



Q1 2025  
**Investor Presentation**

Nairobi, 21 May 2025

**For People. For Better.**

Regulated by the Central Bank of Kenya



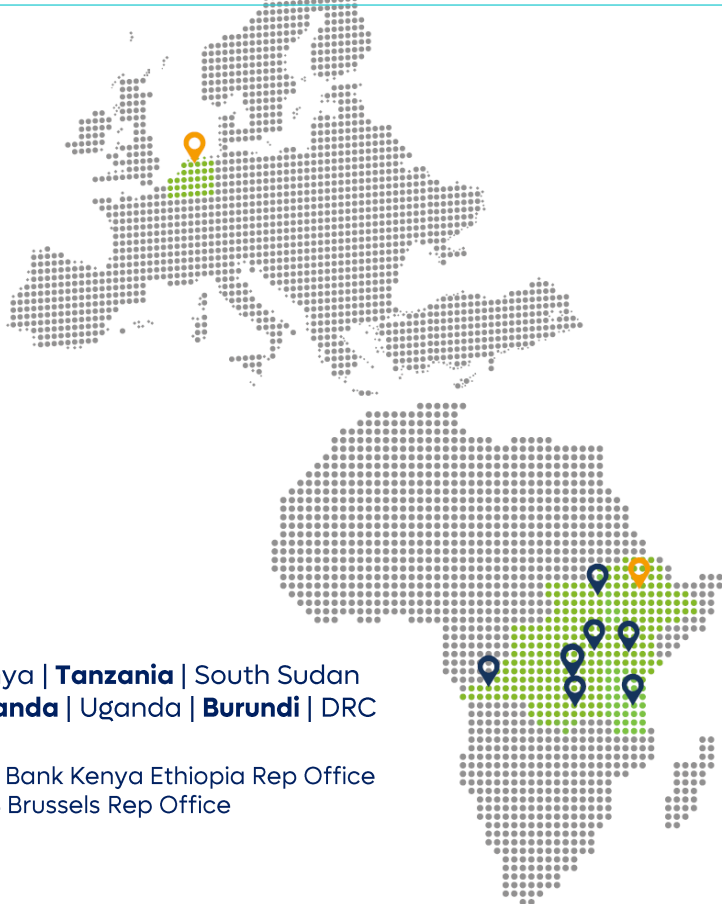
# 01

## Q1 2025 Business Update

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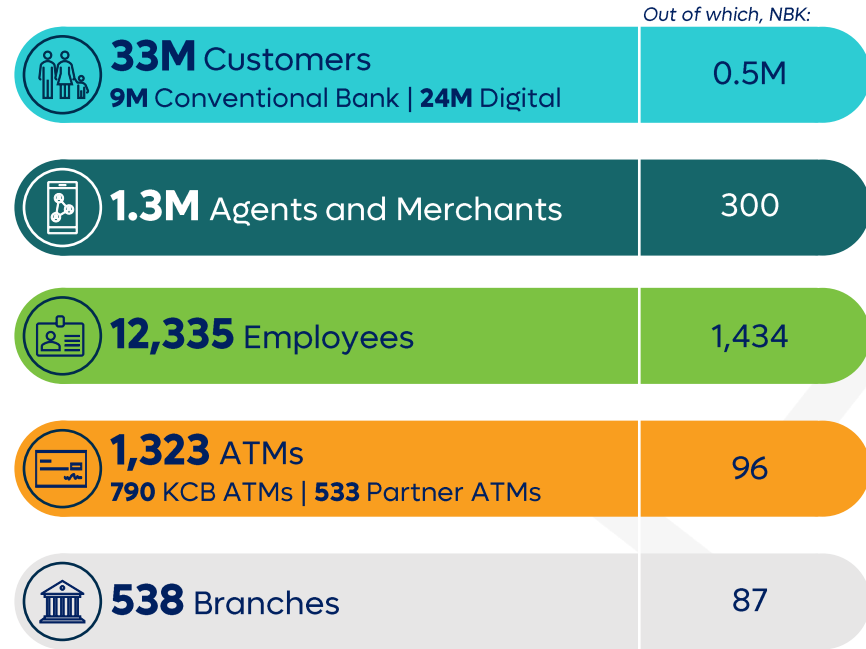
# Largest footprint in the region; opening doors of opportunity for millions of people.

Well positioned to facilitate trade and investment flows in the region, now and into the future.



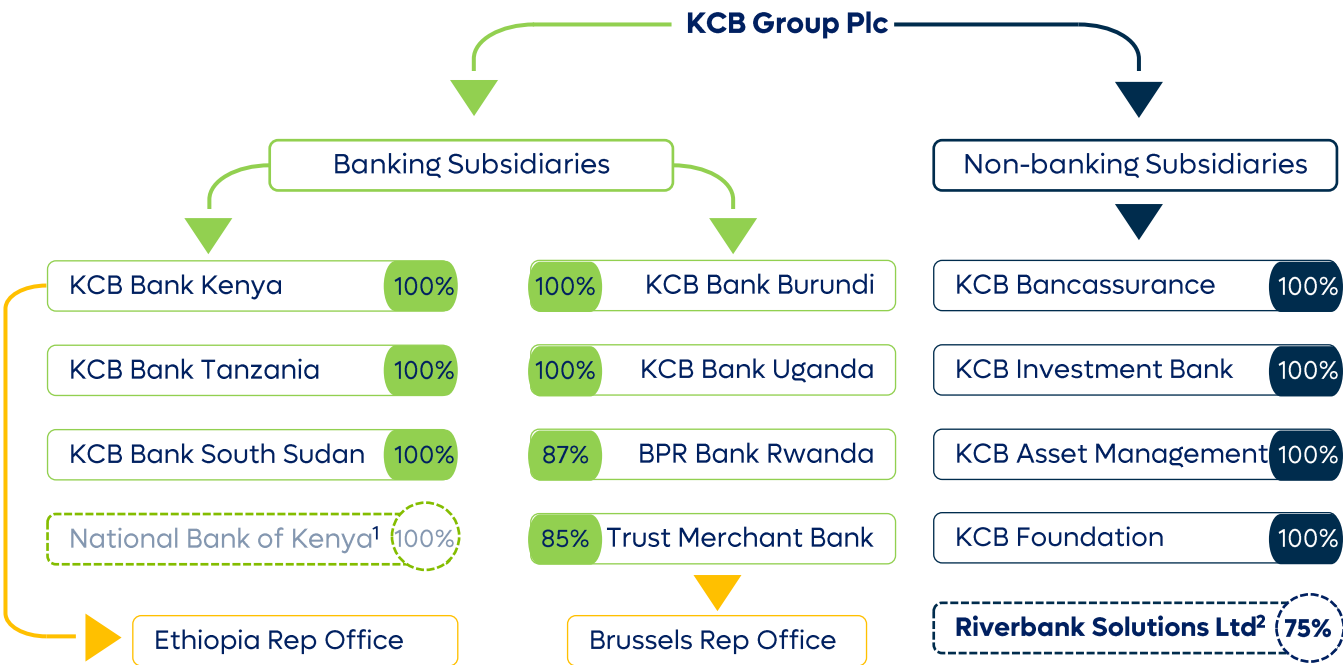
Kenya | **Tanzania** | South Sudan  
**Rwanda** | Uganda | **Burundi** | DRC

KCB Bank Kenya Ethiopia Rep Office  
 TMB Brussels Rep Office



## Headway in strengthening and diversifying our business model to sustain our resilience.

Two key transactions in progress, expected to be concluded within Q2 2025.



- Sale of NBK to Access Bank expected to be concluded<sup>3</sup> by 30 June 2025.
- NBK transaction includes hive out of certain assets and liabilities from NBK to KCB Bank Kenya. Quantum to be determined at the conclusion of the transaction.
- Acquisition of Riverbank Solutions in progress expected to be concluded by 30 June 2025.

<sup>1</sup>Transaction to sell the subsidiary in progress.

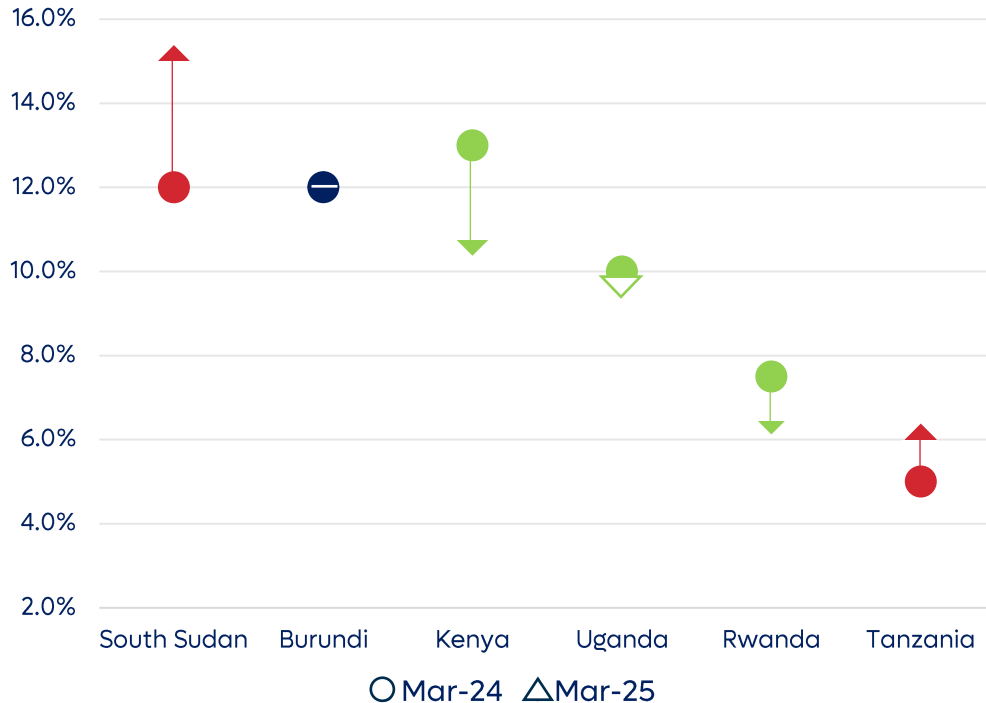
<sup>2</sup>Acquisition transaction in progress.

<sup>3</sup>More information contained in the Shareholder Circular available on <https://kcbgroup.com/shareholder-meetings>

## Effects from the global geopolitical issues filtering through to our markets.

However, moderate inflation, resilient GDP growth and falling interest rates avail key tailwinds.

### Change in Central Bank Rates<sup>4</sup> (Mar 2024 vs Mar 2025)



- Shocks from multiple fronts including geopolitical tensions, trade tariffs, shrinking consumer wallets and increased costs of doing business across most of our markets.
- Interest rates pointing downwards across most markets supported by accommodative monetary policy stance by central banks in the region.
- Inflation remains moderate in most markets save for South Sudan and Burundi.
- East Africa region poised to be the fastest growing region in Sub-Saharan Africa in 2025. GDP projected to grow by 5.7%.
- All currencies across the region save for the Kenyan and Ugandan shillings (UGX) depreciated against the US dollar YoY. Year to date, only UGX has strengthened against the US dollar.

**Our strategy, now in its second year, continues to anchor the delivery of our Purpose.**  
Hinged on putting customers first and delivering sustainable returns for our shareholders.

KCB  
GROUP  
STRATEGY

# 2024 → 26

Transforming  
Today  
Together

## For People. For Better.

PILLARS



**Customer-Centered  
Value Propositions**



**Leverage Group  
Capabilities for  
Efficient Scale**



**Digital  
Leadership**



**Optimize Data &  
Analytics**

ENABLERS

**Execution Excellence**

**Technology Evolution**

**Risk Resilience**

**Sustainable Citizen**

## Significant milestones towards meeting our strategic aspirations.

Various initiatives in progress aimed at enhancing our solutions and driving growth.

### Mobile App

Rolled out a new unified Group mobile banking platform, delivering an all-in-one bespoke digital banking experience based on innovative technologies and mini app programs



### CVPs

Innovative solutions for priority segments including women, youth, climate and MSMEs, leveraging enhanced customer value propositions (CVPs) and ecosystem banking

### Cross-border trade

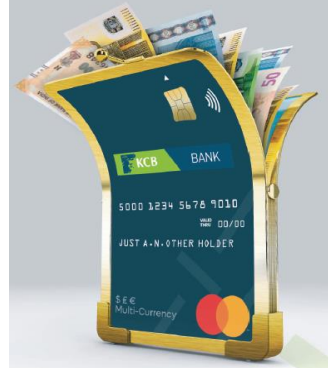
Signed up to the Pan-African Payment and Settlement System (PAPSS), reinforcing our commitment to enhancing cross border trade and financial integration across the continent



**PAPSS**  
Pan-African Payment  
& Settlement System

### Card solutions

Introduced a Multi-Currency Prepaid Card, currently supporting 18 currencies



### Payments

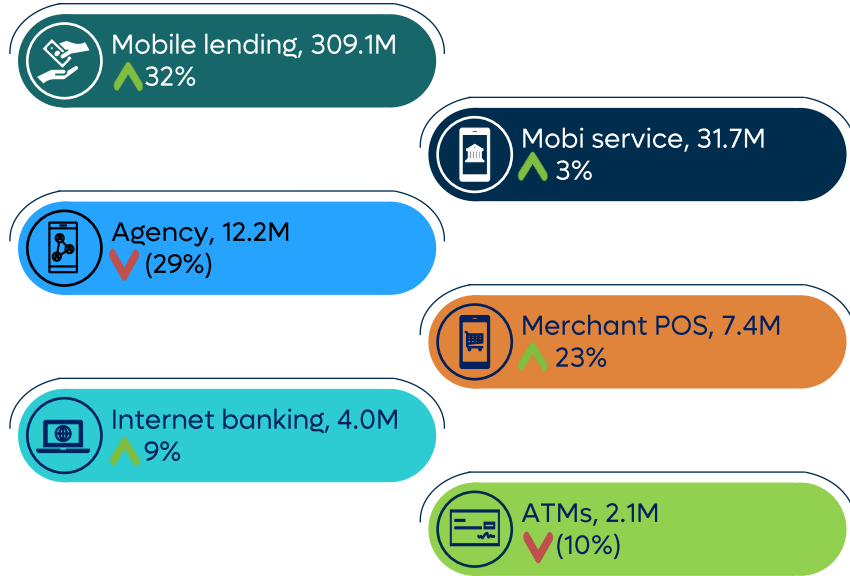
Acquisition of Riverbank in progress, to drive digital payments and enhance our regional distribution network



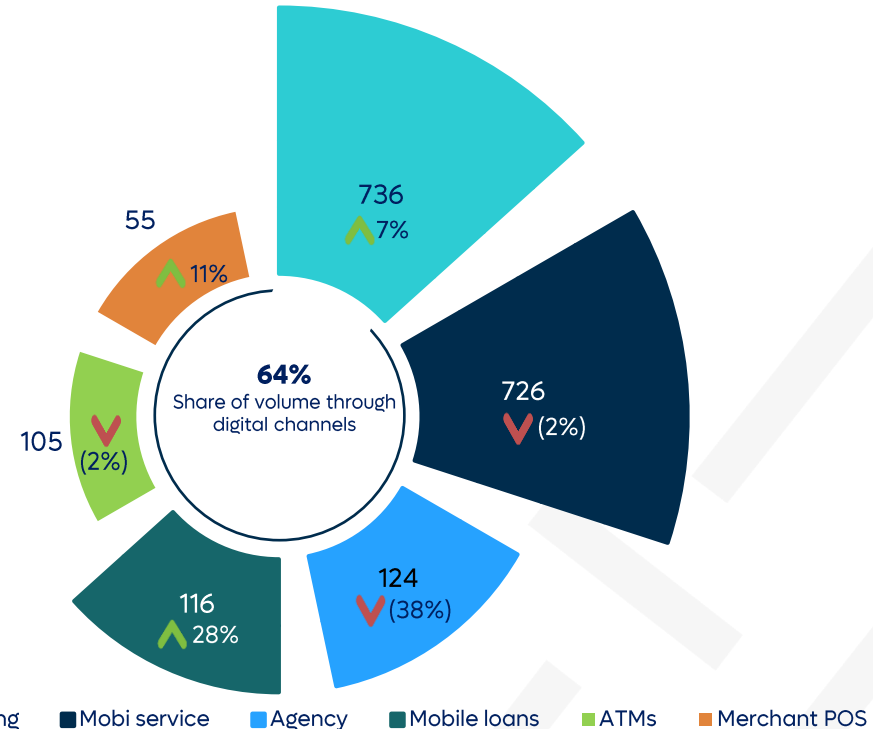
## Our digital channels continue to offer unmatched convenience for our customers.

99% of transactions by number conducted through non-branch channels.

### Number of non-branch channel transactions in Q1 2025



### Value transacted through digital channels in Q1 2025



Amounts in Ksh billion.  
Percentages denoted YoY change.

**We position our actions to deliver social impacts in the markets we operate in.**  
Our impactful programs create value for our various stakeholders.



### Driving Sustainability

The Group continues to align its practices to address climate related risks and tap on opportunities in financing projects aimed at addressing climate change.

- Raised **\$100M Tier II capital** from BII, mainly for green loans.
- Issued **Ksh 15B** green loans in Q1 2025.
- Screened loans worth **Ksh 35B** under ESDD<sup>5</sup>.



### Supporting our Communities

Our Foundation programmes deliver social and economic impact in our communities.

- Enterprise development programs create jobs for young people in countries KCB operates in.
- Scholarship program sustains **5,752 students** from disadvantaged backgrounds, teen mothers, victims of harmful cultural practices and persons living with disabilities.



### Corporate Citizenship

The Group has over the years supported various initiatives through targeted sponsorships and donations as part of corporate social responsibility.

We support over **150 people** through our investment in sports, providing opportunities for them to earn their livelihoods through sports.

**Impacting people  
for better.**

<sup>5</sup> Environmental & Social Due Diligence tool, aimed at efficiently categorizing and identifying environmental & social risks associated with the projects we finance.

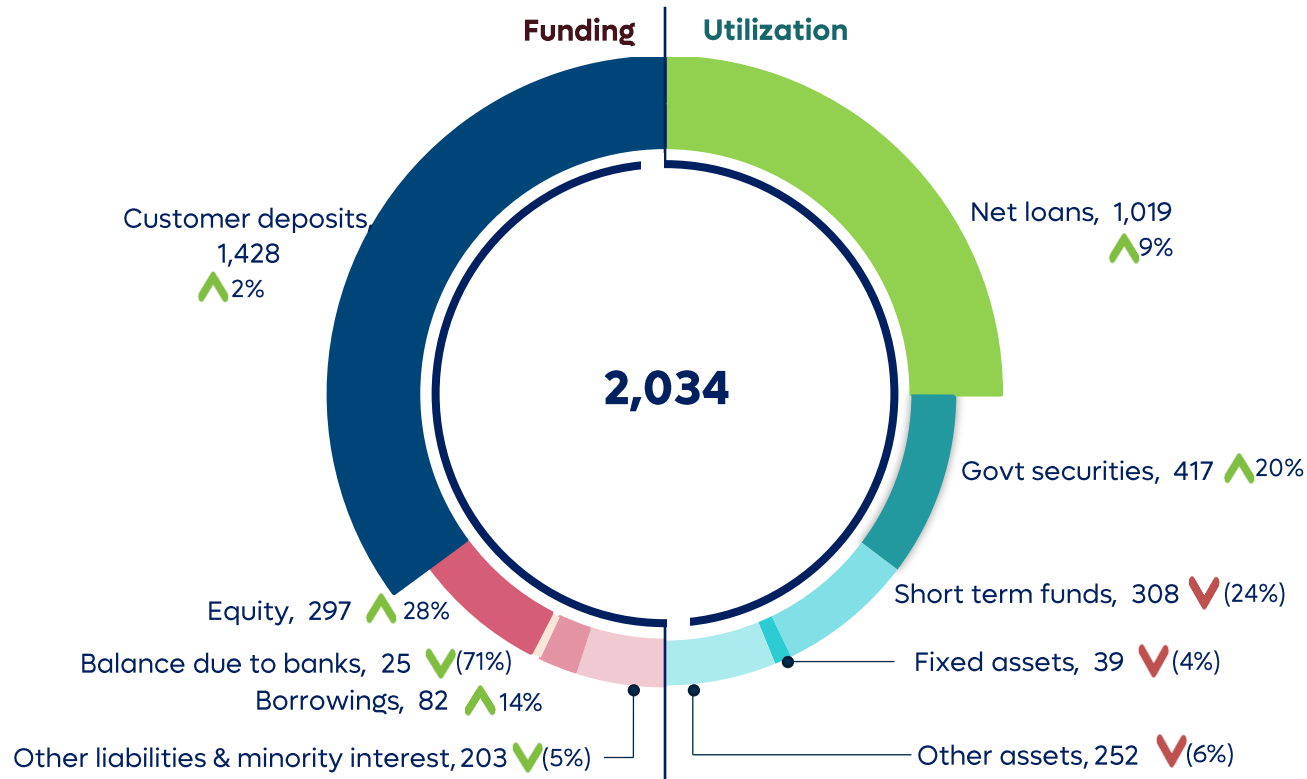
# 02

## Financial Performance

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## Balance sheet size steady at Ksh 2.0 trillion.

Largest balance sheet in the region enabling businesses and facilitating trade.



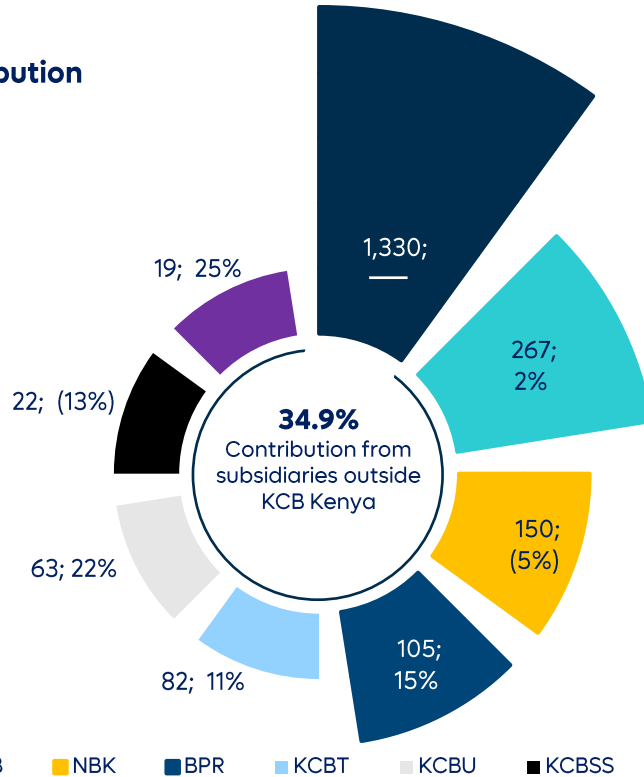
- Customer deposits increased<sup>6</sup> by 2% as strong growth across all businesses more than offset the impact of the strategic decision to rebalance G2G market share.
- Net loans grew<sup>6</sup> by 9% driven by disbursements in priority segments in Kenya, Tanzania, Uganda and Burundi.

<sup>6</sup>Excluding impact of the reclassification of NBK's assets and liabilities to other assets and other liabilities respectively on the Group consolidated numbers.

This is in compliance with requirements under International Financial Reporting Standard (IFRS) 5 and in recognition of the imminent closure of this transaction.

**Steady contribution from regional businesses to the Group's total assets.**  
 Robust asset growth in Rwanda, Uganda and Burundi raised contribution to 35%.

**Total assets distribution**



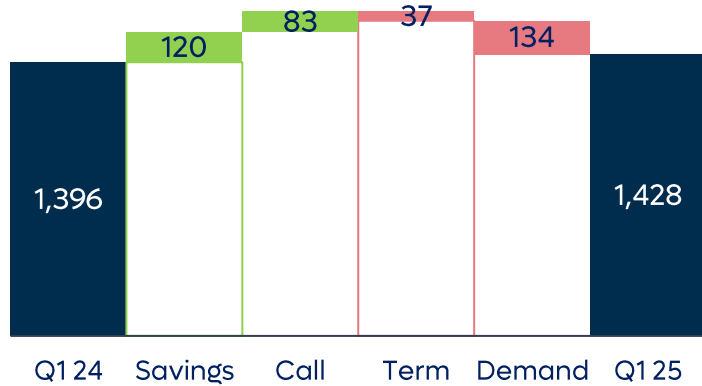
**34.9%**  
 Proportion of assets in subsidiaries outside of KCB Bank Kenya in Q1 2025, compared to 33.5% in Q1 2024.

Amounts in Ksh billion.  
 Percentages denoted YoY change.

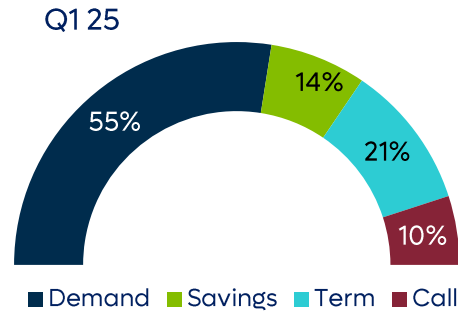
## Strong customer deposits funded franchise.

Customer deposits account for 70% of total funding.

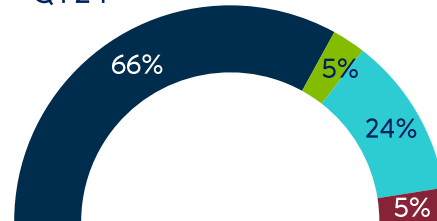
Evolution of customer deposits (Ksh B)



Deposits by type



Q1 24



Deposits mix



# 48.9%

Liquidity ratio in Q1 2025. The ratio has held steady at this level for all the past five quarters.

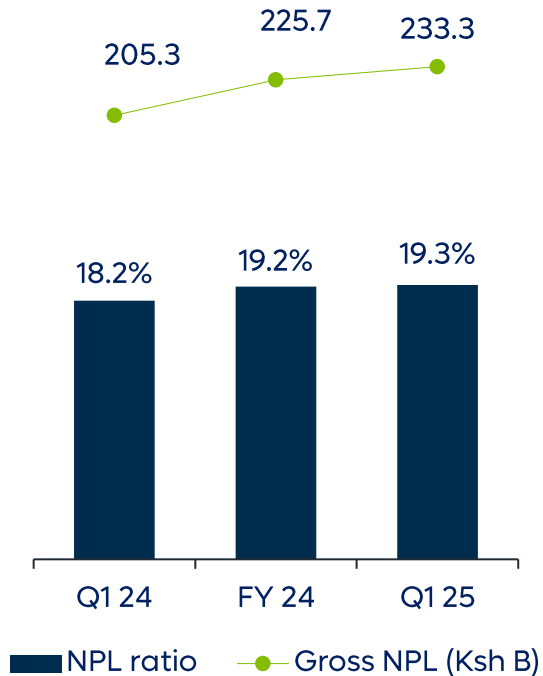
# 71.3%

Net loans to deposits ratio in Q1 2025, compared to 67.8% in a similar period in 2024.

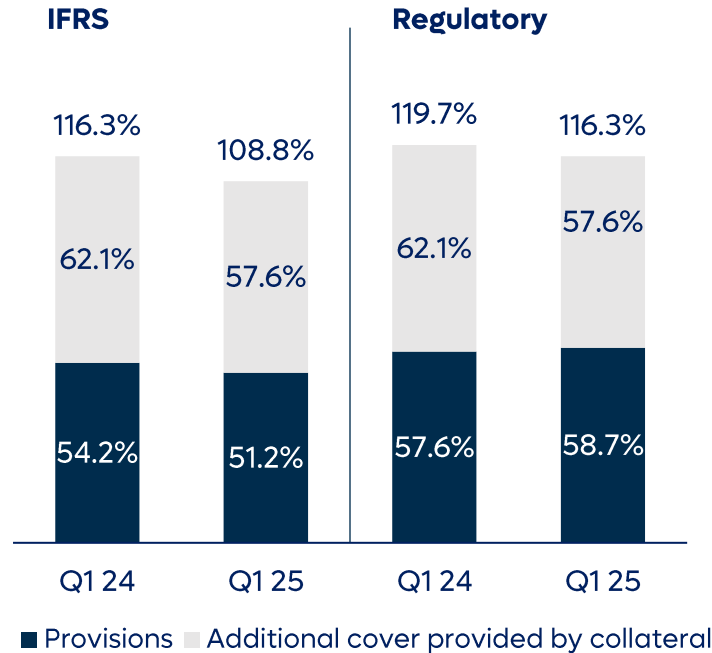
## Group NPL ratio inched up marginally by 10bps QoQ.

Stock up Ksh 28B YoY on downgrades mainly in real estate, agriculture and construction sectors.

### Group NPL stock and ratio



### Group Coverage ratios



# 14% - 16%

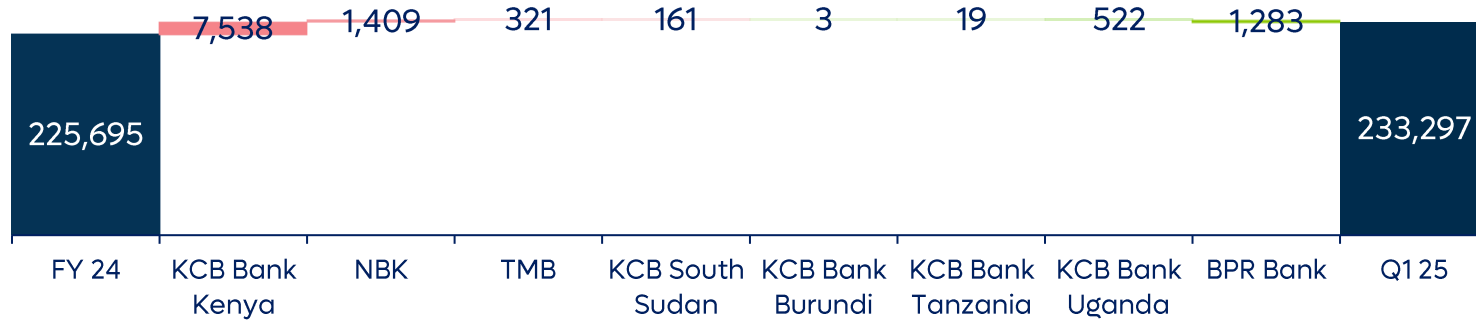
Target Group NPL ratio by end of 2025.

- Various NPL resolution strategies in progress including enhancing recovery efforts, rehabilitation, full & final settlements, engaging GoK for associated entities and write-offs.
- The non-performing loan book has full coverage from cash provisions and collateral held.

## Increase in NPL stock mainly driven by Kenya businesses.

Focus remains on NPL resolution especially in KCB Bank Kenya.

### Movement in NPL stock per subsidiary (Ksh million)

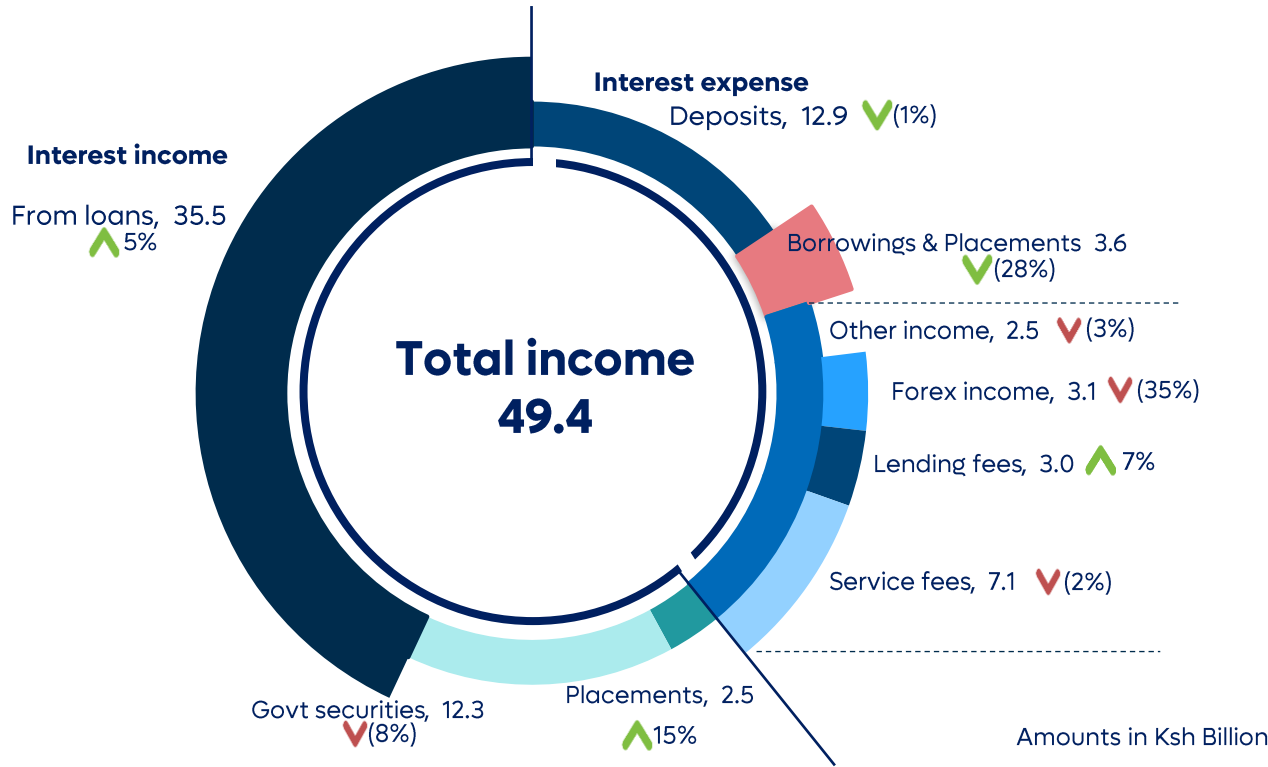


### NPL stock per subsidiary (Ksh million)

|         | KCB Bank Kenya | NBK    | TMB    | KCB South Sudan | KCB Bank Burundi | KCB Bank Tanzania | KCB Bank Uganda | BPR Bank | KCB Group |
|---------|----------------|--------|--------|-----------------|------------------|-------------------|-----------------|----------|-----------|
| FY 2024 | 176,811        | 30,795 | 11,614 | 324             | 120              | 752               | 1,960           | 3,319    | 225,695   |
| Q1 2025 | 184,349        | 32,204 | 11,935 | 485             | 117              | 733               | 1,438           | 2,036    | 233,297   |

## Sustained strong revenue generation capacity.

Resilient funded income momentum netted off slowdown in non funded income.

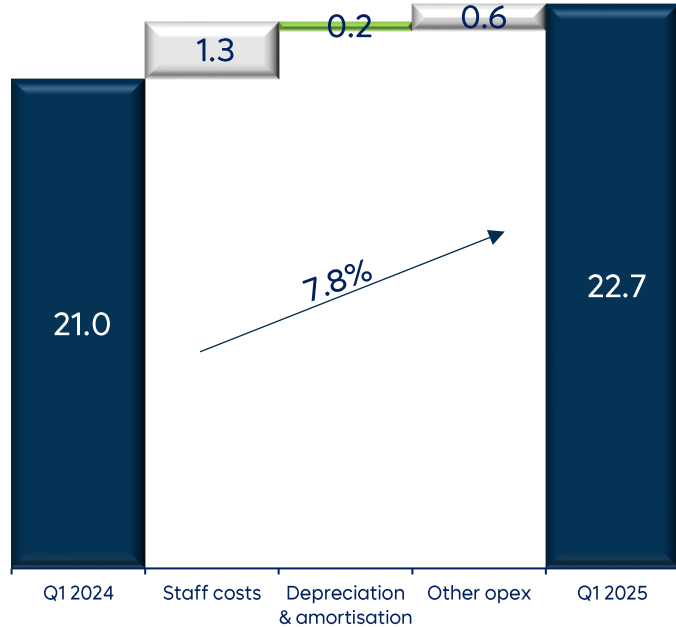


- New business lines, deepening of digital channels and innovative customer value propositions sustained strong revenue generation capacity.
- Growth in funded income driven by improved net interest margins.
- Decline in non funded income primarily due to reduced foreign exchange earnings.

## Efficiency ratios tapered off marginally on negative cost jaws.

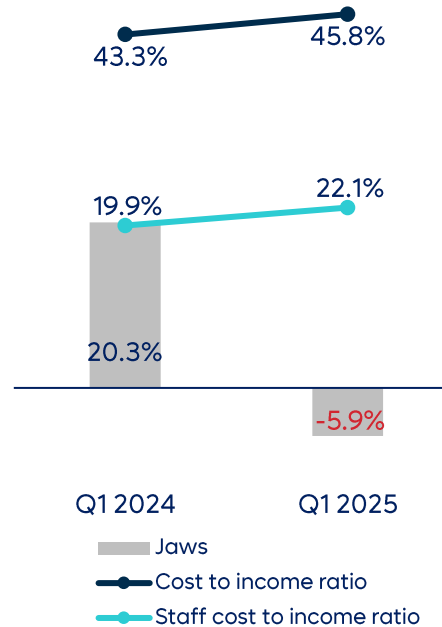
Growth in operating costs driven by customer acquisition activities and investments in technology.

Evolution of operating costs



Amounts in Ksh Billion

Efficiency ratios



# 7.8%

Growth in total operating expenses driven by staff costs and inflationary pressures.

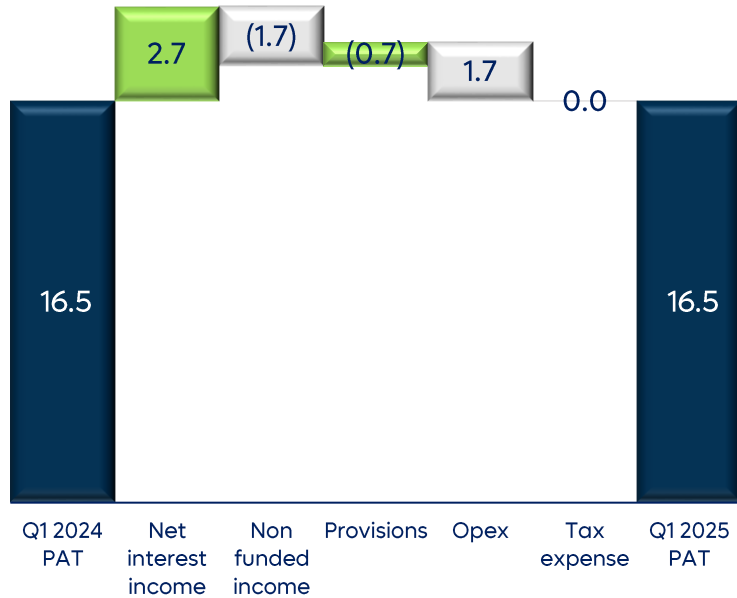
# 45.8%

Cost to income ratio in Q1 2025, up from 43.3% in a similar period in 2024 on negative cost jaws.

## Back-to-back strong first quarter results, Group net profit steady at Ksh 16.5 billion.

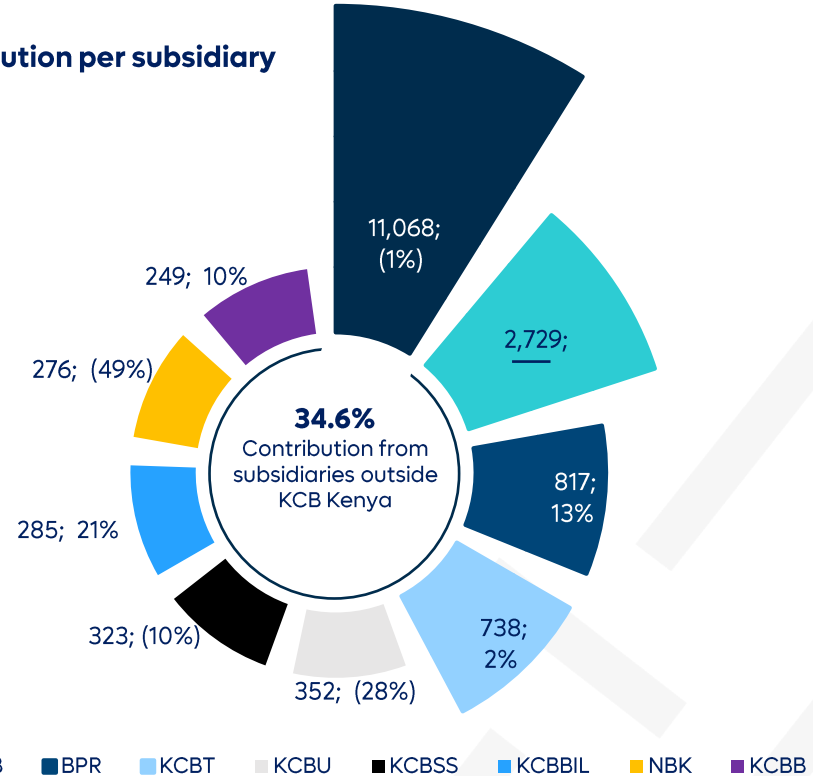
Contribution from subsidiaries outside KCB Kenya steady at 35%, amounting to Ksh 5.9 billion.

Group PAT Evolution



Amounts in Ksh billion

PAT contribution per subsidiary

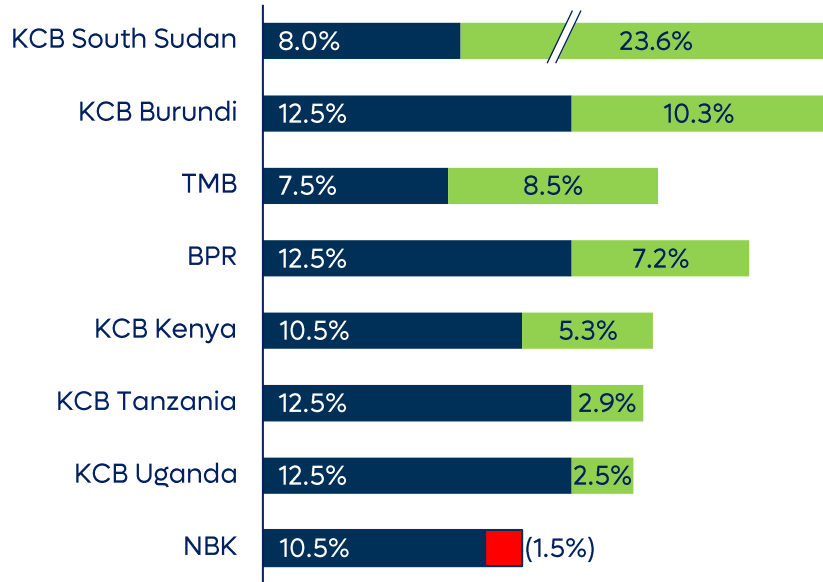


Amounts in Ksh million.  
Percentages denoted YoY change.

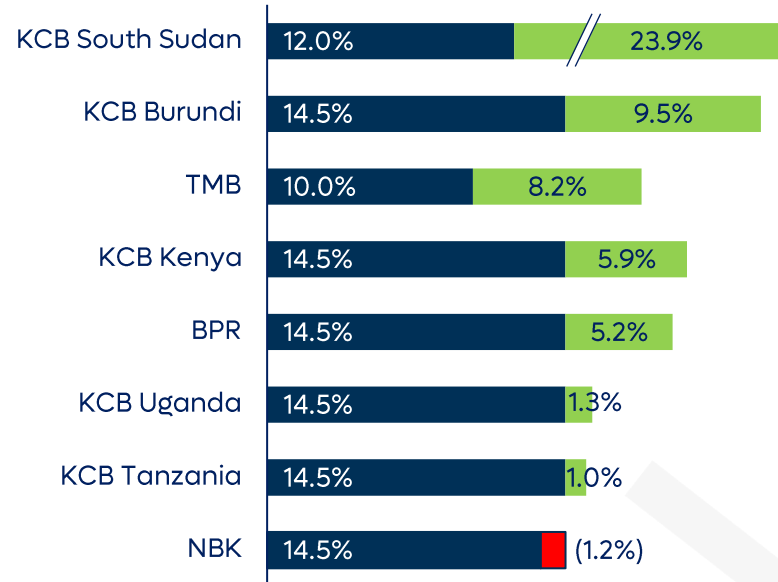
## Adequate capital to drive growth of risk weighted assets.

KCB Bank Kenya core capital buffers above our internal minimum at 530bps.

### Subsidiaries core capital ratio<sup>7</sup>



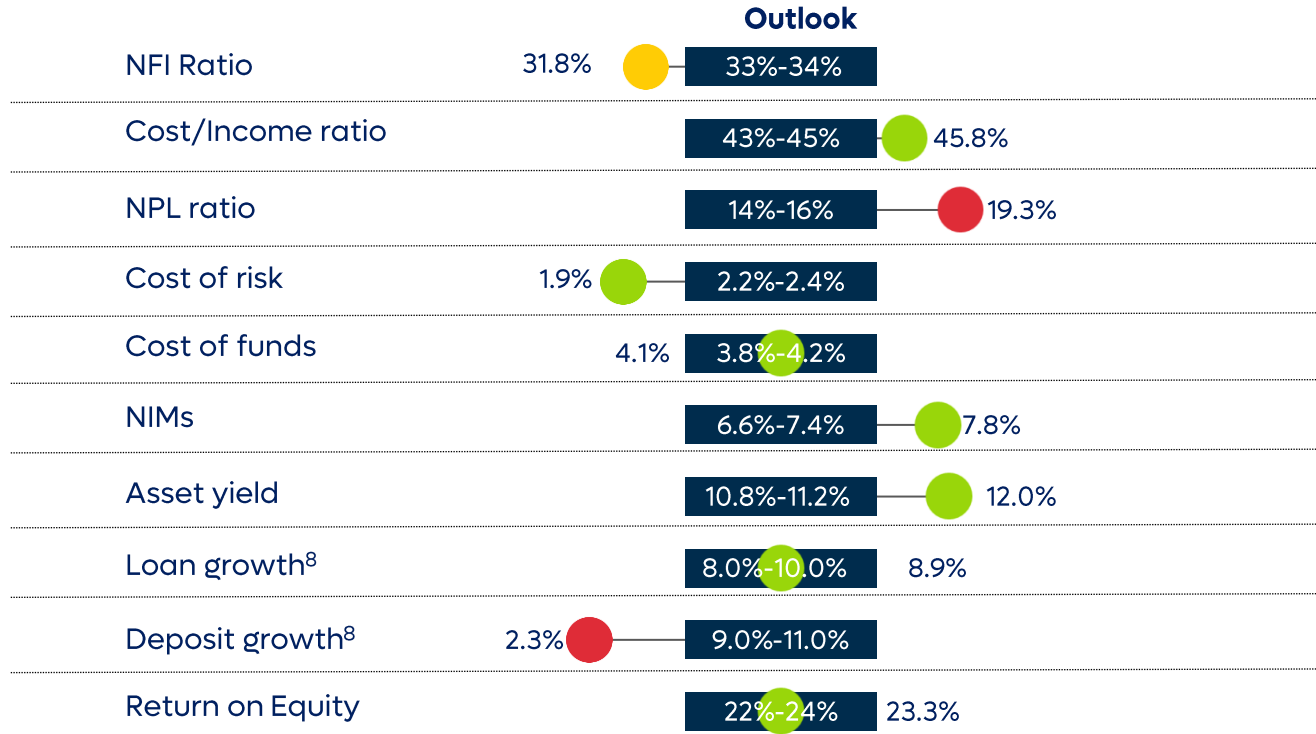
### Subsidiaries total capital ratio



■ Minimum ■ Headroom ■ Shortfall

## Profitability and efficiency ratios in line with guidance.

Resolving NPLs remains a key focus area.



# 23.3%

Return on equity in Q1 2025 supported by sustained strong financial performance.

Our focus remains on maintaining our track record of delivering strong and sustainable shareholder returns in 2025.

# 03

## Supplementary Information

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## Overview of Key Financial Ratios

| KCB GROUP |       |         |   | Q1 2025   |           |
|-----------|-------|---------|---|-----------|-----------|
| Q1 24     | H1 24 | FY 24   |   | KCB Kenya | KCB Group |
| 28.7%     | 26.1% | 24.6%   | Return on average equity                        | 23.3%     | 23.3%     |
| 43.3%     | 46.8% | 45.4%   | Cost to income                                  | 40.5%     | 45.8%     |
| 18.2%     | 18.5% | 19.2%   | Gross NPL to gross loans                        | 22.0%     | 19.3%     |
| 57.6%     | 60.3% | 64.1%   | NPL regulatory coverage                         | 68.3%     | 58.7%     |
| 38.8%     | 24.4% | 25.2%   | Debt to equity                                  | 34.6%     | 27.5%     |
| 35.0%     | 35.2% | 33.0%   | Non funded income (NFI) to total income         | 28.8%     | 31.8%     |
| 21.4%     | 23.7% | 21.6%   | Mobile NFI to total fees and commissions        | 45.7%     | 26.4%     |
| 4.1%      | 4.1%  | 4.5%    | Cost of funds                                   | 4.0%      | 4.1%      |
| 6.6%      | 6.5%  | 7.6%    | Net interest margin                             | 6.7%      | 7.8%      |
| 2.4%      | 2.3%  | 2.8%    | Cost of risk                                    | 2.1%      | 1.9%      |
| 67.8%     | 69.2% | 71.7%   | Net loans to deposits ratio                     | 75.5%     | 71.3%     |
| 19.7%     | 18.1% | 20.8%   | Government and other securities to total assets | 23.3%     | 20.5%     |
| 9.5%      | 7.0%  | (9.6%)  | Growth in net loans and advances                | 8.9%      | 8.9%      |
| 25.4%     | 1.3%  | (18.3%) | Growth in customer deposits                     | 1.0%      | 2.3%      |

## Summary Statement of Financial Position as at 31 March 2025

| Ksh Billion                            | KCB Group      |                       |                |                      | KCB Bank Kenya |                |             |
|--|----------------|-----------------------|----------------|----------------------|----------------|----------------|-------------|
|  | Q1 24          | Q1 24                 | Q1 25          | Y-O-Y                | Q1 24          | Q1 25          | Y-O-Y       |
|  | Original       | Restated <sup>9</sup> |                | Change <sup>10</sup> |                |                | Change      |
| Cash and balances with central bank    | 79.1           | 73.6                  | 93.4           | 27%                  | 49.7           | 51.3           | 3%          |
| Balances with other institutions       | 336.3          | 330.9                 | 214.9          | (35%)                | 154.6          | 108.5          | (30%)       |
| Investments in Govt & other securities | 393.0          | 347.1                 | 417.3          | 20%                  | 306.9          | 309.7          | 1%          |
| Net loans and advances                 | 1,017.4        | 935.6                 | 1,018.6        | 9%                   | 698.2          | 760.3          | 9%          |
| Fixed assets                           | 42.1           | 40.3                  | 38.5           | (4%)                 | 23.6           | 23.6           | -           |
| Other assets                           | 128.2          | 268.7                 | 251.6          | (6%)                 | 94.8           | 76.1           | (20%)       |
| <b>Total assets</b>                    | <b>1,996.2</b> | <b>1,996.2</b>        | <b>2,034.2</b> | <b>2%</b>            | <b>1,327.8</b> | <b>1,329.5</b> | <b>-</b>    |
| Customer deposits                      | 1,501.0        | 1,395.6               | 1,427.8        | 2%                   | 997.1          | 1,007.1        | 1%          |
| Balances due to other banks            | 109.7          | 84.3                  | 24.5           | (71%)                | 71.7           | 9.4            | (87%)       |
| Long-term debt                         | 76.1           | 71.5                  | 81.6           | 14%                  | 64.9           | 67.6           | 4%          |
| Other liabilities                      | 70.9           | 206.2                 | 194.7          | (6%)                 | 43.0           | 50.1           | 16%         |
| <b>Total liabilities</b>               | <b>1,757.6</b> | <b>1,757.6</b>        | <b>1,728.7</b> | <b>(2%)</b>          | <b>1,176.7</b> | <b>1,134.1</b> | <b>(4%)</b> |
| Shareholders' equity                   | 231.5          | 231.5                 | 297.1          | 28%                  | 151.1          | 195.4          | 29%         |
| Minority interest                      | 7.1            | 7.1                   | 8.4            | 18%                  | -              | -              | -           |
| <b>Total liabilities and equity</b>    | <b>1,996.2</b> | <b>1,996.2</b>        | <b>2,034.2</b> | <b>2%</b>            | <b>1,327.8</b> | <b>1,329.5</b> | <b>-</b>    |

<sup>9</sup> Restated to reclassify NBK's assets and liabilities in Q1 2024 to other assets and other liabilities respectively on the Group consolidated numbers, enabling a like-for-like comparison with Q1 2025 numbers which have incorporated a similar accounting treatment.

<sup>10</sup> Based on restated Q1 2024 numbers.

## Summary Statement of Profit or Loss for the Quarter Ended 31 March 2025

| Ksh Billion                | KCB Group   |             |              | KCB Bank Kenya |             |              |
|----------------------------|-------------|-------------|--------------|----------------|-------------|--------------|
|                            | Q1 24       | Q1 25       | Y-O-Y Change | Q1 24          | Q1 25       | Y-O-Y Change |
| Interest income            | 49.1        | 50.2        | 2%           | 34.1           | 34.2        | -            |
| Interest expense           | (18.0)      | (16.5)      | (9%)         | (13.6)         | (11.8)      | (13%)        |
| <b>Net interest income</b> | <b>31.1</b> | <b>33.7</b> | <b>9%</b>    | <b>20.5</b>    | <b>22.4</b> | <b>9%</b>    |
| Foreign exchange income    | 4.8         | 3.1         | (35%)        | 4.0            | 1.7         | (57%)        |
| Net fees and commissions   | 10.0        | 10.1        | -            | 5.4            | 5.8         | 7%           |
| Other income               | 2.6         | 2.5         | (3%)         | 0.8            | 1.6         | 97%          |
| <b>Non-funded income</b>   | <b>17.4</b> | <b>15.7</b> | <b>(10%)</b> | <b>10.2</b>    | <b>9.1</b>  | <b>(11%)</b> |
| <b>Total Income</b>        | <b>48.5</b> | <b>49.4</b> | <b>2%</b>    | <b>30.8</b>    | <b>31.5</b> | <b>3%</b>    |
| Total operating expenses   | (21.0)      | (22.7)      | 8%           | (11.4)         | (12.8)      | 12%          |
| Loan impairment            | (6.3)       | (5.6)       | (11%)        | (4.7)          | (4.2)       | (10%)        |
| <b>Profit before tax</b>   | <b>21.2</b> | <b>21.2</b> | <b>-</b>     | <b>14.6</b>    | <b>14.5</b> | <b>(1%)</b>  |
| Tax expense                | (4.7)       | (4.6)       | (1%)         | (3.5)          | (3.5)       | -            |
| <b>Profit after tax</b>    | <b>16.5</b> | <b>16.5</b> | <b>-</b>     | <b>11.2</b>    | <b>11.1</b> | <b>(1%)</b>  |

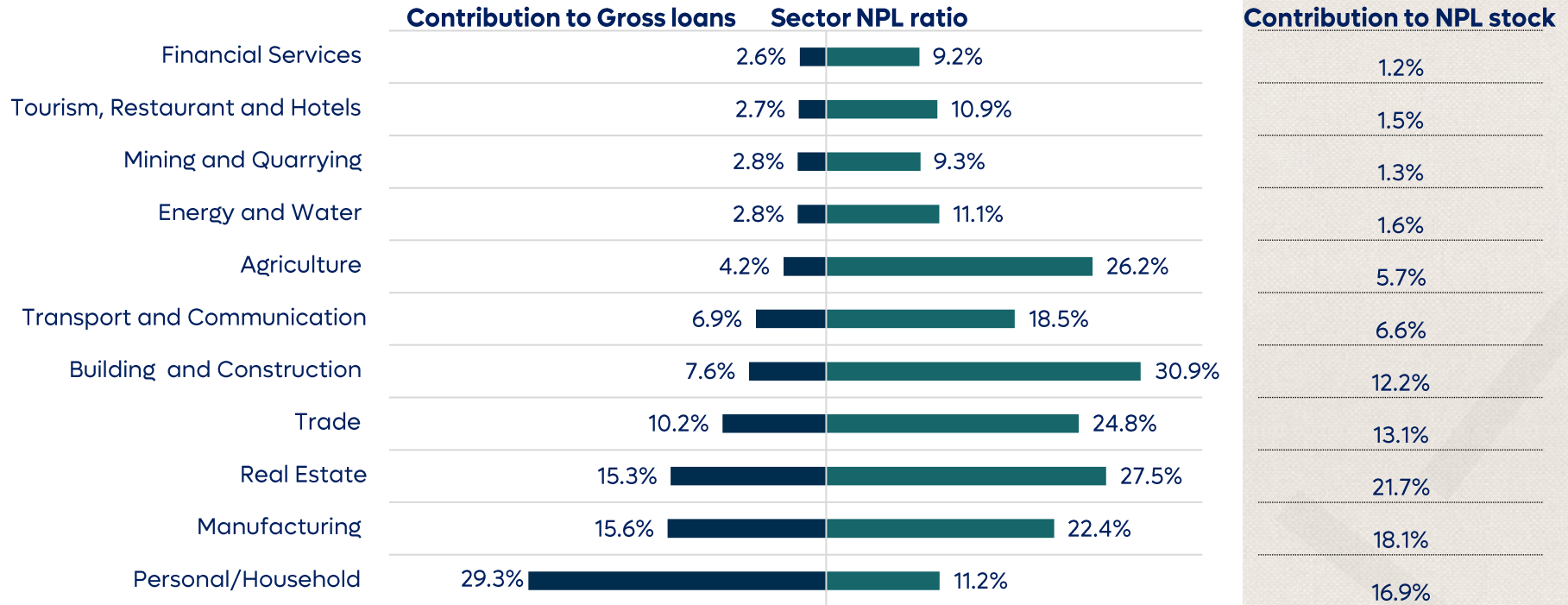
## KCB Regional Footprint and Key Macros as at 31 March 2025

|   |                 | Kenya <sup>11</sup> | Tanzania | South Sudan | Rwanda  | Uganda | Burundi | DR Congo |
|---|-----------------|---------------------|----------|-------------|---------|--------|---------|----------|
| <b>KCB Footprint</b>                        |                 |                     |          |             |         |        |         |          |
| Branches                                    |                 | 299                 | 18       | 16          | 73      | 15     | 8       | 109      |
| Number of customers (thousands)             |                 | 30,113              | 64       | 186         | 455     | 129    | 67      | 2,377    |
| ATMs  |                 | 568                 | 21       | 12          | 59      | 19     | 8       | 103      |
| Agency outlets                              |                 | 18,893              | 642      | 43          | 1,825   | 530    | 253     | 4,371    |
| POS/Merchant outlets                        |                 | 8,388               | 827      | 19          | 869     | 386    | 55      | 620      |
| Vooma merchant outlets                      |                 | 1,263,550           | -        | -           | -       | -      | -       | -        |
| Total number of employees                   |                 | 8,233               | 355      | 238         | 1,048   | 370    | 201     | 1,889    |
|   | of which:FTE    | 6,270               | 355      | 228         | 1,011   | 320    | 192     | 1,889    |
|   | PTE             | 1,963               | -        | 10          | 37      | 50     | 9       | -        |
| <b>Operating environment</b>                |                 |                     |          |             |         |        |         |          |
| GDP growth                                  | 2023            | 5.6%                | 5.1%     | 2.5%        | 8.2%    | 4.8%   | 2.7%    | 8.5%     |
|   | 2024 estimated  | 4.7%                | 5.5%     | (27.6%)     | 8.9%    | 6.2%   | 3.5%    | 6.5%     |
|   | 2025 projection | 4.8%                | 6.0%     | (4.3%)      | 7.1%    | 6.1%   | 1.9%    | 4.7%     |
| Inflation rates                             | Mar-24          | 5.7%                | 3.0%     | 22.5%       | 0.6%    | 3.3%   | 14.0%   | 21.2%    |
|   | Mar-25          | 3.6%                | 3.3%     | 1.4%        | 4.9%    | 3.4%   | 40.9%   | 10.1%    |
| Movement in currency/USD - Mar 24 to Mar 25 |                 | 1.9%                | (4.1%)   | (182.2%)    | (10.0%) | 6.0%   | (2.1%)  | (2.9%)   |
| Movement in currency/Ksh - Mar 24 to Mar 25 |                 | -                   | (6.6%)   | (199.8%)    | (11.6%) | 3.9%   | (5.6%)  | (9.3%)   |
| Central Bank rates                          | Mar-24          | 13.0%               | 5.0%     | 12.0%       | 7.5%    | 10.0%  | 12.0%   | 25.0%    |
|   | Mar-25          | 10.75%              | 6.0%     | 15.0%       | 6.5%    | 9.75%  | 12.0%   | 25.0%    |
| Current account balance/GDP                 | 2023            | (4.0%)              | (5.3%)   | 2.9%        | (11.7%) | (7.4%) | (13.8%) | (6.3%)   |
|   | 2024 estimated  | (4.1%)              | (3.9%)   | 3.3%        | (12.0%) | (6.6%) | (15.1%) | (4.0%)   |
|   | 2025 projection | (3.8%)              | (2.7%)   | 5.2%        | (11.1%) | (7.4%) | (6.2%)  | (1.1%)   |

### Notes

<sup>11</sup> Kenya footprint are consolidated data for KCB Bank Kenya and NBK.

## Sectoral distribution of loan book and NPLs



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