Stanbic

Stanbic Bank Kenya Limited

Q3 2025 FINANCIAL RESULTS

20TH NOVEMBER 2025

KENYA IS OUR HOME, WE DRIVE HER GROWTH

Operating Environment

Global Operating Environment: Shifting Trade Alliances and Divergent Monetary Paths are Redefining Global Growth, Capital Flows, and Investment Dynamics

US Policy Shifts

Global economies are grappling with the ripple effects of global trade tensions

Global Trade Tensions

Steep Increases in US tariffs toward protecting domestic industries

Foreign Aid Cuts

Poses fiscal and external risks for aid-dependent African nations (USAID)

AGOA

Temporary reprieve with one year extension of AGOA deal to 2026.

Geo Political Risks and Climate Shocks

Disruption of global supply chains, weakened growth expectations, and introduced inflationary pressures.

Emergence of New Trade Corridors

International North-south Transport corridor (INSTC), linking Russia, China, India and Gulf, as well ad expanded BRICKS trade channels, diversifying global supply routes.

Tech Advancement – AI Adoption

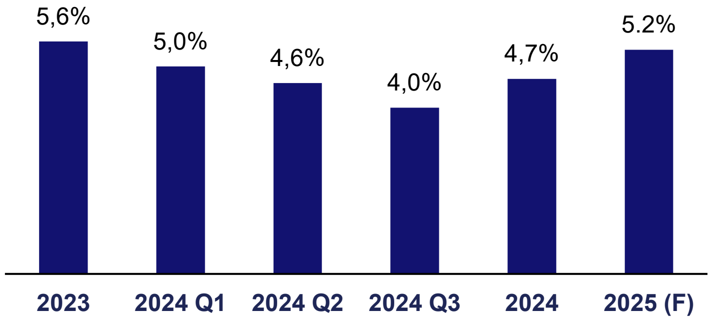
Boosting productivity, accelerated innovation cycles, faster product development contributing to GDP growth.

De-dollarisation Trend

Accelerated the use of local currencies in trade settlement (BRICs) signal notable shift away from USD- centric trade.

Kenya's Economic Outlook: Stabilizing Macros Amid Gradual Recovery and Fiscal Pressures

GDP Growth



Kenyan Economy in 2025

Resilient GDP growth supported by increased agricultural productivity and continued decline in interest rates

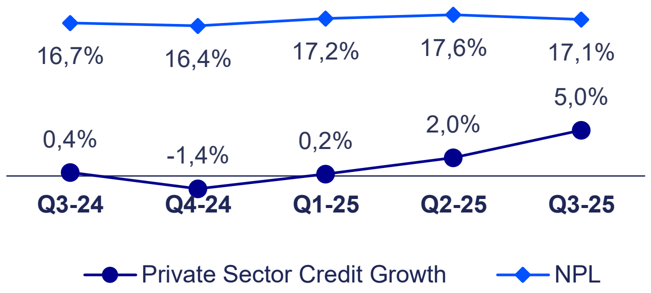
Well anchored inflation below mid-point target range of 5±2.5%

Easing monetary policy expected to spur private sector credit growth ticking up in 2025 to 5.0% in Sept

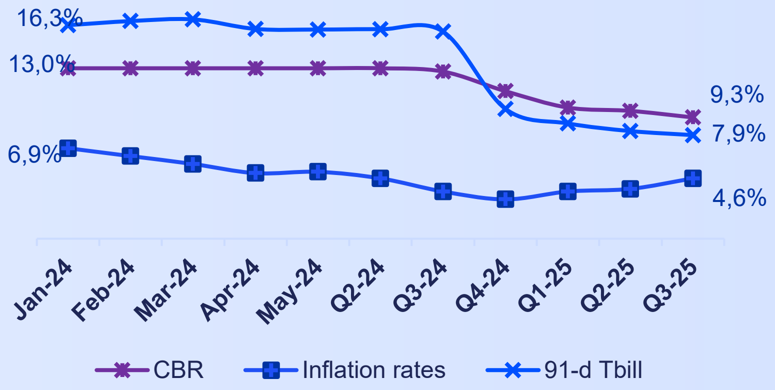
Stable currency with sufficient FX reserves (30% increase YoY)

Elevated credit default rates (40bps increase YoY) amid tardy private sector credit growth

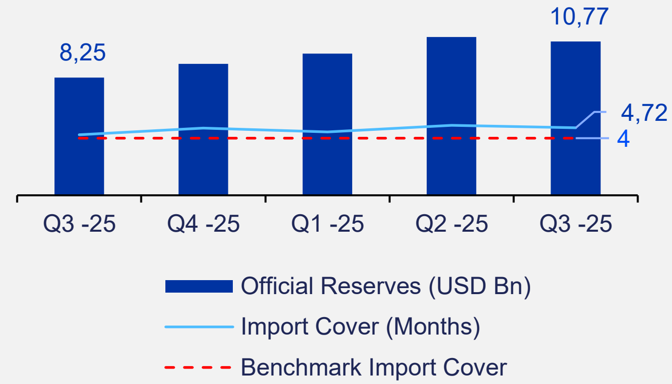
Industry Credit Trends



Downward Trend In Rates



Forex Reserves



A Stabilizing Operating Environment Amid Evolving Dynamics

Sharp decline in interest rates

Subdued credit appetite in H1/ Rebounding in H2

Well anchored inflation

Elevated credit default rates

Muted FX volatility

Resumption of South Sudan oil exports

Our 2024/26 Strategy

Strategic priorities

Transform Client Experience	Execute With Excellence	Drive Sustainable Growth and Value

Outcomes

14 - 16%	+50	41 - 43%	<9%	23 - 25%
REVENUE GROWTH CAGR	NPS SCORE	COST-TO-INCOME RATIO	NPL RATIO	RETURN ON EQUITY

Success Pillars

CLIENT FOCUS + EMPLOYEE ENGAGEMENT + RISK AND CONDUCT + OPERATIONAL EXCELLENCE = FINANCIAL OUTCOME + SEE IMPACT

Strategic Achievements: What have we delivered in 2025 Against our Strategy

Transforming Client Experience

Sovereign Support

- Successfully facilitated a **$1.5Bn** Eurobond transaction
- Support oil importation **KES 365m** facilities

Asset Management & SME Support

- **Kes 4.5Bn** AUM in Sept 2025, from **Kes 3Bn** in December 2024
- Stanbic ranked **5th largest MSME Bank** in Kenya By KBA

Executing With Excellence

Mobile Banking Platform Enhancement

- 3 Application releases with **multiple features (18)** and 1 technical upgrade

Risk Management

- NPLs ratio at **8.37%** and CLR at **1.11%** among the best in the industry
- Predictive Fraud monitoring capability launched

Fitch Ratings - Stable

- Fitch affirmed Stanbic Bank Kenya rating at “B”, outlook Stable

Sustainable Growth & Value

Infrastructure Development and Just Energy Transition

- **Kes 4.5Bn** Green Building Loan Issued
- **Kes 1.8Bn** Climate Smart Agriculture
- **Over Kes 11.5m** solar financing

Climate Change and Mitigation

- **30k** trees planted
- All loans above **USD 1m** were screened for E&S risk
- **99.88%** of waste recycled

Enterprise Growth and Job Creation

- 8% of loan book in Agric Sector
- **Over 987** jobs created
- **Kes 94.8Bn** in trade loans
- **90 Computers** donated under CSI to aid learning

Financial Inclusion

- **Kes 234.7m** concessionary funding to MSMEs since inception
- **Over 8k** individuals trained on financial fitness
- **Kes 1.4Bn** lent under affordable housing
- **Kes 47.6Bn** loans to D.A.D.A since inception

Financial Outcomes

Stanbic Bank: Summary Statement of Financial Position

Kes millions	Q3 2025	FY 2024	Q3 2024	YoY Change %
Assets				
Financial investments	100,430	99,190	76,214	31.8
Loans and advances to banks	54,820	64,486	118,415	(53.7)
Loans and advances to customers	253,144	230,218	218,764	15.7
Other assets	67,813	60,940	49,161	37.9
Total assets	**476,207**	**454,834**	**462,555**	**3.0**
Liabilities				
Deposits from banks	24,119	20,819	45,765	(47.3)
Deposits from customers	343,854	318,193	327,849	4.9
Borrowings	18,861	10,482	13,095	44.0
Other liabilities	23,468	29,940	14,314	64.0
Total liabilities	**410,302**	**379,434**	**401,022**	**2.3**
Equity				
Total equity	65,905	75,400	61,533	7.1
Liabilities and equity	**476,207**	**454,834**	**462,555**	**3.0**

TOTAL ASSETS
Kes 476.2BN
3.0%

CUSTOMER LOANS
Kes 253.1BN
15.7%

CUSTOMER DEPOSITS
Kes 343.9BN
4.9%

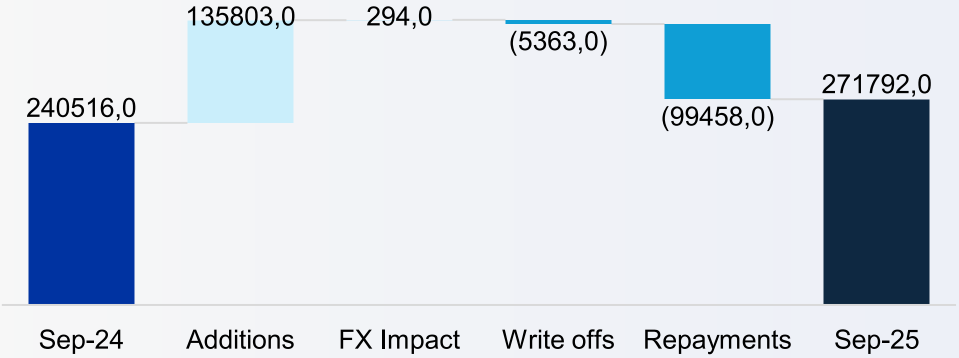
NON-PERFORMING LOANS
8.37%
74bps

LIQUIDITY RATIO
49.0%
100bps

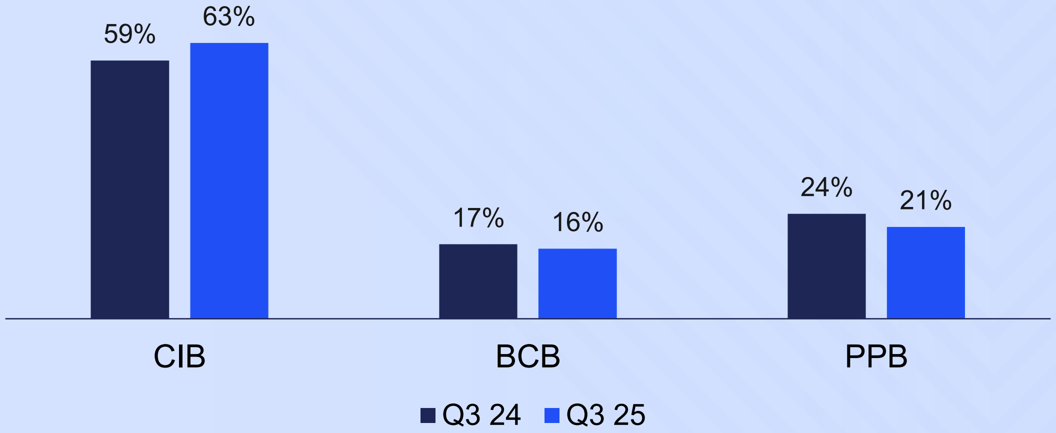
TOTAL CAPITAL RATIO
17.9%
10bps

Loan Book Growth Aligned With Raising Customer Demand

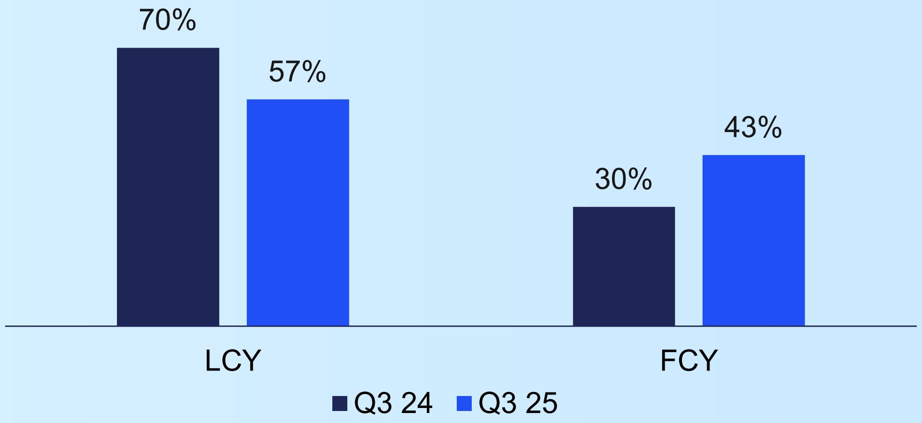
Gross Loans movement schedule Kes 'Millions



Loans and Advances Composition by Business Units



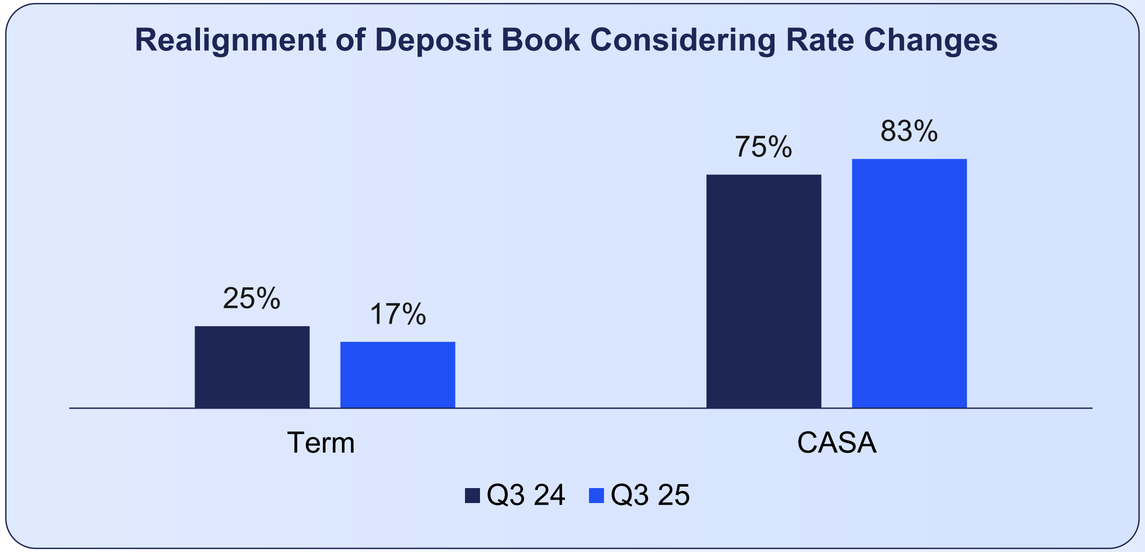
Loan Book Currency Mix

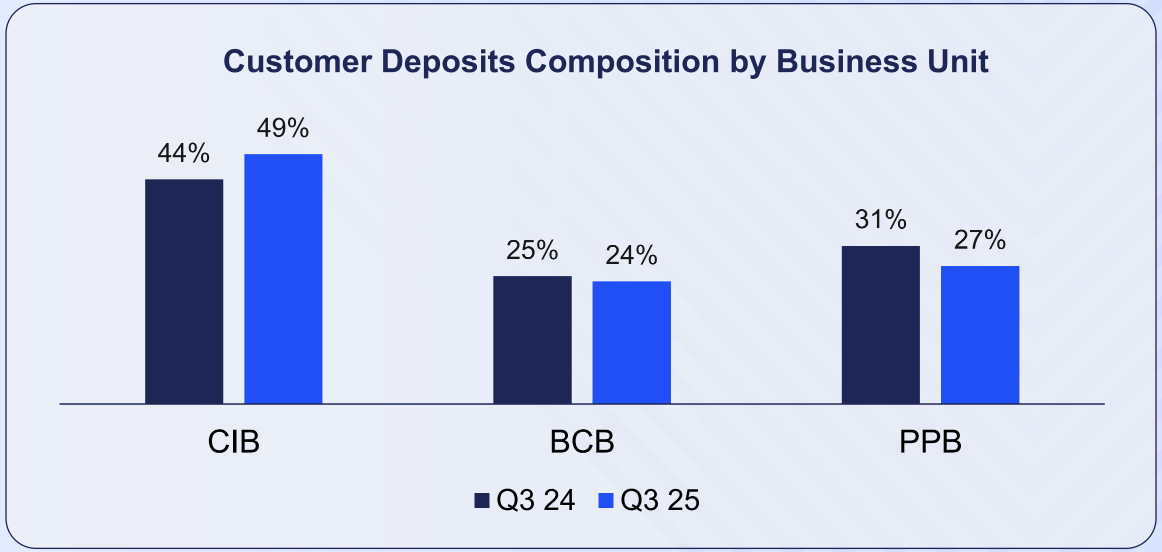


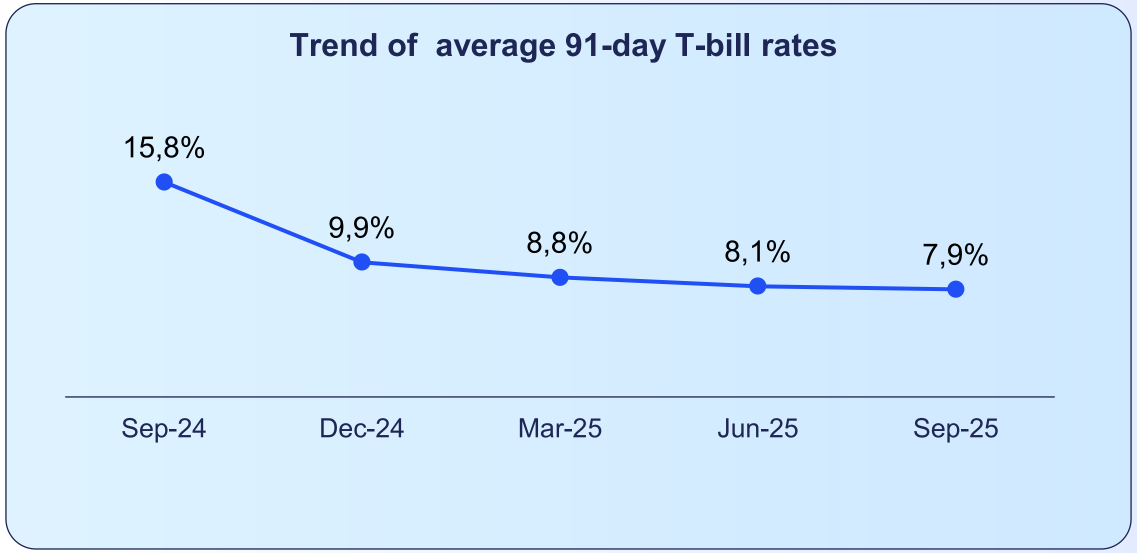
Key Highlights

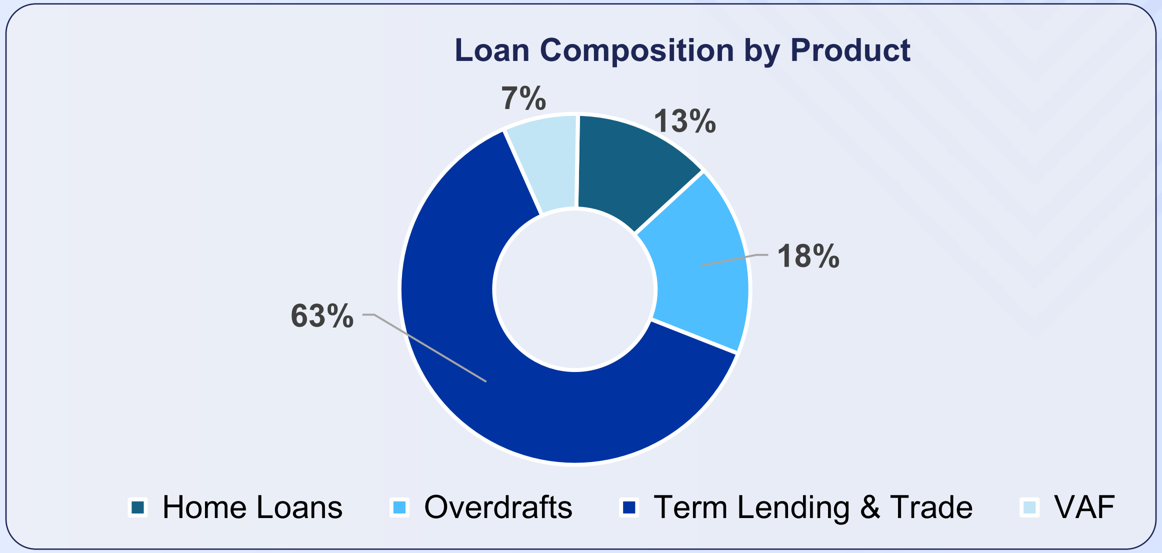
- The balance sheet remained resilient, though modestly affected by write-offs incurred during the year.
- Trend of average **91-day T-bill rates (%)**– Industry indication of endowment effect and cost of lending/borrowing
- **Loan book steady** across business segments YoY

Balance Sheet Structure









Stanbic Bank Summary Statement of Profit and Loss

	Q3 2025 Kes m	Q3 2024 Kes m	% Change
Net interest income	20,507	18,983	8.0
Non-interest revenue	7,820	10,362	(24.5)
Total income	**28,327**	**29,346**	**(3.5)**
Operating expenses	(12,927)	(12,602)	(2.6)
Pre-provision profit	**15,400**	**16,744**	**(8.0)**
Credit impairment charges	(2,505)	(2,681)	6.6
Profit before tax	**12,895**	**14,063**	**(8.3)**
Tax	(3,511)	(3,921)	10.5
Profit after tax	**9,384**	**10,142**	**(7.5)**

REVENUE
Kes 28.3Bn
3.5%

NET INTEREST MARGIN (NIM)
5.79%
11bps

CREDIT LOSS RATIO (CLR)
1.11%
5bps

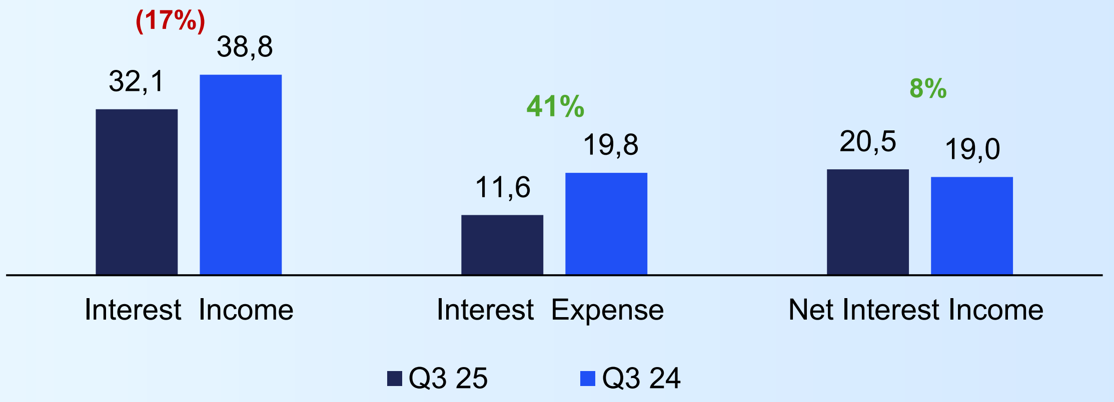
IMPAIRMENT
Kes 2.5Bn
6.6%

COST TO INCOME RATIO (CTI)
45.6%
220bps

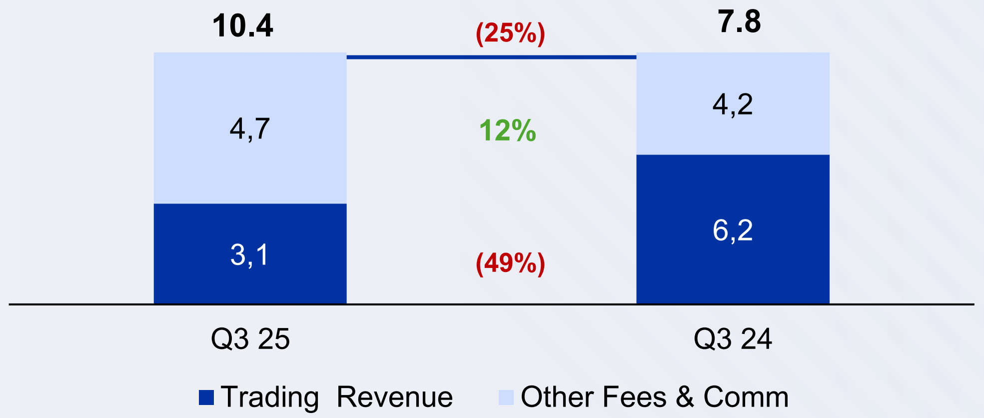
RETURN ON EQUITY
19.04%
326bps

Aggressive Rate Cuts, Weaker FX Margins and Strong Growth in Fee Income

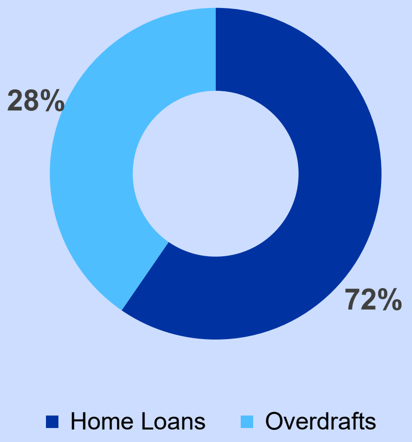
Net Interest Income



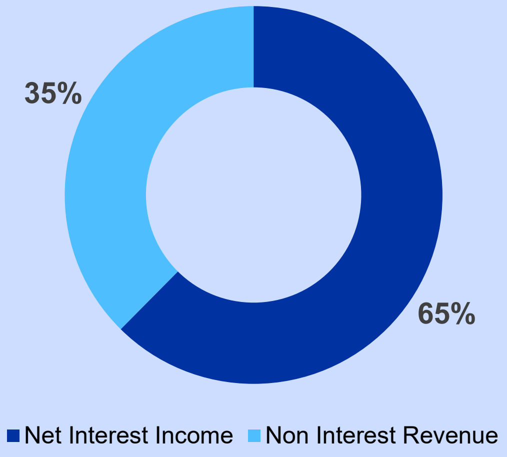
Non- Interest Revenue



Q3 2025



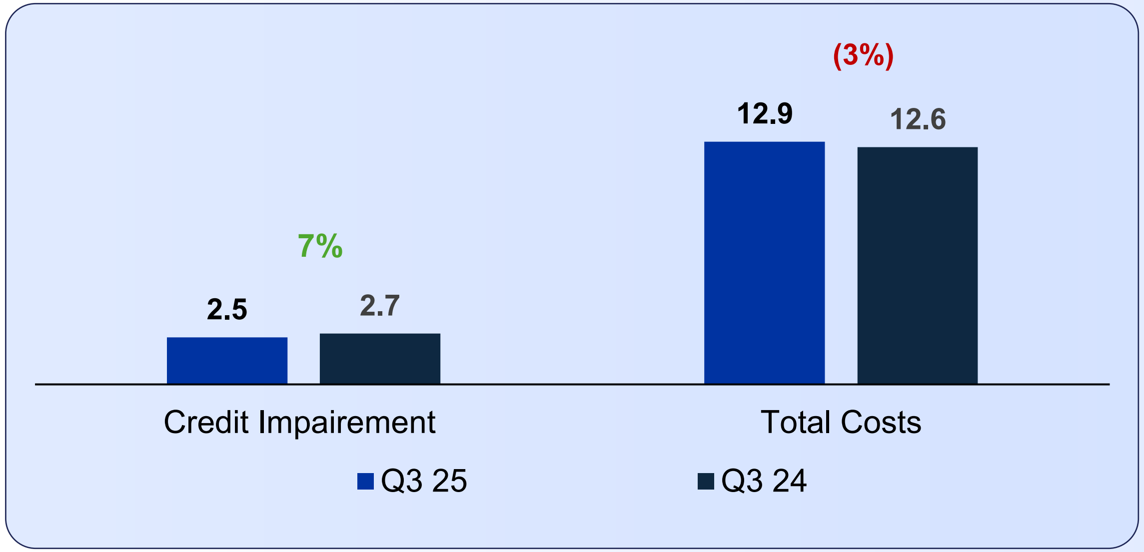
Q2 2024

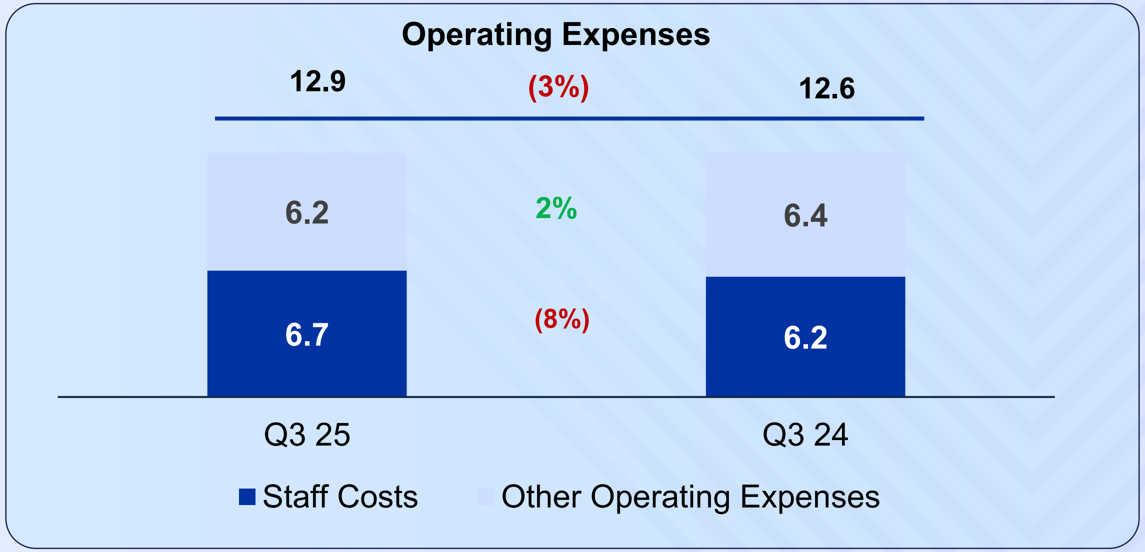


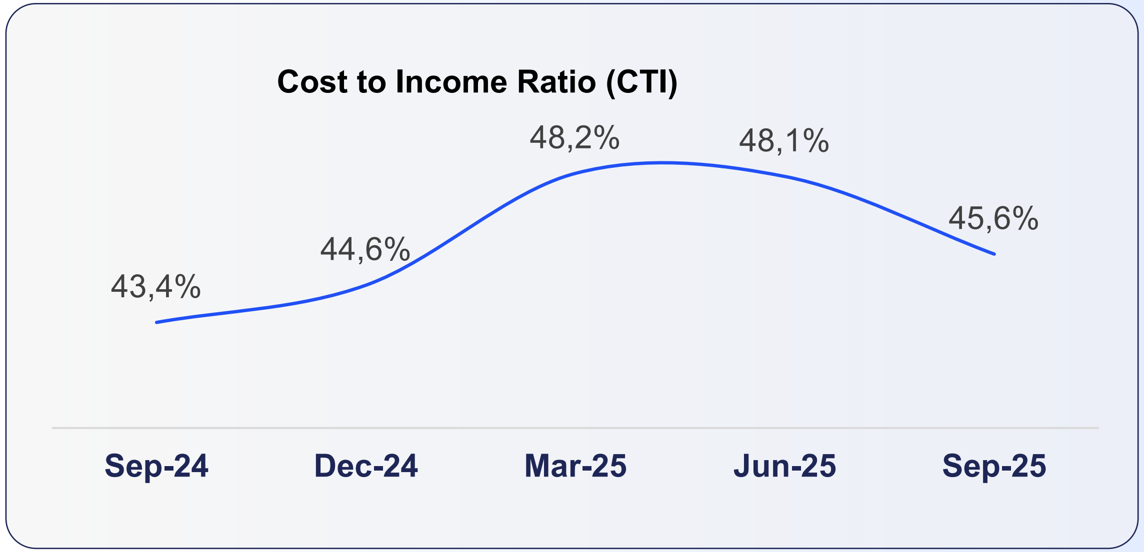
Key Highlights

- ❖ The **17%** decline in interest income reflects **the lower rate environment,** partly offset by a **reduction in funding costs**.
- ❖ **180 bps** cut on lending rates
- ❖ Strong performance in **fee and commission income** mitigated the impact of a YoY drop in **foreign exchange revenue** due to margin pressure
- ❖ In 2025, **Non-Interest Income rose by 161bps** as a share of total revenue, supported by strategic diversification measures.

Moderate Cost Growth, Offset by Lower Impairment



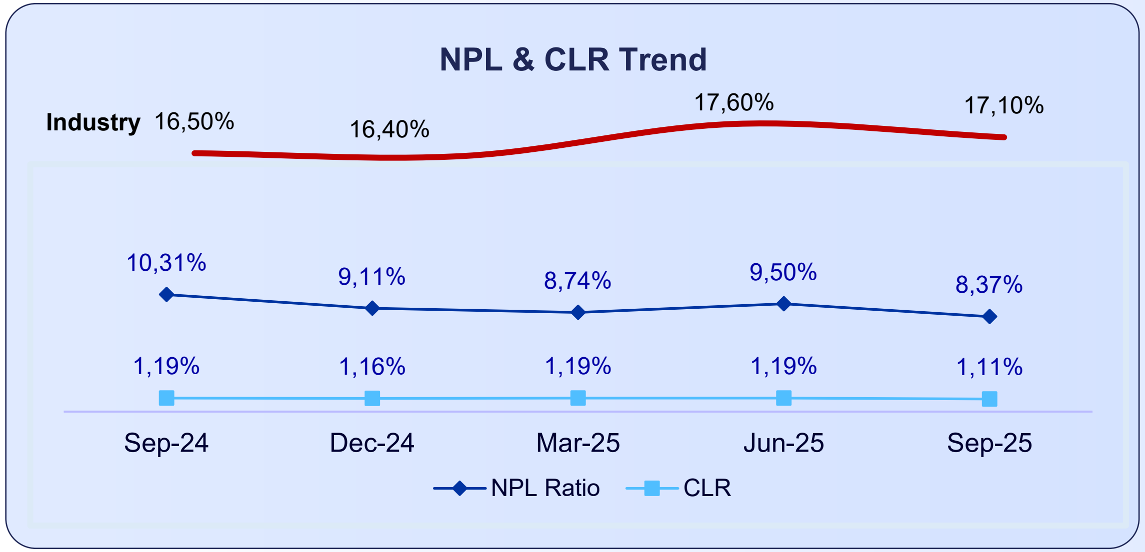


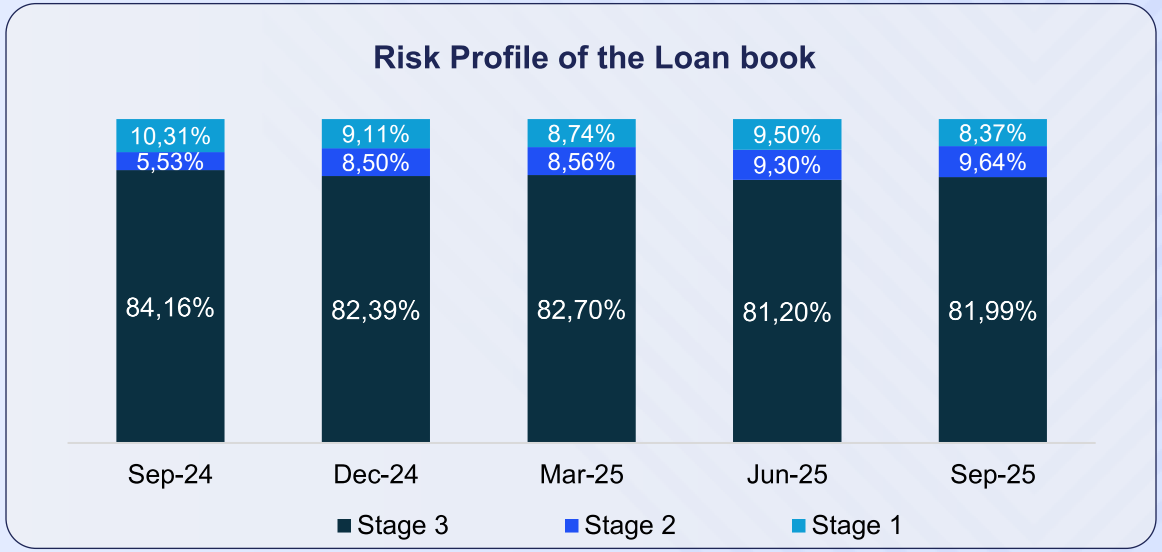


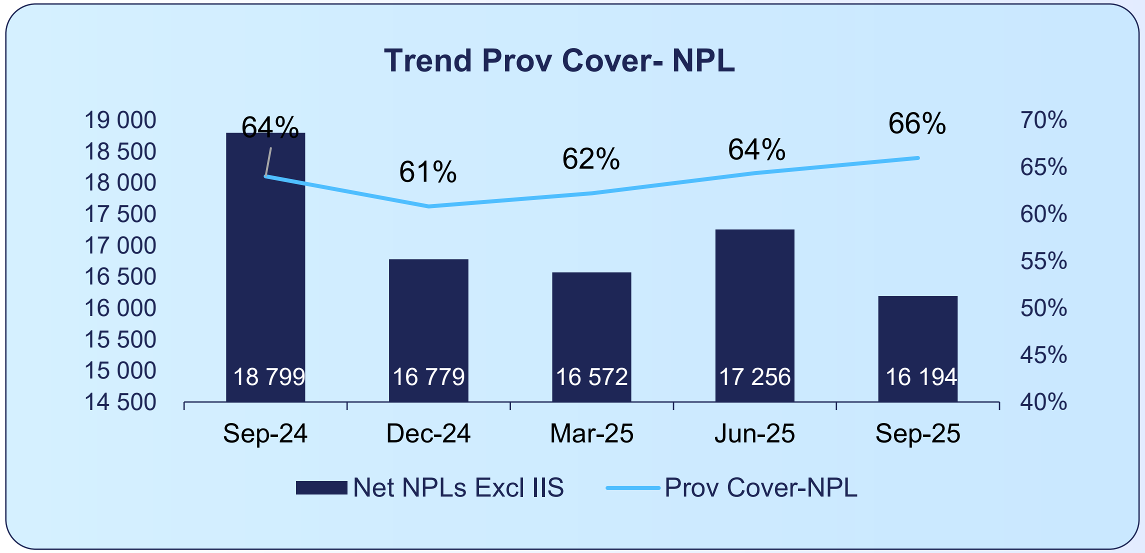
Key Highlights

- ❖ **7%** drop in Credit Impairments on lower exposure and focus on recoveries
- ❖ **3%** growth in expenses YoY adjusted for base effects
- ❖ CTI normalizing as revenue growth accelerates relative to expenses

Credit Risk: Stable, NPLs Outperform Industry





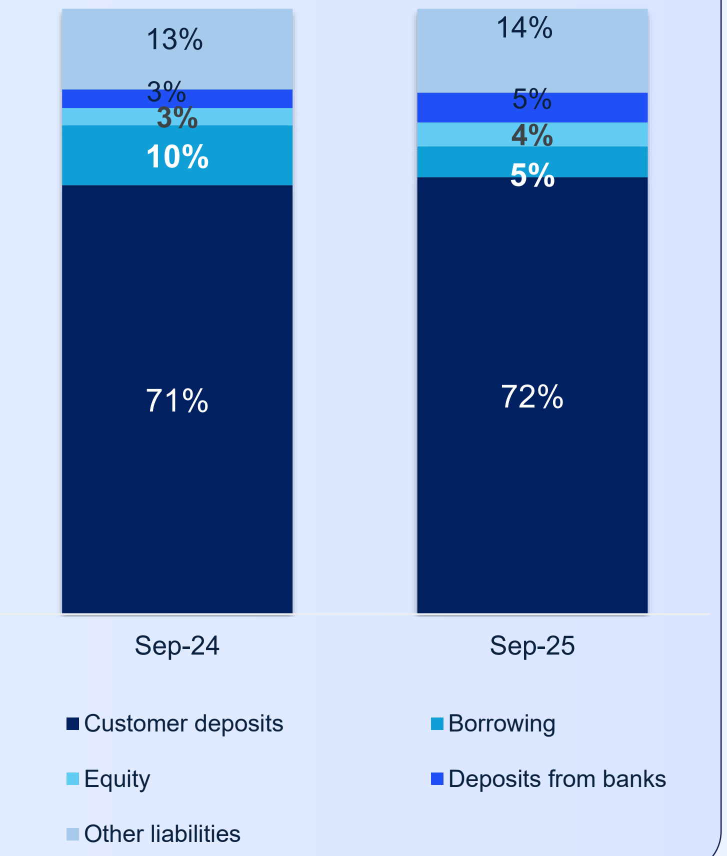


Key Highlights

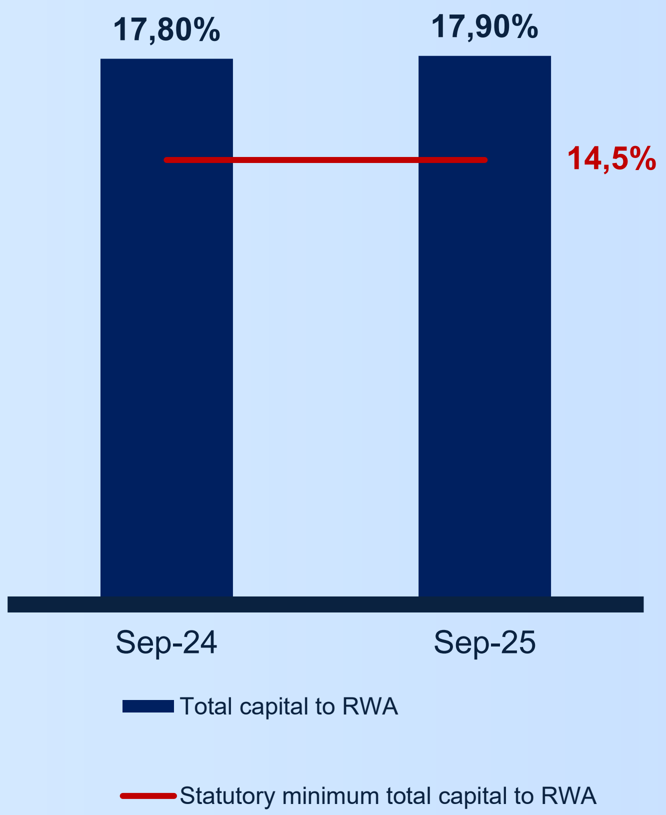
- ❖ Increase in NPL provision cover to strengthen the balance sheet
- ❖ Healthy Asset book with NPL ratio of **8.4%** below industry at **17.1%**
- ❖ Focused customer discussions to support and resolve distressed exposures

Capital and Funding: Solid to Drive Business Growth

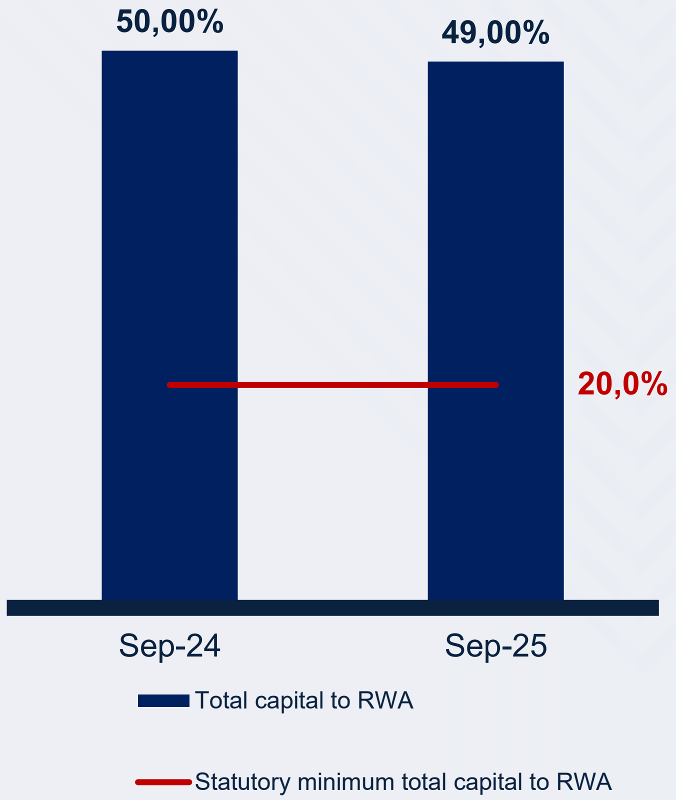
Funding



Total Capital Ratio



Liquidity Ratio



Q&A

THANK YOU