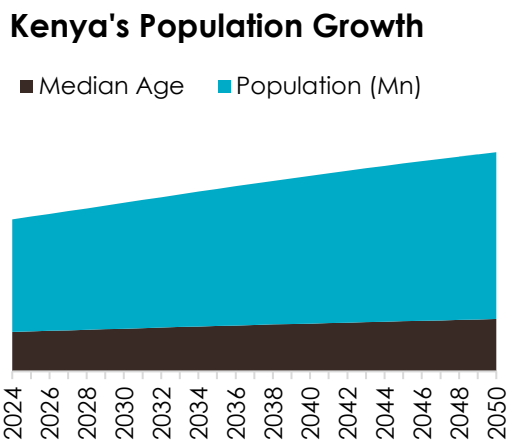
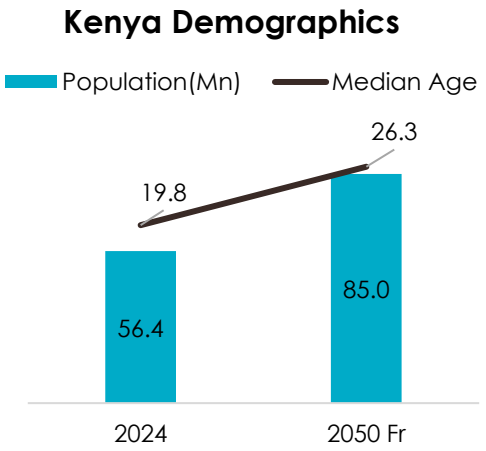
KENYAN INSURANCE SECTOR REPORT

The insurance industry in Kenya is characterized by a low penetration rate and numerous providers, making it highly competitive. The industry comprises 58 licensed insurance and 5 reinsurance firms. Penetration rate has however lagged at **2.3%** which is significantly below the global average of 7.2%. The rate does not include the universal health cover offered by the Social Health Insurance Fund. Its predecessor, the National Hospital Insurance Fund had grown tremendously in the past decade. As of 2023, it had approximately 14Mn registered principal members and 22.8Mn beneficiaries.

Insurance Regulatory Authority attributes the low penetration rate to various factors including, a poor saving culture, low levels of disposable income and negative perception towards insurance. The negative perception particularly has led to many Kenyans viewing insurance as a non-essential thus allocating negligible amounts of their income to insurance and pension schemes.

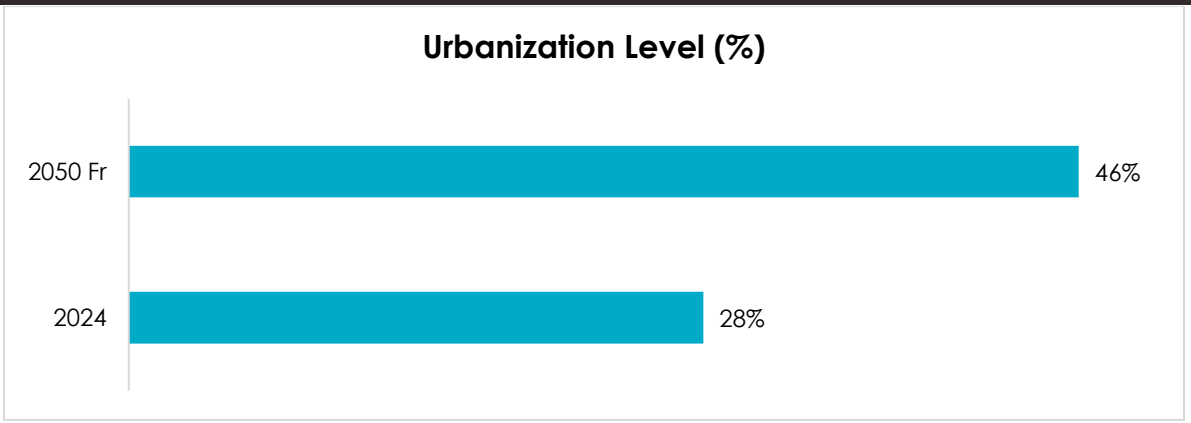
Kenya's population is estimated at 56.4Mn, with a median age of 19.8 years. By 2050, it is projected to reach 85Mn. This demographic shift presents significant growth opportunities for insurance providers, particularly in life insurance and savings plans.





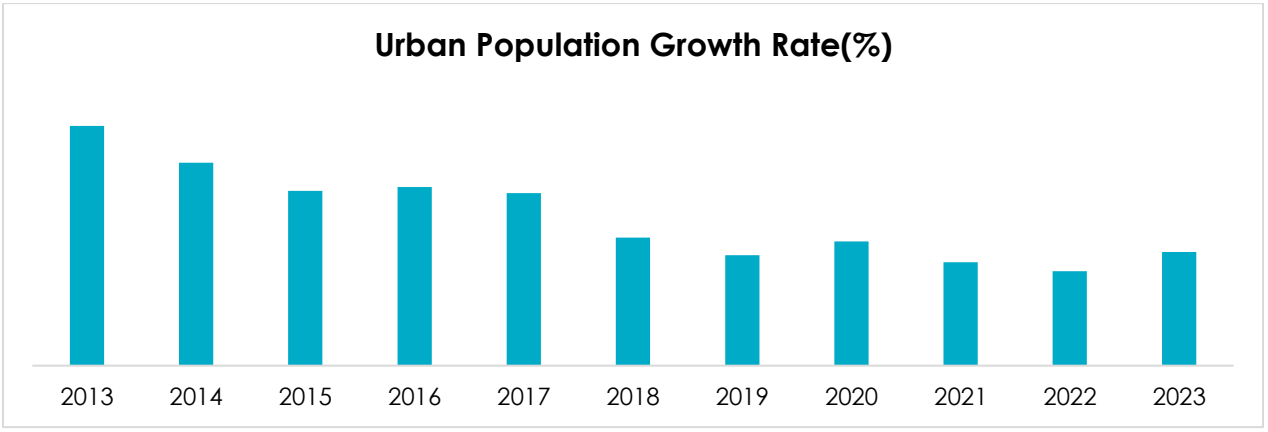
Source: United Nations Pop Div, NCBA IB Research

In 2023, the annual urbanization growth rate was 3.7% with 28% of the population residing in urban areas. World Bank projects the latter to stand at 46% by 2050.



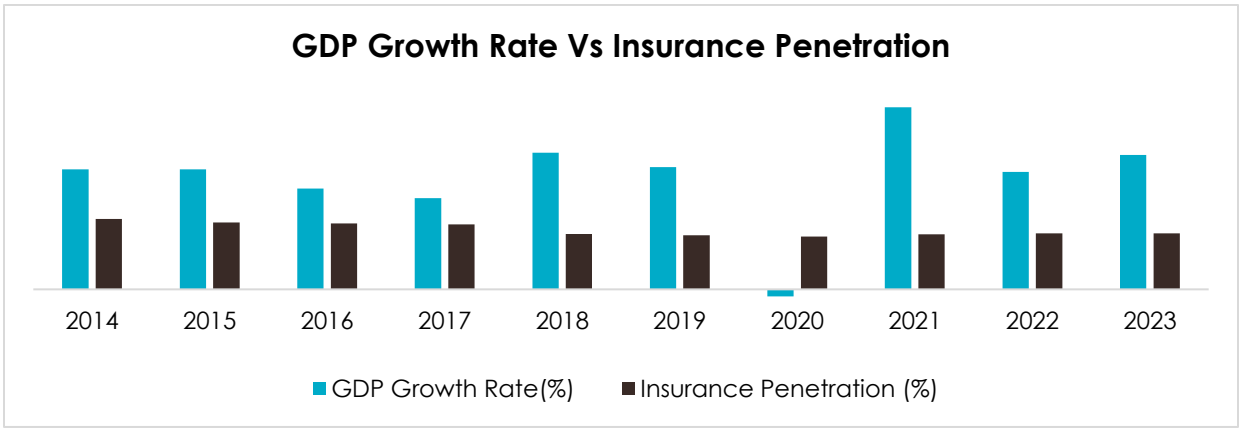
Source: World Bank, NCBA IB Research

According to Kenya National Bureau of Statistics, 39.8% of the population is living below the poverty line. This impedes affordability and corresponds with IRA's observation in regard to uptake of insurance products.



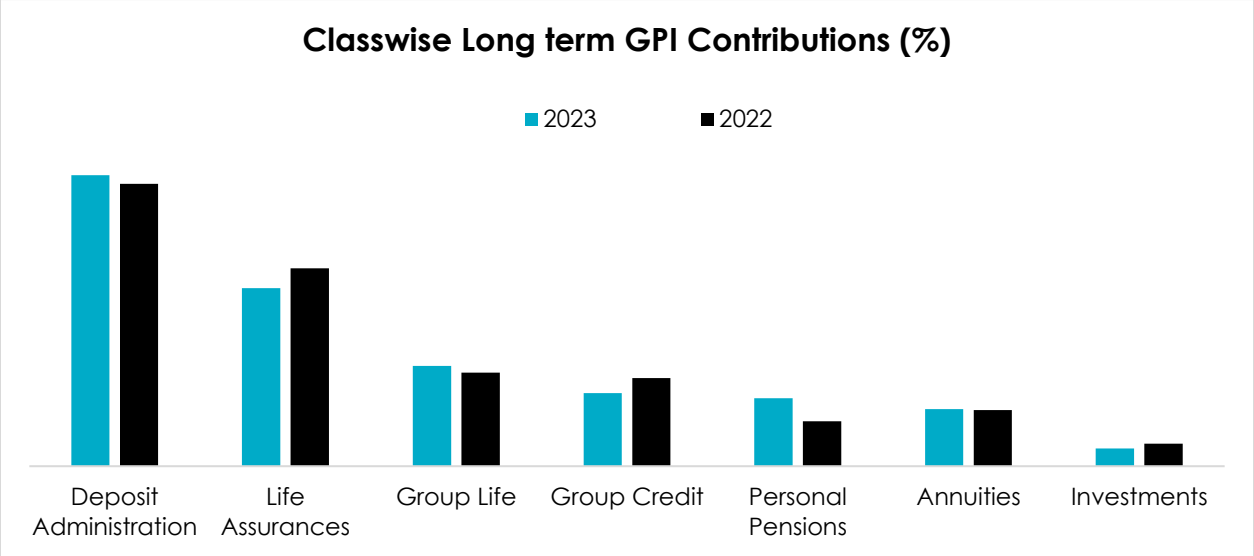
Source: World Bank, NCBA IB Research

The low correlation between GDP growth and insurance penetration rate presents as both a challenge and an opportunity.



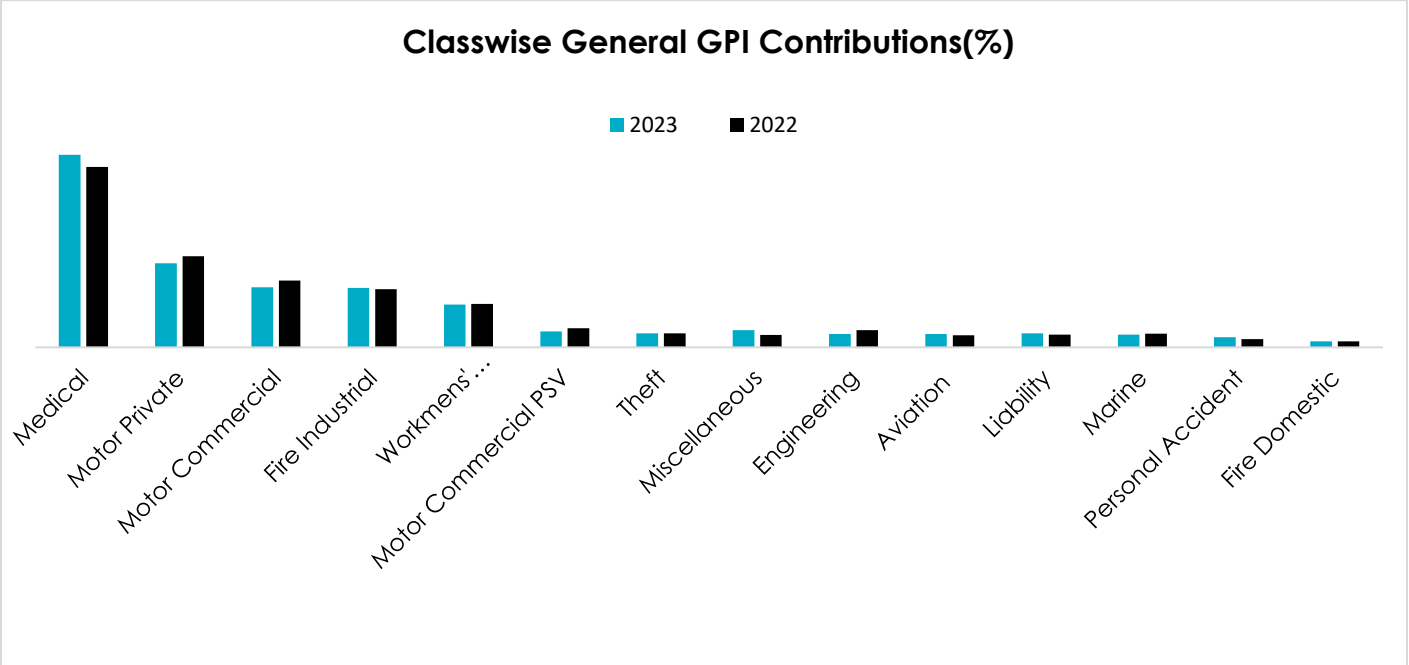
Source: IRA Kenya, IMF, NCBA IB Research

In FY2023, deposit administration and life assurance were the largest contributors of Gross Premium Income, long term insurance. During the same period, personal pensions contributions increased by 3% compared to FY2022. The chart below shows the Long-term class-wise contributions to Gross Premium Income (GPI).



Source: IRA Kenya, NCBA IB Research

In FY2022, medical and motor insurance classes maintained their position as the largest contributors in general insurance business premiums accounting for 35% and 26%, respectively. The chart below shows the general class-wise contributions to Gross Premium Income (GPI).



Source: IRA Kenya, NCBA IB Research

The table below shows market share ranking of the top firms.

Insurance Gross Premiums (KES Bn) and Market Share-2023					
Long Term Insurance			General Insurance		
Company	Gross Premiums	Market Share	Company	Gross Premium	Market Share
1. Britam Life	36.5	21.5%	1. APA Insurance	17.3	9.1%
2. ICEA Lion Life	27.5	16.2%	2. Old Mutual	16.7	8.7%
3. Jubilee Insurance	17.3	10.2%	3. CIC	16.0	8.4%
4. Equity Life Assurance	14.8	8.7%	4. Britam	15.7	8.2%
5. Kenindia	11.2	6.6%	5. GA Insurance	15.6	8.1%
Others	62.7	39.9%	Others	110.1	57.5%
Total, % of Total Premiums	170.0	47.1%	Total, % of Total Premiums	191.3	52.9%

Source: Insurance Regulatory Authority (IRA), NCBA IB Research

The constitution of long-term insurance providers indicates high entry barriers and stiff competition. The top five providers account for more than **63%** of market share. In FY2023, long-term insurance experienced substantial growth in premiums, increasing by **20.7%** to KES 170.02Bn. This was an improvement from the previous year's increase of 13.8%. Additionally, during the same period, the asset base of long-term insurance business expanded by **14.2%,** totaling KES 728.75Bn.

On the other hand, short term insurance premiums rose by **13.3%** to KES 191.34Bn. During the period, general insurers paid out KES 86.09Bn in claims. The loss ratio for general insurance remained steady at 67.9%, unchanged from FY2022. The top five short-term insurance providers account for 42.5% of total market share.

Distribution strategies and channels

Over time, the sector has refined its distribution strategies, adopting innovative approaches while complementing traditional methods. These improved channels offer convenience for clients and enable underwriters to access previously underserved or untapped markets. These channels include;

- **Agents and brokers**- Insurance companies continue to use traditional distribution channels such as agents and brokers who act independently as sales representatives, representing multiple insurance companies. This enables wide reach as a result of established networks and relationships with potential customers, making them a preferred channel.

- **Bancassurance**- Insurance companies have adopted strategic partnerships by collaborating with banks to distribute their products. This is essential as it allows the banks to leverage on their large customer base to cross-sell insurance products. Bancassurance is also convenient to customers as they can purchase insurance products amongst other banking products.

- **Digital platforms**- The use of self-service options via smartphone technology to attract the digital-savvy generation is now a ubiquitous channel. It boosts direct sales by utilizing online platforms such as websites and apps.

The rise of insurtech has paved way for insurance aggregators to enhance access. Notable examples include;

- ***Pula*** an agri-tech insurance company offering innovative agricultural insurance solutions.
- ***Mtech*** which enables direct insurance purchases from underwriters.

These aggregators bridge the gap between insurers and consumers, enhancing accessibility and convenience.

- **Direct marketing**- Underwriters reach out directly to customers through telemarketing, direct mail, and email marketing. This is a cost-effective approach to expand customer base. The main challenge of this strategy lies in the conversion of leads into sales.

Key developments

- **Regulation**

  - **Minimum capital requirement**- According to the updated Insurance Act 2022, IRA has been implementing risk-based supervision through guidelines that require insurers to maintain a capital adequacy ratio of at least 200.0% of minimum capital. General insurers are required to have at least KES 600Mn while life insurance providers are required to have KES 400Mn in minimum capital.
  - **Introduction of IFRS 17 -** In January 2023, the insurance sector transitioned from IFRS 4 to IFRS 17, with the primary goal being that of enhancing recognition, measurement, presentation, and disclosure of insurance contracts. IFRS 17 seeks to improve transparency and comparability by distinguishing financial results from insurance results in the income statement as well as providing clearer insights into the profitability of insurance contracts.

- **Technology**

Mobile phone penetration, currently stands at 133.1%, according to Communications Authority of Kenya. Insurtech services such as mobile claims and mobile policy payments have ridden on this reach. Examples include Bima which provides insurance policies and telemedicine and, M-TIBA which allows clients to access specific health facilities through a health wallet on mobile phones.

- **Innovation**

As insurance companies take a more defined customer-centric approach, made possible by emerging technologies such as Artificial Intelligence (AI) and block chain, the result has been providing customers with more efficient and personalized services. Examples include Blue Wave, which provides micro-insurance services via mobile phones and Coverpause which offers motor insurance. The latter's premiums are based on the number of days that an individual drive.

- **Mergers and acquisitions**

Following disruption post pandemic, a fragmented industry competing for a niche market as well as revision of minimum capital requirements, M&A's have been witnessed as companies seek to shield and increase market share. An example is the transaction between Allianz and Jubilee Insurance where the latter sold their general business to the former.

- **Product bundling and embedded insurance**

Several insurance products from the same company are sold to one client. An example is the Stansure Bundle by Stanbic Bank offering insurance plans at convenient and flexible rates.

Embedded insurance is an innovative approach where insurance products and services are integrated into a business's offering allowing customers to buy insurance coverage as part of the product or service, without having to go through a separate insurance provider. It is gaining traction as a result of partnerships between insurers and technology platforms, mobile network operators and retail companies. Examples include M-tiba and BIMA.

- **Micro-insurance**

This is a growing trend in which insurance products are deliberately designed to service the low-income population. Examples include Linda Jamii, M-Bima, Afya Bora by CIC Group and Salama Sure by UAP.

Challenges

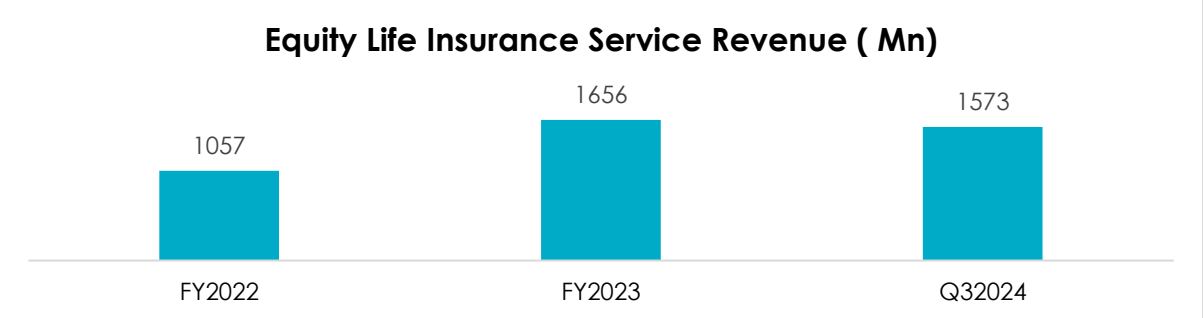
- **Macro-economic environment –** The insurance sector was significantly affected by currency depreciation and high inflation experienced in 2023. Exponential stability of the macro-economic environment portends potential recovery, hinged on higher disposable income.

- **Cyber-security threats** – The digital revolution has exposed the industry to growing cybersecurity risks which could result in financial losses and reputational damage. The need for data protection and resilient systems remain to be a challenge to the sector.

- **Fraud**- Fraud and corruption cost underwriters consequently increasing claims ratio thus negatively impacting the sector's profitability. In 2023, IRA received 206 fraud cases reported by underwriters to the Insurance Fraud Investigative unit. A majority of the fraud cases emanated from motor claims.

- **Competition**- Cut throat competition in the industry which comprises 58 licensed insurance companies, coupled with a low penetration rate may lead to undercutting and unscrupulous practices.

  The sector faces a threat from banking institutions and telecoms. The former is gradually integrating insurance in their financial services offering. Example, Equity Group's subsidiary, Equity Life Assurance which offers life insurance. Relatedly, insure techs and some insurance intermediaries are also directly offering insurance services.

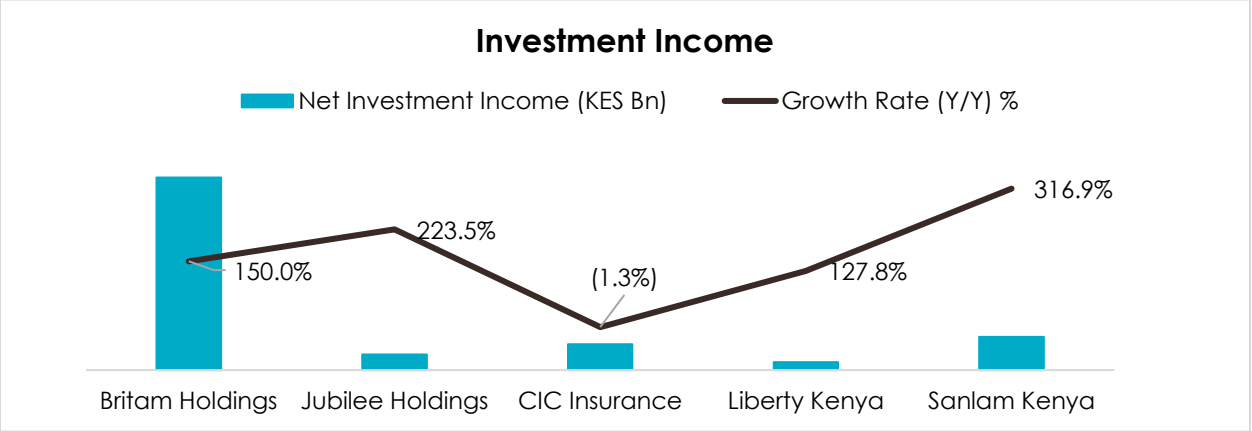


Source: Company Financials, NCBA IB Research

1H2024 performance

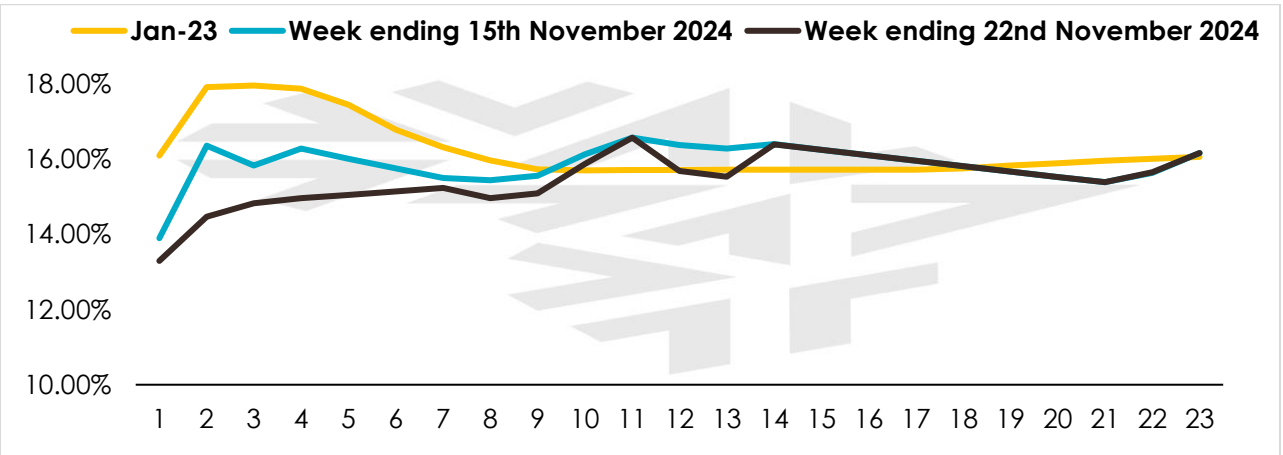
Impressive turnaround in investment income

The industry has recorded general improvement in net investment income, with most companies reporting an average increase of over **150%** in 1H2024. This growth is expected to continue, supported by high returns in government securities. CIC Group however experienced a slight decline of 1.3% in net investment income, standing out as an exception to the industry-wide trend.



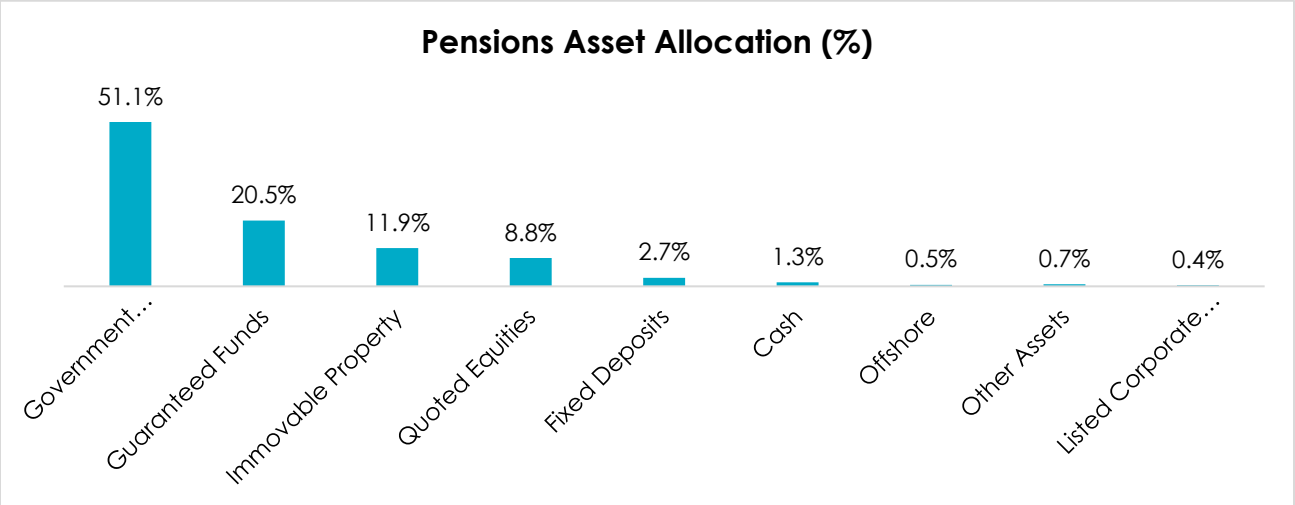
Source: Company Financials, NCBA IB Research

The boost in net investment income has been generated from diverse sources, including investment properties, dividend income, and government securities. Government securities delivered the highest returns compared to the other asset classes. Future growth in investment income may decelerate as a result of declining interest rates.



Source: NSE, NCBA IB Research

According to the Retirement Benefits Authority (RBA), government securities represent the largest portion of pension portfolios.

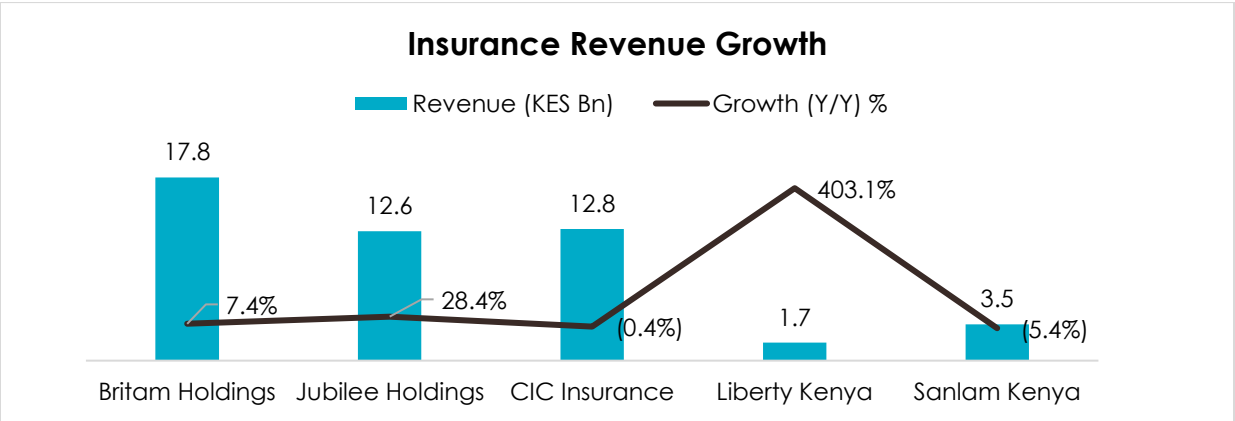


Source: RBA, NCBA IB Research

Sustained revenue growth and profitability

Britam Holdings leads in insurance revenue at **KES 17.8Bn** showing a modest y/y growth rate of 7.4% in 1H2024.

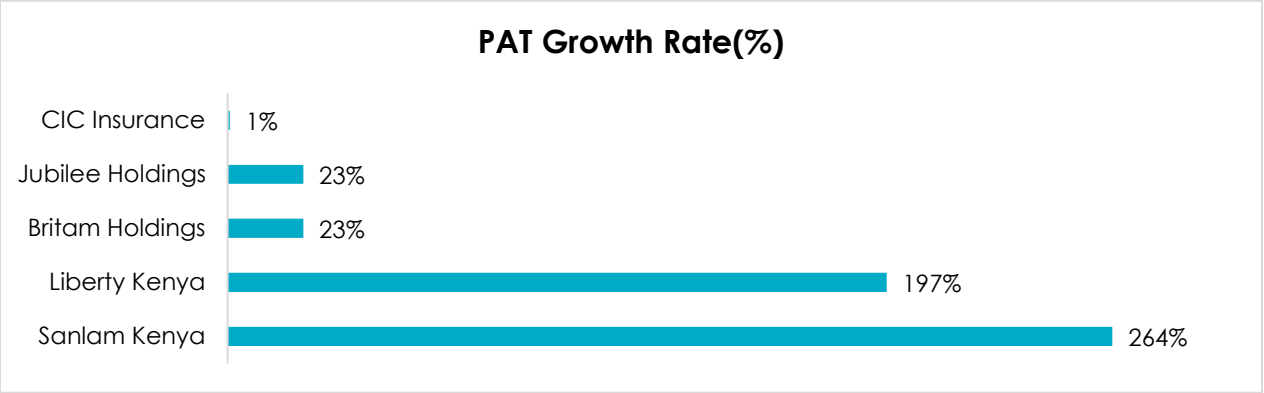
Sanlam Kenya registered a negative growth rate of 5.4% y/y in insurance revenue, as a result of operational challenges. The management however, is in the process of executing a turnaround strategy.



Source: Company Financials, NCBA IB Research

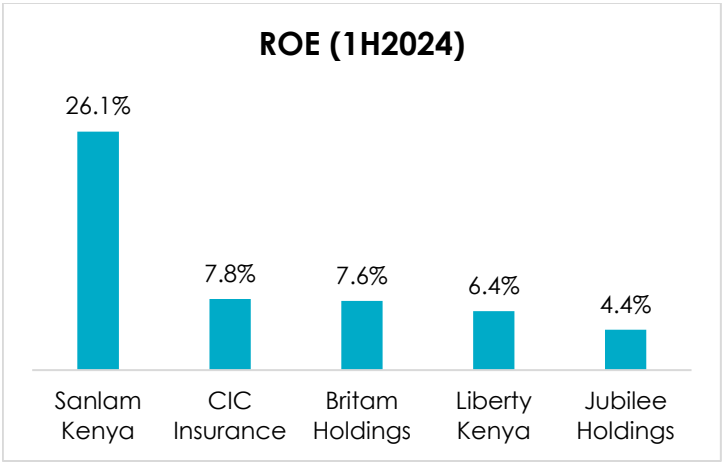
Jubilee Holdings reported strong, sustainable growth. Liberty Kenya on the other hand reported a high growth rate, suggestive of recovery or expansion. With the introduction of IFRS 17, there is need to have comprehensive data for an apt opinion. Additionally, prevailing economic conditions in Kenya will impair growth in underwriting business.

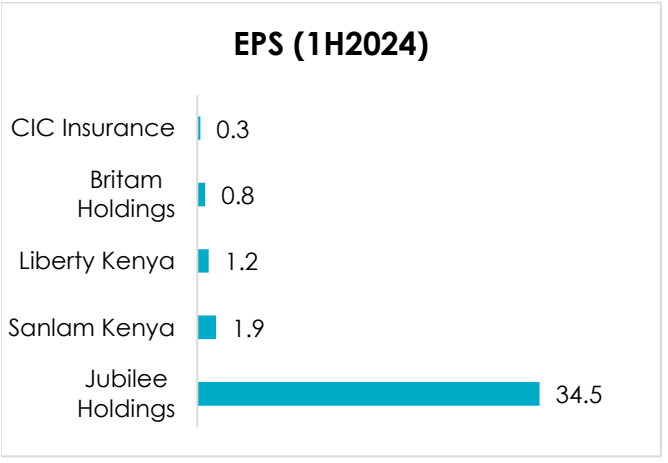
All listed insurance companies reported positive net income growth in 1H2024, with Sanlam Kenya achieving substantial gains due to a base effect, having recovered from a loss in the same period during the previous year. This performance was driven by robust growth in both investment income and underwriting operations. In contrast, CIC Group recorded comparatively modest growth of 1%, trailing its peers.



Source: Company Financials, NCBA IB Research

In 1H2024, most listed insurance companies in Kenya recorded modest return on equity (ROE), averaging at about 10%. Sanlam Kenya stood out with an impressive 26.1% ROE growth, reflecting strong recovery from the previous period. More moderate ROE's by other insurers may indicate challenges in delivering shareholder returns, potentially due to market conditions, underwriting pressures, cost management issues or a larger equity base. This performance underscores the varied recovery trajectories within the sector and highlights the importance of operational efficiency and profitability strategies for sustainable growth.



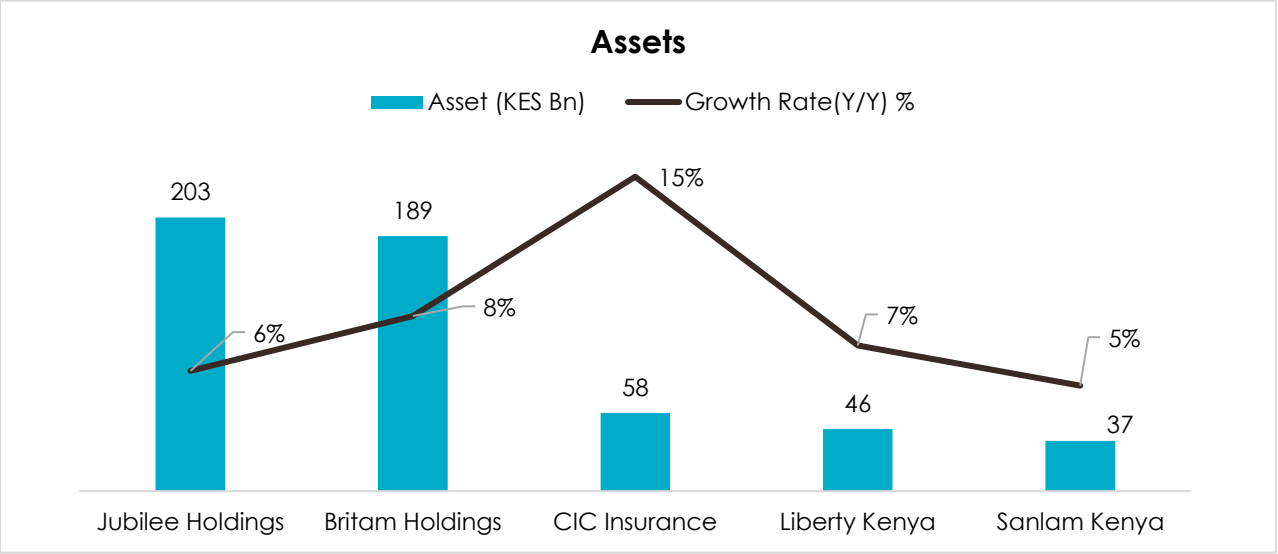


Source: Company Financials, NCBA IB Research

Jubilee and Britam lead in asset base while CIC Group stands out for its higher asset growth rate in 1H2024.

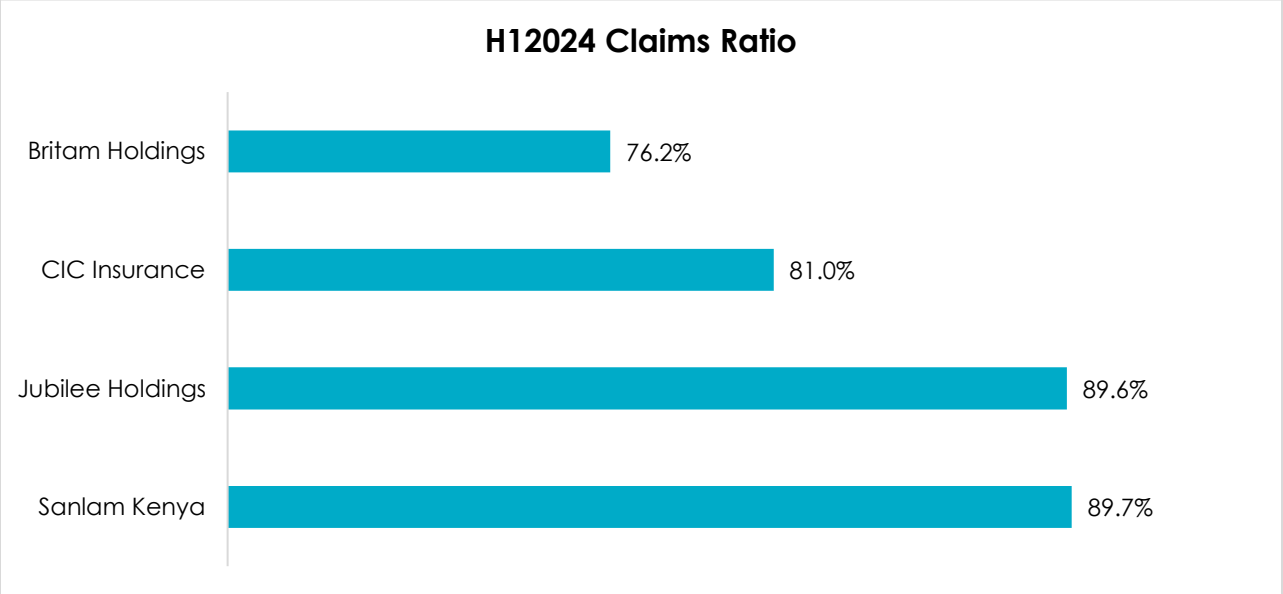
The graph below highlights varying growth dynamics among listed firms, with mid-sized companies showing strong growth potential.

Liberty's growth, being at 7% is close to the 8% average growth among the listed companies, which is indicative of stability.



Source: Company Financials, NCBA IB Research

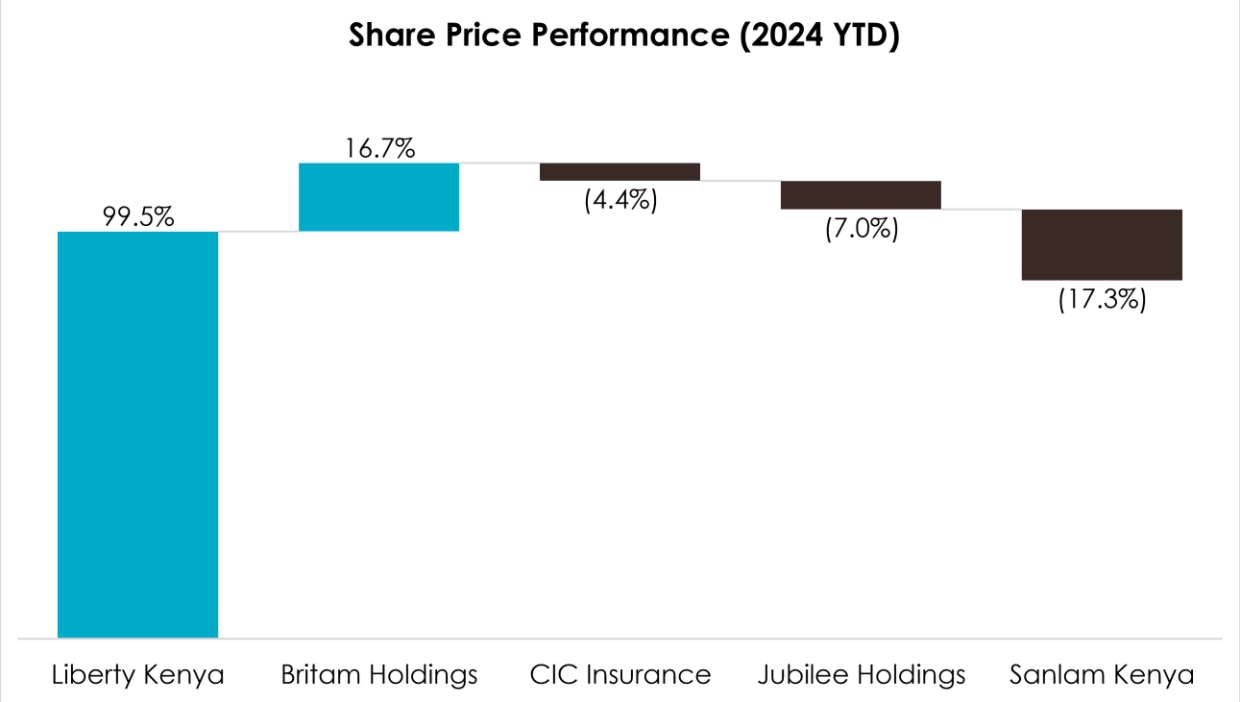
Elevated claims ratio



Source: Company Financials, NCBA IB Research

The industry's high claims ratio poses a challenge that could significantly impact profitability. To reduce these ratios, insurers need to enhance efficiency by implementing stronger claims management practices and focusing on fraud prevention.

Insurance Share Performance in 2024



Source: Company Financials, NCBA IB Research

Liberty Kenya has emerged as a star stock in 2024, with a remarkable **99.5%** performance suggesting investor confidence, driven by favorable financial performance and positive strategic developments within the company.

Britam Holdings recorded a **16.7%** increase in share price, reflecting modest but steady growth, likely underpinned by stable operations and improvements in business fundamentals.

Jubilee Holdings underperformed with a **7.0%** decline in share price despite paying dividends in FY2023 and FY2024.

Sanlam Kenya's share price also underperformed registering the largest drop among its peers.

Mixed performance among these insurers highlights varying investor perception and company-specific factors that have impacted respective stock's performance.

The following insurance companies issued dividends;

Company	FY2023 Dividend	2024 Interim Dividend
Jubilee Holdings	KES 12.0	KES 2.0
Liberty Kenya	KES 0.373	None
CIC Insurance	KES 0.13	None

Source: Company Financials, NCBA IB Research

Financial Performance Update: 1H2024

Britam Holdings Plc

Britam Holdings posted **22.6%** increase in **PAT** to KES 2.0Bn. The performance was on the back of a 150% increase in net investment income but was weighed down by a **161.2%** increase in net insurance finance expenses during the year.

The **EPS** rose to **KES 0.80** from KES 0.65 during the previous period.

PERFORMANCE HIGHLIGHTS

- **Total earnings:** Net earnings grew by 22.6% to KES 2.0Bn from KES 1.6Bn on the back of 150% growth in net investment income.
- The Group's PBT increased by 18% to KES 2.8Bn in 1H2024 from KES 2.4Bn. The performance was on the back of prudent cost management practices, coupled with enhanced revenue streams from both insurance and investment activities.
- **Insurance revenue:** Despite challenging macroeconomic conditions, which included high inflation and elevated interest rates, insurance revenue increased by **7.4%** to KES 17.8Bn. This was driven by strong performance by the Kenya insurance business and the regional general insurance operations. The latter accounted for 30% of the total insurance revenue.

FINANCIAL SUMMARY

Britam Holdings PLC	Key Metrics Y/Y
Net Insurance Service Result	▼ 12.7% to KES 2.11Bn
Net Investment Income	▲ 150.0% to KES 13.27Bn
Net Insurance Finance Expenses	▲ 161.2% to KES 12.31Bn
Net Insurance and Investment Result	▲ **1.8% to KES 1.55Bn**
Profit Before Taxation	▲ **18.0% to KES 2.81Bn**
Taxation	▲ 112.8% to KES 0.35Bn
Profit After Tax	▲ 7.8% to KES 0.80Bn
EPS	▲ 23.1% to KES 0.80

Source: Company financials, NCBA IB Research

Outlook

- The Group remains dedicated to driving sustainable growth and maximizing shareholder value by focusing on cost efficiency and optimizing the balance sheet as envisaged in the ongoing **2021-2025 strategy.**
- Britam has made significant progress in its key strategic initiatives, including **digitization**, **sustainability**, and the optimization of **distribution network**. It intends to continue investing in system upgrades to enhance customer experience and advance their digital transformation journey.

CIC Group

CIC Group posted a **0.6%** increase in **PAT** for 1H2024 attributable to improvement in net insurance income. The **EPS** rose to **KES 0.30** from KES 0.28 in the previous financial year.

Performance highlights

- **Insurance revenue:** Net Insurance revenue grew by 21.4% to KES 1.05Bn driven by an improvement in insurance income. Insurance expenses increased by 6.9% as a result of higher premiums during the period. Net investment income however, declined by 1.3% to KES 681.12Mn driven by a 79.8% increase in finance expenses which offset the 35.7% rise in investment return.
- **Operating efficiency:** Insurance expenses rose by **54.6%** to KES 11.76Bn driven by a rise in claims. Net finance expenses from insurance contracts surged by 79.8% to KES 1.29Bn driven by elevated interest rates. Other operating expenses rose by 6.8% to KES 730.07Mn.
- **Risk management:** Net expenses from reinsurance contracts rose by 61.5% to KES 1.4Bn. The significant increase in net reinsurance expenses suggests that the company faced higher reinsurance costs, possibly due to higher transfers of significant risks.

Financial Summary

CIC Group	Key Metrics Y/Y
Net Insurance revenue	▲ 21.4% to KES 1.05Bn
Net investment revenue	**▼ (1.3%) to KES 681.12Mn**
Financial Investments	▲ 19.4% to KES 40.8Bn
Revenue from asset management	**▲ 6.1% to KES 604.07Mn**
Net expenses from reinsurance contracts	▲ 61.5% to KES 1.39Bn
Operating profit	**▲ 11.3% to KES 1.60Bn**
PAT	**▲ 0.6% to KES 709.99Mn**
EPS	▲ 7.1% to KES 0.30

Source: Company financials, NCBA IB Research

Outlook

We expect the business to record gradual growth boosted by:

- **Product innovation:** CIC launched CIC CoopCare, a medical product for Co-operative members to offer solutions for Co-operatives and Saccos. It also launched Motoring Assist in conjunction with AA Kenya and Kameeza product in Uganda. The latter is a low-cost funeral cover for self and immediate family members catering for burial expenses and 3-month family upkeep.
- **Focus on micro-insurance business (Co-operative Strategy):** The Group is focusing on improving its micro-insurance business to anchor growth prospects and cover the uninsured population. The strategy enhances its distribution channels through Sacco-assurance and continued government support through the Ministry of Co-operatives and MSMEs.

Jubilee Group

Jubilee Group posted a **22.7%** increase in **PAT** in 1H2024, attributable to improvement in net insurance income. The **EPS** rose to **KES 34.45** from KES 26.53 in the previous financial year.

Performance highlights

- **Earnings:** Net Insurance service results grew to KES 959Mn from a loss of KES 107Mn recorded in the previous period. Insurance revenue grew by 28.4% to KES 12.5Bn which was supported by a 15.6% in insurance expenses from increased premiums in the period.

- **Profitability:** The 22.7% growth in profit was driven by increased performance in life and health businesses, on the back of improved sales, claims control and technology-driven efficiency. The performance was however weighed down by increased insurance expenses at KES 11.3Bn from KES 9.7Bn.

- **Operational efficiency:** Other income grew to KES 1.06Bn in 2024 from a loss of KES864Mn in the previous period.

Financial summary

Jubilee Group	Key Metrics Y/Y
Net Insurance revenue	▲ 28.4% to KES 12.58Bn
Insurance service result	▲ **KES 959.9Mn from a loss of KES 107.1Mn in 2023**
PBT	▲ 20.8% to KES 2.93Bn
PAT	▲ **22.7% to KES 2.5Bn**
EPS	▲ 29.9% to KES 34.45
Dividend (Interim)	**KES 2.00**

Source: Company financials, NCBA IB Research

Outlook

We expect the business to record gradual growth boosted by:

- **Digital transformational agenda –** Jubilee launched the Changamk@ project to digitally transform its services. The project aims to drive innovations and streamline operations consequently enhancing general customer experience. Leveraging on technology will enable the firm to remain competitive and relevant in the industry and improve performance by unlocking new revenue streams.

- **Product innovation:** The insurer also introduced Maisha Fiti 2.0, a wellness app that includes tele-medicine, tele-consultations, self-navigation, community engagements and access to informative articles and events.

Liberty Kenya Holdings Plc

Liberty Kenya posted a **196.7%** increase in **PAT** to KES 632Mn in 1H2024. The performance was on the back of an 851.9% increase in insurance service results. The performance was however weighed down by a 484.8% increase in net insurance finance expenses during the year.

The **EPS** rose to **KES 1.16** from KES 0.29 in the previous period.

Performance highlights

- **Total earnings:** Net earnings grew significantly by 196.7% to KES 632Mn from KES 213Mn on the back of 851.9% growth in insurance service result and 127.8% increase in investment income to KES 2.1Bn. The impressive performance reflects the solid fundamentals of the business.
- **Net insurance finance expenses:** Finance expenses related to insurance recorded a significant growth by 484.8% to KES 1.1Bn. Additionally, other operating expenses increased by 57.9% to KES 747Mn weighing down on the Group's bottom-line.
- **Net investment income:** Rose significantly by 127.8% to 2.1Bn driven by increased investments in government securities to lock in high yields.

Financial summary

Liberty Kenya Holdings PLC	Key Metrics Y/Y
Insurance Service Result	▲ 851.9% to KES 0.51Bn
Net Investment Income	▲ 127.8% to KES 2.11Bn
Net Insurance Finance Expenses	▲ 484.8% to KES 1.08Bn
Net Insurance and Investment Result	▲ **94.3% to KES 1.55Bn**
Profit Before Taxation	▲ **160.2% to KES 0.98Bn**
Profit After Tax	▲ 196.7% to KES 0.63Bn
EPS	▲ 300% to KES 1.16

Source: Company financials, NCBA IB Research

Outlook

The group's growth outlook will depend on its short-term strategy to 2025 which has a focus on enhancing customer experience, building partnerships and setting up necessary growth enablers. This will be achieved through;

- **Enhanced digital transformation:** The Group continues to enhance its digital systems to improve customers' claims and servicing journey via the USSD platform and the policy administration systems.
- **New products:** The management continues to implement the turnaround strategy which involves **fixing, rejuvenating and growing and launching** new products in 2024. Fixing involves identifying and addressing issues or inefficiencies within existing products, services, or processes with the objective to resolve problems that may be hindering performance or customer satisfaction. Rejuvenation on the other hand encompasses revitalizing or

refreshing existing products or business practices to make them more competitive or appealing in the market.

- **Leveraging on parent and related firms**- The Group's business will benefit from continued partnership with related entities such as Stanbic Bank Kenya through distribution and selling of underwriting business.

Sanlam Kenya Plc

Sanlam Kenya posted a significant increase in **PAT** to KES 125.8Mn in 1H2024 from a loss of KES 424Mn. The performance was supported by 316.9% increase in investment income to KES 2.3Bn.

Performance highlights

- **Total earnings:** Net earnings grew significantly from a loss in 1H2023 to a profit of KES 125.8Mn on the back of 316.9% growth in investment income despite 82.4% decline in insurance service result to KES 86Mn. Insurance revenue however continued to record diminished performance from the full year having declined by 5.4% to KES 3.5Bn.
- **Net insurance finance expenses:** Finance expenses related to insurance recorded a significant growth by 132.8% to KES 1.7Bn weighing down the Group's bottom line. On the other hand, other operating expenses declined by 84.1% to KES 20.9Mn.
- **Net investment income:** Rose significantly by 316.9% to 2.3Bn driven by increased investments in government securities.

Financial summary

Sanlam Kenya PLC	Key Metrics Y/Y
Insurance Service Result	▼ 82.4% to KES 0.86Bn
Net Investment Income	▲ 316.9% to KES 2.29Bn
Net Insurance Finance Expenses	▲ 32.8% to KES 1.70Bn
Profit Before Taxation	▲ **1003.5% to KES 0.49Bn**
Taxation	▲ 0.2% to KES 0.37Bn
Profit After Tax	▲ 129.7% to KES 0.13Bn
EPS	▲ KES 1.88 from KES (1.40)

Source: Company financials, NCBA IB Research

Outlook

In its FY2023 report, Sanlam Kenya posted cumulative losses of **KES 2.3Bn**, with PBT down **15%** y/y. The results of the turnaround are evident, in both Sanlam Life and Sanlam General.

The 1H2024 results portray recovery, with a profit of **KES 129.7Mn**, reversing previous losses. The company remains optimistic, supported by strategies aimed at sustaining this recovery trajectory.

Going forward, the growth of the Sanlam Kenya will be driven by;

- **Debt restructuring**: Managing and reorganizing debt obligations to improve financial flexibility as seen by the 18 months extension of KES 1.1Bn Sanlam Emerging Markets loan and the guarantee of KES 3.5Bn Stanbic's Loan facility by Sanlam Ltd. This will reduce financial strain, improve cash flow, and free up resources for operational improvements and growth initiatives.

- **Enhancing the subsidiary performance**: Improving the operational efficiency and profitability of the company's key insurance segments, i.e., life and general which have recorded improved performance in the FY2024.

- **Product innovation:** Expanding the product portfolio with innovative offerings such as Shift your destiny plan for little cab drivers and the flexible Flexi Hela Plan to capture new market segments and increase the customer base. This is expected to enhance the company's market share and respond to evolving customer needs.

- **Market expansion and share growth**: Through new products such as little cab drivers plan and strategic initiatives such as distribution plan with KCB and NBK, Sanlam aims to grow its market presence. Gaining a larger market share will enhance revenues and improve the company's competitive position.

Sanlam Kenya has announced plans to raise up to **KES 3.25Bn** through a rights issue, aimed at strengthening its financial position and supporting future growth. The proceeds from the rights issue will primarily be used to reduce the Group's long-term debt, thereby lowering finance costs.

This strategic move is expected to enhance the company's operational and financial flexibility, enabling management to focus on driving growth initiatives and achieving sustainable profitability.

**NCBA Investment Bank will provide a separate detailed report on the upcoming rights issue.*

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