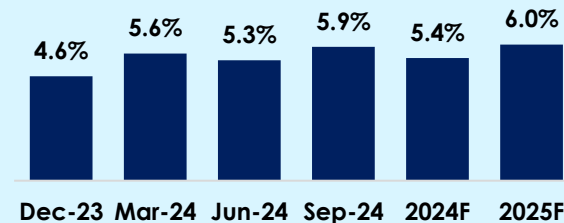
USD-RWF



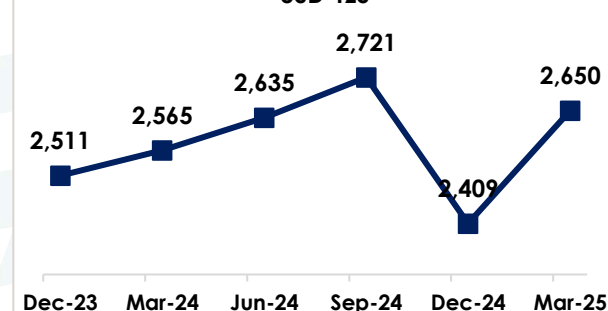
TANZANIA

- 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



USD-TZS



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Amidst mixed economic conditions; our strategy continues to deliver with our Group ROAE registering at 19.4%

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



Core Retail
Customer Count
(‘000)

Q1 24

328

Q1 25

397

Branch Count

113

119

Market Share
(Asset Finance)

37%

29%

Digital
Disbursements
(KES Bns)

233

307

Staff Retention
(%)

96%

91%

PAT (KES)

5.5^{BN}

Q1 2024: 5.3Bn

ROAE

19.4%

Q1 2024: 21.9%

Our investments in the NCBA brand is driving market consideration; we also invested in the rebranding of our latest subsidiary NCBA IG. These efforts boosted customer acquisition

Enablers

5 Brand Assets

NCBA Johari Awards

NCBA Golf Series / Junior Golf Series NCBA

- KMI Motor Show

NCBA Economic Forum

LOOP Safari Gravel Series

Q1 2025 Updates

Successful rebranding - NCBA Insurance
(NCBA-IG)

Participated in Inclusive Fintech Forum (RW)

Launched US Kid's Golf Series (UG) with 2 junior
tournaments



Our Brand Health

Brand Consideration*



Brand Power Index⁺



Q1 23

Q1 24

Q1 23

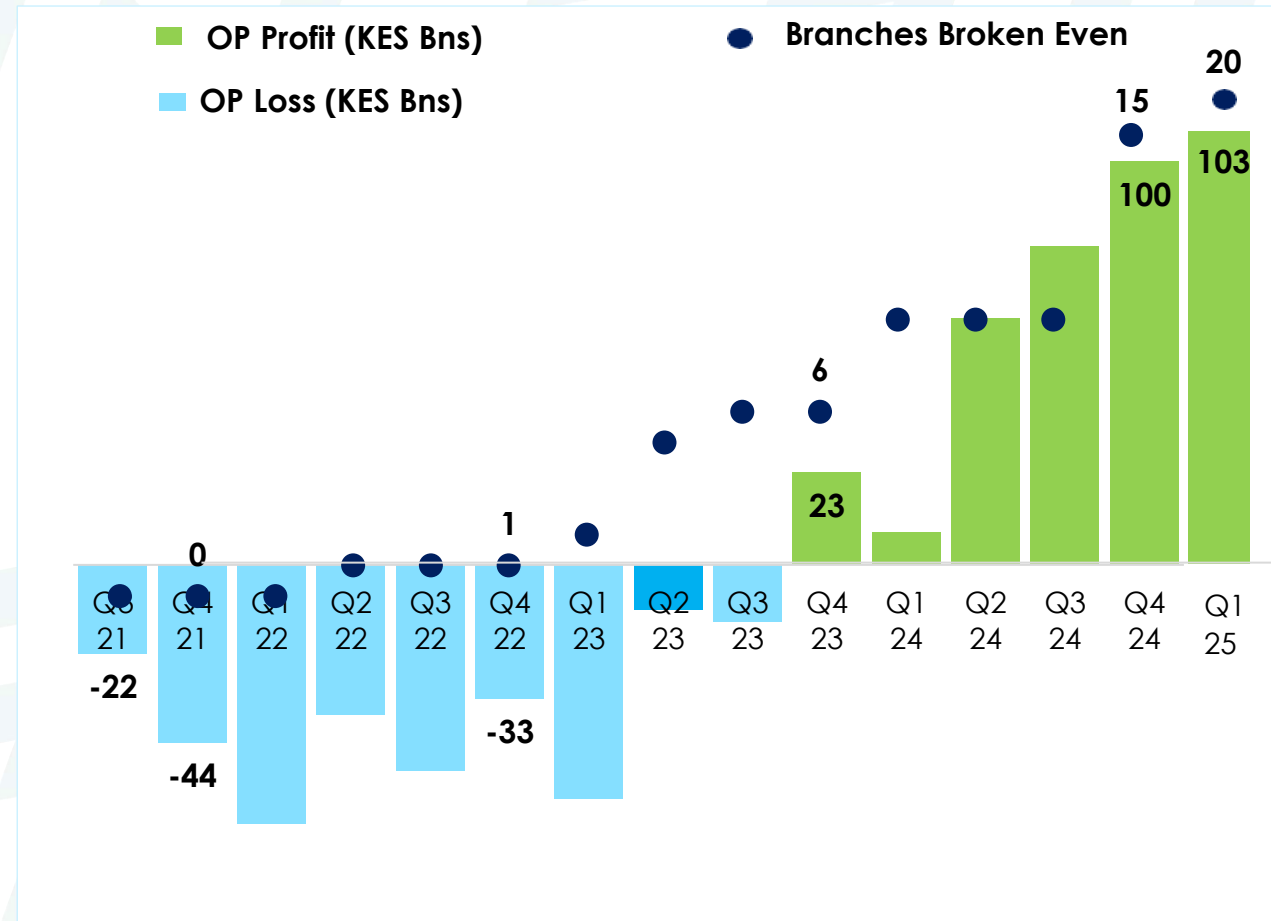
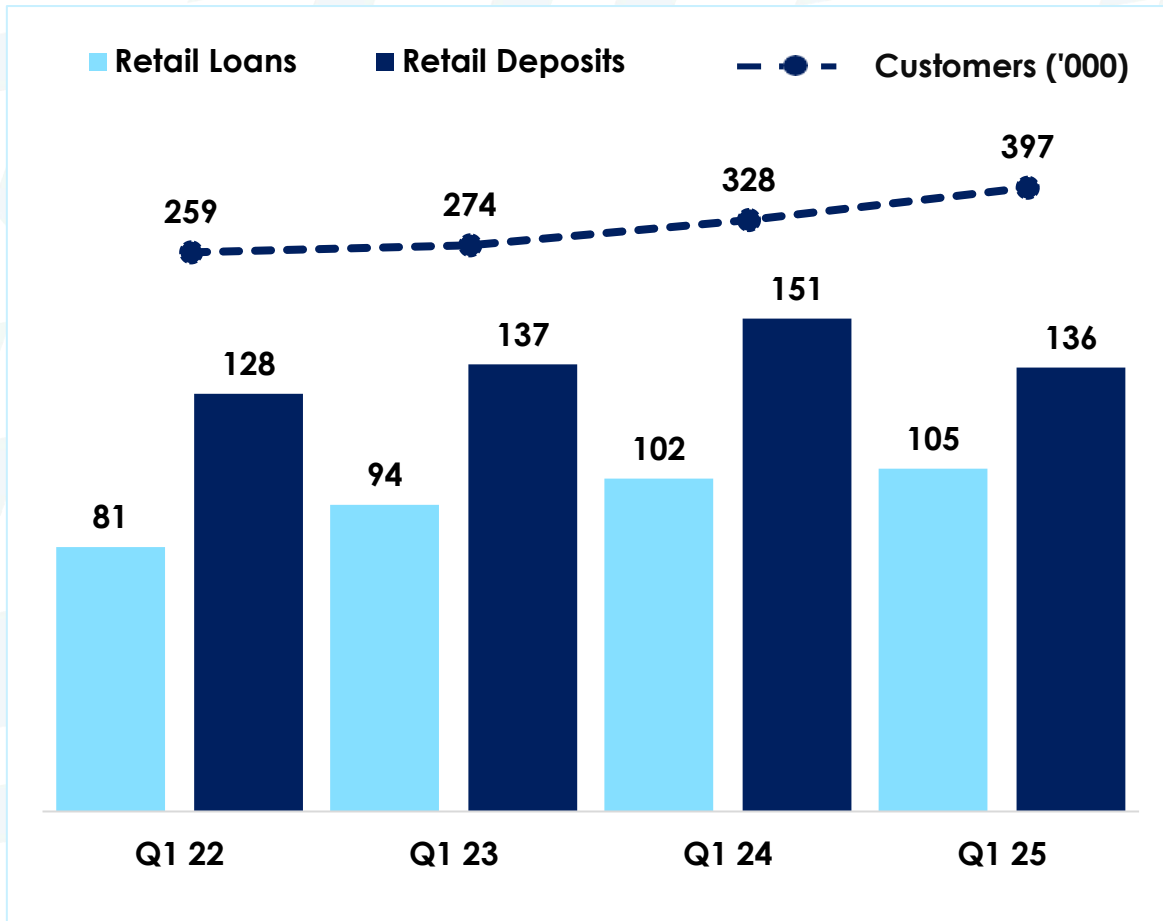
Q1 24



Two-thirds of new branches are now profitable, driving customer acquisition & asset growth. Our next priority is to strengthen these relationships to unlock even greater shared value

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

... with 30 new branches opened , 20 of these have broken even . All new branches are collectively delivering positive operating income





With subdued macro conditions, our corporate banking faced headwinds. Still, we're gaining ground with NIM improvements and boosting transactional volume by deepening relationships & increasing uptake on our varied corporate banking solutions

Enablers

Corporate internet banking

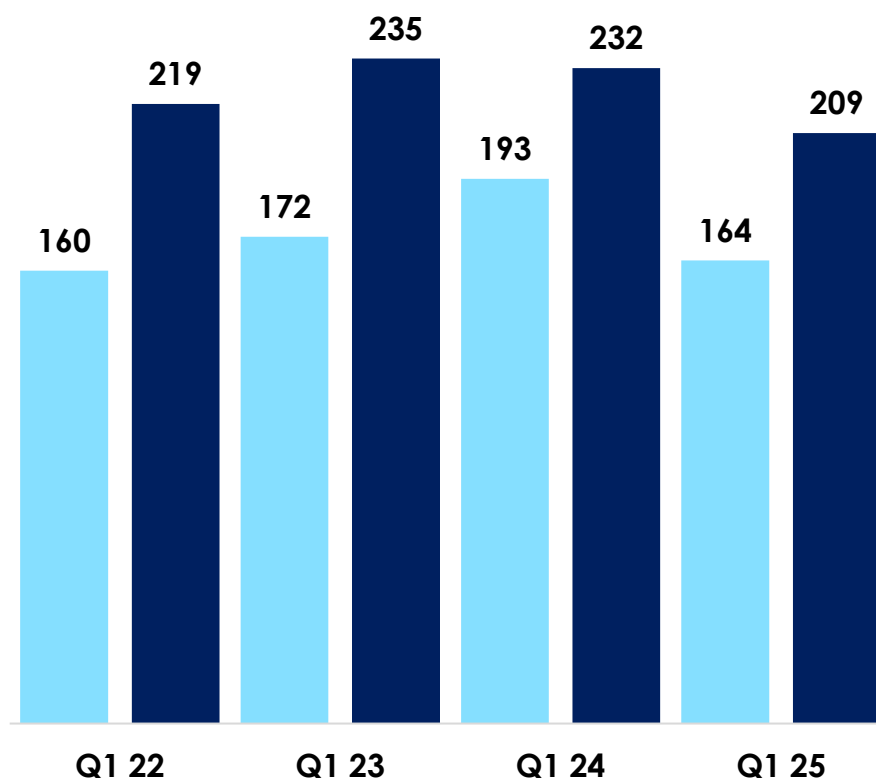
Q1 25 outcomes : **72K** transactions processed of

KES 13B in value with a 98% Success Rate

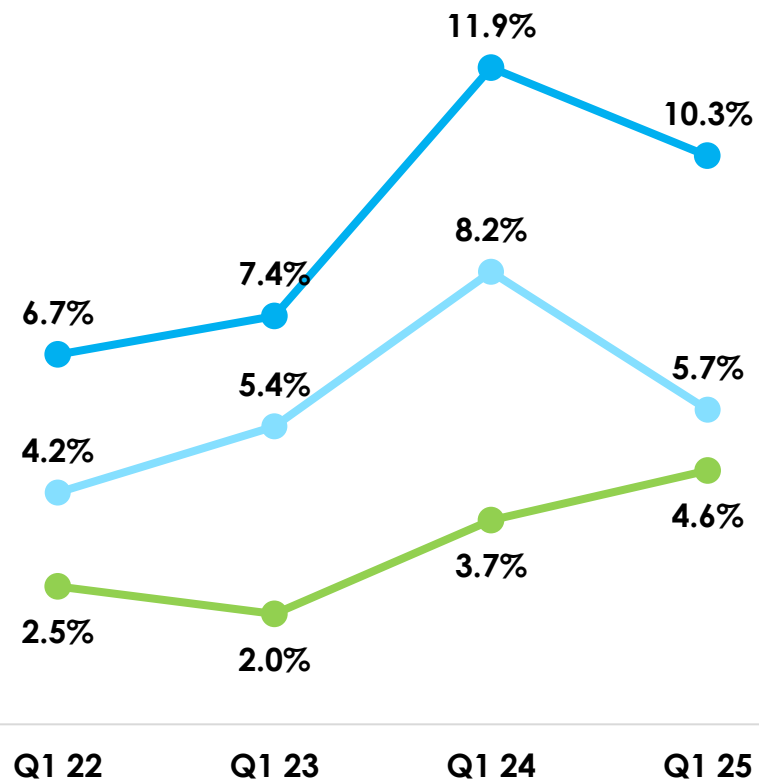
Banking Top 10

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

Corporate Loans (KES Bns) ■ Corporate Deposits (KES Bns)



Corporate Yields NIM COF





We are seeing higher income growth in asset finance; leveraging on our strategic partnerships & being first to market with innovative solutions

Enablers

15 Sec

Conditional Approval
(1st to Market)

20

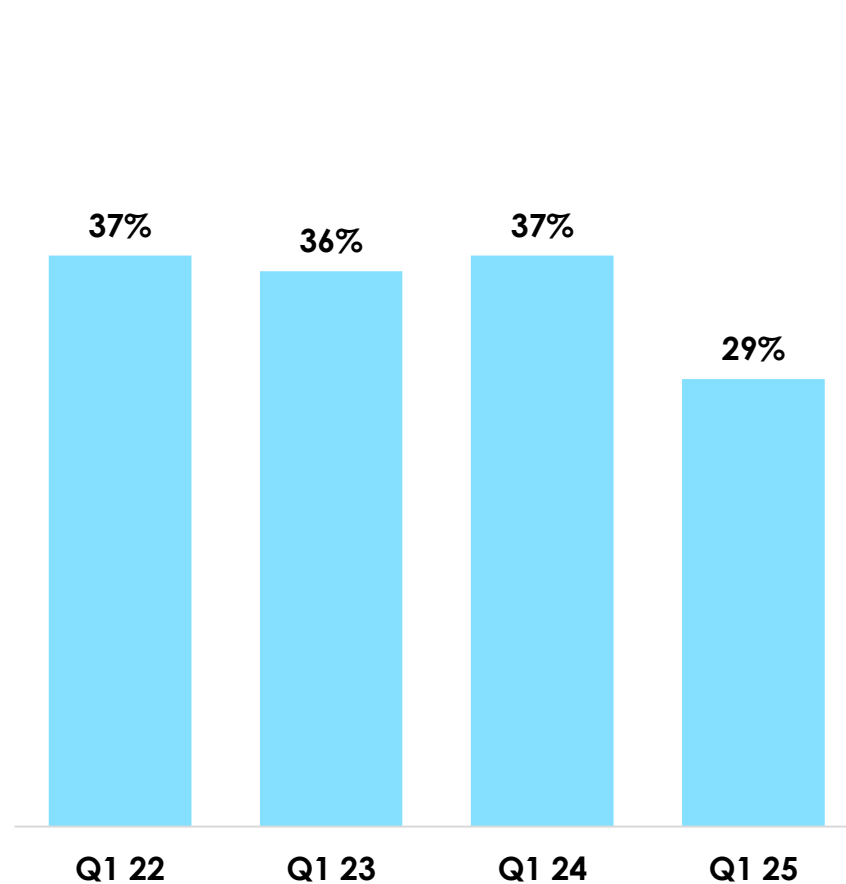
Scheme Onboarded

1.2

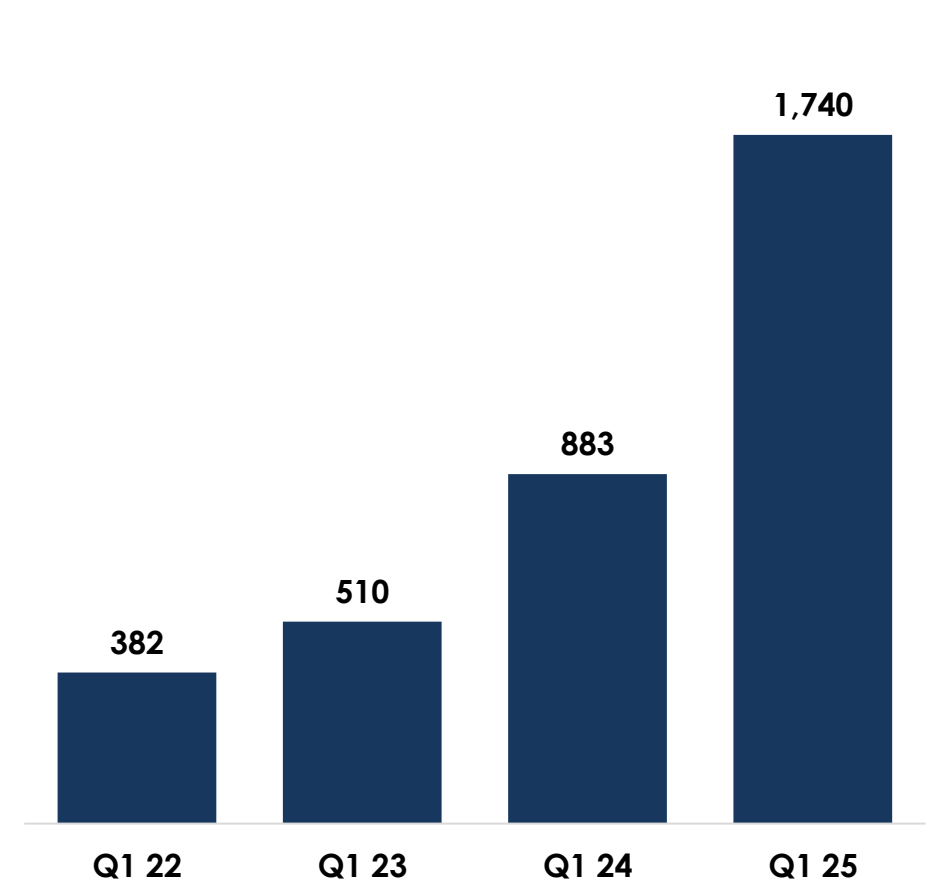
TAT (Days)

Automated auto equity/
logbook origination
process

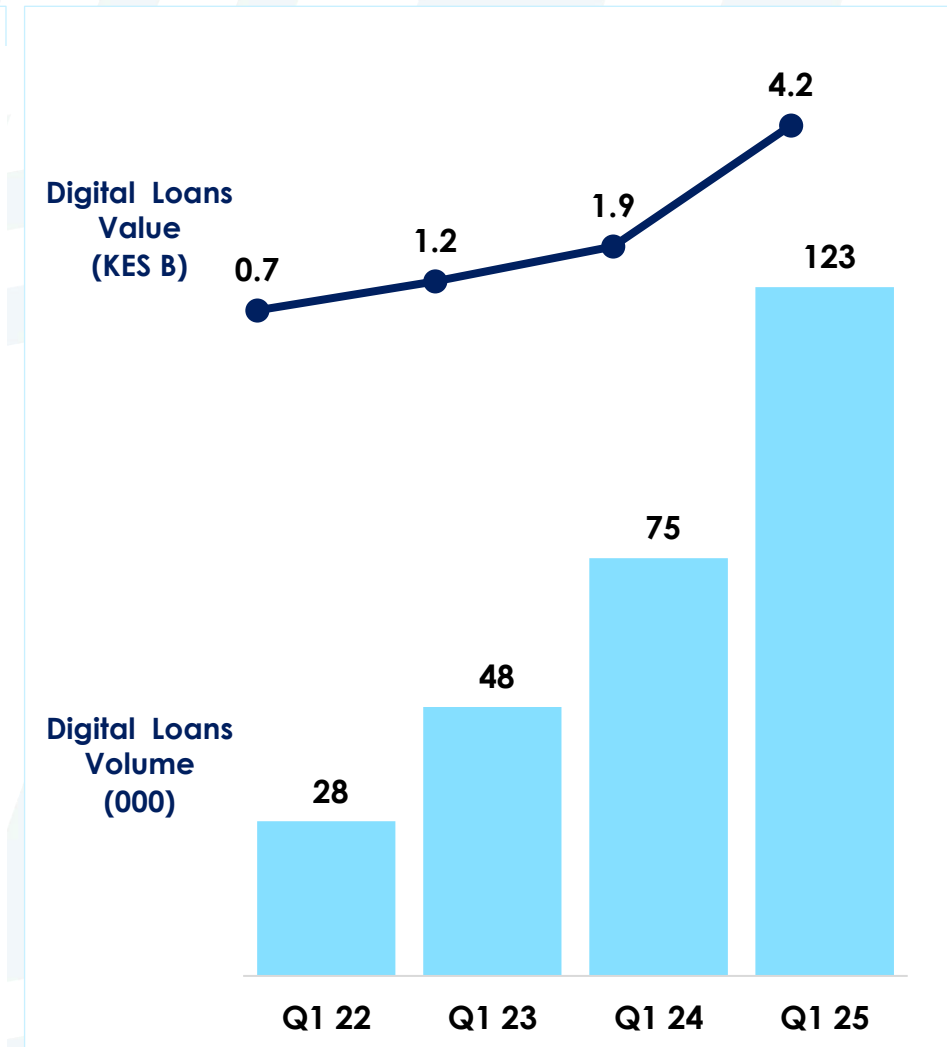
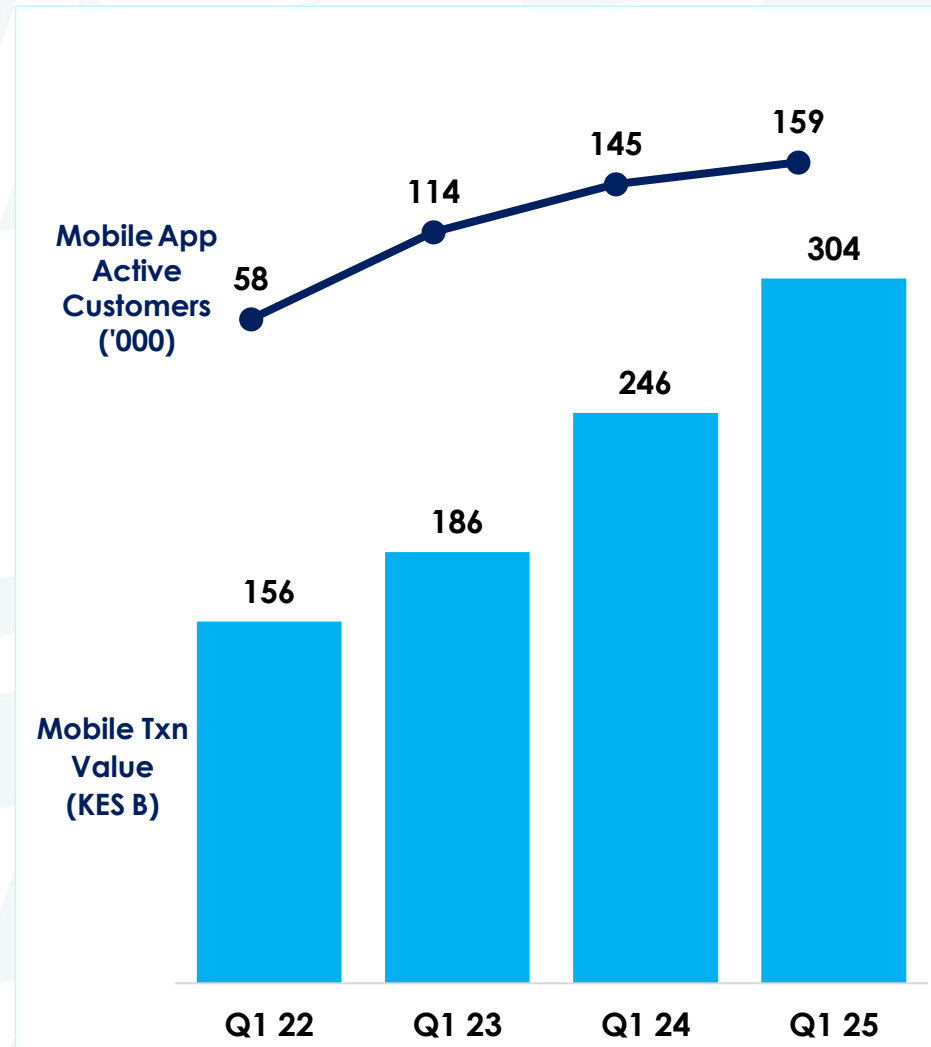
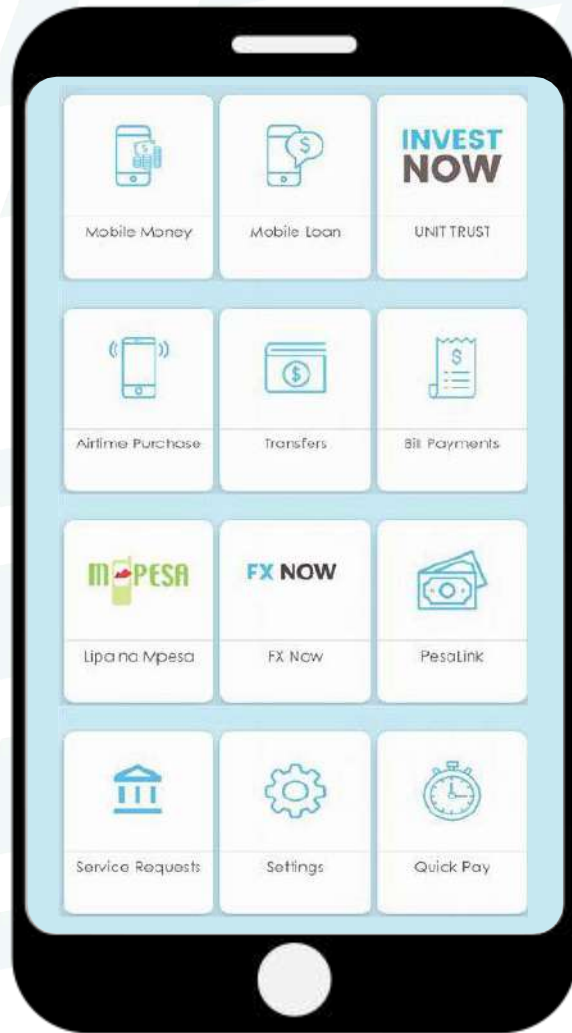
Market Share (%)



Total Income (KES M)

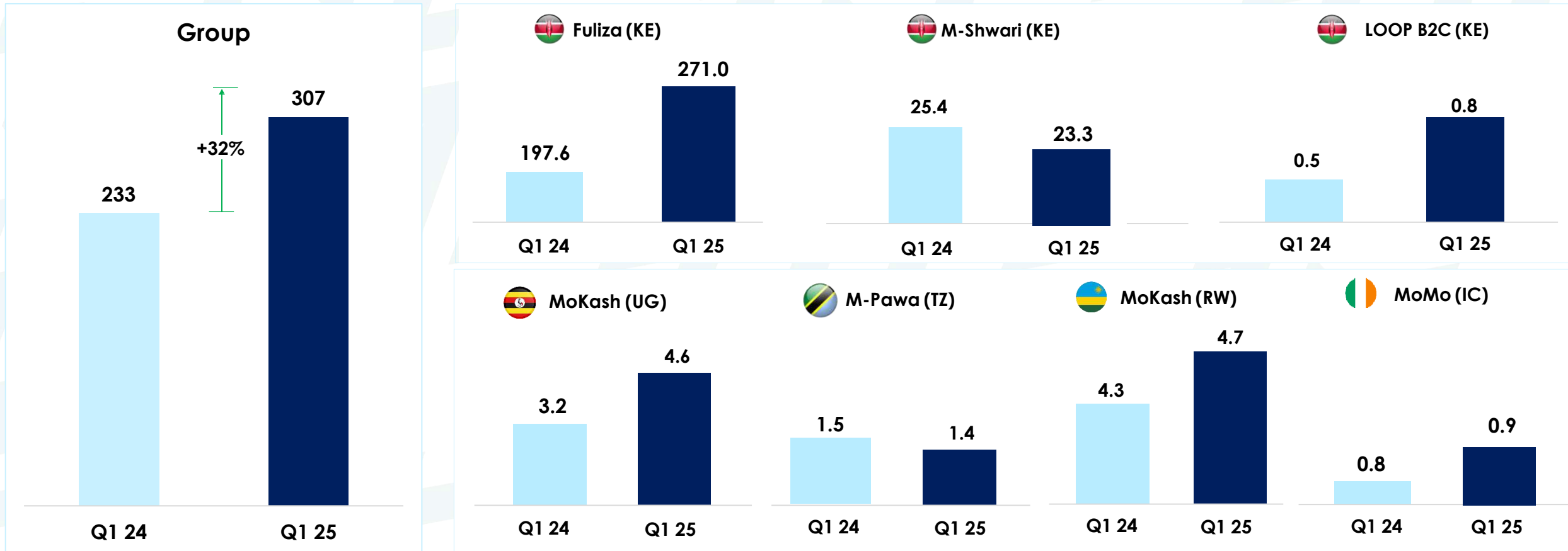


Capitalizing on our digital banking heritage we have witnessed strong adoption on our mobile banking app in Kenya resulting in increasing active users and a growing on app loan book...



...and in Q1-25 we disbursed KES 307B in digital loans collaborating with our partners. We witnessed strong growth from majority of our mobile savings & lending solutions across the region

Evolution of digital disbursements (KES Bns)



We became the first bank in Africa to launch its Sustainable Development Impact Disclosure, a new approach to sustainability reporting under the Impact Disclosure Guidance released in 2024



NCBA SDID launch with JP Morgan



NCBA Staff participation at the Wangari Maathai Marathon

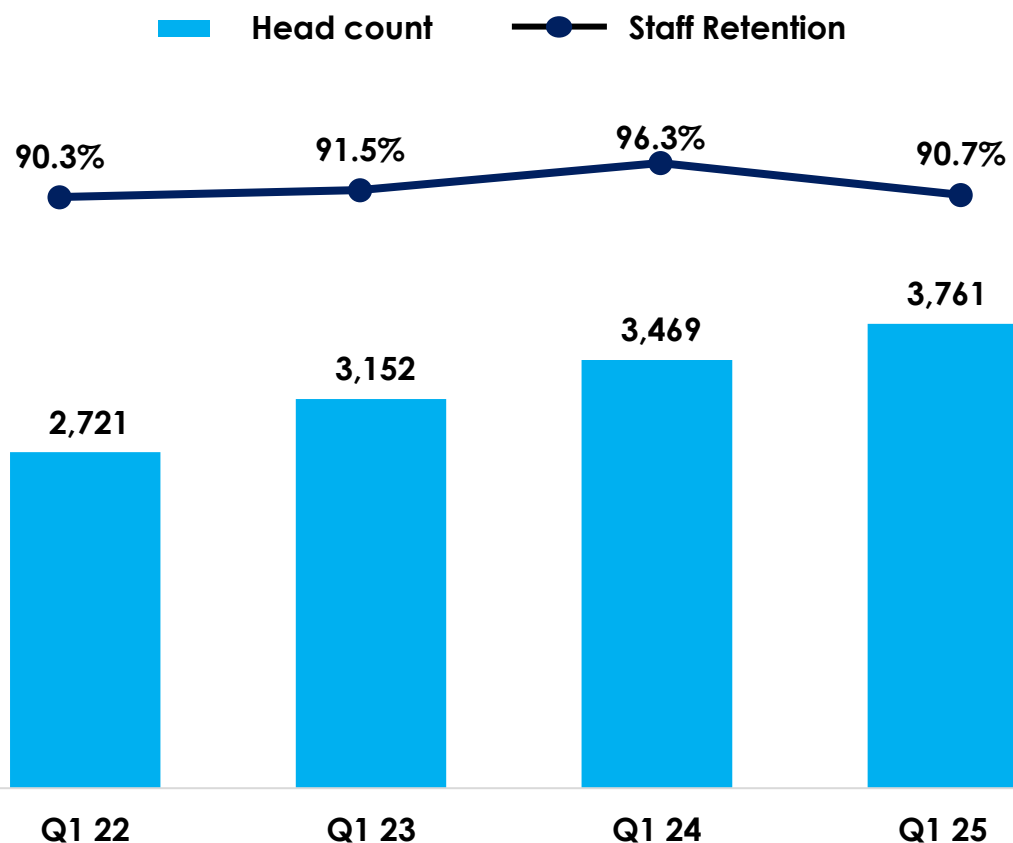
1. Minimize Our Direct Impact On the Climate and Amplify Our Tree Planting Program
2. Ignite Our Customers Transition to a Low Carbon Operating Model
3. Mitigate the Impact of Climate Related Risks to Our Long-Term Performance
4. Enhance the Impact of our Community Engagement Model
5. Optimize our Corporate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



- ✓ **62K+** More trees Planted in Q1 25
- ✓ **63.3%** Waste recycled at HQs and pilot branches
- ✓ **40%** Proparco Total Fund utilized
- ✓ **6 EV Charging Stations** installed (3 Nairobi, 2 Kigali & 1 Kampala)
- ✓ **181** Scholarships offered (KES 12M)
- ✓ **2,600+** Players from NCBA Golf Series & Golf Activations Golfers
- ✓ **497** NCBA Staff upskilled in Q1 25
- ✓ **800+ Women** and **Youth mentored**
- ✓ **11%** General services procurement **spend to Women & Youth**

With a stable team of colleagues, we are boosting productivity at the same time being recognized as a great place to work

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



Talent Recruitment



50

Graduate Interns
Onboarded by the Bank
for the **3rd Cohort of Go-
Getter Internship
Programme**

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)

▲ **Revenue**

▲ **Revenue**

▲ **SLA**
(Service Level
Agreement)

▲ **CIR**
(Cost to Income
Ratio)

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Our diversified business model continues to demonstrate growth and resilience, with our digital business leading the charge delivering a 15% profit growth in Q1 2025

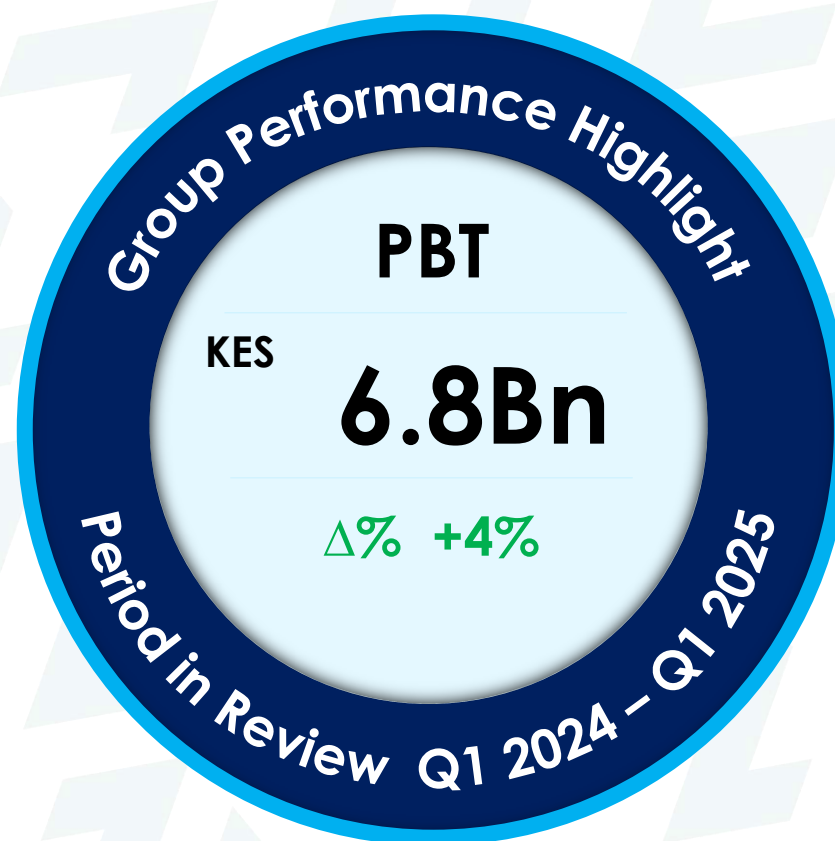
Amount in KES Millions (PBT)

Core Banking Subsidiaries

	Q1 24	%Δ	Q1 25
Kenya	4,532	(6%)	4,257
Uganda	124	>100%	320
Tanzania	173	(21%)	137
Rwanda	50	>100%	251
Total	4,879	2%	4,965

Non-Banking Subsidiaries

	Q1 24	%Δ	Q1 25
Investment Bank	82	+50%	123
Bancassurance	111	(52%)	53
Insurance	0	n/m	86
Leasing LLP	127	(48%)	66
Total	320	3%	328




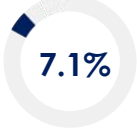




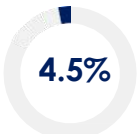


Amount in KES Millions (PBT)

Digital Banking Subsidiaries

	Q1 24	%Δ	Q1 25
Digital Business (KE)	992	14%	1,127
Digital Ghana	(8)	(25%)	(6)
M-Pawa (TZ)	25	(4%)	24
Mo-Kash (UG)	204	(2%)	200
Mo-Kash (RW)	128	51%	193
Total	1,341	15%	1,538

Our focus on enhancing the contribution from subsidiaries has demonstrated success with our Group deriving 22% of top line outside of our Kenya bank

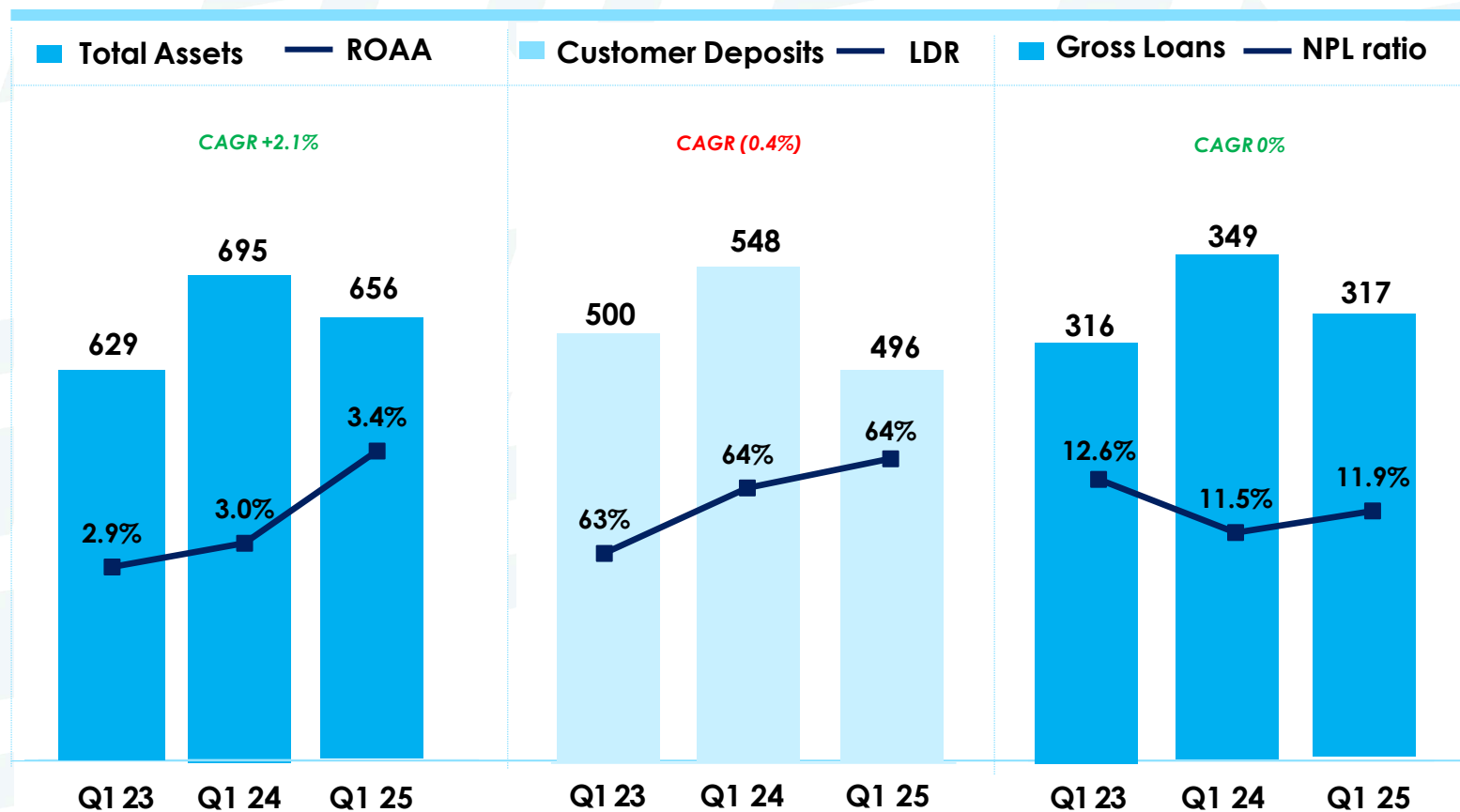
		REVENUE	% CONTRIBUTION	EFFICIENCY	RETURNS*
		TOTAL INCOME		COST TO INCOME RATIO	RETURN ON AVERAGE EQUITY
Banking Subsidiaries	 NCBAK	KES 13.6Bn		50.7%	18.8%
	 NCBAU	KES 1.2Bn		62.1%	26.4%
	 NCBAT	KES 0.8Bn		88.0%	11.8%
	 NCBAR	KES 0.9Bn		60.4%	7.8%
Non-Bank Subsidiaries		KES 0.8Bn		52.9%	36.8%
Group		KES 17.3Bn		51.2%	19.4%

Note: * ROE denotes aggregate profitability from our core bank and digital business across our markets

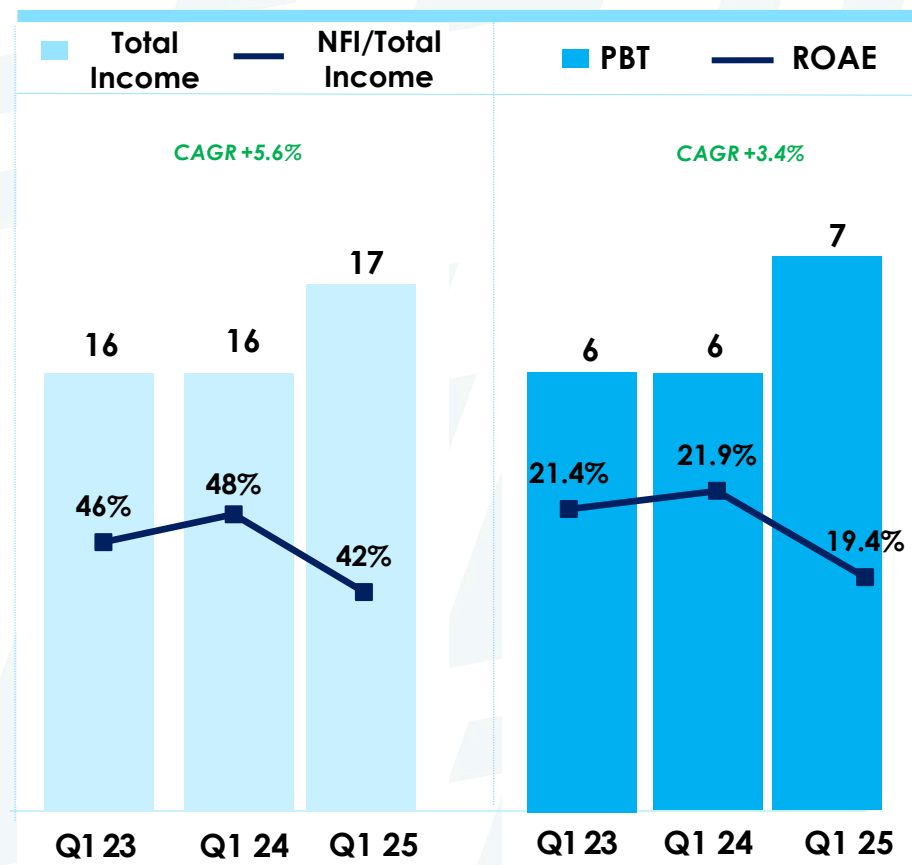
Our Group continues to demonstrate strong fundamentals with a resilient asset base which is delivering stability in our earnings

Amounts in KES Bns

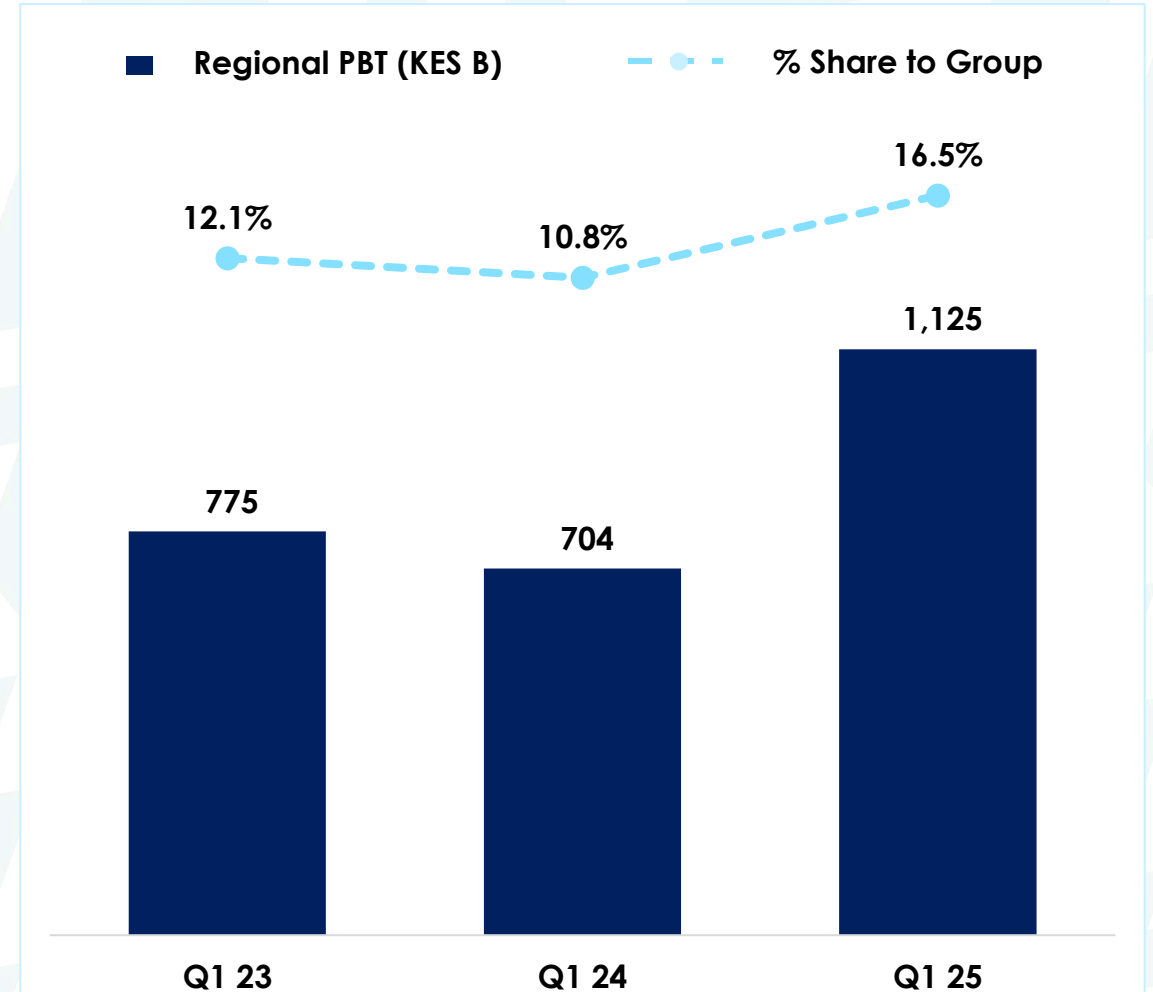
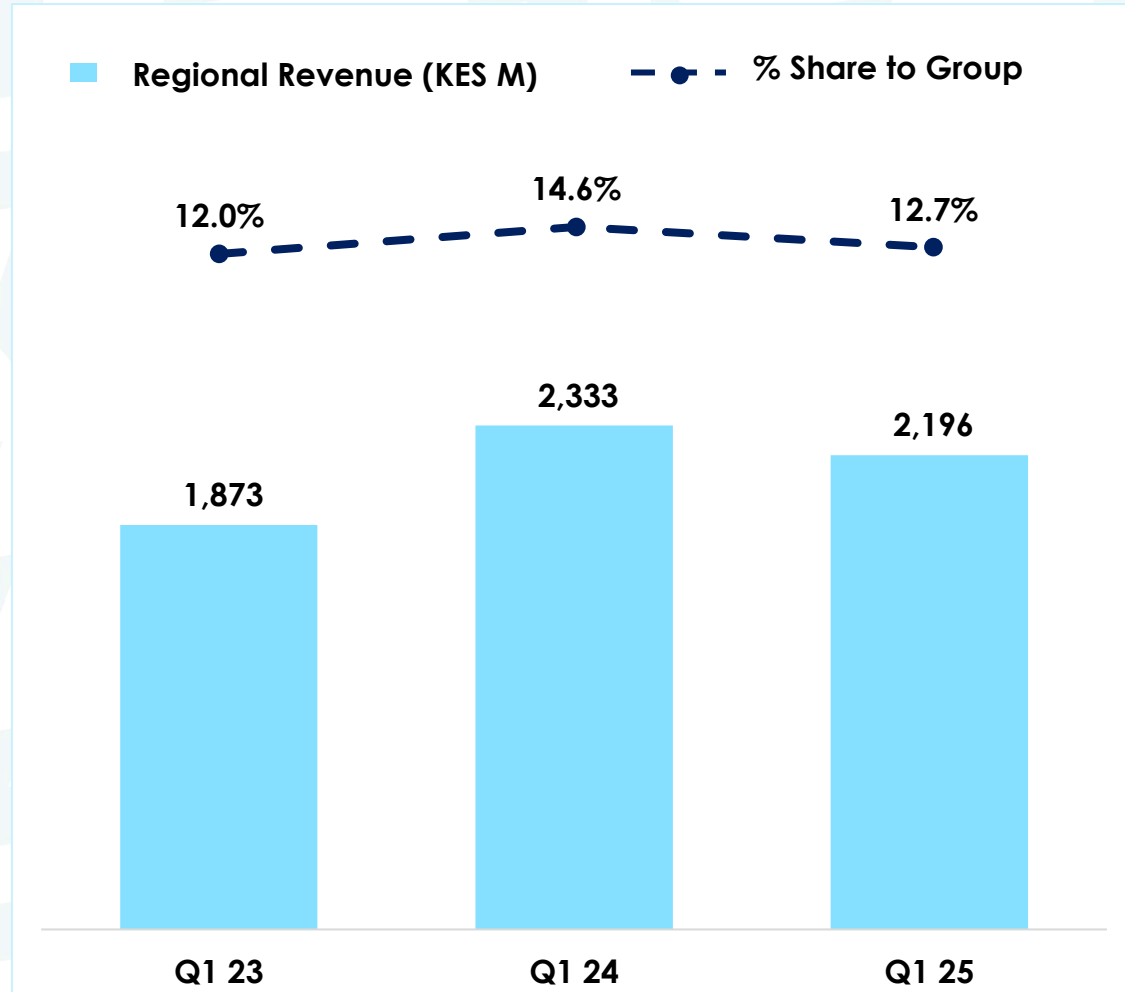
Balance Sheet



Income Statement

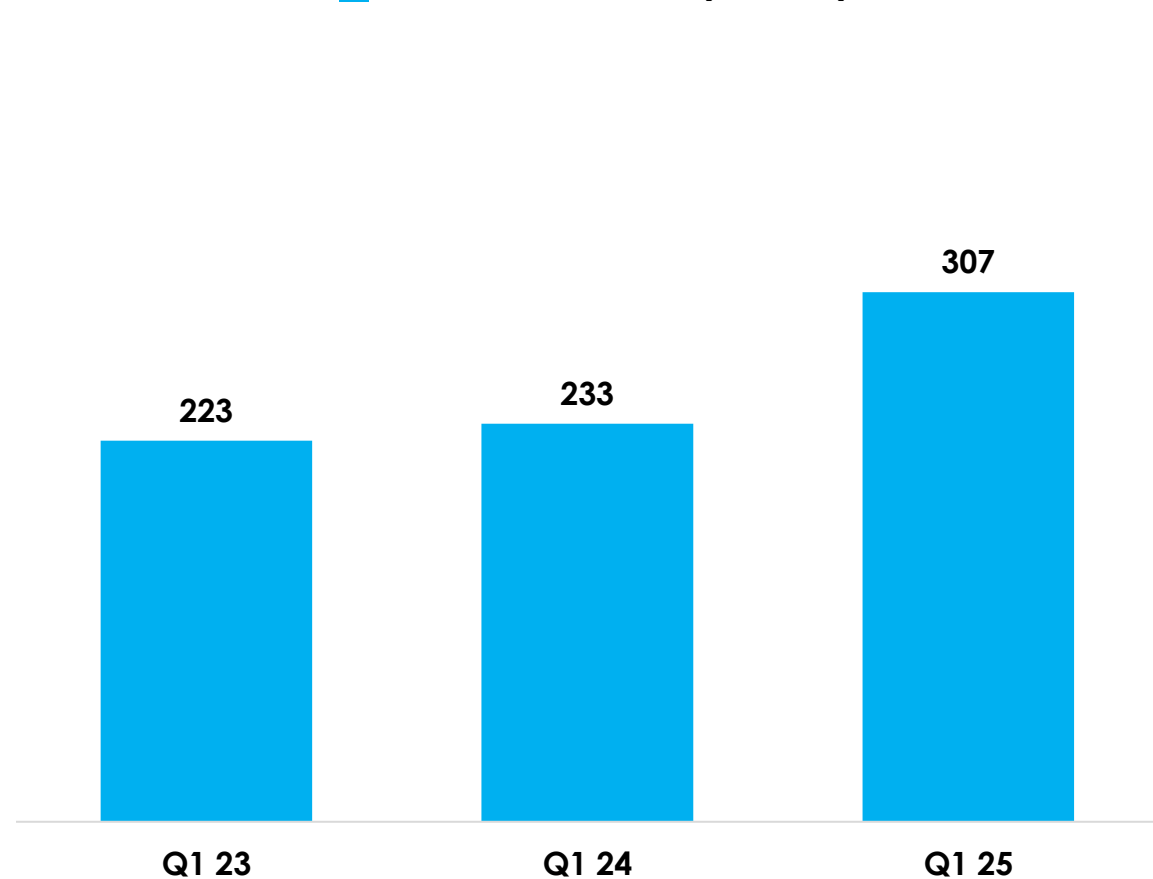


Our regional Business performance has followed a sustainable growth trajectory, establishing a strong foundation as a future growth engine

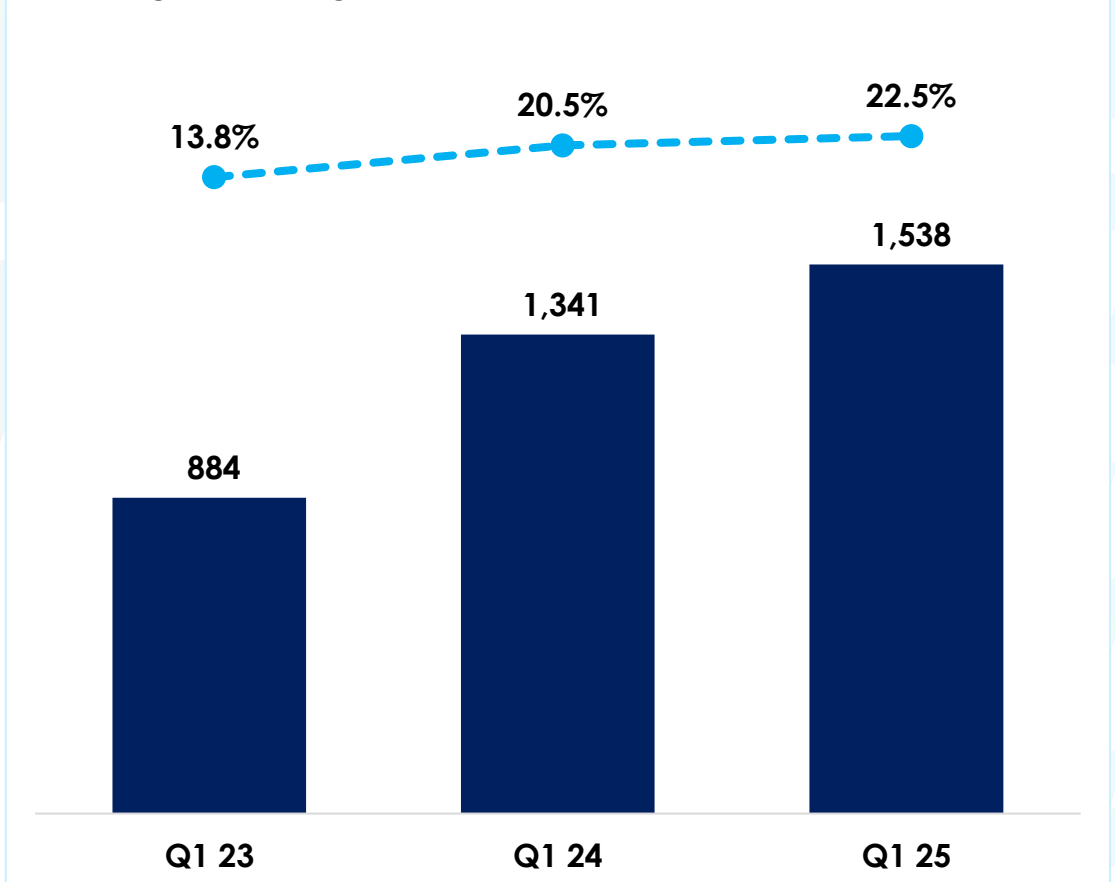


By leveraging AI capabilities in credit scoring, we have significantly improved our digital credit metrics and delivering strong PBT outcomes. This advancement positions us to achieve scalable growth in the future

■ Total Disbursements (KES Mns)



■ Digital Banking PBT (KES Mns) -●- % Share to Group



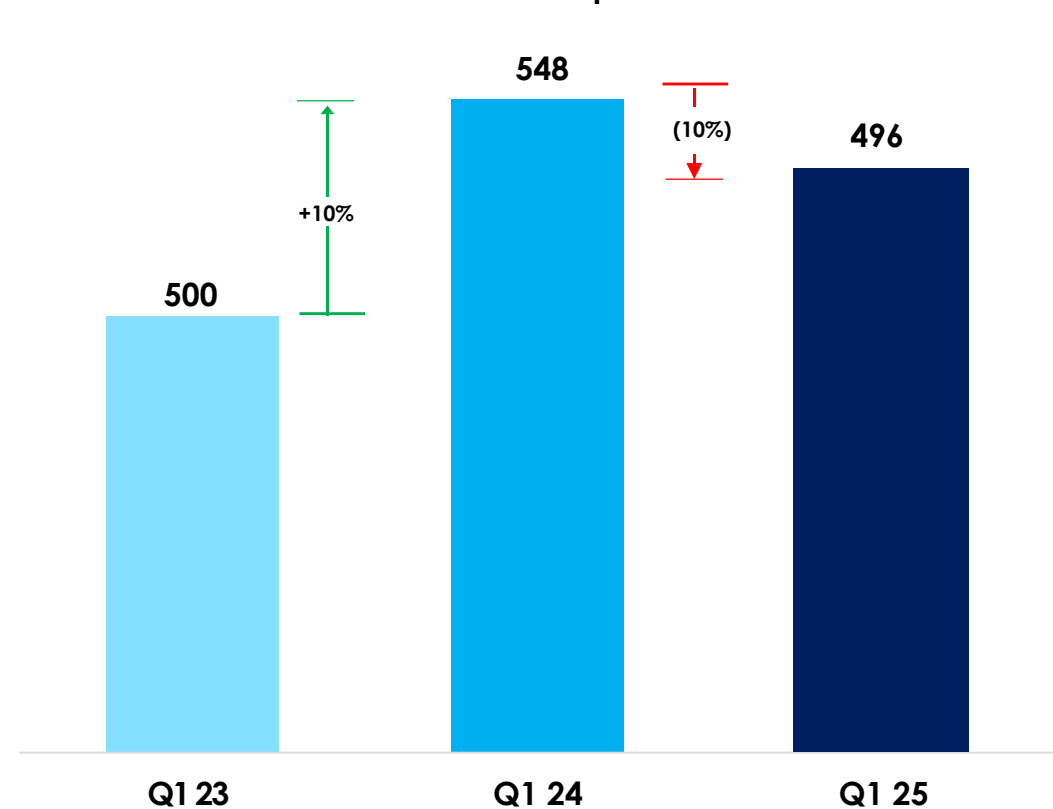
We continue to ensure our funding mix delivers strong bottom- line outcomes driving our CASA ratios and protecting margins

Amounts in KES Bns

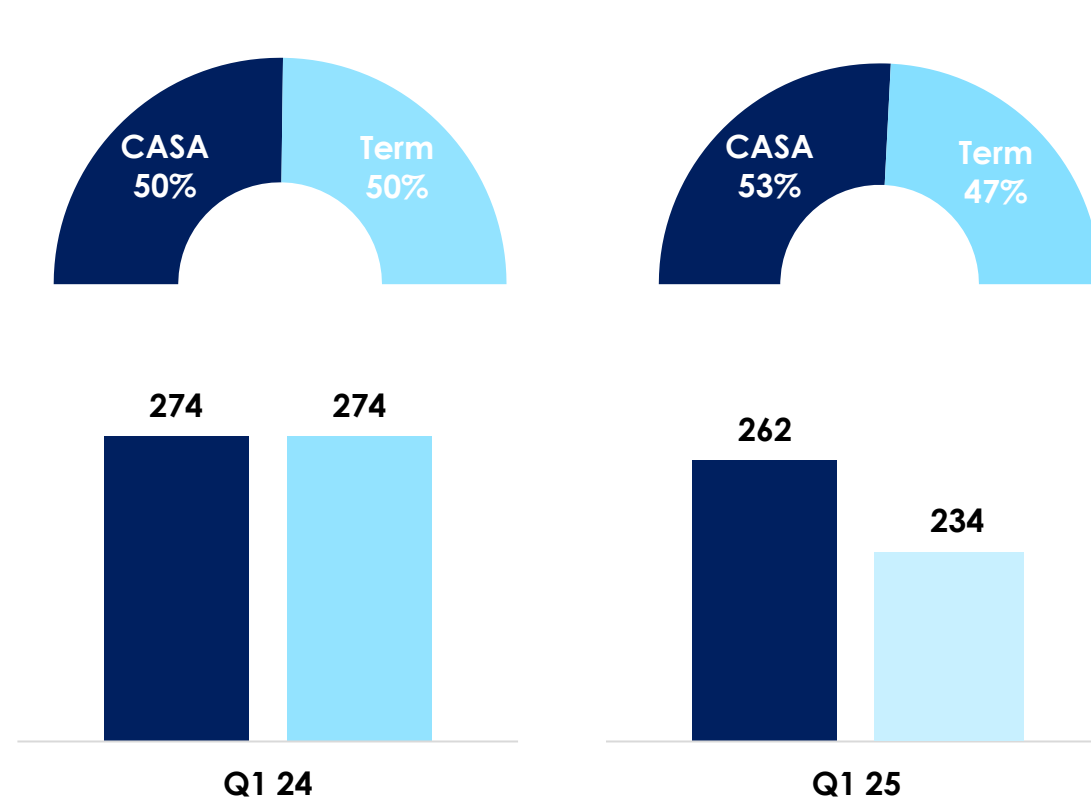
Drive towards a more optimal & better priced funding mix saw our term deposits reducing...

....this increased our CASA ratio to 53% and is also reflective on reduction in cost of funds & NIM accretion

Customer Deposits

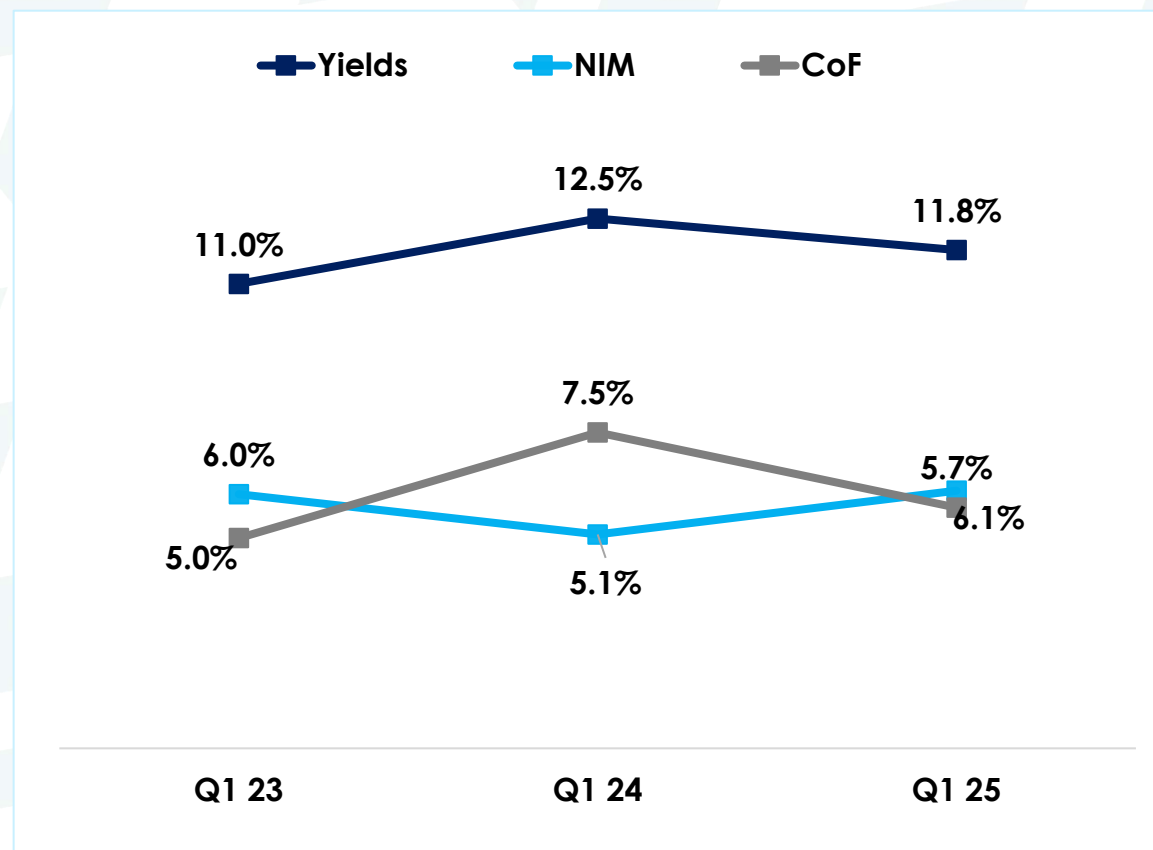


■ CASA ■ Term

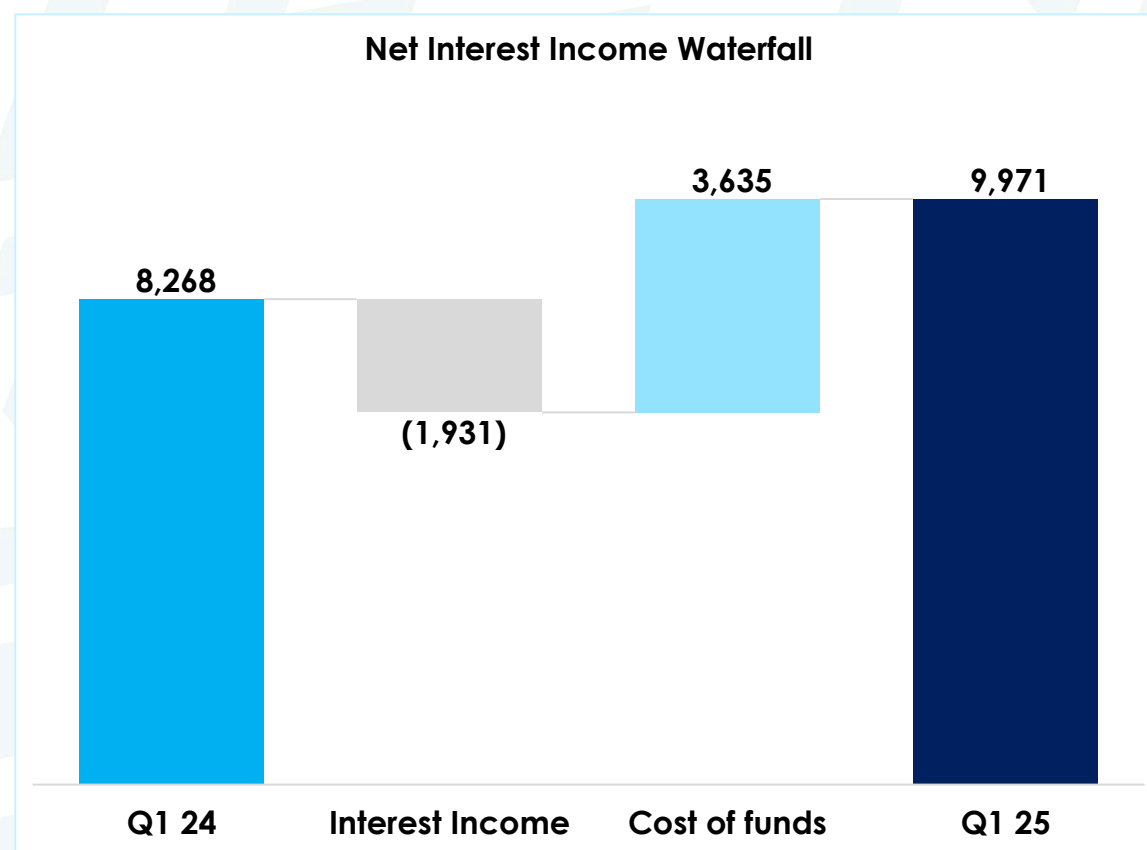


On the back of interest rate pressures, we focused on protecting our bottom line by deliberately reducing deposit costs ensuring margin protection

A deliberate decision to protect our margins has led to visible net interest margin accretion...



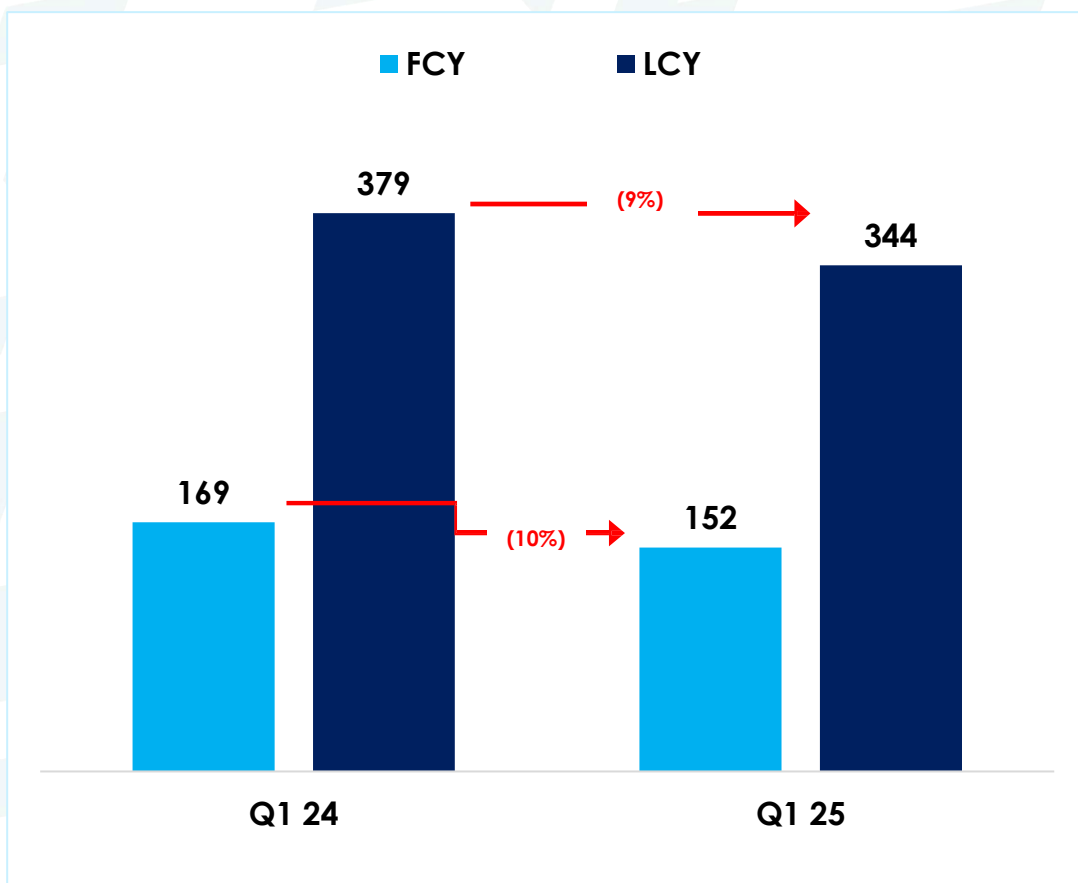
... and delivering resilient net interest income performance



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

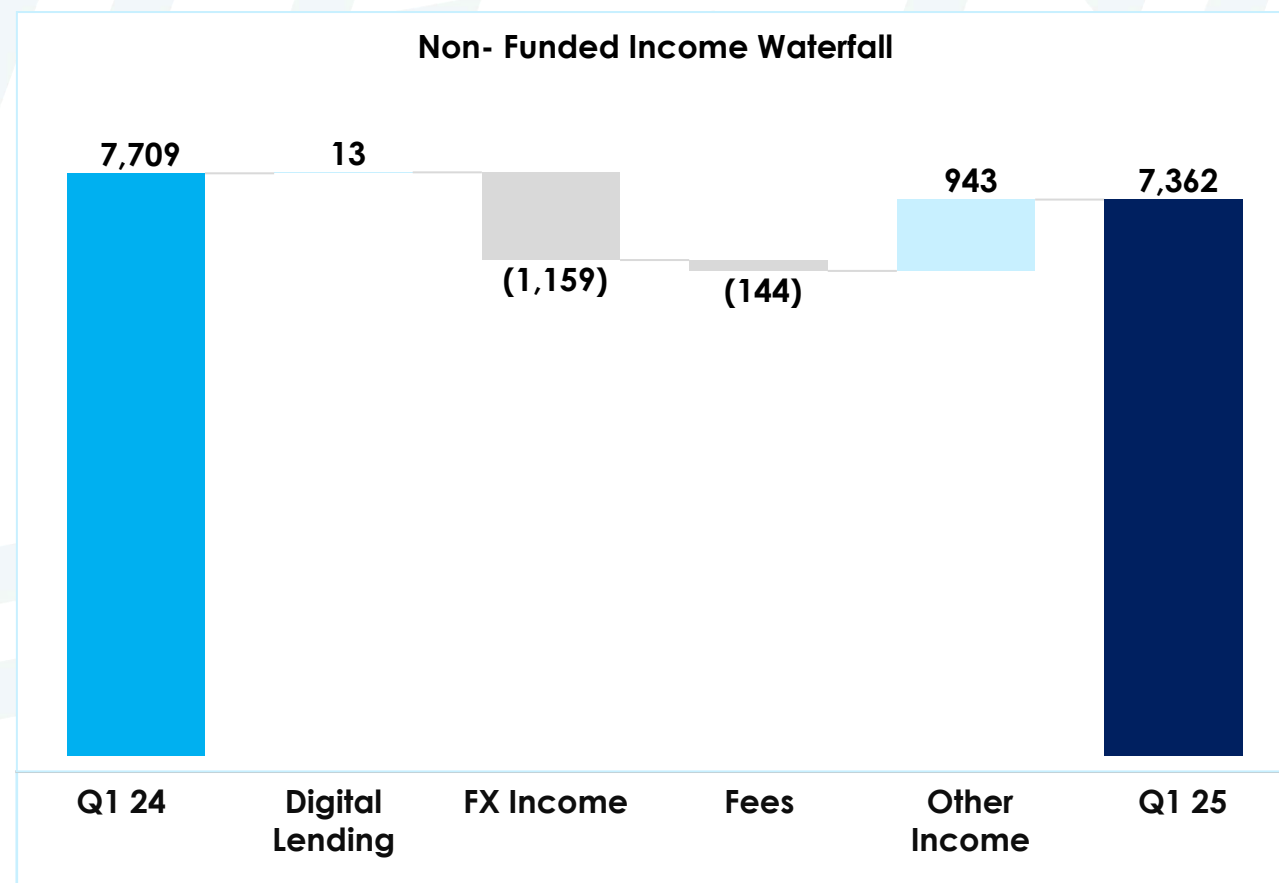
Y-o-Y deposits declined collectively due to subdued macro conditions and tight money markets

Amounts in KES Bns



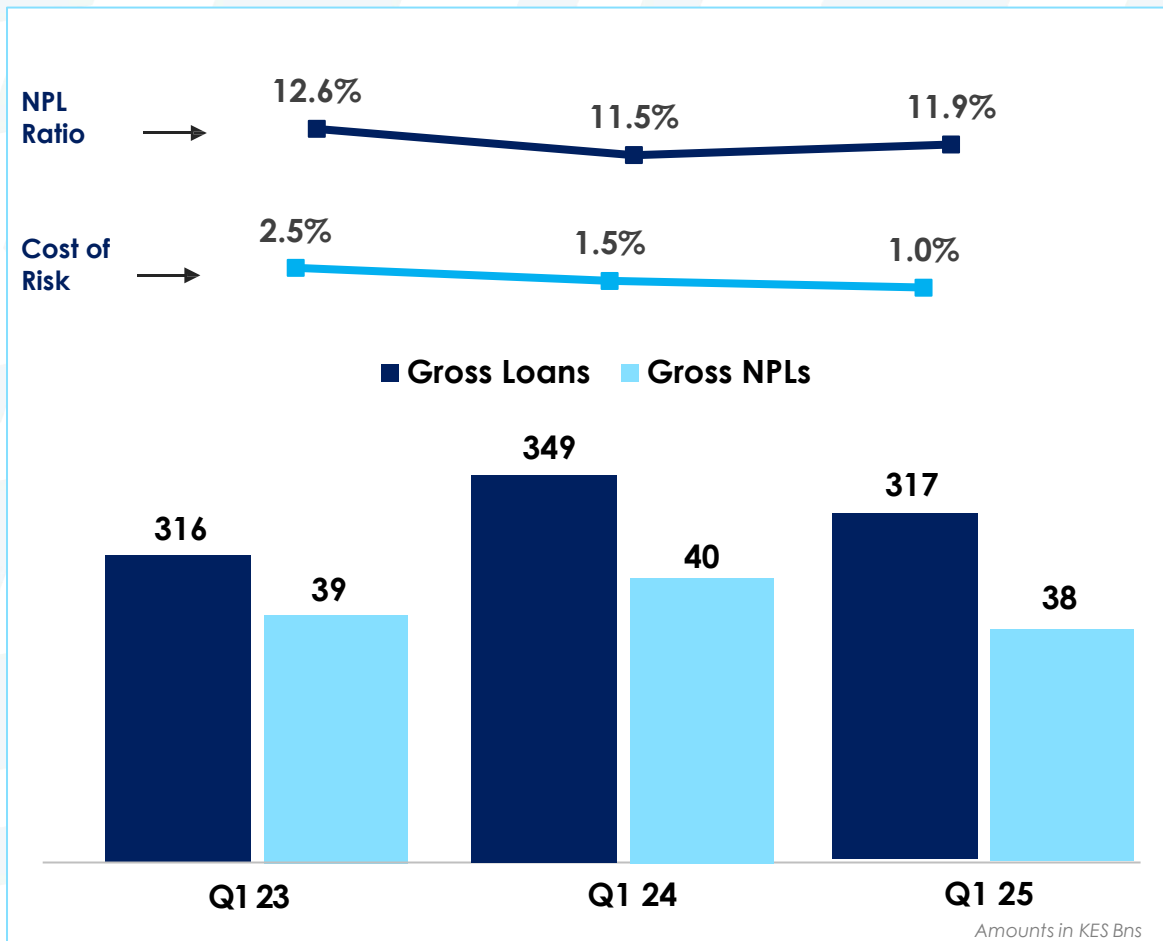
...we nonetheless continue see solid performance in fees derived from cash management and insurance revenues

Amounts in KES Mns

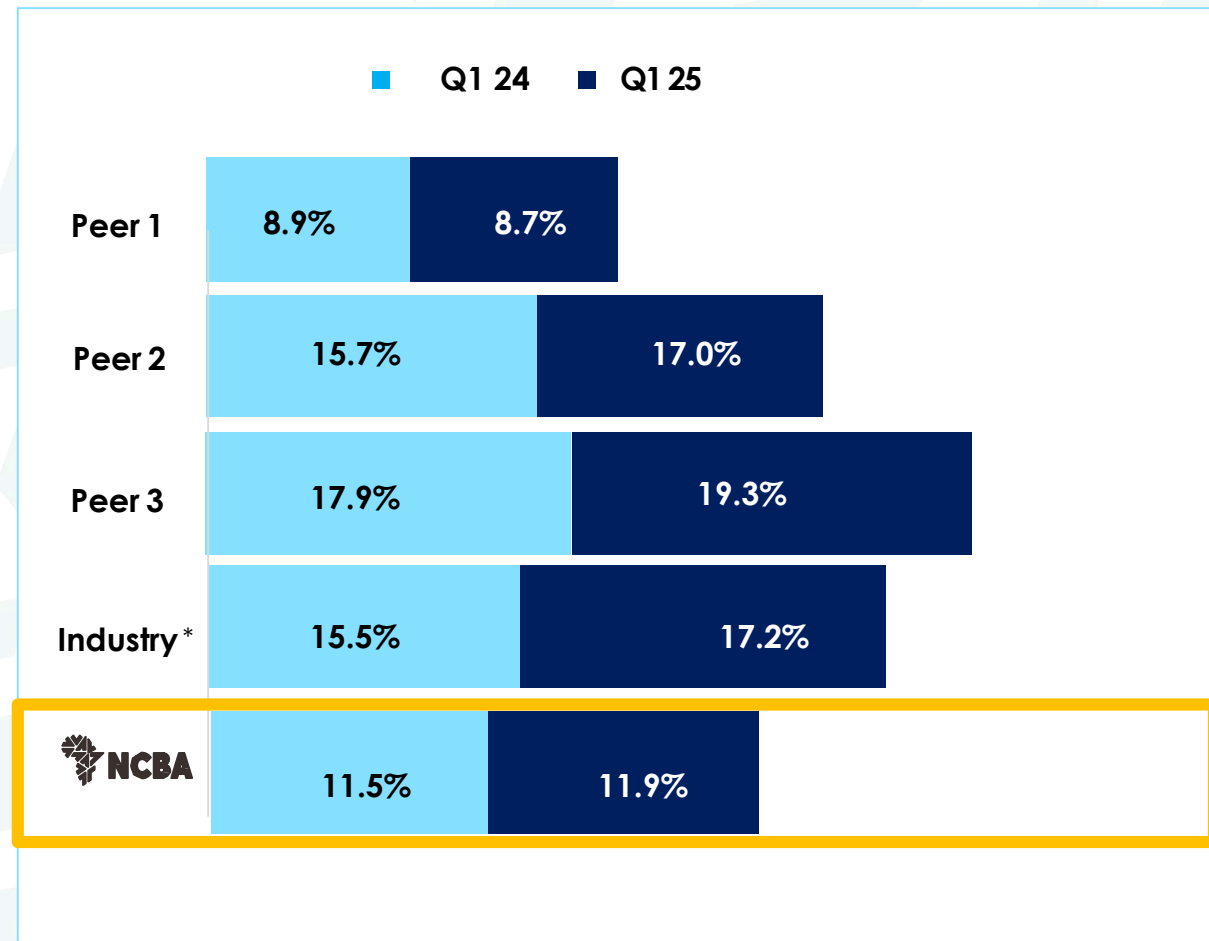


Our credit outcomes continue to show improvement in loan quality albeit on the back of softness in lending y-o-y...

We experienced softness in lending given mixed economic conditions...



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



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

Stage 1

Coverage
Ratio (%)

1.1 0.8 0.9

244

274

242

Q1 23

Q1 24

Q1 25

Gross Loans
&
Advances
(KES Bns)

Stage 2

13.3% 12.6% 12.8%

33

35

38

Q1 23

Q1 24

Q1 25

Stage 3

56.7% 55.8% 63.0%

39

40

37

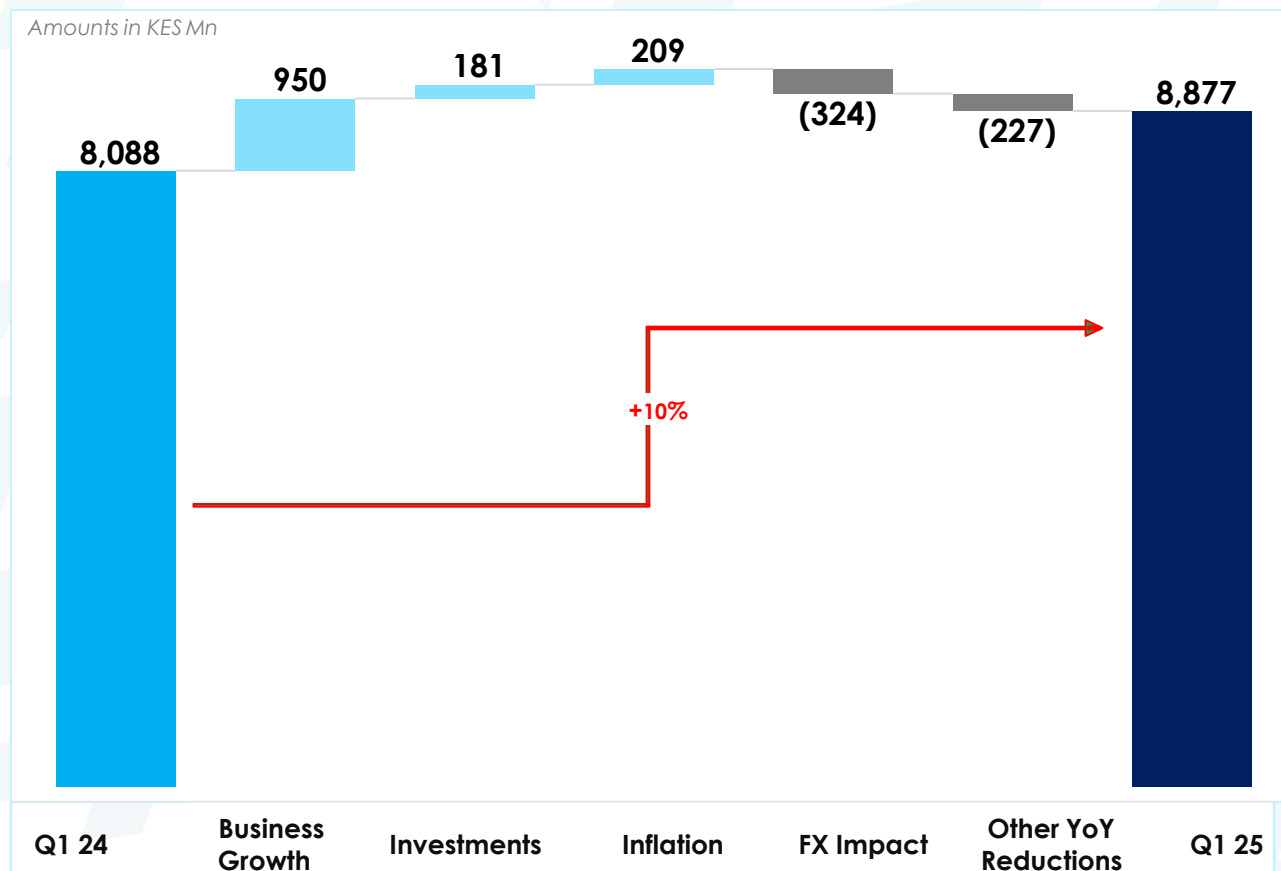
Q1 23

Q1 24

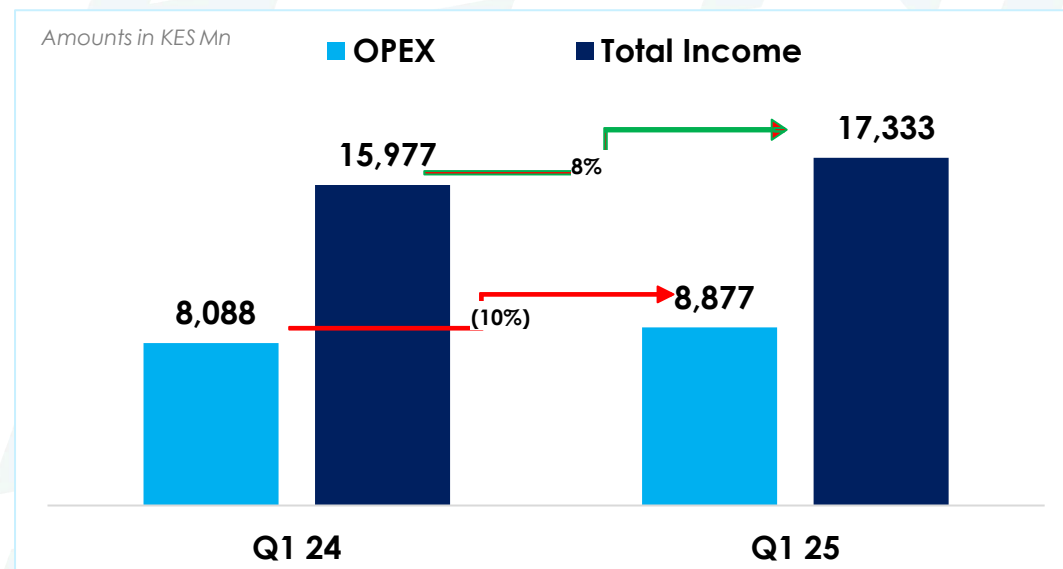
Q1 25

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

OPEX Increased at a slower pace of 10% in Q1 25 as we continued to book growth related expenses....



...increased top-line growth should ease cost pressures and normalize CIR to medium-term targets

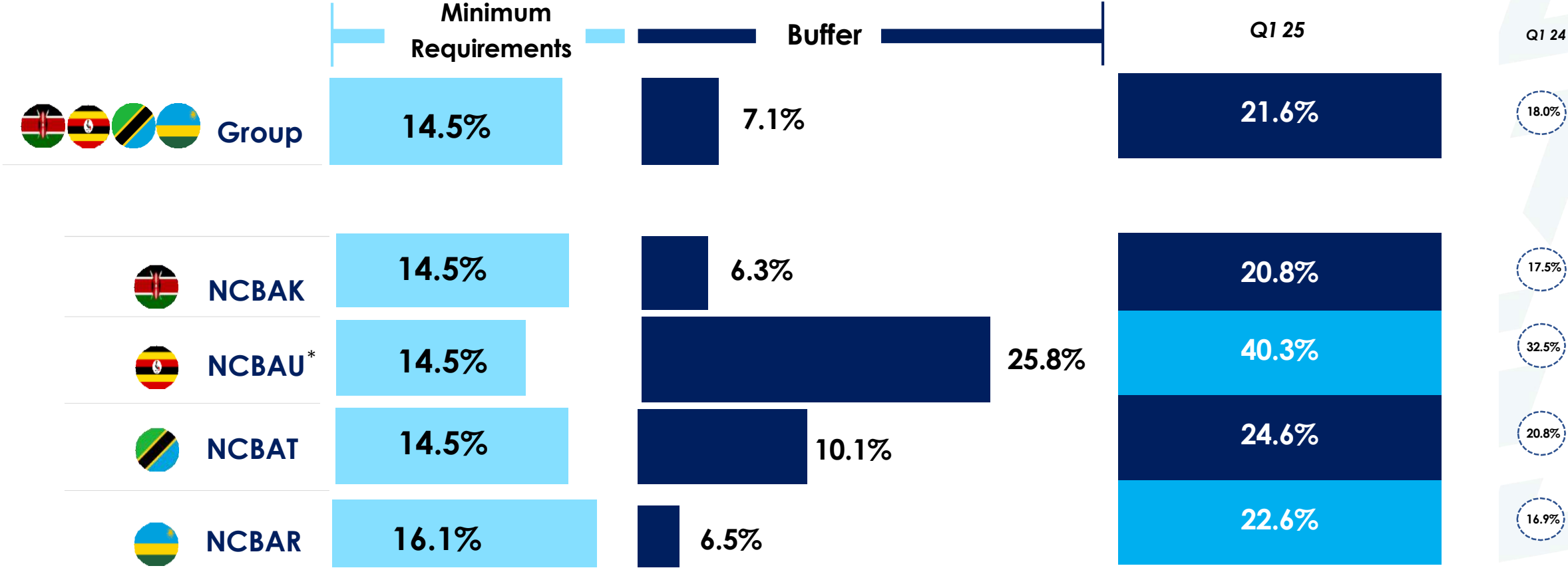


	Q1 24	Q1 25
Cost to Income Ratio	50.6%	51.2%
Cost to Assets	1.2%	1.4%
Staff Costs Intensity ⁽¹⁾	21.0%	21.8%
IT Costs Intensity ⁽²⁾	9.7%	8.8%

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 remains well capitalized providing ample room to invest for growth....

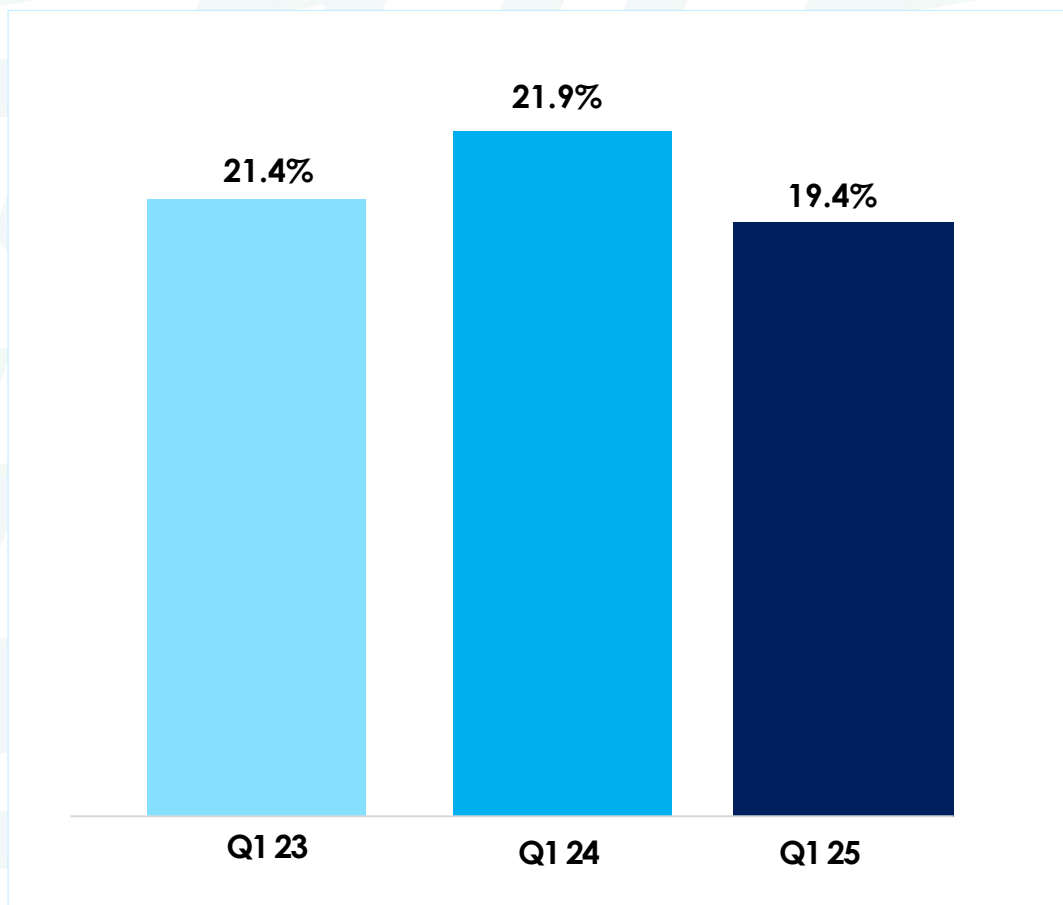
Total Capital/RWA across our Markets



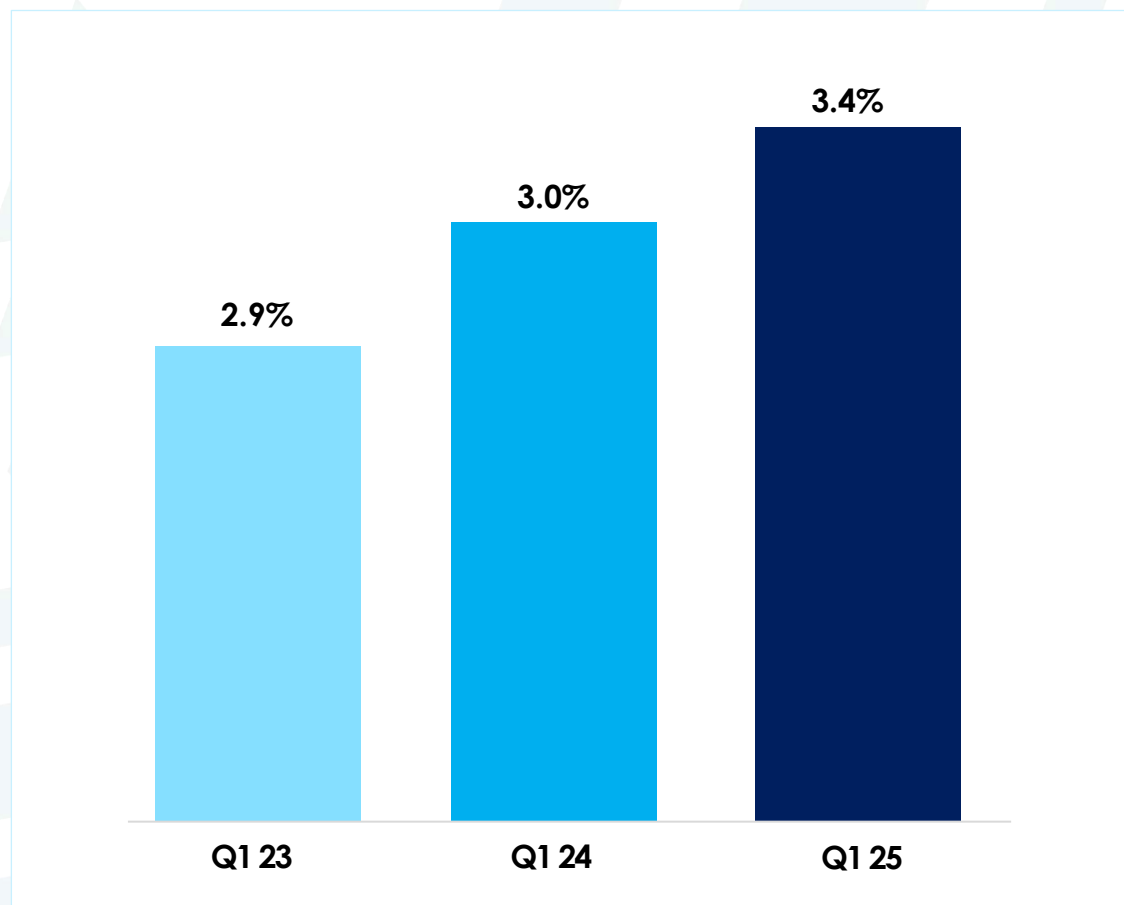
Notes:
* Uganda's Total Capital to RWA is elevated given a regulatory change increasing Total Capital requirements from UGX 120 to 150bn

...and delivering the desired return outcomes for a Tier 1 Bank over the last 3 years

We are delivering on post merger promises on ROE



...while matching similar sized peers on ROA



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 19.4%** & maintained strong capitalization **CAR of 21.6%** (Regulatory minimum 14.5%)
- ✓ Strong delivery of profitability from our digital business growing **+15% y-o-y** across all our markets.
- ✓ Our regional Business performance has followed a sustainable growth trajectory, establishing a strong foundation as a future growth engine **delivering 16.5% share of Group profit** from 10.8% in the similar period last year

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 **11.9% (Industry at 17.2%)**
- ✓ A deliberate decision to reduce expensive deposits led to a more optimal & better priced funding mix **with visible interest margin accretion**
- ✓ In Q1'25, we disbursed **KES 307 billion in digital loans (+32% y-o-y growth)**. Leveraging AI-driven credit scoring, we've significantly enhanced our digital credit performance

3

We have delivered on our long term strategic ambitions

- ✓ Expanded our retail banking footprint, increasing our branch network to **119 branches (113 in Q1 '24)**
- ✓ Our investments in the NCBA brand is driving market consideration; we also invested in the rebranding of our latest subsidiary NCBA IG in Q1-25. These collective efforts have boosted customer acquisition to **397k core bank customers (a 21% y-o-y growth)**
- ✓ **We planted an extra 62K additional trees in Q1-25** and recycled 63.3% of Waste at HQs and pilot branches

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		
	Q1 24	Q1 25	Δ%	Q1 24	Q1 25	Δ%
Interest Income	17,031	15,217	(11%)	19,105	17,173	(10%)
Interest Expenses	(9,976)	(6,381)	(36%)	(10,837)	(7,203)	(34%)
Net Interest Income	7,056	8,836	25%	8,268	9,970	21%
FX Income	2,111	1,020	(52%)	2,337	1,178	(50%)
Other Non- Interest Income	3,949	3,735	(5%)	5,372	6,184	15%
Non – Funded Income	6,060	4,755	(22%)	7,709	7,362	(4%)
Operating Income	13,115	13,591	4%	15,977	17,332	8%
Operating Expenses	(6,331)	(6,894)	9%	(8,088)	(8,877)	10%
Operating Profit	6,784	6,697	(1%)	7,888	8,455	7%
Impairments	(1,221)	(1,274)	(4%)	(1,351)	(1,625)	(20%)
Profit Before Tax	5,563	5,423	(3%)	6,537	6,831	4%
Tax	(999)	(968)	3%	(1,235)	(1,348)	(9%)
Profit after Tax	4,564	4,456	(2%)	5,302	5,483	3%

Statement of Financial Position

Amounts in KES Millions

Assets

	NCBA Bank Kenya			NCBA Group Consolidated		
	Q1 24	Q1 25	Δ%	Q1 24	Q1 25	Δ%
Net Loans and Advances	282,693	254,883	(10%)	320,505	287,016	(10%)
Investments	188,519	193,315	3%	212,570	222,262	5%
Cash and Balances with Banks	93,908	75,012	(20%)	110,322	92,780	(16%)
Other Assets	69,019	55,546	(20%)	51,475	53,916	5%
Total Assets	634,139	578,756	(9%)	694,872	655,974	(6%)

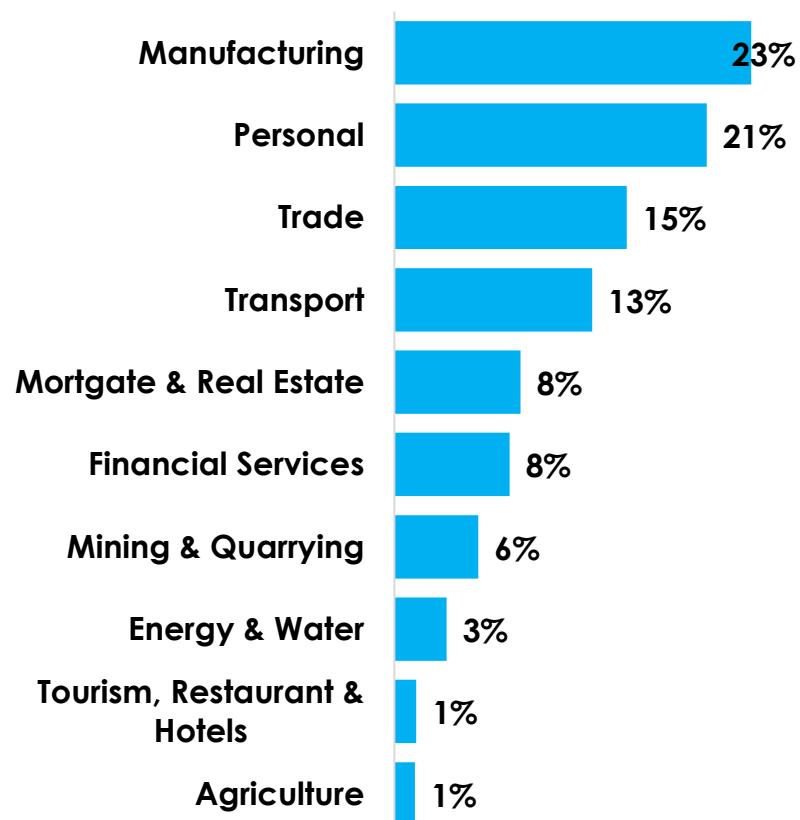
Liabilities & Equity

Customer Deposits	499,968	442,623	(11%)	548,068	495,670	(10%)
Borrowings	17,145	11,703	(32%)	17,809	11,883	(33%)
Other Liabilities	30,045	29,161	(3%)	30,218	32,098	6%
Shareholders Equity	86,981	95,269	10%	98,777	116,323	18%
Total Liabilities & Equity	634,139	578,756	(9%)	694,872	655,974	(6%)

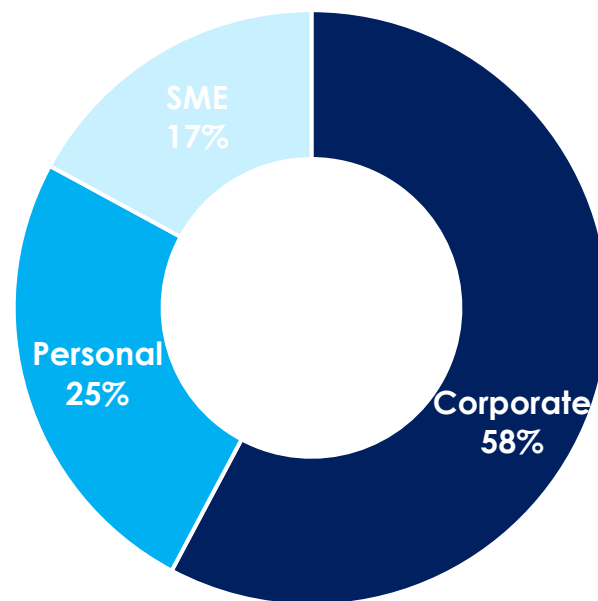
Our loan book is well diversified across product, currency and industry

Q1 2025 Loan Book

Loan Book by Sector



Loan Book by Segment



Loan Book by Currency

