



Stanbic

STANBIC HOLDINGS Plc

KENYA IS OUR HOME, WE DRIVE HER

GROWTH

H1 2025 FINANCIAL RESULTS

7TH AUGUST 2025



01



Opening Remarks

Joseph Muganda
Chairman, Stanbic
Holdings Plc

02



Operating Environment

Patrick Mweheire
Group Chief Executive,
Stanbic Holdings Plc

03



Financial Outcomes

Dennis Musau
Chief Financial and
Value Officer



01

Joseph Muganda
Chairman,
Stanbic Holdings Plc

**OPENING
REMARKS**



INTERIM
DIVIDEND PER
SHARE

Kes

3.80

JUNE 2024 : 1.84



02

Patrick Mweheire
Group Chief Executive
Stanbic Holdings Plc

**OUR OPERATING
ENVIRONMENT**



Who We Are



Our Purpose

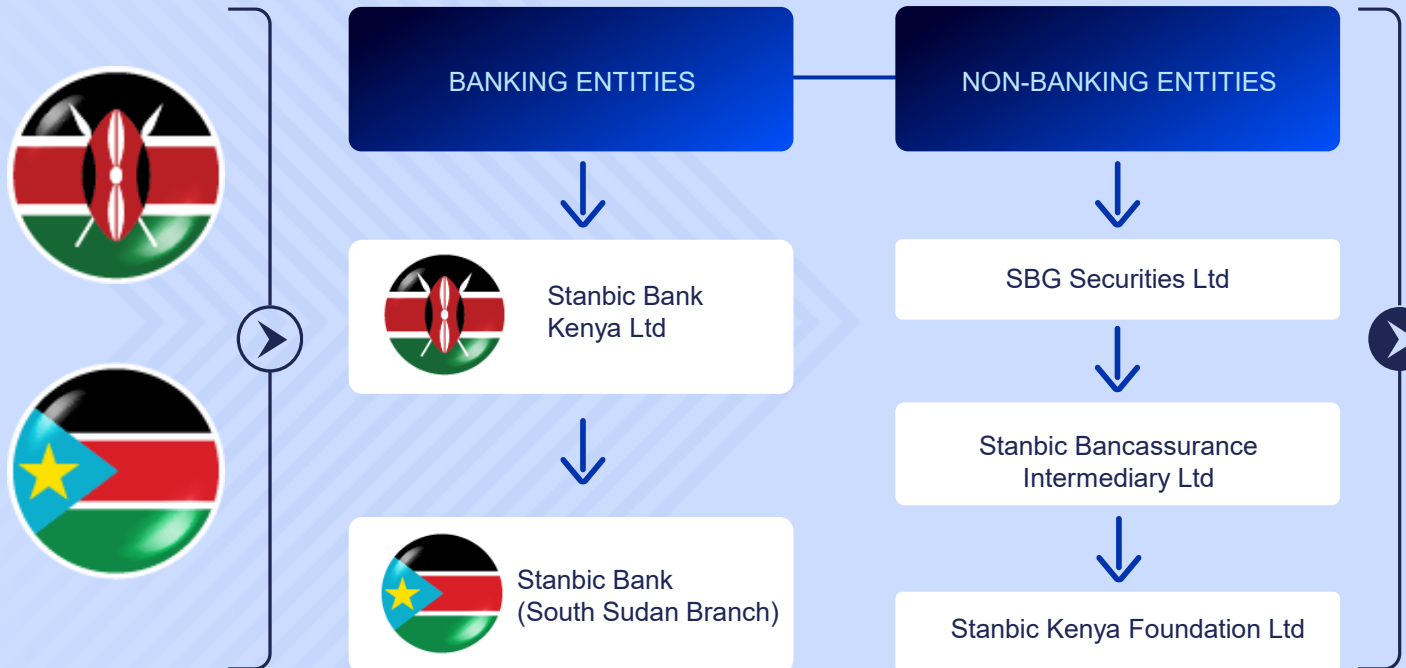
Kenya / South Sudan is our home, we drive her growth.



Our Vision

To be a leading financial services organisation in Kenya and South Sudan, delivering exceptional client experiences and superior value

STANBIC HOLDINGS PLC



CUSTOMERS
310K
H1 2024: 284K



BRANCHES
30
H1 2024: 30



ATMs
59
H1 2024: 54



CDMs
76
H1 2024: 76



AGENT OUTLETS
714
H1 2024: 740



Global Operating Environment: Navigating Ripple Effects of Geopolitical Dynamics



US Policy Shifts

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



Trade Tariffs

Steep Increases in US tariffs toward protecting domestic industries



Foreign Aid Cuts

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



AGOA

Expiration in Sept 2025 poses risk for countries heavily on AGOA-supported exports



Geo Political Tensions

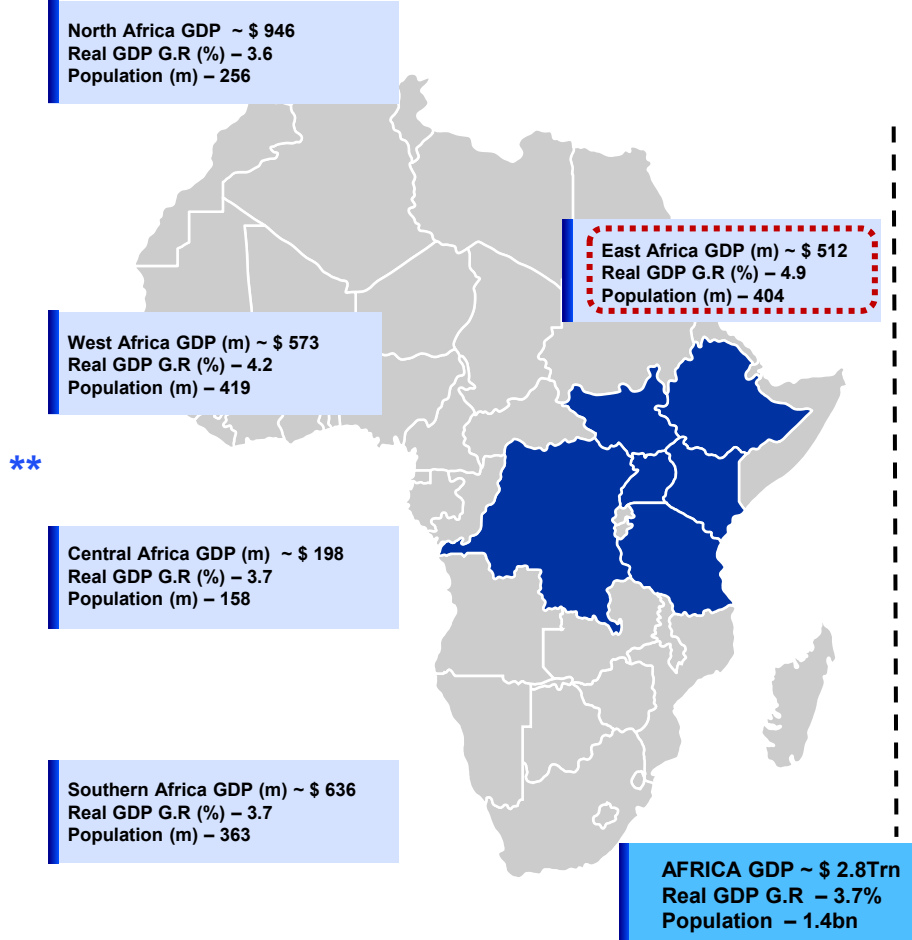
Disruption of global supply chains, weakened growth expectations, and introduced inflationary pressures.



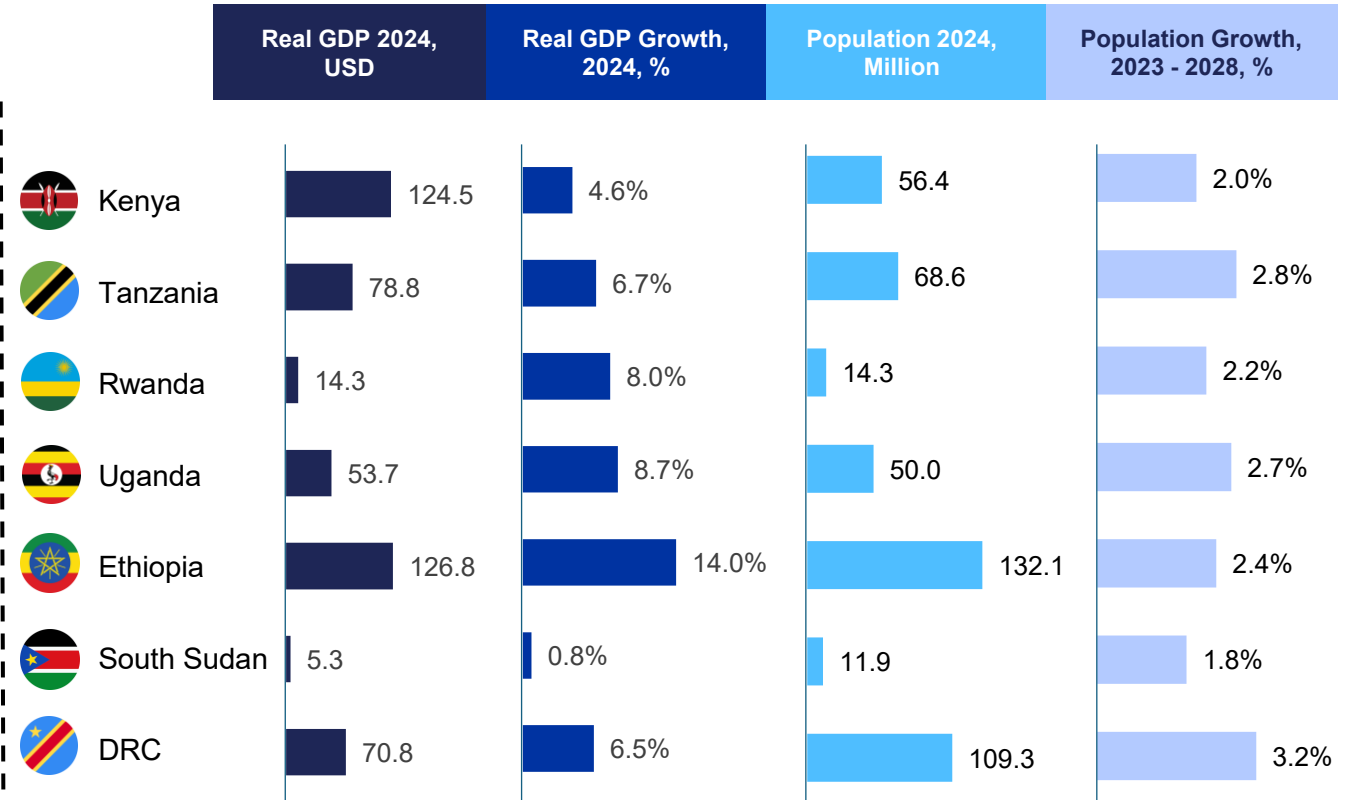


Regional Outlook: Regional Integration, Resilient Markets and Investment Potential

Nominal GDP, 2024, USD



East African Countries Analysis



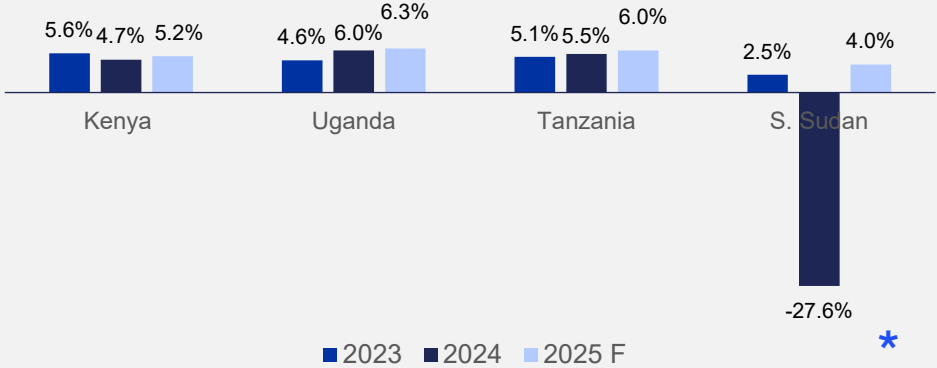
East Africa remains the fastest growing region in Africa

Source: World Bank/IMF/AFDB.

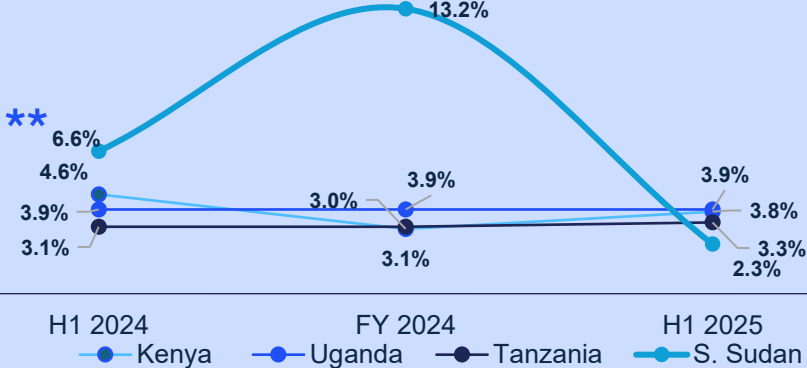


Regional Economic Environment: Modest Optimism and Stability

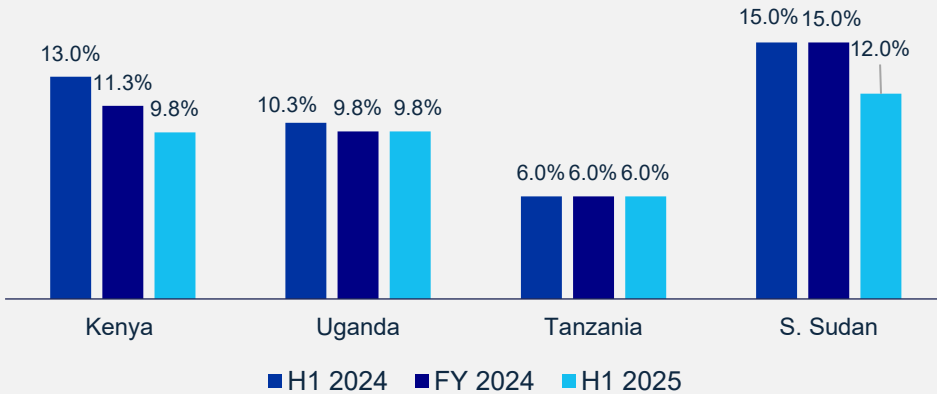
GDP Growth



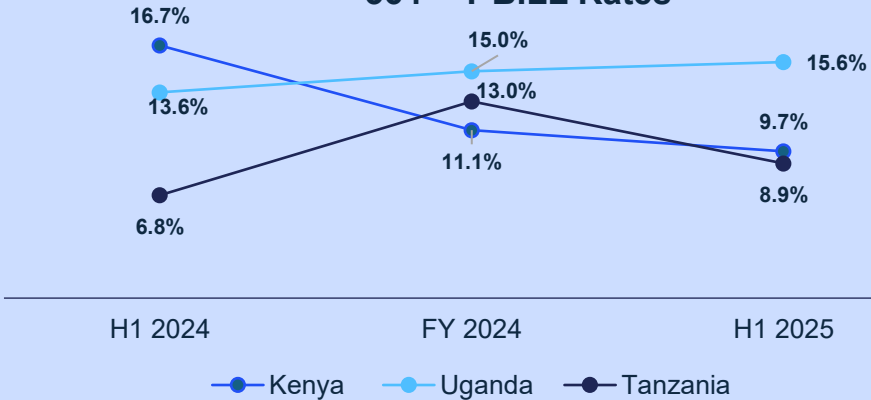
Inflation Trends



Central Bank Rate



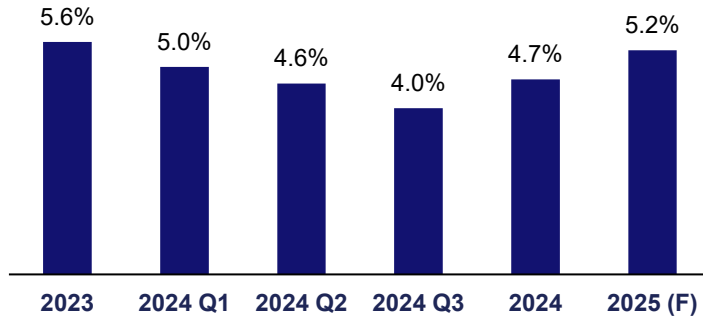
364 – T-BILL Rates





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

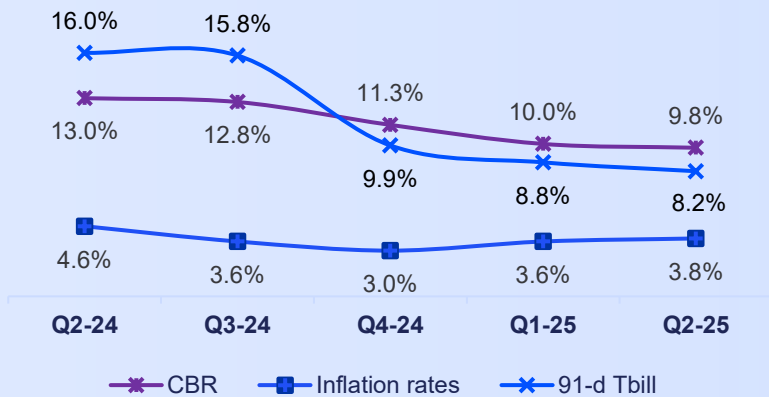
Well anchored inflation below mid-point target range of $5 \pm 2.5\%$

Easing monetary policy expected to spur private sector credit growth (325bps drop YoY)

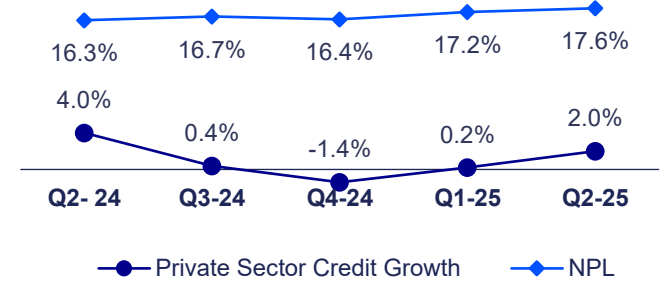
Stable currency with sufficient FX reserves (40% increase YoY)

Deteriorating credit quality (130bps increase YoY) amid private sector credit growth challenges

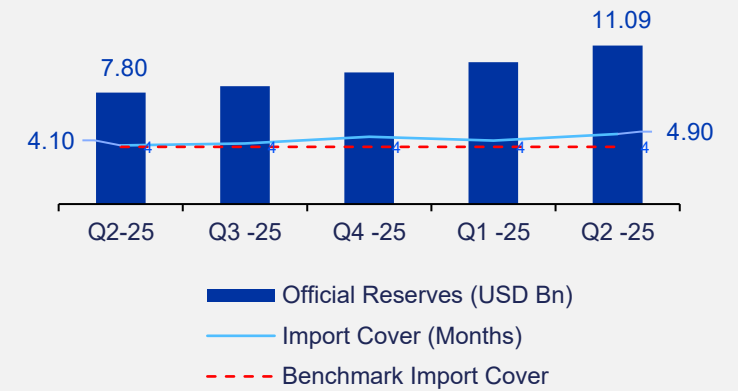
Downward Trend In Rates



Industry Credit Trends



Forex Reserves



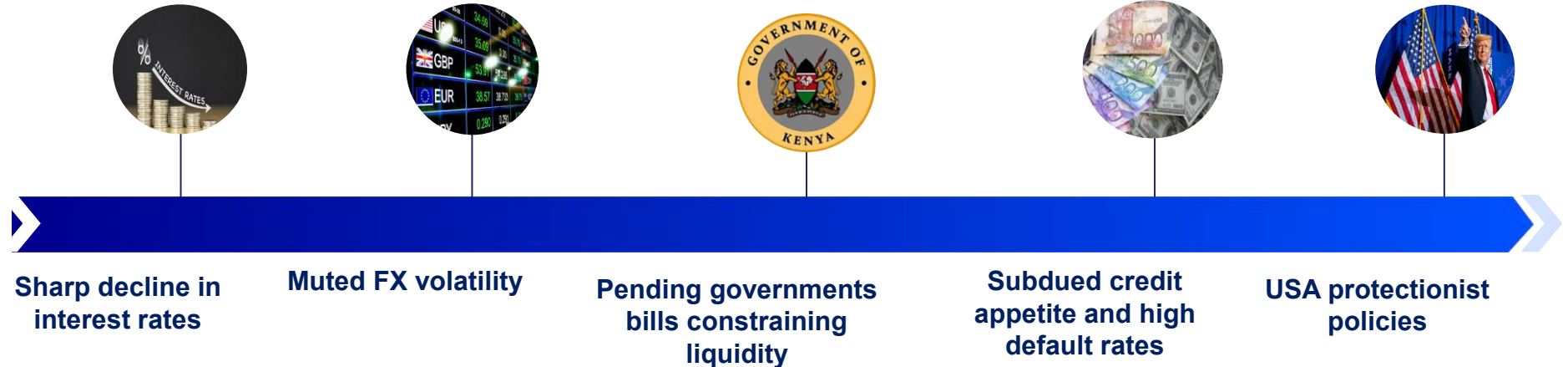


Operating Environment: Navigating shifting Operating Dynamics

Tailwinds



Headwinds





Our 2024/26 Strategy

Strategic priorities



Transform Client Experience



Execute With Excellence



Drive Sustainable Growth and Value

Outcomes

14 - 16%

REVENUE GROWTH CAGR

+50

NPS SCORE

41 - 43%

COST-TO-INCOME RATIO

<9%

NPL RATIO

23 - 25%

RETURN ON EQUITY

Success Pillars





Executing Our Strategy: Transforming Client Experience

Client Focus and Employee Engagement



Sovereign Support

- ❖ Successfully facilitated a \$1.5Bn Eurobond transaction
- ❖ Support oil importation USD 97m facility



Build Middle Markets

- ❖ 4x increase in Scheme disbursement



Asset Management business

- ❖ Kes 4.33Bn AUM in June 2025, from Kes 3Bn in December 2024



Enterprise Support

- ❖ Kes 16.4Bn disbursed SMEs in H1 2025,
- ❖ Stanbic ranked 5th largest MSME Bank in Kenya By KBA



Employee Engagement

- ❖ Youth development – 26 interns enrolled in 2025
- ❖ 39 female leaders graduated from “Ignite Leadership Program”
- ❖ People development – Average 51 learning hrs. per employee



Executing Our Strategy: Executing With Excellence



Mobile Banking Platform Enhancement

- ❖ 3 Application releases with multiple features



Physical Infrastructure Revamp

- ❖ Modernization of Galleria Mall, Nanyuki, Westgate, Chiromo Head Office



Risk Management

- ❖ NPLs ratio at 9.5% and CLR at 1.19% among the best in the industry
- ❖ Predictive Fraud monitoring capability launched



AI & Robotics

- ❖ Roll out of Intelligence Automation framework
- ❖ 17 bots successfully deployed across multiple business functions.

Operational Excellence and
Risk Management



Executing Our Strategy: Sustainable Growth & Value



Infrastructure Development and Just Energy Transition

- ❖ **Kes 4.5Bn** Green Building Loan Issued
- ❖ **Kes 1.2Bn** Climate Smart Agriculture
- ❖ **Over Kes 14m** solar financing



Climate Change and Mitigation

- ❖ **30k** trees planted
- ❖ All loans above **USD 1m** were screened for E&S risk
- ❖ **99.92%** of waste recycled



Enterprise Growth and Job Creation

- ❖ **8%** of loan book in Agric Sector
- ❖ **Over 465** jobs created
- ❖ **Kes 94.8Bn** in trade loans
- ❖ **90 Computers** donated under CSI to aid learning



Financial Inclusion

- ❖ **Kes 207m** concessionary funding to MSMEs since inception
- ❖ **Over 5,939k** individuals trained on financial fitness
- ❖ **Kes 0.9Bn** lent under affordable housing
- ❖ **200 new** homeowners
- ❖ **Kes 45.1Bn** loans to D.A.D.A since inception

Stanbic Holdings
Sustainability Pillars



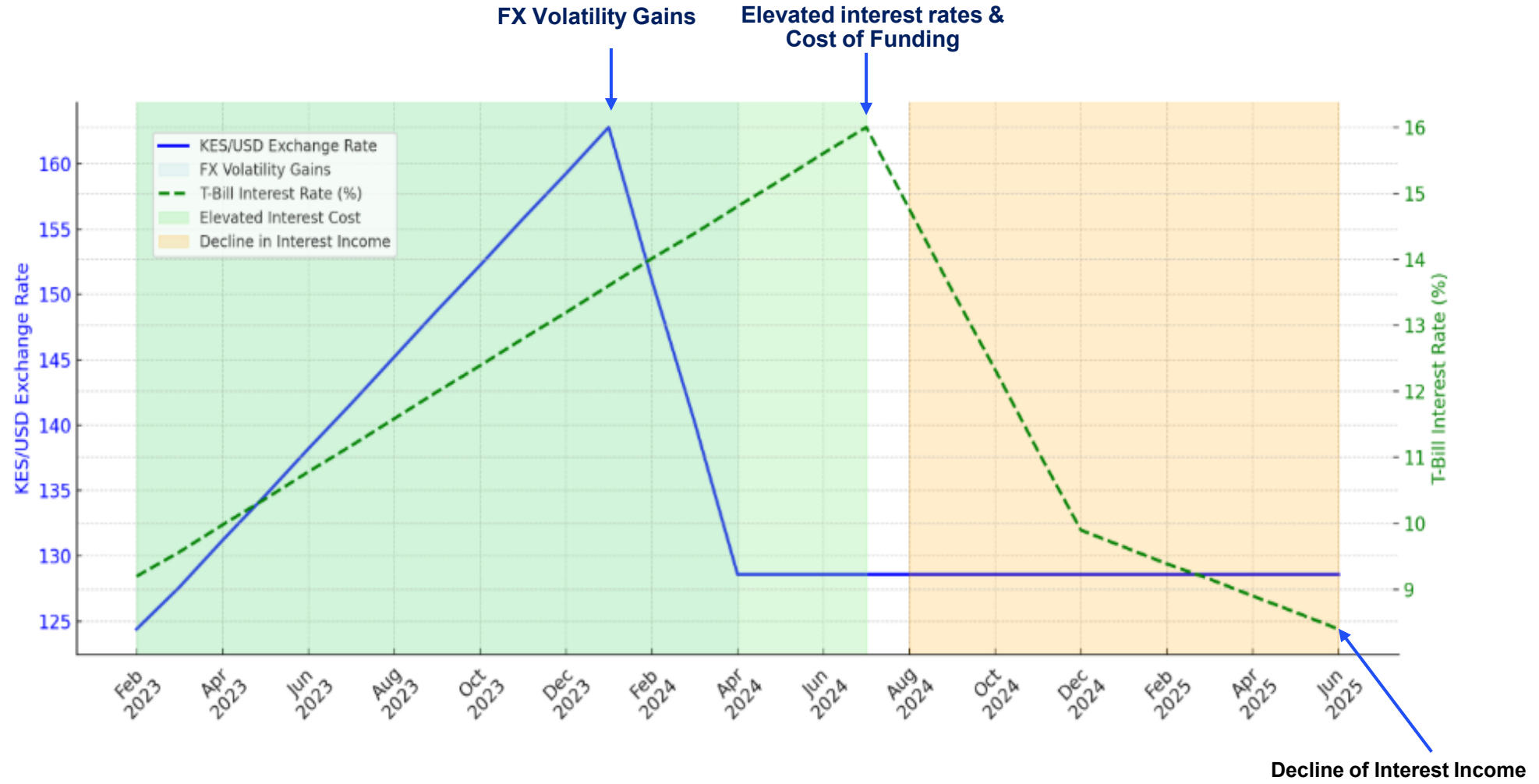
03

Dennis Musau
Chief Financial and
Value Officer

**FINANCIAL
OUTCOMES**



Our Operating Landscape: Post-Volatility Normalization, Diminishing Tailwinds





Banking Sector Performance: Soft Industry Performance (Q1 2025)

Kes "Bn"	Q1 2025	Q1 2024	% Change
Interest Income	202	201	0
Interest Expense	(80)	(92)	13
Net Interest Income	122	110	11
Fees & Comm Income	40	34	17
FX Income	10	22	(53)
Non-Funded Revenue	50	56	(10)
Total Income	172	165	4
Staff Costs	(38)	(34)	(10)
Other Costs	(43)	(40)	(7)
Total Cost	(80)	(74)	(9)
Impairments	(17)	(18)	(6)
Profit After Tax	57	55	3
Cust Loans	3,647	3,656	(0)
Cust Deposits	5,563	5,352	4

Net Interest Margin (NIM)



Q1 2025: 6.4%
Q1 2024: 5.8%
0.5%

Credit Loss Ratio (CLR)



Q1 2025: 1.9%
Q1 2024: 2.0%
0.1%

Cost to Income Ratio (CTI)



Q1 2025: 46.7%
Q1 2024: 44.7%
2.0%

Non-Performing Loans



Q1 2025: 17.2%
Q1 2024: 15.5%
1.7%

Return on Equity (ROE)



Q1 2025: 18.0%
Q1 2024: 21.0%
3.0%

Profit After Tax (PAT)



Q1 2025: 56.9bn
Q1 2024: 55.1bn
3.3%



Stanbic Holdings: Summary Statement of Financial Position

Kes millions	H1 2025	FY 2024	H1 2024	YoY Change %
Assets				
Financial investments	108,387	99,190	74,600	45.3
Loans and advances to banks	75,271	64,486	122,557	(38.6)
Loans and advances to customers	233,457	230,218	238,844	(2.3)
Other assets	56,604	60,940	61,930	(8.6)
Total assets	473,719	454,834	497,930	(4.9)
Liabilities				
Deposits from banks	20,823	20,819	38,664	(46.1)
Deposits from customers	329,602	318,193	348,910	(5.5)
Borrowings	12,995	10,482	10,481	24.0
Other liabilities	36,033	29,940	30,515	18.1
Total liabilities	399,453	379,434	428,570	(6.8)
Equity				
Total equity	74,265	75,400	69,361	7.1
Liabilities and equity	473,719	454,834	497,930	(4.9)

TOTAL ASSETS
Kes 473.7BN

4.9%

CUSTOMER LOANS
Kes 233.5BN

2.3%

CUSTOMER DEPOSITS
Kes 329.6BN

5.5%

NON-PERFORMING LOANS
9.50%

0.6%

LIQUIDITY RATIO
54.4%

3.9%

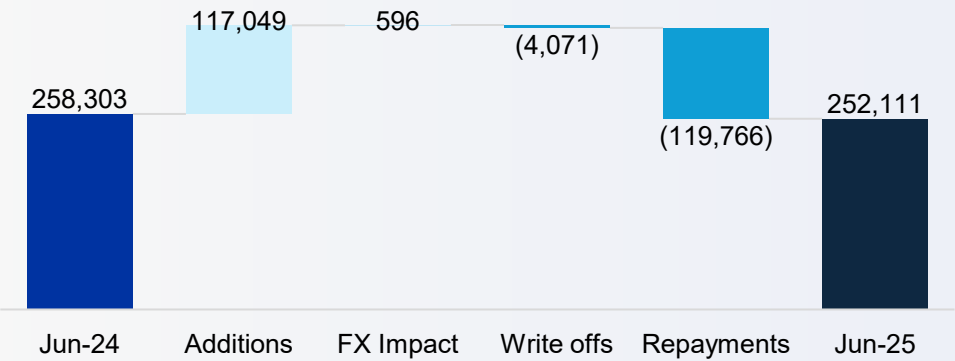
TOTAL CAPITAL RATIO
18.9%

2.5

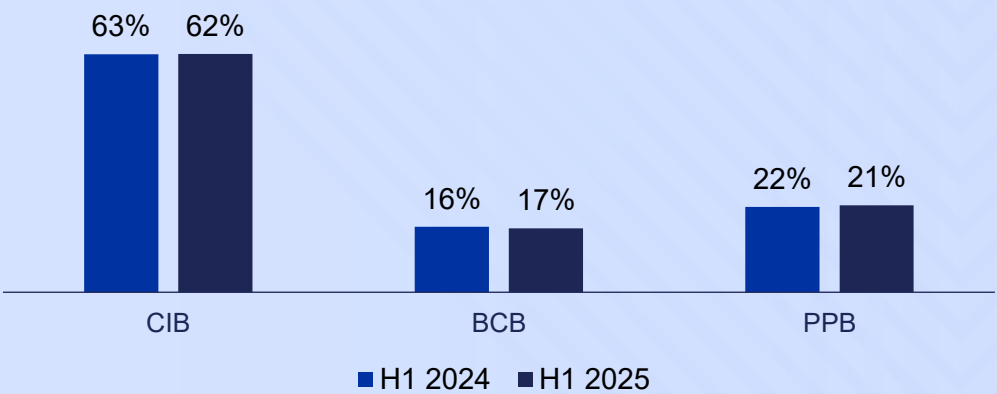


Loan Book Remains Steady in a Tough Macro Economic Environment

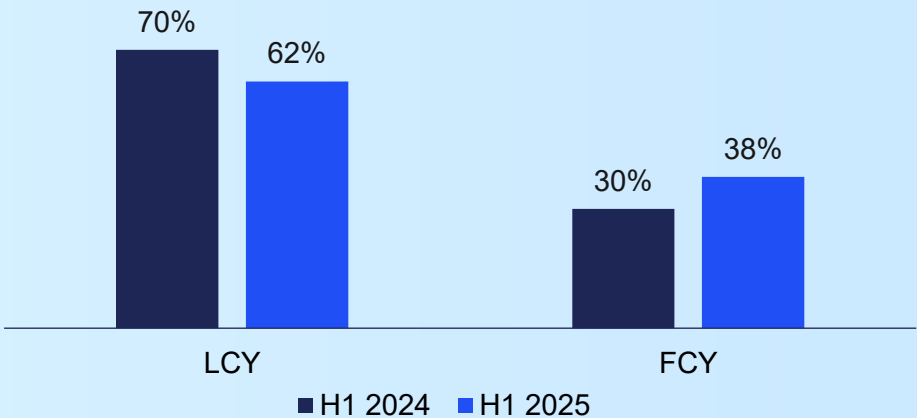
Gross Loans movement schedule Kes 'Millions



Loans and Advances Composition by Business Units



Loan Book Currency Mix



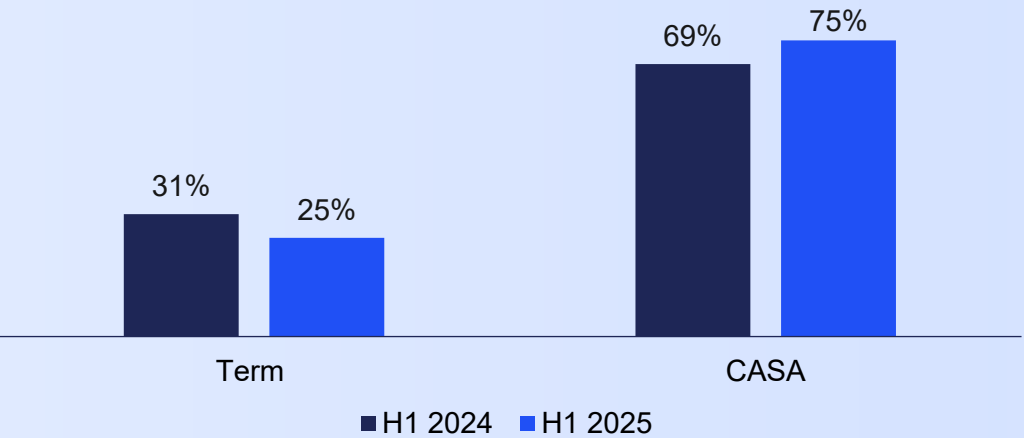
Key Highlights

- ❖ 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

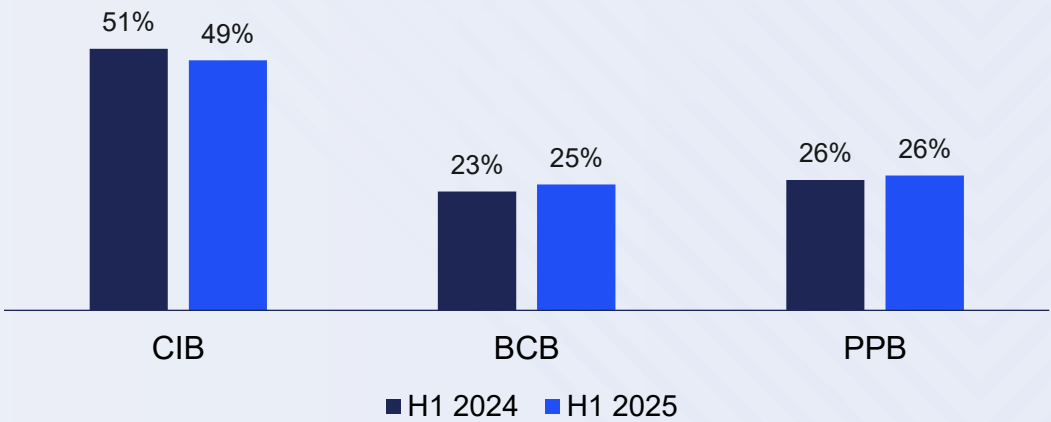


Balance Sheet Structure

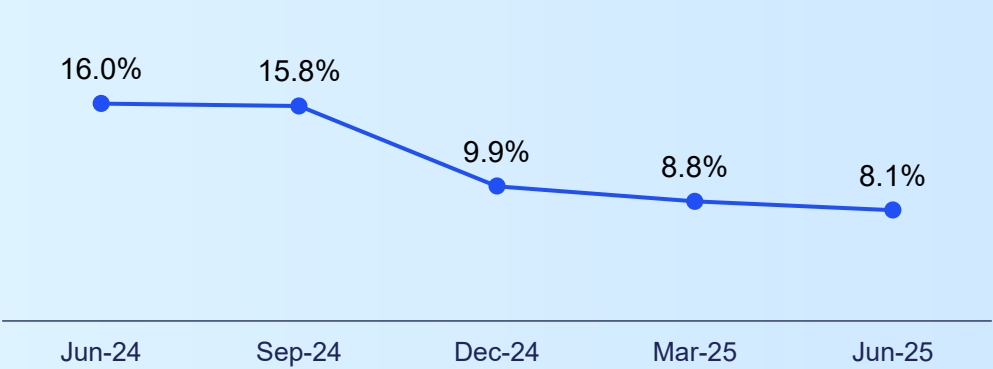
Realignment of Deposit Book considering Rate Changes



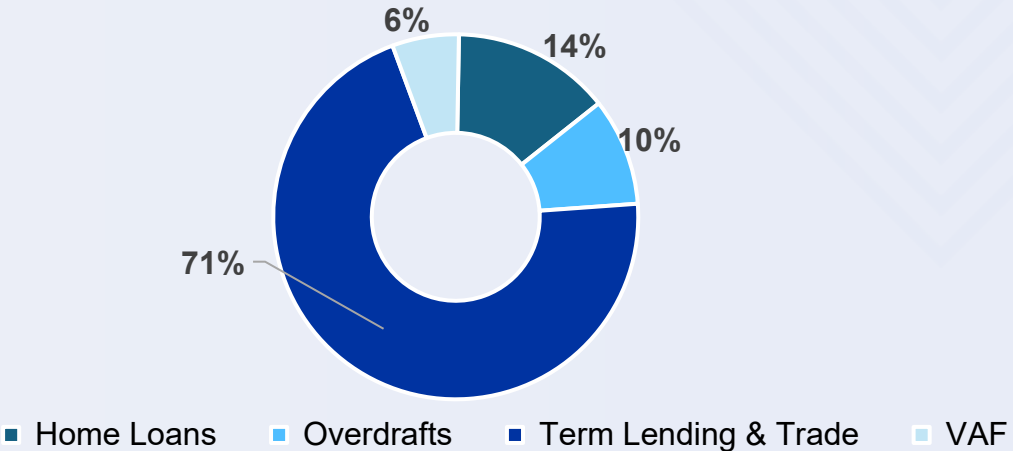
Customer Deposits Composition by Business Unit



Trend of average 91-day T-bill rates






Loan Composition by Product








Stanbic Holdings Half One Summary Statement of Profit and Loss

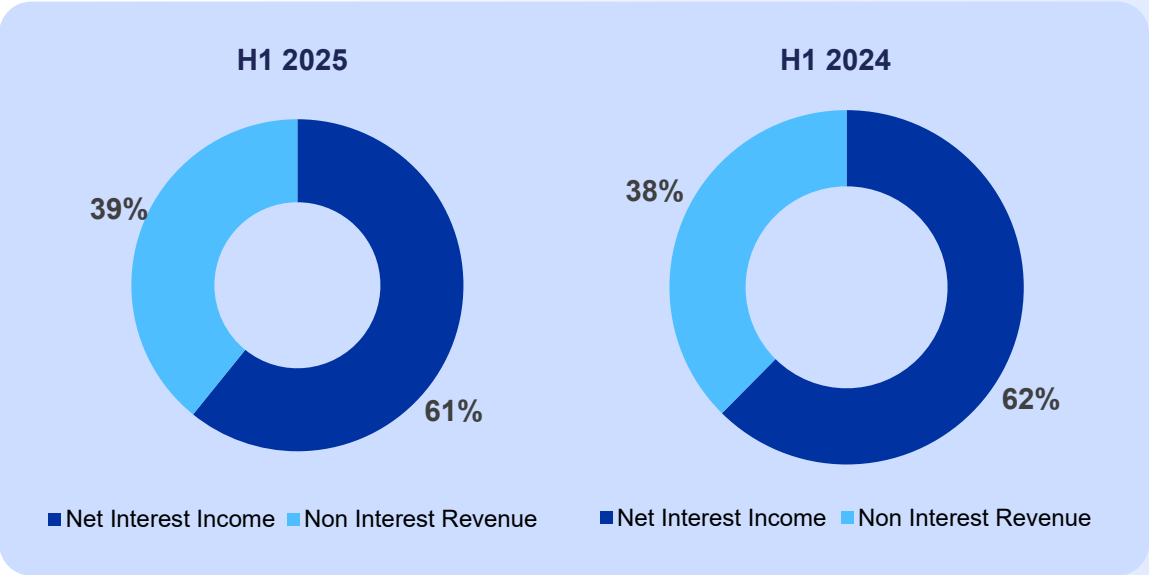
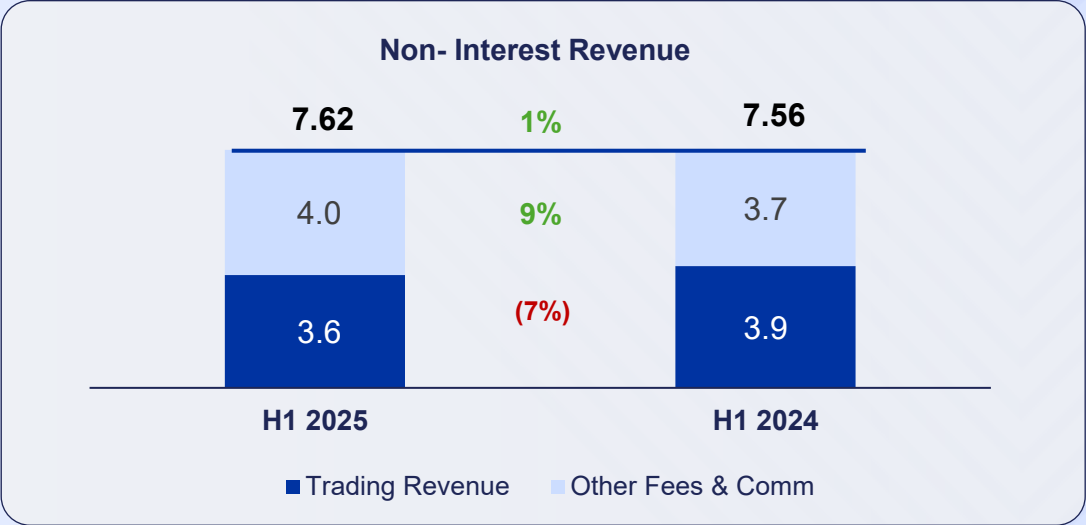
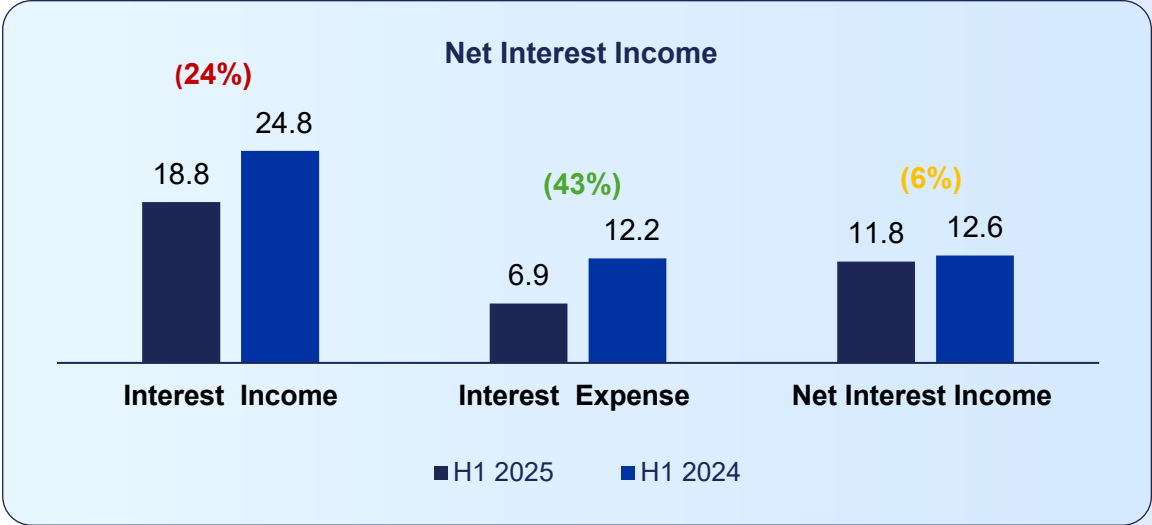
	H1 2025	H1 2024	% Change
	Kes m	Kes m	
Net interest income	11,827	12,553	(5.8)
Non-interest revenue	7,621	7,558	0.8
Total income	19,449	20,111	(3.3)
Operating expenses	(9,385)	(8,126)	(15.5)
Pre-provision profit	10,063	11,985	(16.0)
Credit impairment charges	(1,455)	(1,956)	25.6
Profit before tax	8,608	10,029	(14.2)
Tax	(2,063)	(2,815)	26.7
Profit after tax	6,545	7,214	(9.3)

REVENUE Kes 19.4Bn
 3.3%
CREDIT LOSS RATIO (CLR) 1.19%
 0.1%
COST TO INCOME RATIO (CTI) 48.1%
 7.7%

NET INTEREST MARGIN (NIM) 5.93%
 0.4%
IMPAIRMENT Kes 1.46Bn
 26.6%
RETURN ON EQUITY 17.4%
 3.6%



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

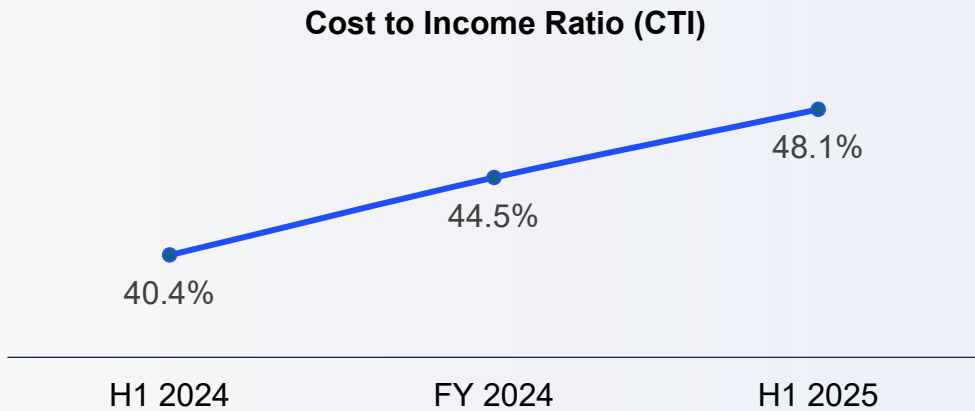
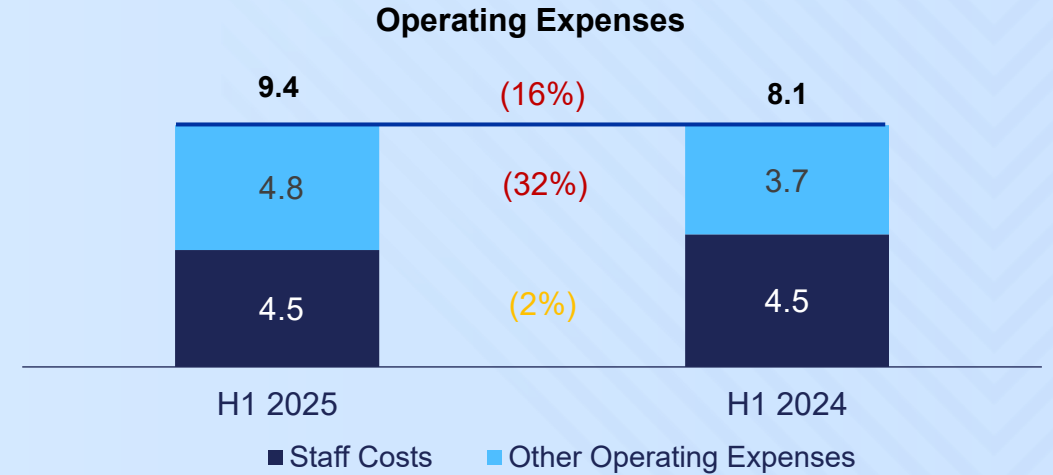
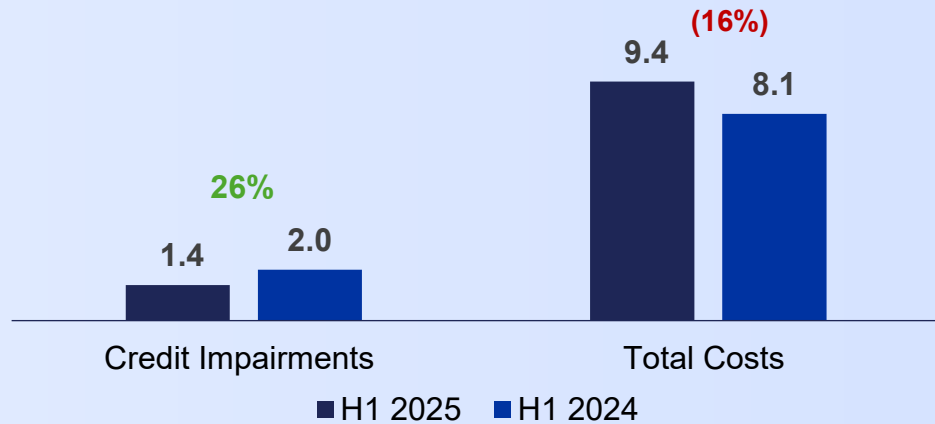


Key Highlights

- ❖ The **24%** 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.



Base Effects, Significant Investments and Once-off Operational Costs in Prior Year



Key Highlights

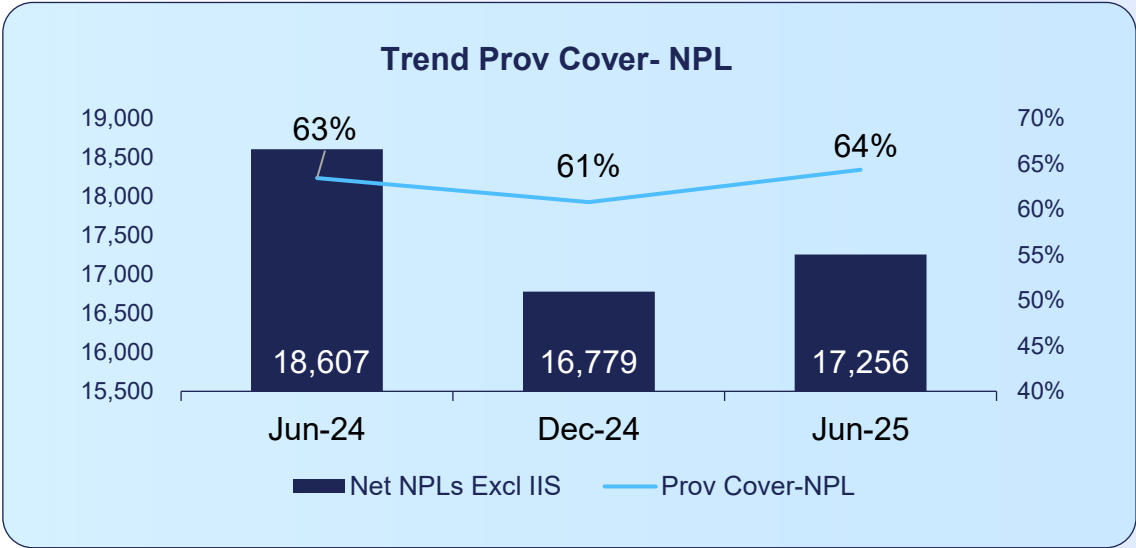
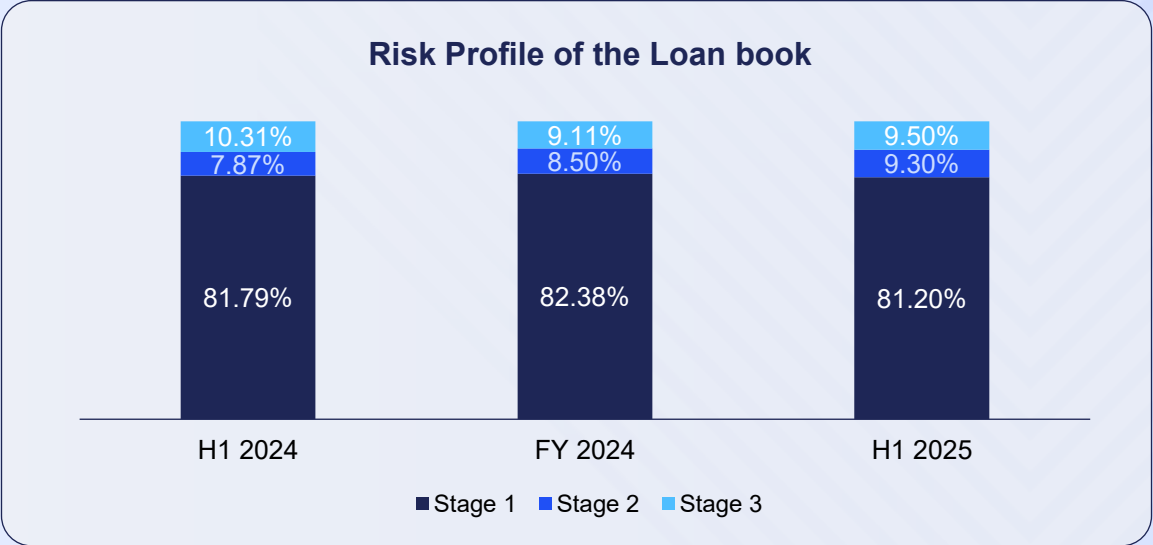
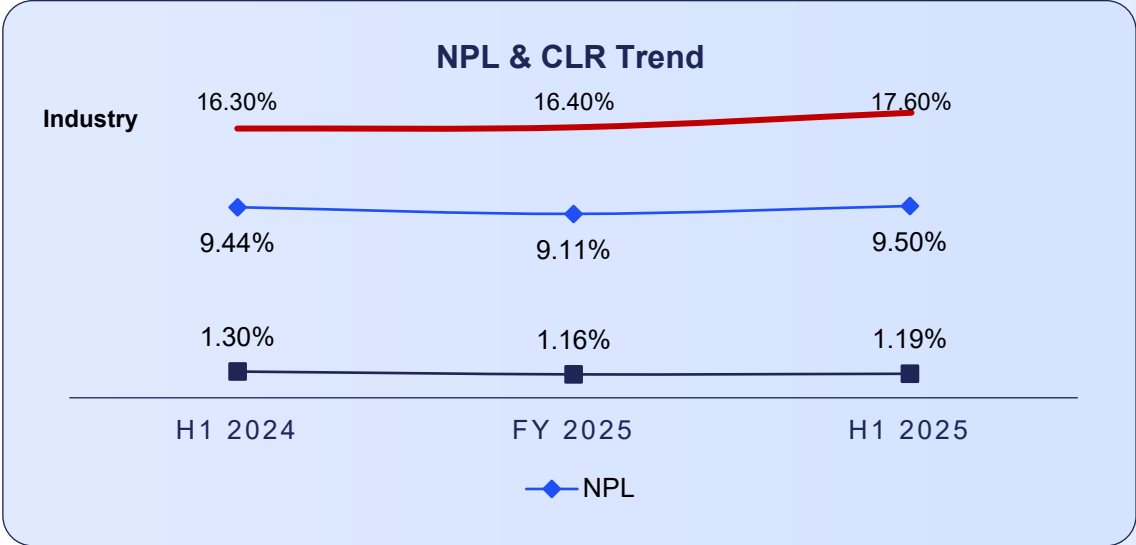
❖ 26% drop in Credit Impairments on lower exposure and focus on recoveries

❖ 5% growth in expenses YoY adjusted for base effects

❖ CTI increase owing decline in revenue and increased expenses



Credit Risk: Stable, NPLs Outperform Industry



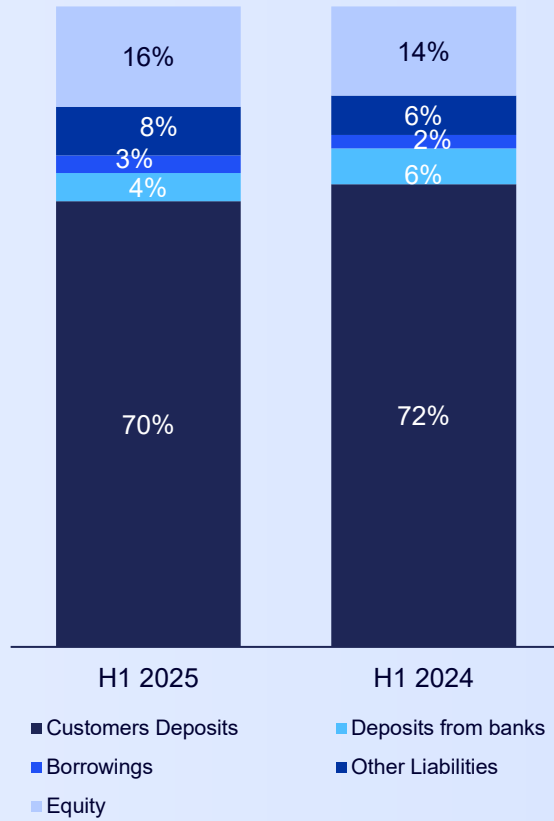
Key Highlights

- ❖ Increase in NPL provision cover to strengthen the balance sheet
- ❖ Healthy Asset book with NPL ratio of **9.5%** below industry at **17.6%**
- ❖ Focused customer discussions to support and resolve distressed exposures

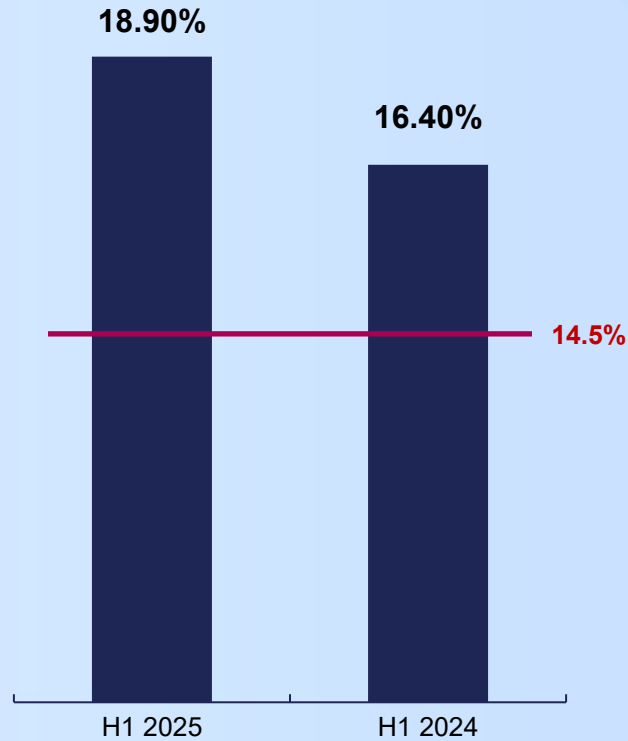


Capital and Funding: Solid to Drive Business Growth

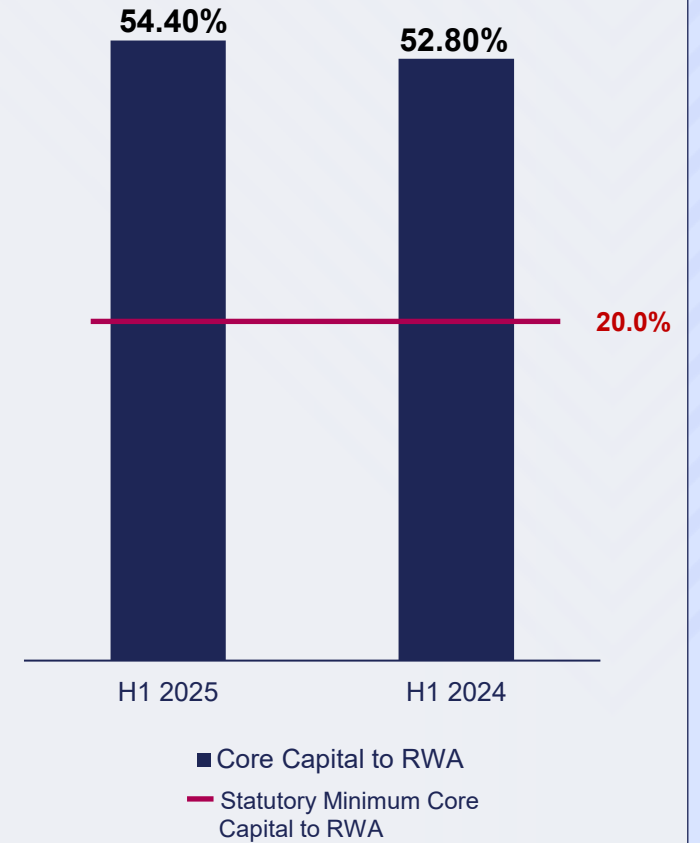
Funding



Total Capital Ratio

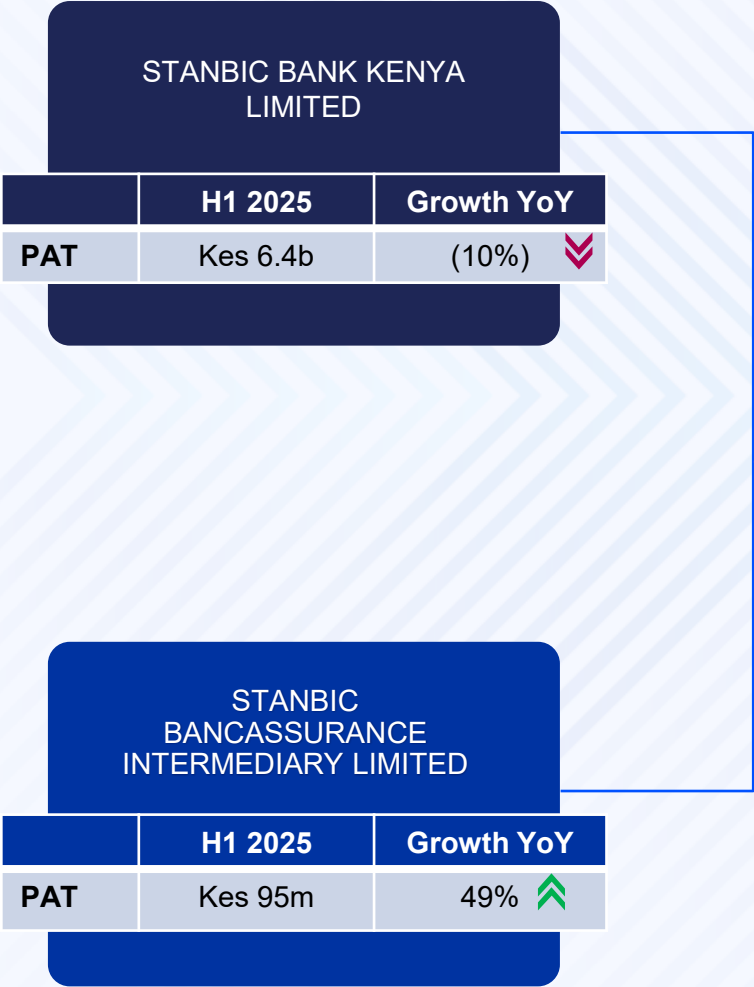


Liquidity Ratio






Financial Outcomes: Subsidiaries/Branch Contribution



STANBIC BANK
(SOUTH SUDAN BRANCH
OPERATIONS)

Year on Year - (YoY)



Q&A



THANK YOU