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KCB Group Half Year Profit Before Tax Rises 20.8% to KShs. 49.3B, Board Recommends KShs. 9.64B Interim Dividend Payout

Balance sheet expanded by 16.8% to close the period at KShs.2.3 Trillion.

KCB Group PLC reported **KShs. 49.3 billion** in profit before tax for the first half of 2026, a **20.8%** rise, on strong income growth and discipline in cost management.

Total assets grew by **16.8%** to KShs. 2.3 trillion, driven by a **15.1%** increase in customer deposits to **KShs. 1.7 trillion** and a **14.2%** growth in gross loans to **KShs. 1.3 trillion** supported by a strong corporate and retail franchise.

On the back of the robust business performance, the Board has declared an interim dividend of **KShs. 3.00 per share**, representing a **50% increase** from **KShs. 2.00 per share** paid last year resulting in a distribution of **KShs. 9.64 billion.** This is a commitment to keeping our promise of increasing the dividends payment ratio.

Commentary: Group Chief Executive Officer, Paul Russo

"Our strong half-year performance reflects the resilience of KCB Group's diversified business model, the strength of our regional footprint, and the confidence our customers continue to place in us. Despite a tough operating environment, we remain committed to supporting businesses and households, accelerating digital transformation and creating long-term sustainable value for our shareholders and the communities which we serve," said KCB Group CEO, Paul Russo.

Financial Highlights

- Total income increased by **9.5%** to **KShs. 108.1 billion,** reflecting the Group's ability to sustain growth amid a dynamic operating environment, leveraging its diversified business model. Looking at the split, non-funded income increased by **15.4%** to **KShs. 34.1 billion** while funded income stood at **KShs. 74.0 billion**, a **7.0%** Growth.

- The Group's regional banking subsidiaries continued to demonstrate the strength and resilience, with operations outside KCB Bank Kenya contributing **27.7%** of the Group's Profit Before Tax and accounting for **31.1%** of the total balance sheet.
- On the non-banking entities, KCB Investment Bank recorded an exceptional **226.6%** growth in Profit Before Tax to **KShs. 503.2 million**, driven by increased

advisory mandates and capital markets transactions, while KCB Corporate Trustee Services posted a **79.8%** increase to **KShs. 142.5 million,** supported by growth in trustee and fiduciary services while KCB Bancassurance Intermediary Limited delivered **KShs. 335.4 million** in PBT.

- On the balance sheet, **gross loans** increased by **14.2%** to **KShs. 1.3 trillion,** driven by strong new-to-bank customer acquisition and increased lending to existing customers across retail, SME and corporate segments.
- **Asset quality** improved as the Group's stock of gross NPLs reduced by 1**7.3 billion** to close at **KShs. 203.8** billion from **KShs. 221.1 billion.** This led to a lower NPL ratio of **15.1%** from **18.7%,** reflecting the Group's proactive rehabilitation of distressed facilities, strengthened recoveries and discipline in credit risk management practice.
- The Group maintained a healthy funding profile, with the **loan-to-deposit ratio** improving to **78.8%** from **79.5%** while **Return on Assets (ROA)** remained stable at **3.3%,** demonstrating continued balance sheet resilience and efficient asset utilization.
- The Group continued to create sustainable value for shareholders, delivering a strong **Return on Equity (ROE**) of **21.1%. Total** equity attributable to KCB Group shareholders increased by 16.3% to KShs. 357.0 billion, up from KShs. 306.8 billion a year earlier, reflecting robust earnings growth, capital retention and the continued strength of the Group's balance sheet.
- KCB Group maintained a strong capital position, with all banking subsidiaries remaining well-capitalised and fully compliant with their respective regulatory capital requirements. The Group's Core Capital to Risk-Weighted Assets Ratio stood at **18.6%,** comfortably above the statutory minimum of **10.5%.** The Total Capital to Risk-Weighted Assets Ratio stood at **21.6%,** significantly exceeding the regulatory threshold of **14.5%.** The strong capital buffers position the Group to support future business growth, sustain our commitment to progressive dividend distribution to shareholders, absorb potential shocks and continue financing customers across its markets.

Commentary: Group Chairman, Joseph Kinyua

"The performance reflects the effectiveness of our governance framework, and the disciplined execution of our long-term strategy. We remain focused on providing strategic oversight that enables sustainable growth, prudent risk management and continued investment in innovation, ensuring KCB Group remains well-positioned to support economic development and deliver long-term value to our shareholders and all stakeholders across the region," said KCB Group Chairman, Dr. Joseph Kinyua.

Latest Corporate Developments

- In April, KCB launched its flagship **"Pata Kwako"** campaign, a market-wide initiative designed to eliminate barriers to homeownership. Championing financial inclusion, the bank rolled out a KMGT-backed MSME mortgage solution offering 15-year terms at 9.9% p.a. targeting gig economy players & SMEs with irregular income streams. Building on this momentum, KCB announced strategic partnership with the Kenya Defense Forces (KDF) to deliver dedicated scheme mortgages from as low as 4% p.a. to the members of the disciplined forces.
- KCB Bank Tanzania floated Mapato Sukuk (Islamic bond) whose first-tranche target was significantly oversubscribed, raising TZS 30.24 billion against an initial goal of TZS 10 billion. The 302% oversubscription rate highlights a massive market appetite for Shari'ah-compliant and ethical financial instruments
- In May, KCB announced an introduction of a flat KShs. 20 fee for all PesaLink transfers, while making transactions of up to KShs. 1,000 free of charge. The initiative is part of the Group's broader strategy to promote financial inclusion and encourage the adoption of low-cost digital payment channels.
- In June, the Group reinforced its commitment to sustainable finance with the release of its 2025 Sustainability Report, which highlighted the disbursement of KShs. 48.8 billion in green financing to support projects that advance environmental stewardship.
- KCB Foundation in partnership with Hivos launched Tujenge Pamoja Programme, a strategic initiative aimed at accelerating Kenya's transition to a circular and inclusive green economy.
- During the period, KCB continued to expand its clean energy footprint by partnering with Nandi & Machakos counties to solarize public health facilities across the country and support Kenya's broader renewable energy and climate action goals.
- KCB also rolled out Bid Express, a digital platform that allows customers to request and generate unsecured Bid Bonds digitally from anywhere across the world, without visiting a branch.
- BPR Bank and MTN MoMo Rwanda have launched MoFaya, a new digital loan and savings solution that enables eligible customers to access instant loans of up to Rwf2 million and save directly from their Mobile Money wallets.
- KCB Group was recognised through a series of prestigious local, regional and global accolades including being named Kenya's Best Bank by Euromoney and Best Banking Group at the World Finance Banking Awards. The bank also featured among the Financial Times' Africa's Fastest Growing Companies 2026.

For further information, please contact Peter Mwaura Kimani, Head of Corporate & Stakeholder Relations; email: pmkimani@kcbgroup.com;

About KCB Group PLC

KCB Group Plc is East Africa's largest commercial Bank and was established in 1896. The Group is headquartered in Kenya, with the country serving as the lead market with the banking subsidiary KCB Bank Kenya. Over the years, the Bank has grown and spread its wings into Tanzania, South Sudan, Uganda, Rwanda, Burundi, and the Democratic Republic of Congo. Our subsidiaries KCB Bank Kenya and Trust Merchant Bank (TMB) also have representative offices in Ethiopia and Brussels, respectively. Additionally, KCB Group owns KCB Bancassurance Intermediary Limited, KCB Investment Bank, KCB Corporate Trustee Services, Riverbank Solutions, KCB Foundation and Kencom House Limited as non-banking businesses. Today KCB has the largest branch network in the region with 460 branches, 1,247 ATMs and over 1.4 million merchants and agents offering banking services on a 24/7 basis in East Africa. This is complemented by mobile banking and internet banking services with 24-hour contact center services for our customers to get in touch with the Bank. KCB has a vast network of correspondent relationships totaling over 200 banks across the globe, and our customers are assured of a seamless facilitation of their international trade requirements wherever they are.