

By Aloysius Kasoma

NCBA Group PLC has posted a 7% increase in net profit to KES 23.4b (about sh660b) for the year ended 2025, driven by strong asset growth, improved margins and a surge in digital lending, as the lender positions Uganda among its key markets in the next phase of expansion.

NCBA unveiled a new five-year strategy dubbed *Ubuntu 2026–2030*, themed: *Banking on Belief – Empowering Ambitions*. This strategy is built on four key pillars: Strengthening core banking operations, scaling high-growth segments such as Small and Medium Enterprises (SMEs), retail, wealth and insurance, unlocking new growth opportunities and building a future-ready operating model.

Uganda is expected to play a central role in this new strategy, as the Group seeks to deepen its market share and expand its footprint in high-potential sectors. The lender says it will continue to invest in innovation, partnerships and customer-centric solutions.

NCBA is also exploring strategic opportunities linked to a potential acquisition by Nedbank, which could enhance its capital base, strengthen liquidity and support broader regional expansion.

The bank also reaffirmed its commitment to sustainability,

NCBA Group launches five-year plan targeting Uganda



L-R: NCBA's David Abwoga, Louisa Wandabwa and John Gachora at the launch in Nairobi, last Thursday

through ongoing investments in green financing, youth empowerment and community development.

FINANCIAL PERFORMANCE

The Group's latest financial results show profit before tax rose by 10.9% to KES 27.9b (about sh787b), while operating income climbed 17% to KES 73.3b (about sh2.07 trillion).

According to NCBA, the performance reflects a deliberate shift towards a more diversified business model delivering value across both its

core banking operations and non-banking subsidiaries.

The lender also announced an increase in dividend payout to KES 11.7b (about sh330b), up from KES 9.1b (about sh257b) in 2024, signalling stronger shareholder returns and confidence in the Group's financial position as it concludes its 2020–2025 strategic cycle.

"The 2025 outcomes are a great milestone to close out our 2020–2025 strategy. Over the last five years, disciplined execution and enhanced diversification of our

DIGITAL STRATEGY

Digital lending remained one of the strongest drivers of NCBA's performance, with total disbursements rising by 33% to KES 1.4 trillion (about sh39.5 trillion). The Group attributed this growth to sustained investments in Artificial Intelligence, machine learning and advanced data analytics, which have improved credit scoring models and maintained relatively low default rates, despite increased lending volumes. Digital financial services now contribute 32% of the Group's overall profitability, a significant shift in how the bank generates revenue. NCBA said its digital strategy is evolving beyond scale and convenience to focus on precision lending, improved customer targeting and long-term sustainability.

business model have delivered a more robust institution with momentum to carry us forward," John Gachora, the Group's Managing Director, said on Thursday.

FOCUS ON UGANDA

A key highlight of the results was the growing contribution of regional subsidiaries, including Uganda, which generated KES 3.6b (about sh102b) in profit before tax, accounting for 13% of the Group's total earnings.

NCBA's regional operations recorded about 14% growth in both lending and customer deposits, reinforcing confidence in its expansion strategy across the East African region.

With the rapid urbanisation, a growing middle class and increasing adoption of digital financial solutions, Uganda, in particular, is rapidly emerging as a strategic growth market.

Industry analysts say NCBA's focus on Uganda aligns with broader economic trends, such as the expansion of SMEs, infrastructure development and a young, tech-savvy population seeking accessible and innovative financial services.

CONTINUOUS GROWTH

NCBA Group continues to grow its balance sheet. Total assets increased by 8% to KES 716b (about sh20.2 trillion), while customer deposits rose

FOREX RATES

CURRENCY	BUY	SELL
US DOLLAR	3,730	3,750
EURO	4,250	4,350
POUND	4,910	5,100
KENYA SH	28.5	31.0
TZ SH	1.37	1.57
DHIRAM	940	1,050
S.A.RAND	210	270
JAPANESE YEN	18	35
RWANDESE FRANCS	2.0	4.0
DOLLAR OLDER & SMALLER	3,500	3,750

COMPILED BY MOSES KIGONGO
RATES ARE SUBJECT TO CHANGE

by 6% to KES 532b (about sh15 trillion). The loan book also expanded following a period of cautious growth, reflecting renewed demand for credit across its operating markets.

Despite the rapid growth of digital channels, NCBA emphasised that its physical branch network remains an important component of its customer engagement strategy. The Group currently operates 123 branches across five markets, with most already profitable.