

We Are You

Co-operative Bank of Kenya Ltd

Group Financial Results | Q1 2023



Key Highlights

We are Growing

We are Resilient

We are Agile

A Transformational Bank

Largest Co-operative Bank in Africa, 15 Million Members

Successful Universal Banking Model, Increased Dominance in Kenya

Growth, Resilience and Agility

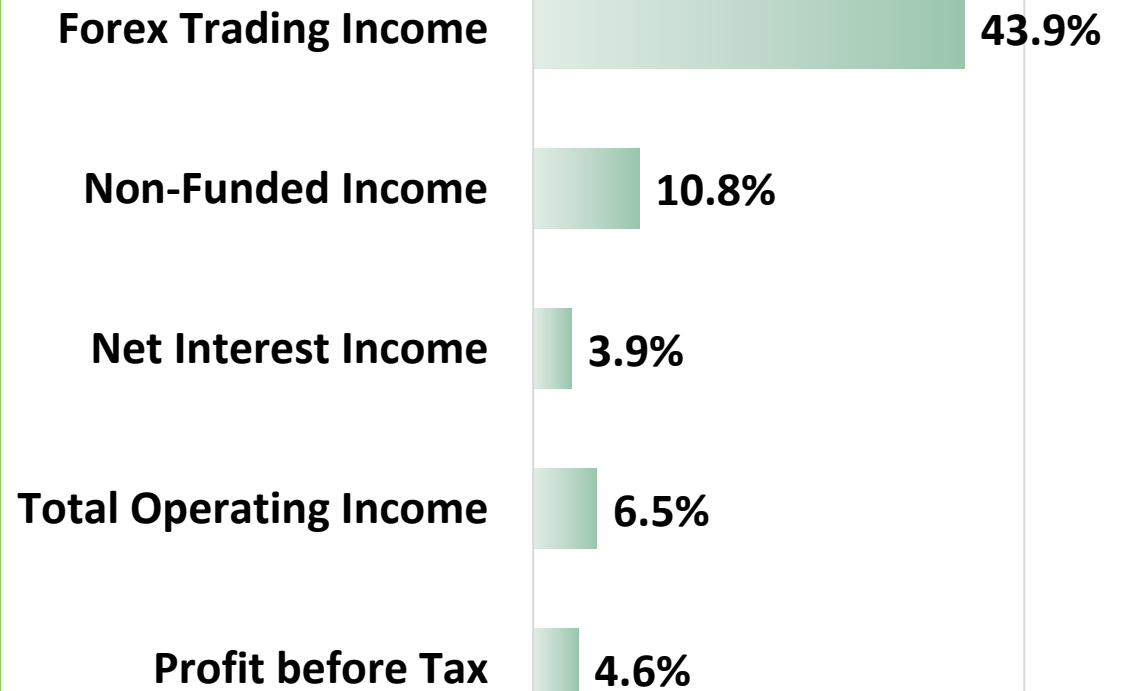
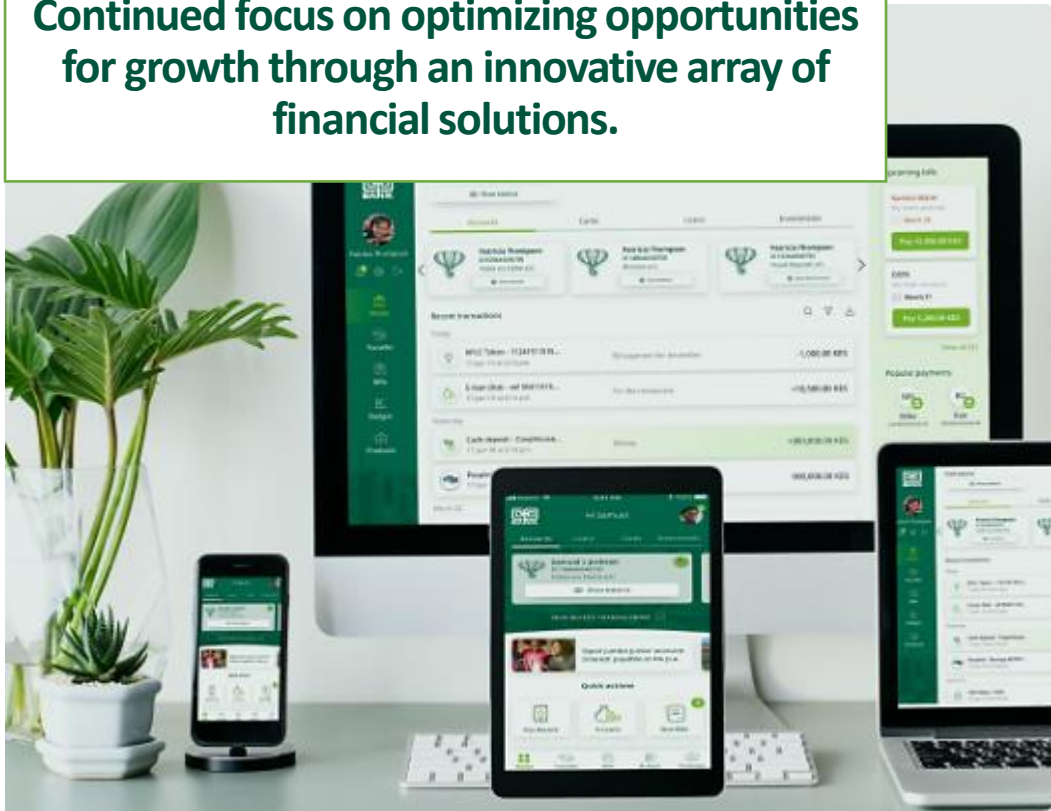
Kshs. 631.1 Billion in Total Assets

5061 Skilled, Motivated Staff Members



We are Growing: Creating Value

Continued focus on optimizing opportunities for growth through an innovative array of financial solutions.



We are Resilient: Protecting Value



Profitable Bank **Kshs. 8.1 Billion**



Strong Capital Buffers Total Capital to RWA 17.2% (Regulatory 14.5%)



Proactive Enterprise Risk Management Framework.



Proactive provisioning for NPL: Kshs. 1.5B in Q12023. NPL Coverage now at 72%



Continuous support to our customers, staff and all our other stakeholders.



Up to **50.3% of our loan Book** is in Consumer banking which is low risk and performing well.



Optimal risk spread with a 179.2Bn in government securities.



Proactive Regulatory compliance



Dedicated ESG unit, ESG Champions in all branches. Enhanced ESG Policy Framework

Continued gains from our institutionalized Transformation seeking efficiency and growth.

Key ongoing transformation initiatives aimed at a quality loan book are;

- Credit Review Implementation Project “Project Kilele”
- Project Connect & Build (CB) – focused on co-creating solutions with our customers to grow the loan book and increase product holding.

We are Agile: Fast | Adaptable

Operational efficiency with

91%

Of our transactions in alternative
Channels

- Enhanced digitization of internal bank processes and engagement platforms
- **New Core Banking Platform** implementation on track. Expected Key benefits include enhanced;
 - Business agility & Innovation
 - Customer experience
 - Cost management
 - Analytics
 - Process automation & Digitization
- Successful customer migration to **Omnichannel**: Integrates accessibility and User experience

Staff Productivity

- Supporting new ways of working – Digital Workforce
- Sales force effectiveness

Macroeconomic Highlights

Economic Growth

Inflation and Interest Rate

Credit Growth and Exchange Rate

South Sudan

KENYA'S ECONOMIC GROWTH PATH

SECTOR	2019	2020	2021	2022	2023 PROJECTION
Agriculture	2.7	4.6	-0.4	-1.6	4.4
Mining & Quarrying	4.3	5.5	18	9.3	2.7
Manufacturing	2.6	-0.3	7.3	2.7	3.2
Electricity & Water Supply	1.7	0.6	5.6	4.9	5.8
Construction	7.2	10.1	6.7	4.1	5.6
Wholesale & Retail Trade	5.3	-0.4	8.0	3.8	7.0
Accommodation & Restaurants	14.3	-47.7	52.6	26.2	11.2
Transport & Storage	6.3	-8	7.4	5.6	6.7
Information & Communication	7.0	6.0	6.1	9.9	7.9
Financial & Insurance	8.1	5.9	11.5	12.8	5.5
Public Administration	8.4	7.0	6.0	4.5	4.7
Professional Services	6.8	-13.7	7.1	9.4	6.7
Real Estate	6.7	4.1	6.7	4.5	5.5
Education	5.7	-9.2	22.8	4.8	8.5
Health	5.5	5.6	8.9	4.5	5.2
Other Services	4.3	-14.6	12.5	5.7	6.9
Real GDP Growth	5.1	-0.3	7.6	4.8	5.8

- Recent official GDP numbers indicate that Kenya's economy expanded by 4.8% in 2022 compared to a growth of 7.6% a year earlier.
- Growth was anchored on strong performance of the services sector especially accommodation & restaurants (26.2%), information & communication (9.9%), the financial services sector (12.8%) and the professional services sector (9.4%).
- Overall growth was held back from an even stronger performance by the 1.6% contraction of the agriculture sector due to adverse weather conditions in 2022.
- In 2023, the economy is projected to remain stable and resilient with growth largely driven by the services sector and a recovery in the agricultural sector.
- Key Risks to growth outlook include elevated inflation, adverse weather conditions, global geopolitical risks and the global markets tightness amidst high public debt.

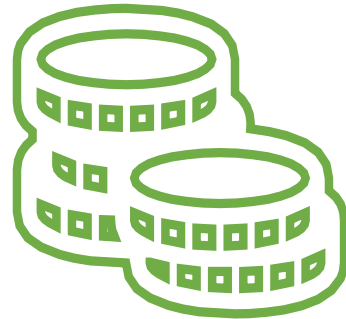
INFLATION AND INTEREST RATES

- **Headline inflation decreased to 7.9% in April 2023** from 9.2% in March 2023.
 - Food inflation declined to 10.1% from 13.4% in March 2023 on lower vegetable prices while fuel inflation was marginally down to 13.2% from 13.4% due to higher electricity prices over the period.
 - Non-Food Non-Fuel (NFNF) inflation was down to 4.1% in April 2023 from 4.4% in March 2023.
 - With most parts of the country experiencing near to above average rains in April 2023, food inflation is expected to continue falling on a good vegetable & crop harvest.
 - However, fuel inflation is expected to remain elevated in the near term on higher electricity prices and tighter global energy market as OPEC+ cuts production.
- **The interest rates market has gotten tighter in 2023.**
 - In April 2023, interest rates on 91-days, 182-days and 364-days Treasury bills averaged 10.0%, 10.4% and 10.9%, respectively compared to 7.4%, 8.3% and 9.8% in April 2022.
 - On the same trend, the interbank rate has averaged 8.6% in April 2023 compared to 4.7% a year earlier mirroring the tighter policy stance in the second half of 2022 and into 2023, indicating significant movements in the money market.
 - The MPC met in March 2023 and increased the CBR to 9.50% from 8.75% noting the inflationary pressures and global risks.
 - The tighter policy stance has slightly moderated growth in private sector credit which came in at 11.7% in February 2023 from 13.3% in November 2022. Strong growth was observed in manufacturing, transport & communication, trade and consumer durables.
 - On the lending side, average industry lending rate rose to 13.06% in February 2023 from 12.17% a year earlier.



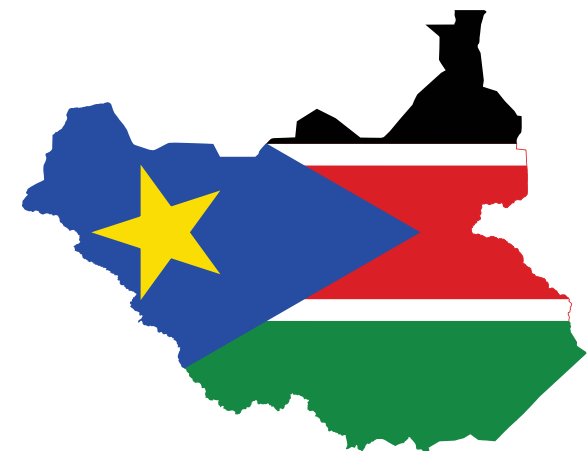
FOREIGN EXCHANGE RATE

- In the foreign exchange market, the Kenya shilling has ceded ground by 8% against the US dollar.
- The high import bill due to relatively high commodity prices and the tighter financial conditions in the advanced markets that started in 2022 has resulted in a mismatch in foreign currency flows.
- The reactivation of the interbank market and the launch of the FX code by the regulator has seen some fluidity return to the FX market.
- With the long rains projected to be near to above average in various parts of the country, the country is looking at a better crop harvest in 2023. This will reduce pressure on the import bill and consequently on the Kenya Shilling.
- In the US, overall inflation is moderating. We are therefore looking at a possible peak in the Fed tightening cycle. This is expected to result in a build-up in risk appetite for emerging and frontier markets.



SOUTH SUDAN

- South Sudan's real GDP is projected to expand by about 5.6% in 2023 from an estimated growth of 6.6% in 2022. Higher global oil prices are expected to boost government revenues and spending.
- Headline inflation rate is forecast to increase to 27.8% in 2023 on higher food prices from the key source market of Kenya and Uganda before falling to 10% in 2024.
- Overall fiscal balance including grants is projected at 5.8% in 2023 from 0.9% in 2022 meaning that the government of South Sudan will be able to finance its expenditure obligations.
- The South Sudanese Pound (SSP) continued to depreciate in response to the global strengthening of the USD to stand at 863 to the USD as of April 2023 from 694 in January 2023.
- Recent reforms have helped to unify the official and parallel exchange rates. The spread has remained within the single digit band pointing to some stability in the market.
- Key risks in South Sudan include, though with a low probability, the return to civil conflict, a fall in oil prices or a prolonged slump in oil production leading to a shortfall of public revenues and consequently budgetary challenges.
- The current ongoing conflict in Sudan poses both security and economic risks to South Sudan.



Strategic Focus

2022 – 2024 Strategic Themes

- 1 Aggressive deepening of our dominance in the Kenya Market
- 2 Dominant provider of financial services to the Co-operative Movement in Kenya and the region.
- 3 Customer experience that is seamless across all our touch points.
- 4 Operating efficiency driven by digitization, innovative products & Processes, efficient business models, and staff productivity.
- 5 Optimal Enterprise Risk and Compliance in the dynamic environment
- 6 Positive impact on Economy, Society & Environment.



PURPOSE

A financial institution predominantly owned by the Kenyan Co-operative movement, *Transforming lives*

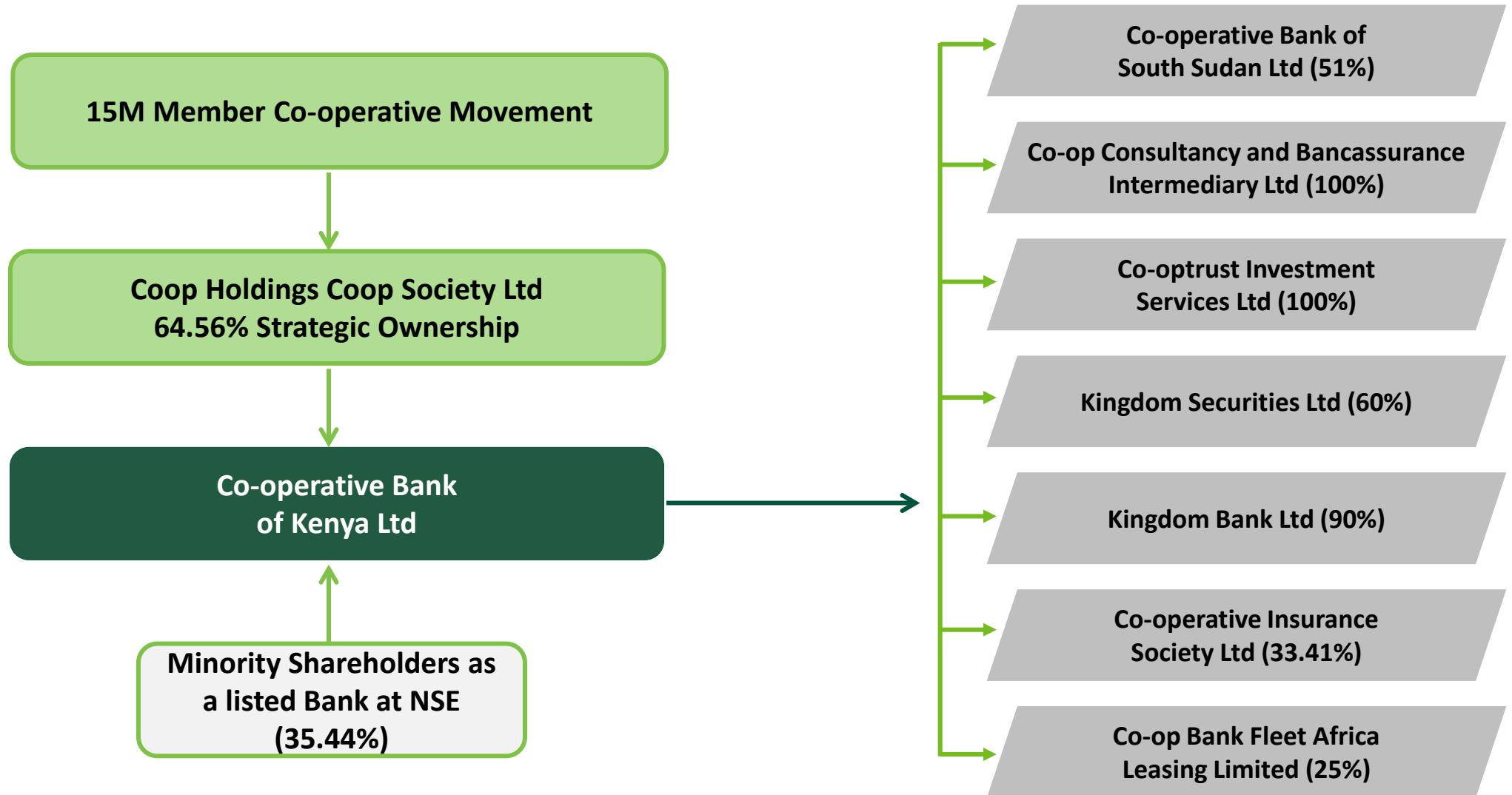
MISSION

To offer a wide range of innovative financial solutions leveraging on our heavy investment in multi-channels, national and regional presence and with a focus on excellent customer experience by a highly motivated and talented team.

VISION

To be the dominant bank in Kenya and the region, riding on the unique Co-operative Model providing innovative financial solutions for distinctive customer experience.

Co-operative Bank Group Structure



A Successful Universal Banking Model



Retail and Business Banking (Kshs. 246.5 Billion Loan Book)



Co-operatives Banking (Kshs. 35.3 Billion Loan Book)



Funds under management (Kshs. 194.0 Billion (Q12022 Kshs. 190.2 Billion))



Consultancy and capacity building
3267 Mandates



Corporate Government & Institutional Banking (Kshs. 105.4 Billion Loan Book)



Leasing:
Coop Bank Fleet Africa Ltd
(Kes.73.2Mn YTD)



Insurance Brokerage
• Sustained revenue line



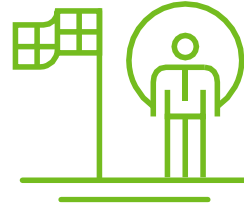
Stock Brokerage
• Share trading services
• Online Share Trading



Our Presence



187 Branches



**17000+
Co-op Kwa Jirani
Agents**



**24hr Contact
Centre**



**5M Omni Channel
Customers**



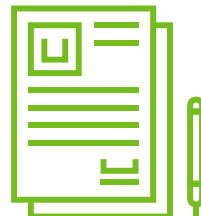
**21K Diaspora
Banking Customers**



5061 Staff



543 ATMs



**484 Sacco Front
offices
Branch Network**

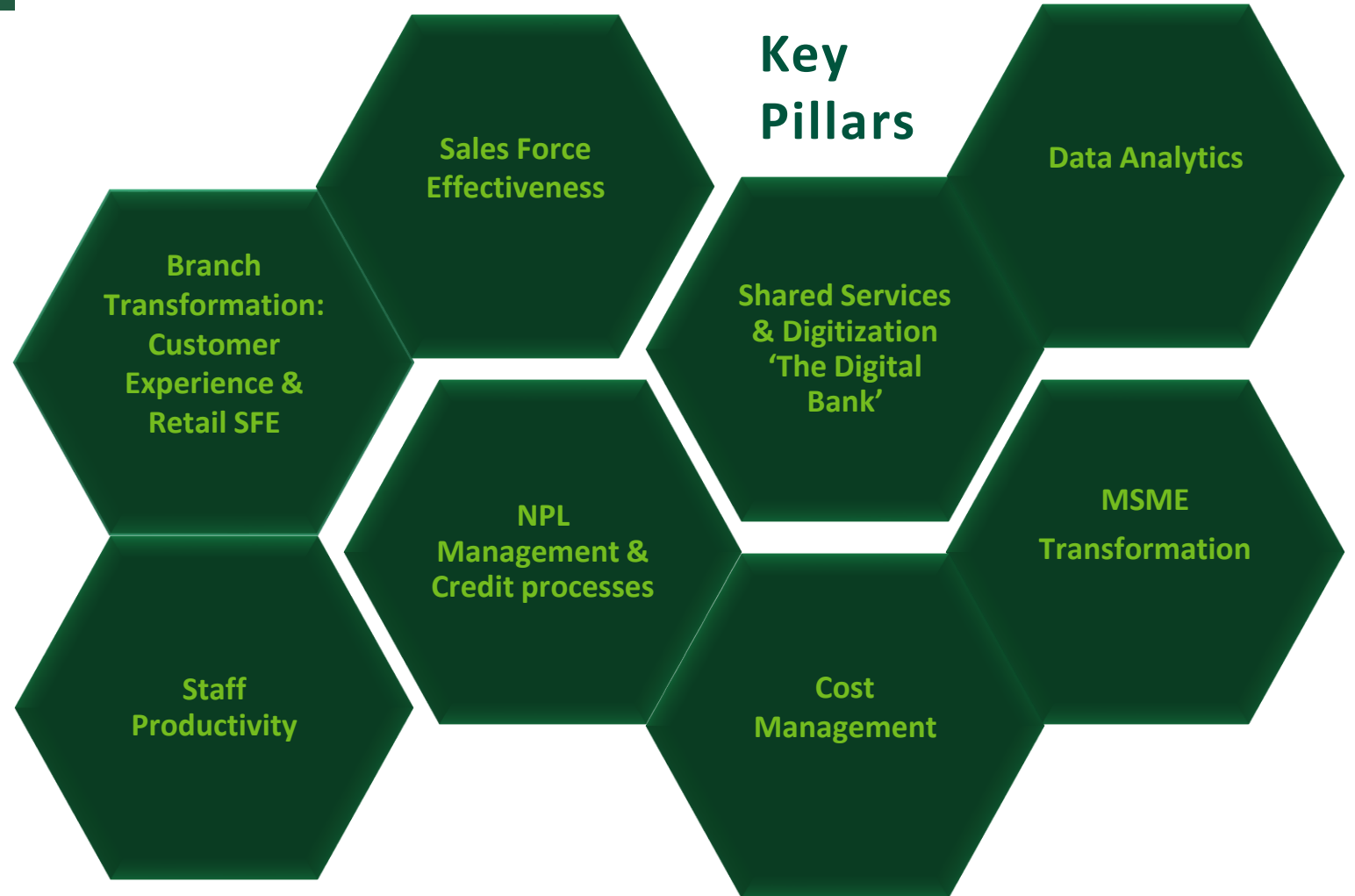
“Soaring Eagle” Transformation Initiative



Growth



Efficiency



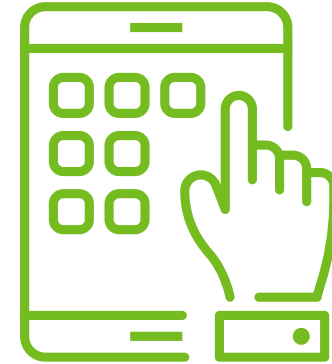
“Soaring Eagle” Transformation:

Key achievements



E-Credit Focus: Kshs.296.1B Disbursed so far

1. Short-term tenor.
 2. Average disbursement of Ksh.6.4B per month.
 3. Consumer Based that is on salary checkoff deductions at source.
 4. Low credit risk
- *Average queue time of below 15 Minutes.*
 - *91% of transactions on alternative channels.*



Proactive credit management through;

- Continuous Process improvement for enhanced End to End Turn Around Time on all loan applications.
- Proactive early delinquency & NPL management through Connecting with our customers, collecting and offering customer-centric solutions.
- Credit Review Implementation Project “*Project Kilele*” and Project *Connect & Build*

“Soaring Eagle” Transformation:

Key achievements

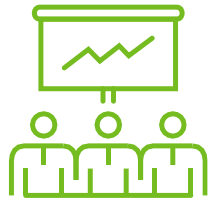
MSME Transformation:

- 36,517 trained customers.
- 174K+ on board on the new packages (Gold, Silver, Bronze).
- Supply chain financing
- Non-Financial Services (NFS): 86 Webinars, 174 Physical Clinics, 4 International Business trips
- Government of Kenya Credit Guarantee Scheme.
- Year to date, Kshs.5.6 Billion advanced to MSMEs through e-credit.



“Soaring Eagle” Transformation:

Key achievements



Sales Force Effectiveness for Corporates and Cooperatives;

- Sector focus; Tailor-made go-to-market strategies for different sectors.
- Scale up value chain business.
- Leasing- Partnership with coop fleet to offer assets on lease



Advanced data analytics – Supporting Data-led sales, reporting and decision making



Digitization – New Core Banking System (expected to go live in 2023), Omnichannel platform (5 Million+ customers) and Business Process Management System.



Staff productivity

- Performance Rigor & Rhythms
- High Performing Teams (HPT) Culture
- Performance-linked Rewards & Recognition
- Staff Productivity – get the best out of our people
- Talent Acquisition – deepening capabilities

Credit Review Implementation Project

Project Kilele



<p>E2E assessment of credit risk management practices</p>	<p>Comprehensive diagnostic review on each area of credit risk, including:</p> <ul style="list-style-type: none"> • Credit risk management framework with a key focus on risk governance, credit risk appetite, origination and underwriting process, credit approval process, credit scoring/rating models, and pricing • Portfolio management, monitoring and reporting procedures • Non-performing loan management, collections, and recovery processes
<p>Strengthen portfolio assessment and risk frameworks</p>	<ul style="list-style-type: none"> • Stress-testing of existing work done on portfolio analysis • Assess client level (and sub-sector) strategies that have been developed and suggest improvements • Quantify impacts of work done - Improvements on work done and potential heuristics that can be applied to enhance PD, LGD, and ECL modelling incorporating sector expertise
<p>Enhance Collections</p>	<ul style="list-style-type: none"> • Diagnostic of collections area (including recoveries and restructuring) • Segment by segment re-design • Future roadmap for collections function

Credit Review Implementation Project

Project Kilele

Key Achievements

- Underwriting process optimization
- Reclassification of sectors and sub-sectors
- NPV (Net Present Value) Restructuring Model
- Early Warning System
- Enhanced Strategic Collections
- Client-level action Plans
- Roll out of new Application For Facility forms.
- Improving Turn Around Time for facilities.
- Auto disbursements.
- Business Process Management System optimization
- Training for Frontline staff and service teams done to enable onboarding new customers with the new sectors and subsectors.
- Early Alert meetings at a segment level with the new guidelines.
- NPV (Net Present Value) Restructuring Model deployed
- Entire corporate and Co-operative book has been reclassified into the new Sector classification to enhance quarterly stress testing of customers by sector and subsector.
- Enhanced Client level action Plans to ensure regular and comprehensive update and actioning.
- Escrow buildup by our customers.



Environmental Social and Governance (ESG) Policy Statement

Introduction

Co-operative Bank of Kenya Ltd was formed by Co-operators through their Co-operative Societies in 1968 to ensure delivery of affordable financial services to the Co-operative movement for maximum benefit of the societies' members. Sustainability is thus the backbone of our strategy and operations to date.

Co-operative Bank Group is committed to transforming lives and being a responsible corporate citizen. The Bank believes that sustainable development and sustainable profit growth are complementary to each other and create a positive impact on the economy, society, and the environment.

Co-operative Bank Group is a responsible financial partner and supports the UN Sustainable Developments Goals (SDGs) by developing products and services aimed at addressing challenges identified by the SDGs with the support of the Co-operative movement, customers, funding partners, investors, and all other stakeholders.

Our ESG Policy

We are fully committed to sustainable development and to achieving positive environmental & social outcomes with good governance.

The Co-operative Bank Group objectives under this policy are:

- To incorporate strong environmental, social, and corporate governance principles throughout all operations and business activities.
- To comply with relevant national laws, regulations and agreements on the environment, climate change, health, safety, and social issues to which the Group subscribes to and in the countries it operates in.
- To evaluate and manage environmental and social impacts when developing policies, products, or major change initiatives.
- To communicate this policy to internal and external stakeholders as part of regular reporting.

This policy shall be applied enterprise-wide and covers all material operations, including geographies, corporate functions, and business units of the Co-operative Bank (Co-op Bank) Group.

Signed:



DR. GIDEON MURIUKI – CBS, MBS
GROUP MANAGING DIRECTOR & CEO
NOVEMBER 2022



Our ESG Framework



Our aim is to have positive impact on the economy, society, and the environment



Our ESG Performance

Governance

- Well Diversified Board Skillset
- Progressive Governance Framework
- Business Ethics
- Proactive ESG Policy Framework
- Strategic Organizational Structure
- Compliant Reporting & Disclosure
- Board structure, policies & procedures.

Social

Financial & Economic Inclusion

- **47.5B** : Economic value distributed (FY'22)
- **157M**: Digital channels transactions (FY'22)
- **360 B**: Net loans and advances Q1'23
- **7.4B** Amount of taxes paid in FY2022

Social Inclusion

- **174,000** MSMEs onboarded in MSME in the Gold, Silver and Bronze account packages. **36,517** customers trained through 86 Webinars, **174** Physical clinics & 4 International business trips
- Over **3267** Consultancies to the Coop Movement.
- **93.5%** Percent of local suppliers (Kshs. **14.8B** paid to them in FY'22)
- **70%** Employees below 40yrs, Kshs. **73M** Training spend
- **1.74%** increase in Customer Satisfaction score from 2021 to 2022

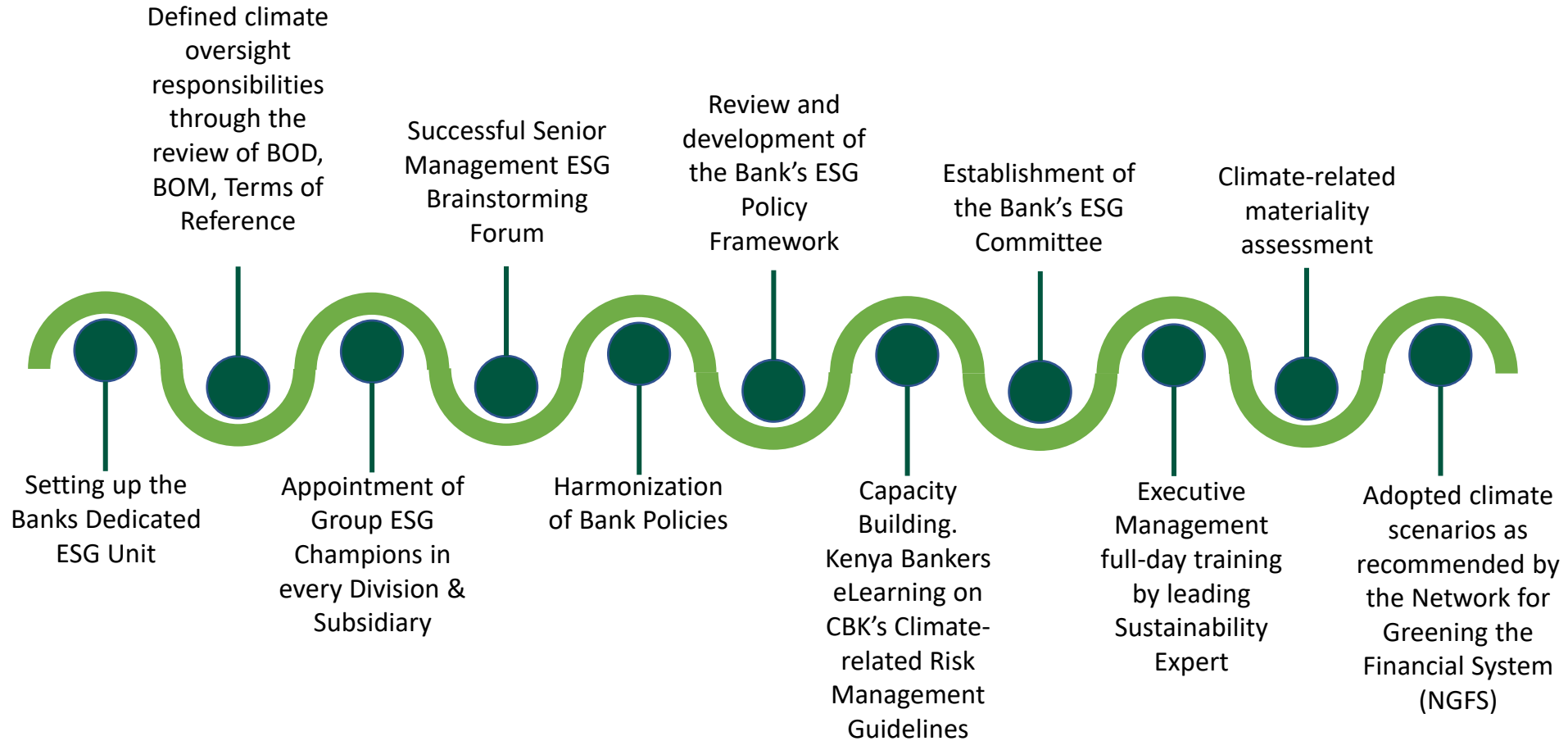
Environment

- Development of a Group wide ESG Policy framework
- Board committees provide ongoing oversight in the implementation of our climate related risk management roadmap.
- Appointment of ESG champions in the Group.
- Screening of loans & advances for environmental risk as laid out in the Environmental & Social Policy (E&S). Corporate, Co-operatives (Above USD 1M)
- Continuous digitization of customer journeys and bank processes.
- Adoption of sustainable resource management practices.
- 0.92% increase in water costs from 2021
- 11.62% decrease in electricity costs from 2021
- 58.61% increase in energy savings from 2021
- 29.41% increase in the green lending book from 2021



Climate Change

Implementation of the CBK guidance on Climate-related risk management.”



Co-op Foundation



10,264

Total Students Sponsored on Scholarship Program



Empowerment of Youth in Transport Sector

(Boda-Boda) GIZ grant funded program in Eastern, Central and Coastal Program.



Education USA

A University Scholarship Program funded by USAID



Community Service Program

for University Scholarship Beneficiaries.



Jijali Program

A Career /Work Readiness Program or Entrepreneurship targeting all our University Scholarship Beneficiaries.



KES 135M

Value added in 2022 through Co-op Foundation

4 QUALITY EDUCATION



Award-Winning Brand



KBA CUSTOMER SATISFACTION SURVEY

Best Overall in Satisfactory Customer Experience.
33000 respondents from 38 member Banks



18th ENERGY MANAGEMENT AWARDS (EMA) 2022

Electricity Savings Award – Small Consumers - 1st
Runners Up
Service Sector Award-1st Runners Up
Best New Entrant Award-Winner



WINNER – Environmental and Social reporting 2022



WINNER
BEST REGIONAL BANK – EAST AFRICA
Co-Operative Bank of Kenya



DIGIBANK SUMMIT 2022

Excellence in Customer Experience



Best Women and Youth empowerment Programs.

- Education Scholarship Program
- Adoption of Agribusiness and use of Renewable Energy Technologies for Agriculture by Youth in Kenya



EMEA FINANCE AFRICAN BANKING AWARDS 2021

CEO of the year – Pan Africa
Best Bank – Kenya
Financial inclusion – Pan Africa
Best Asset manager, Co-opTrust Investments Services - Kenya



VISA AWARDS 2021

Best SME acquirer solution rollout
Best contactless champion - issuing
Most financially inclusive bank



Sustainability Awards

Most Sustainable Bank in Kenya



Asanteni Saana!

OVERALL WINNER

Sustainable Finance Catalyst Awards



Most Innovative Bank



Best in financing Commercial Clients



1ST Runners up – Best in Sustainable Finance



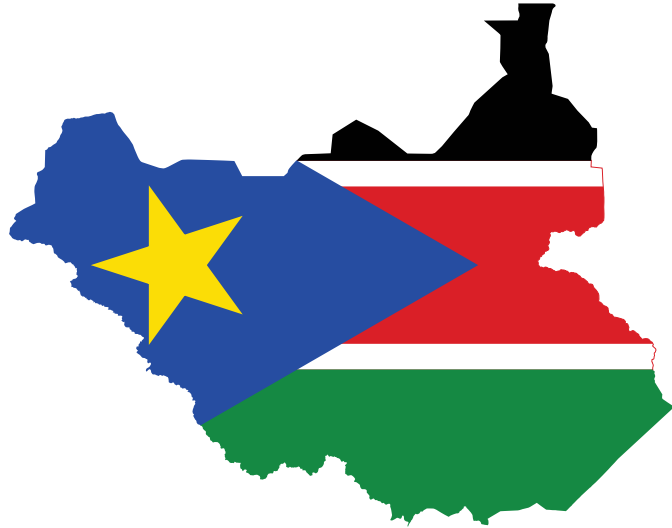
1ST Runners up – Best in Covid 19 response



2ND Runners Up – Best in Financing MSME

Regional Business

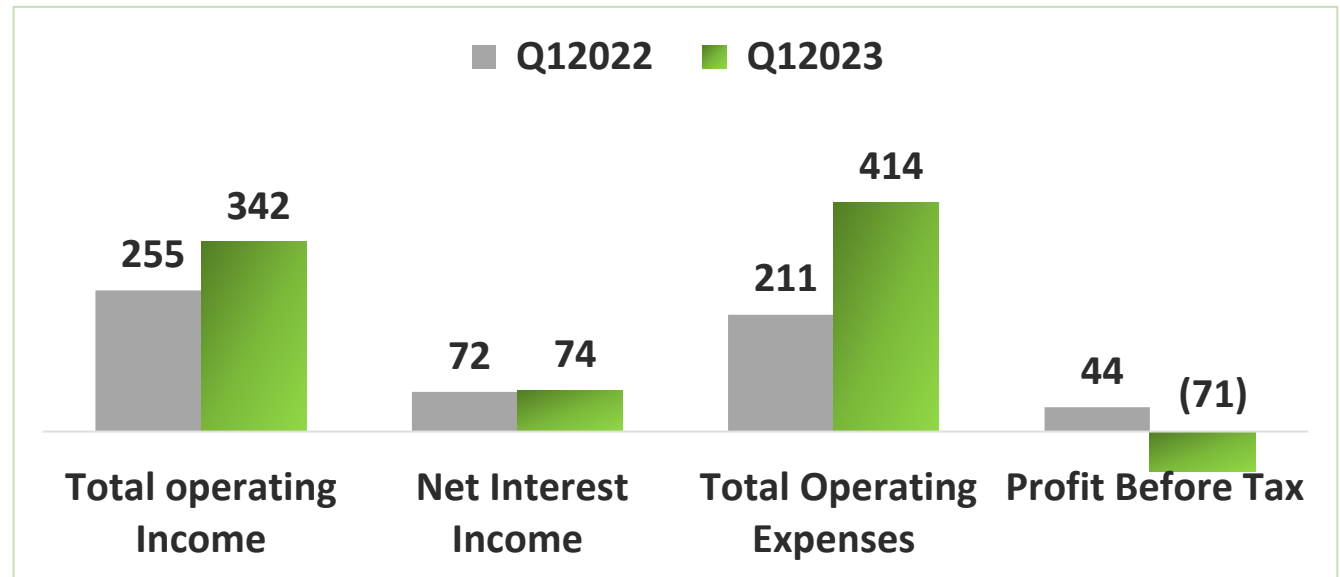
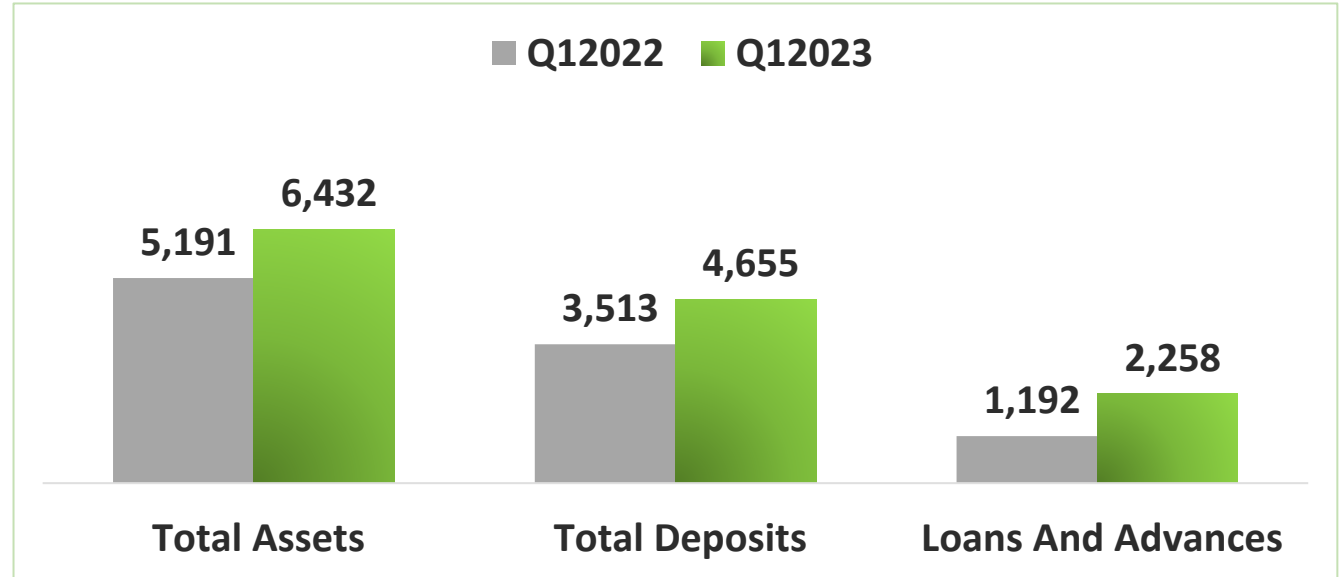
(Kshs. Millions)



4 Branches in Juba

5 Non-oil collection centers

Owns 31% of CIC Africa Ltd- South Sudan



Channel Performance



Growing Digital Channels

91% of our Transactions are on alternative Channels providing opportunities for efficiency.



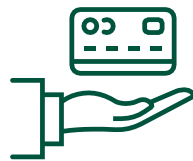
Mobile



Internet



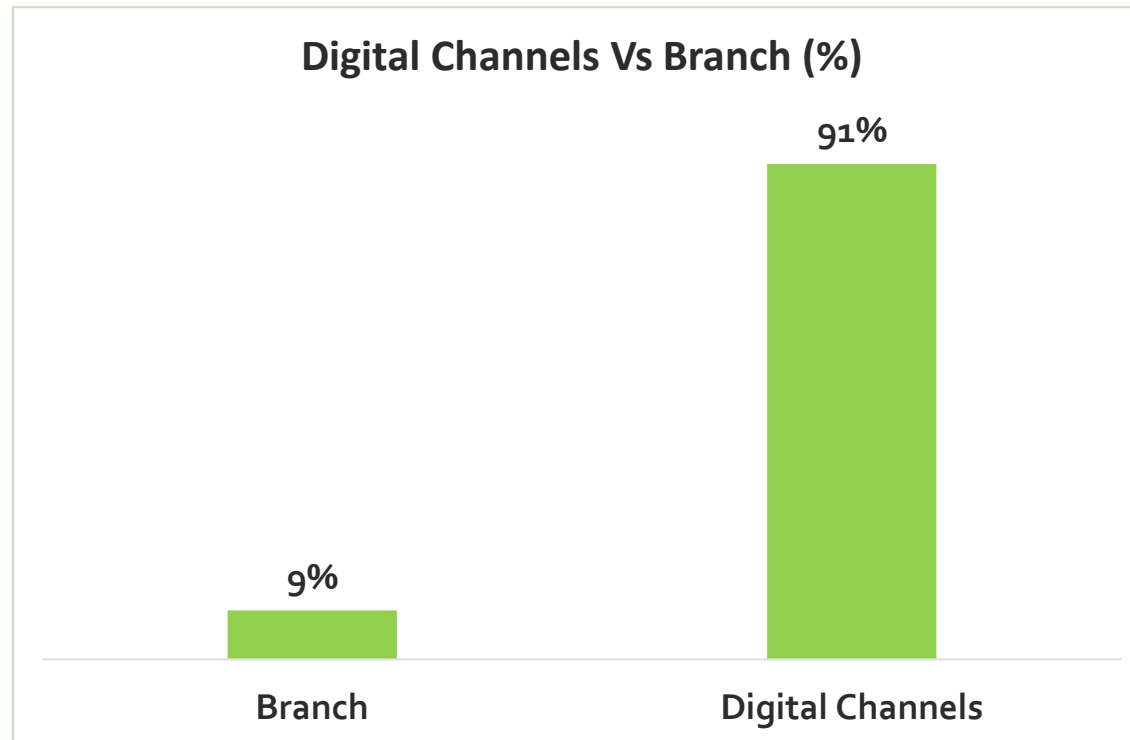
ATM



Agency



Omnichannel Platform



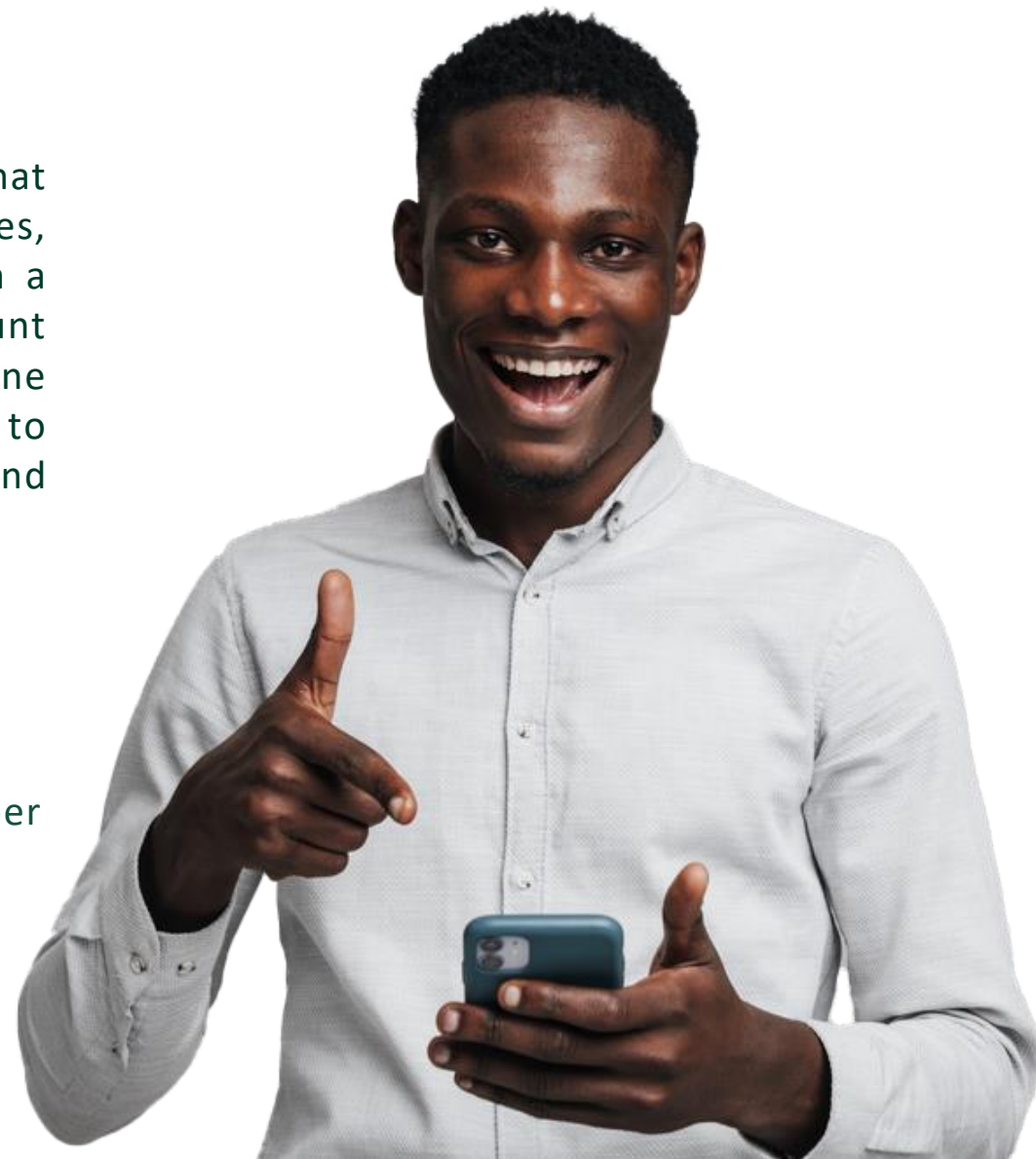
MCo-op Cash Mobile Wallet

A unique Offering

MCo-op Cash is an all-telco, all products mobile banking service that enables customers to enjoy access to a variety of banking services, money transfer and payment services. It's a virtual account with a simple menu where the customers mobile number acts as the account number and can be opened and operated end-to-end from the phone without having to visit the branch. MCo-op cash has continued to reach many customers who would have remained unbanked and underbanked.

Mco-opcash main features includes;

- Full access to other wallets in the market
- Affordable pricing compared to Brick & Mortar
- Payment of goods and services directly to Telco Paybill/Till number
- Cardless withdrawal at the bank's agent and ATM network
- External and Internal funds transfer
- E-Credit - Access to the mobile-based loans offered by the bank.



Omnichannel Banking

We have successfully migrated our customers to the Omni-channel integrating accessibility and user experience.

Our omnichannel interfaces online banking through personal computers, mobile phones and USSD availing our services to all customers through their preferred channel yet retain the same experience from wherever they are.

Welcome to the new Internet Banking

Your banking team is at your fingertips



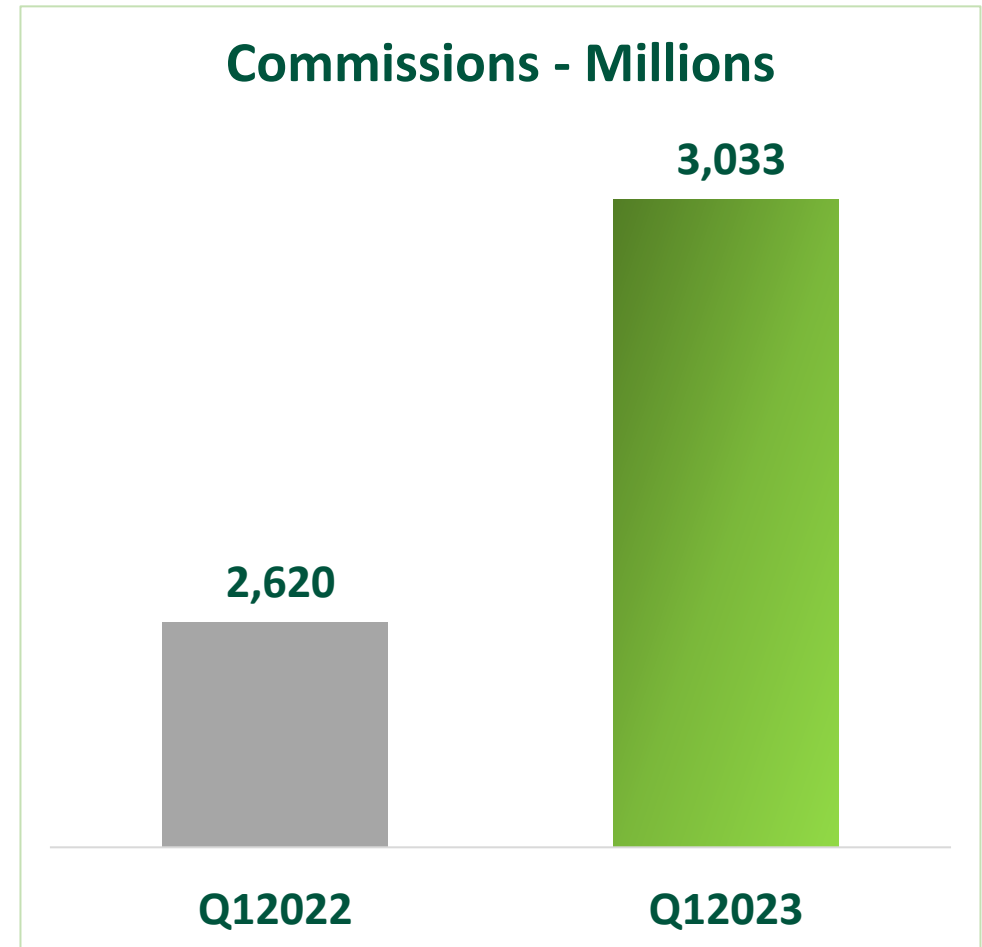
Personal Internet Banking



Corporate Internet Banking

Successful offering continues to scale:

Commissions - Millions



Digital lending focus E-credit

A superior product for our customers that continues to scale and is a key revenue source

- A key focus area, Kshs.296.1B disbursed to Date.
- Kshs 6.4 Billion disbursed per month on average.
- Consumer based salary checkoff hence lower credit risk.
- Short term tenure



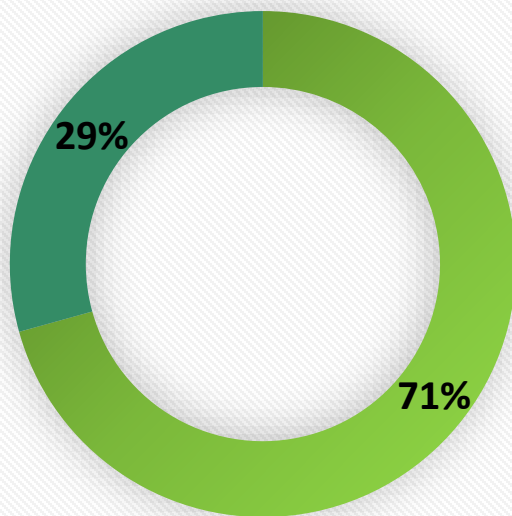
E-credit

A superior product for our customers that continues to scale and is a key revenue source

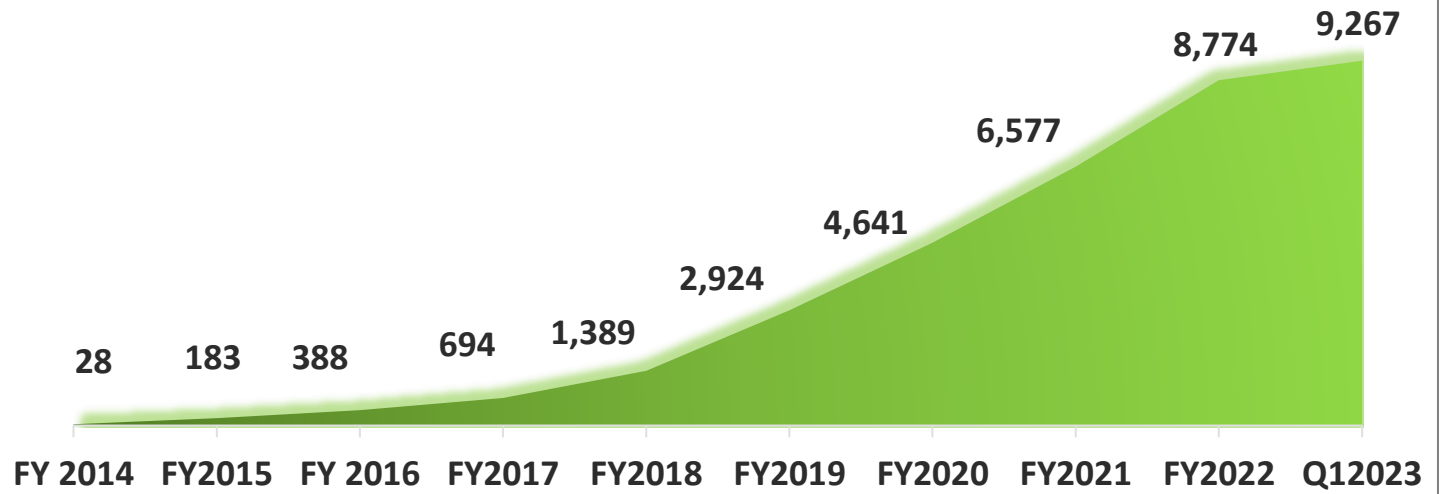
Kshs. 19.2B Disbursed YTD

E-Credit – Key Growth Focus

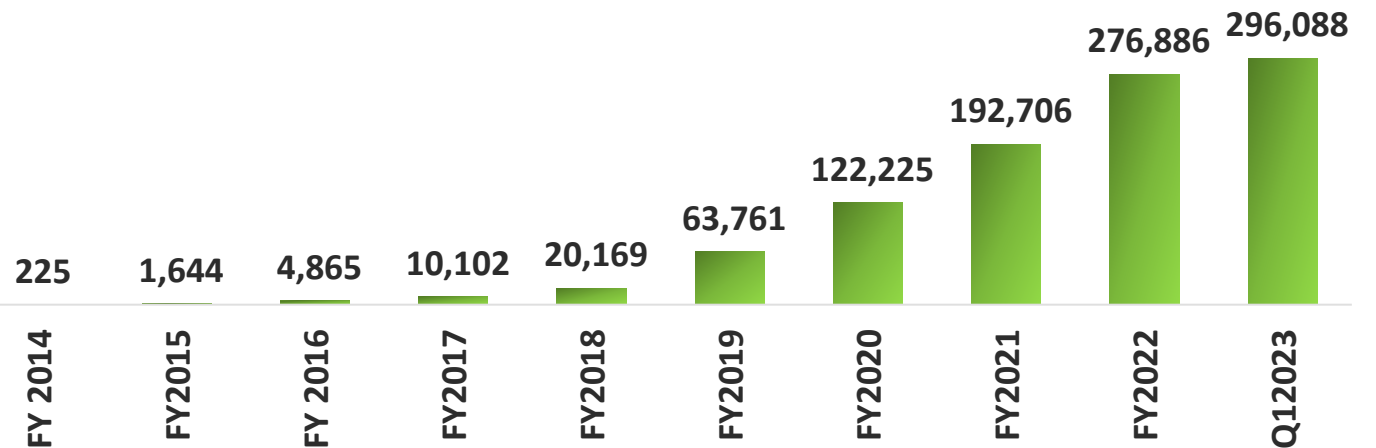
■ E- Flexi ■ Unsecured Business Plus



Cumulative Mcoop Cash Loan Customer Numbers (In '000')



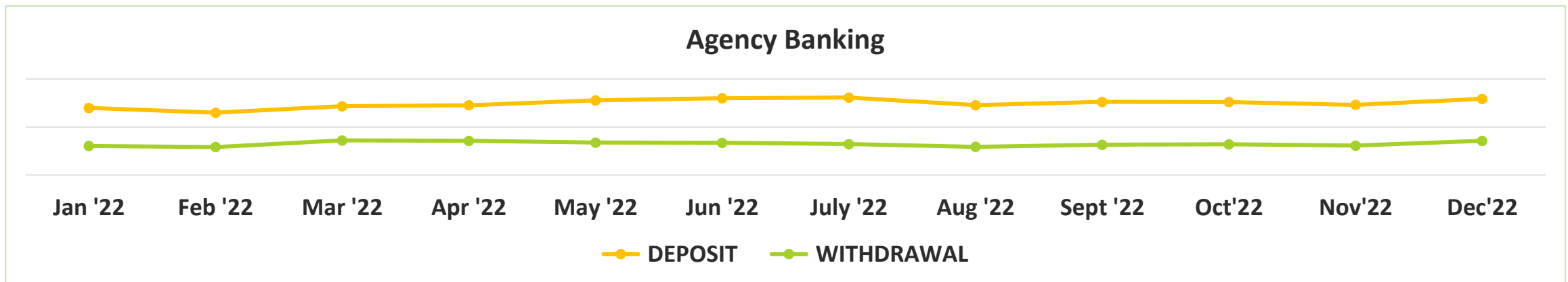
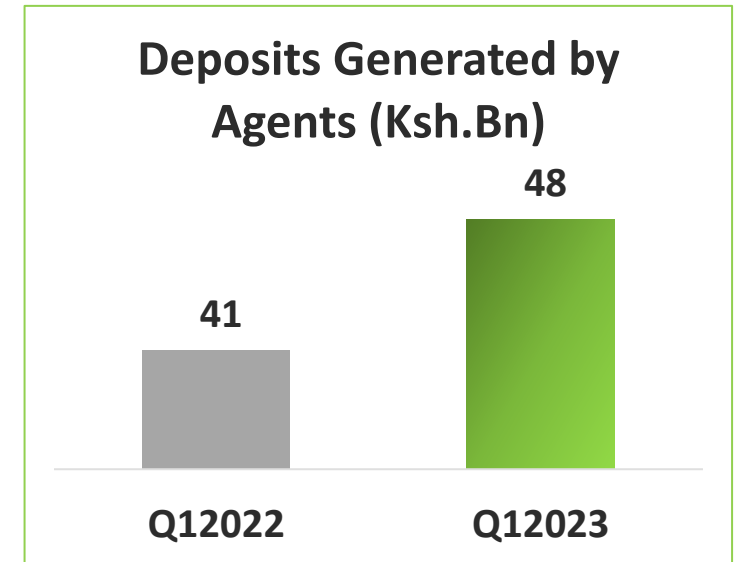
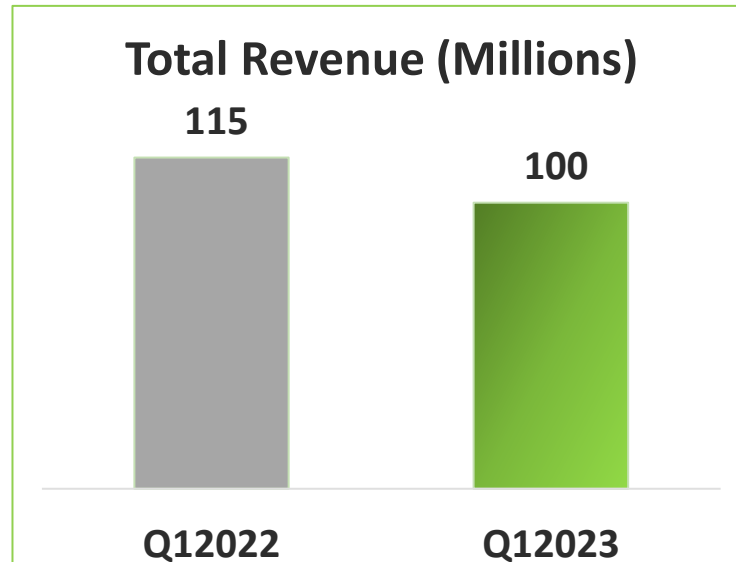
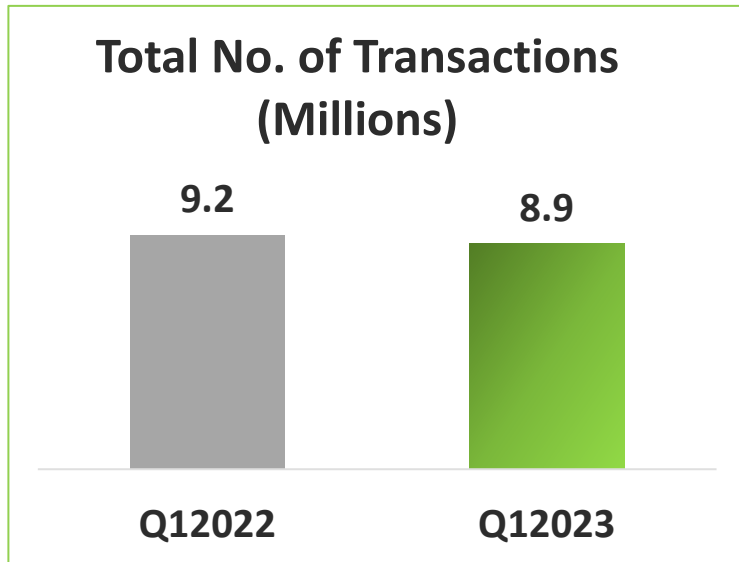
Cumulative Mcoopcash Loan Book - In Millions



Agency Banking

Growing Co-op Kwa Jirani Agency Banking

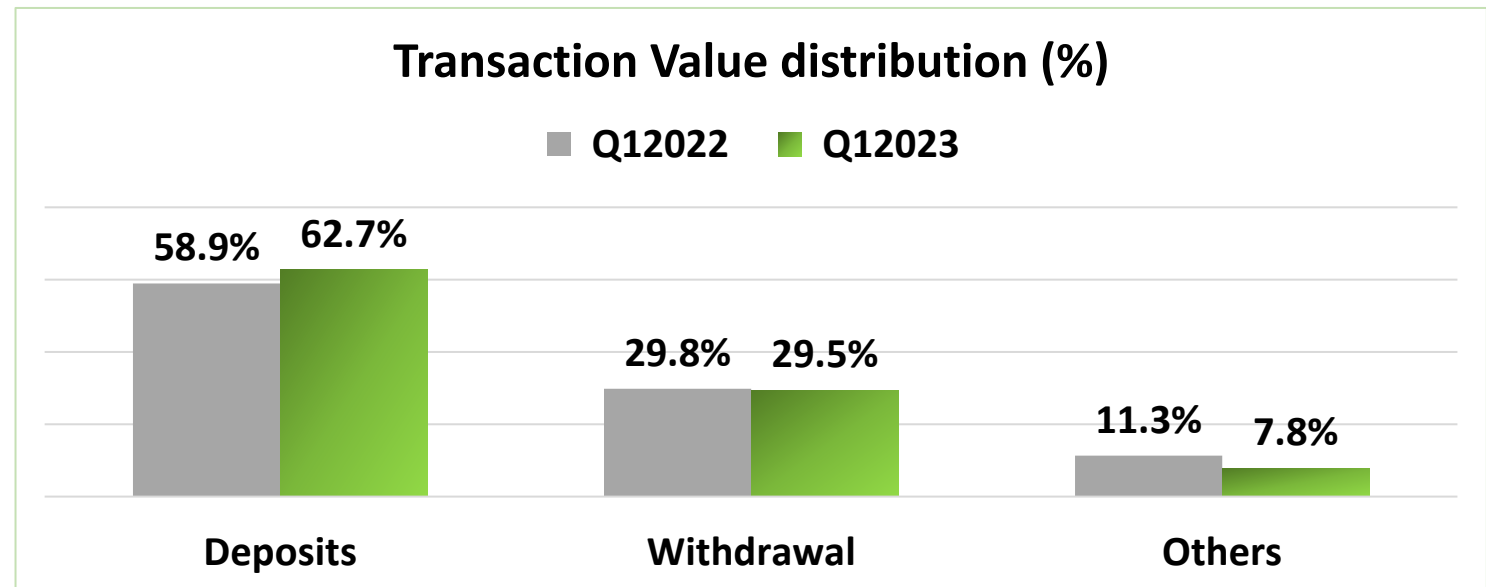
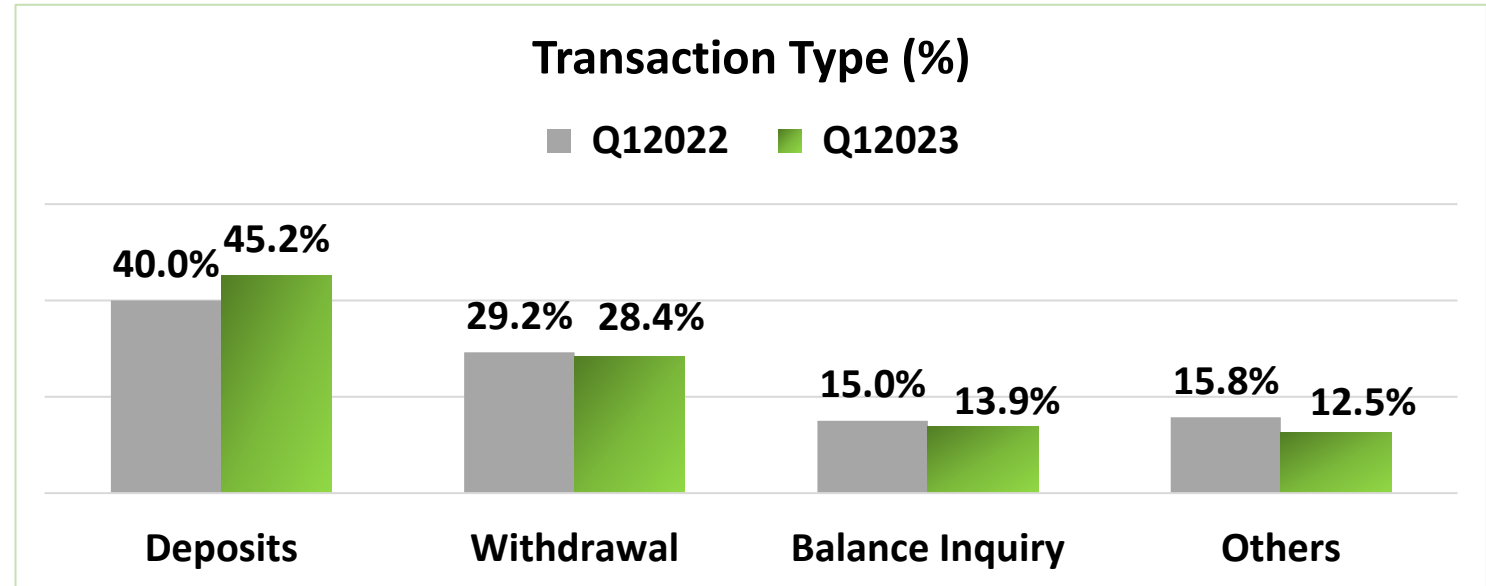
- Deposits mobilized through Agency banking up by 16.8%



Agency Banking

Growing Co-op Kwa Jirani Agency Banking

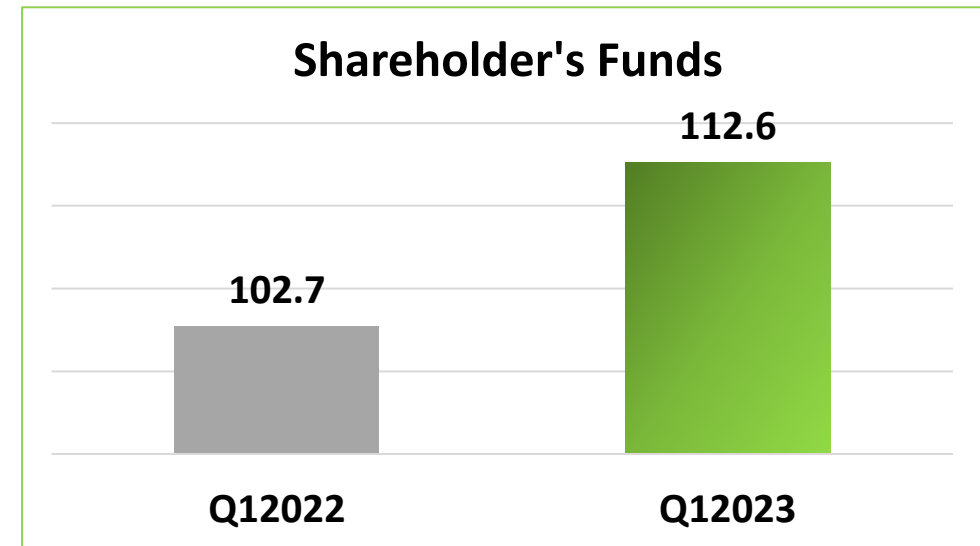
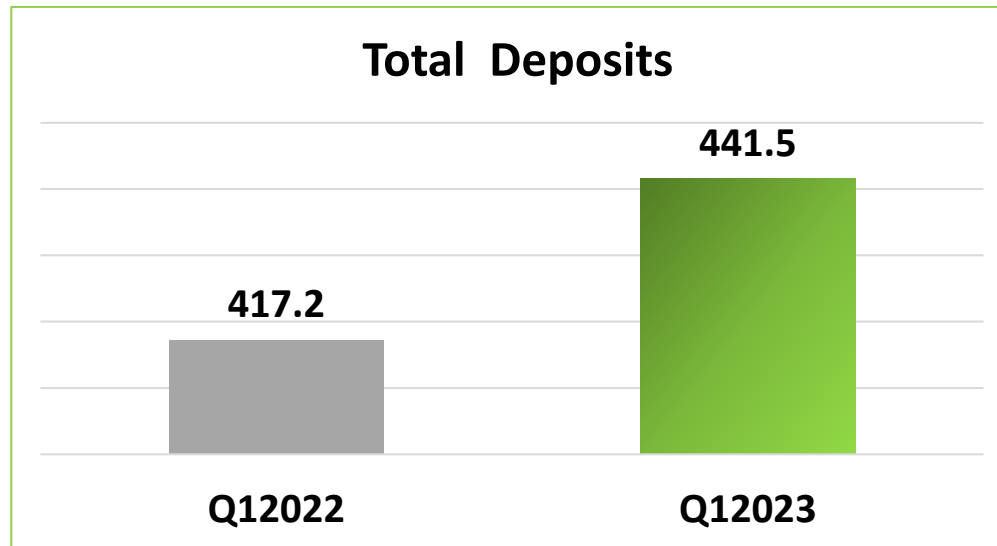
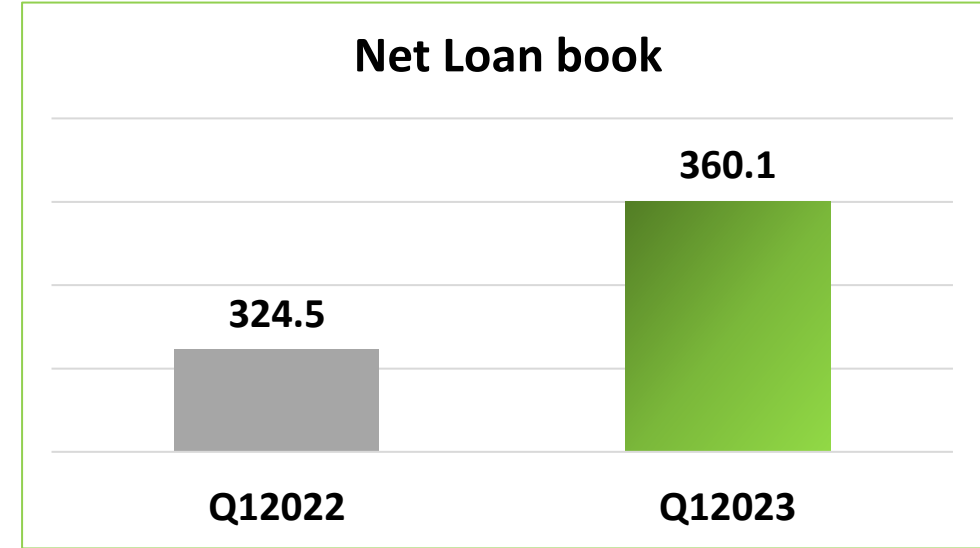
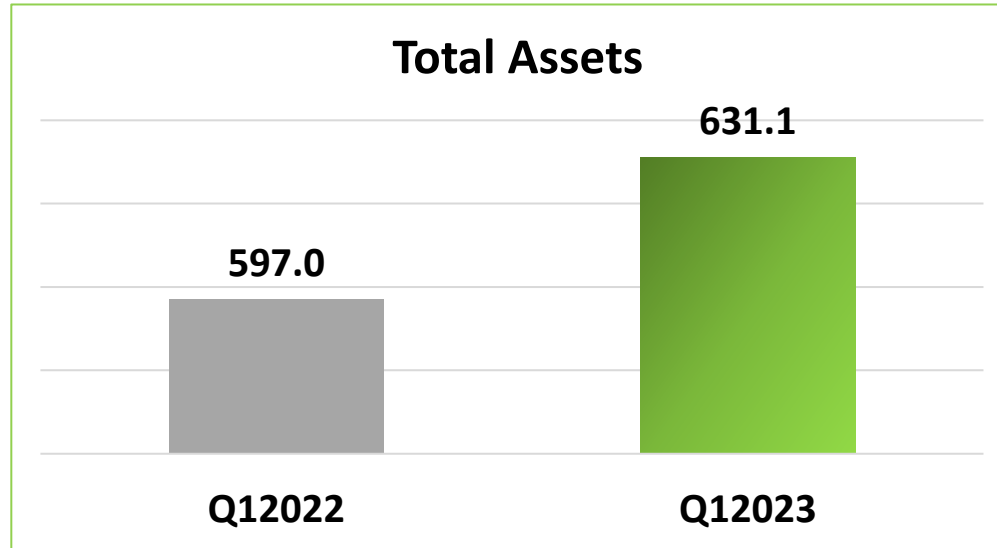
- Key deposit mobilization channel
- Higher deposit than withdrawal




Financial Highlights



Strong Financial Position (Kshs. Billion)

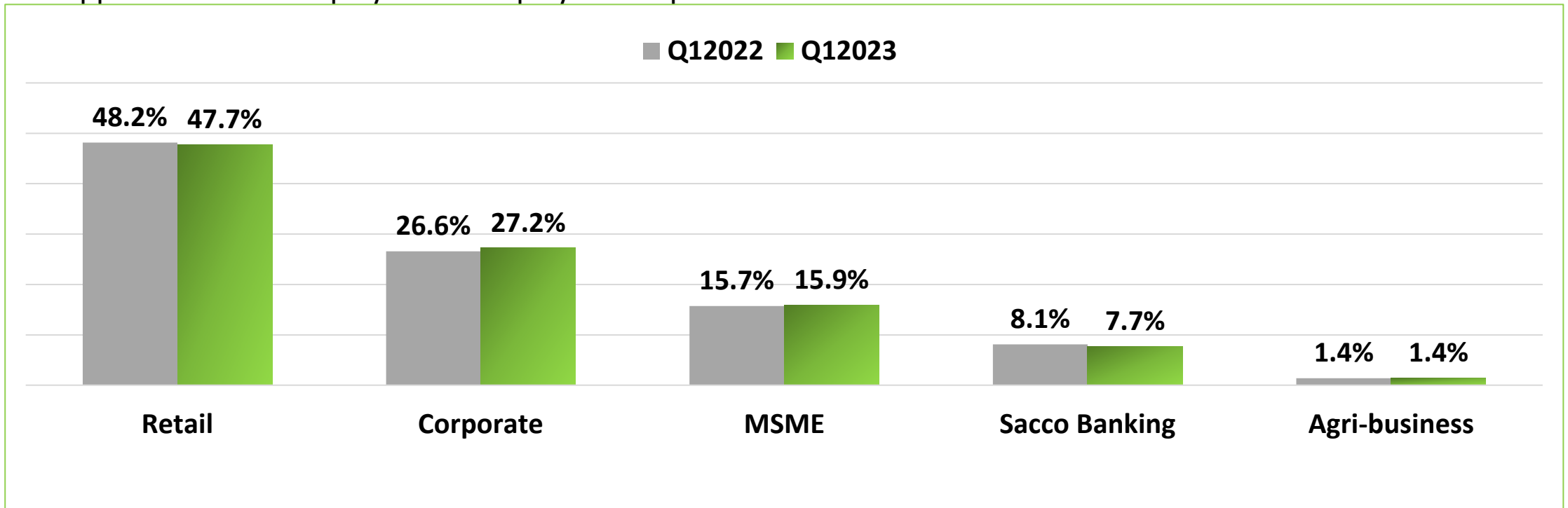


Strong Financial Position (Kshs. Billion)

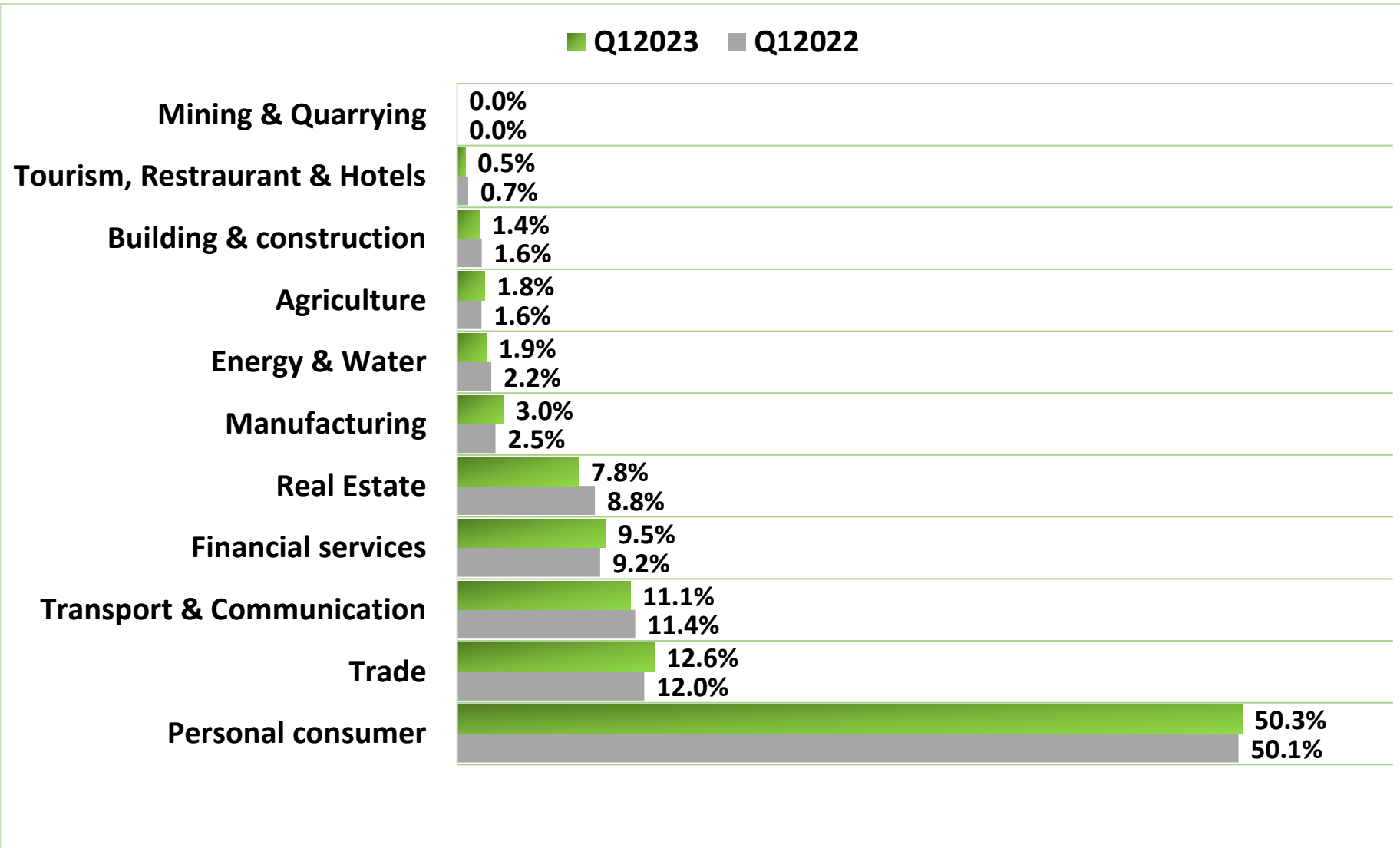
	Q12023	Q12022	YoY Change	
Total Assets	631.1	597.0	5.7%	
Net Loan book	360.1	324.5	11.0%	
Government Securities	179.2	183.4	-2.3%	
Total Deposits	441.5	417.2	5.8%	
Borrowed Funds	48.4	43.3	11.8%	
Shareholder's Funds	112.6	102.7	9.7%	

Diversified loan book

- Diversified across segments.
- Highest book is in Personal Banking;
- Check off; deductions are done at source.
- Diversified across various Government/quasi-government employees.
- Appraisal of both employer and employee for optimal risk-return.



Diversified loan book across sectors



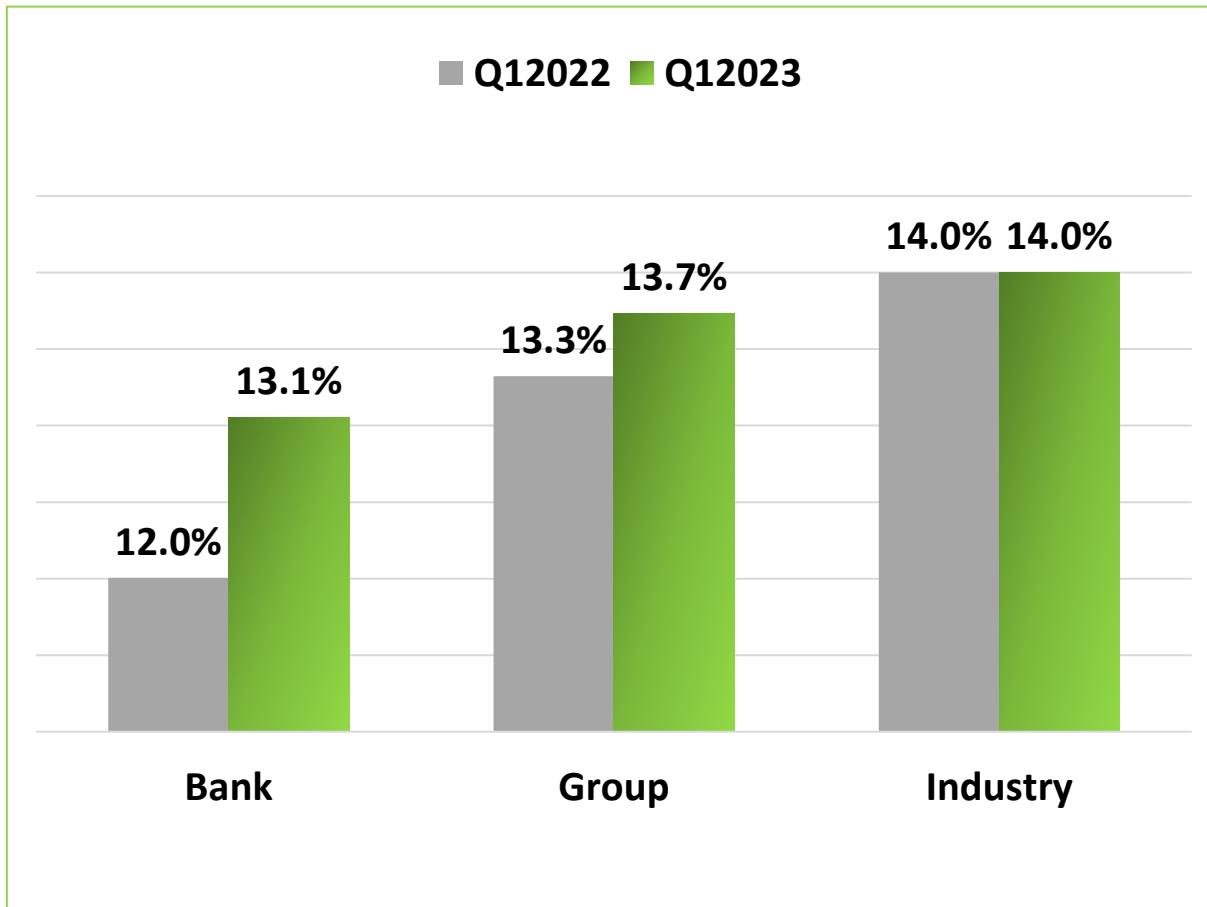
50.3% in Personal consumer which is performing well

Low relative exposure in high-risk sectors

- Tourism and Hotels <1%
- Manufacturing 3.0 %.

Improving Non-Performing loan book

The group's NPL is below industry level of 14%



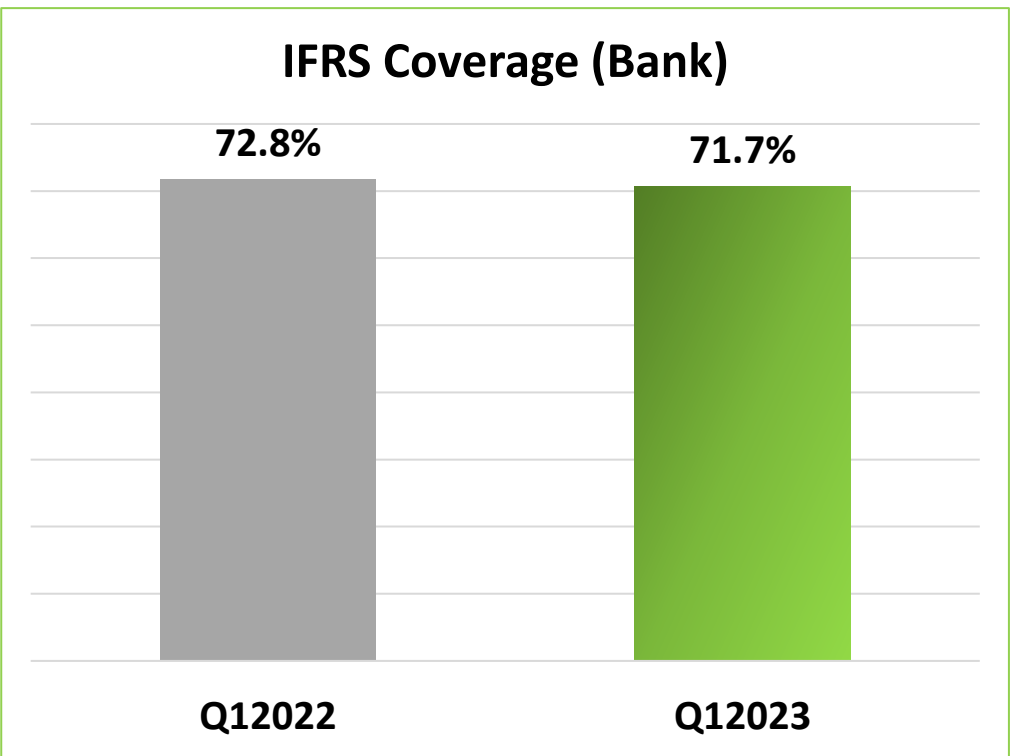
Bank's NPL below Industry level

Supported by;

- Proactive Credit Management Strategies.
- Business Growth.
- Consumers and Businesses continued recovery from the impact of Covid 19 Pandemic.

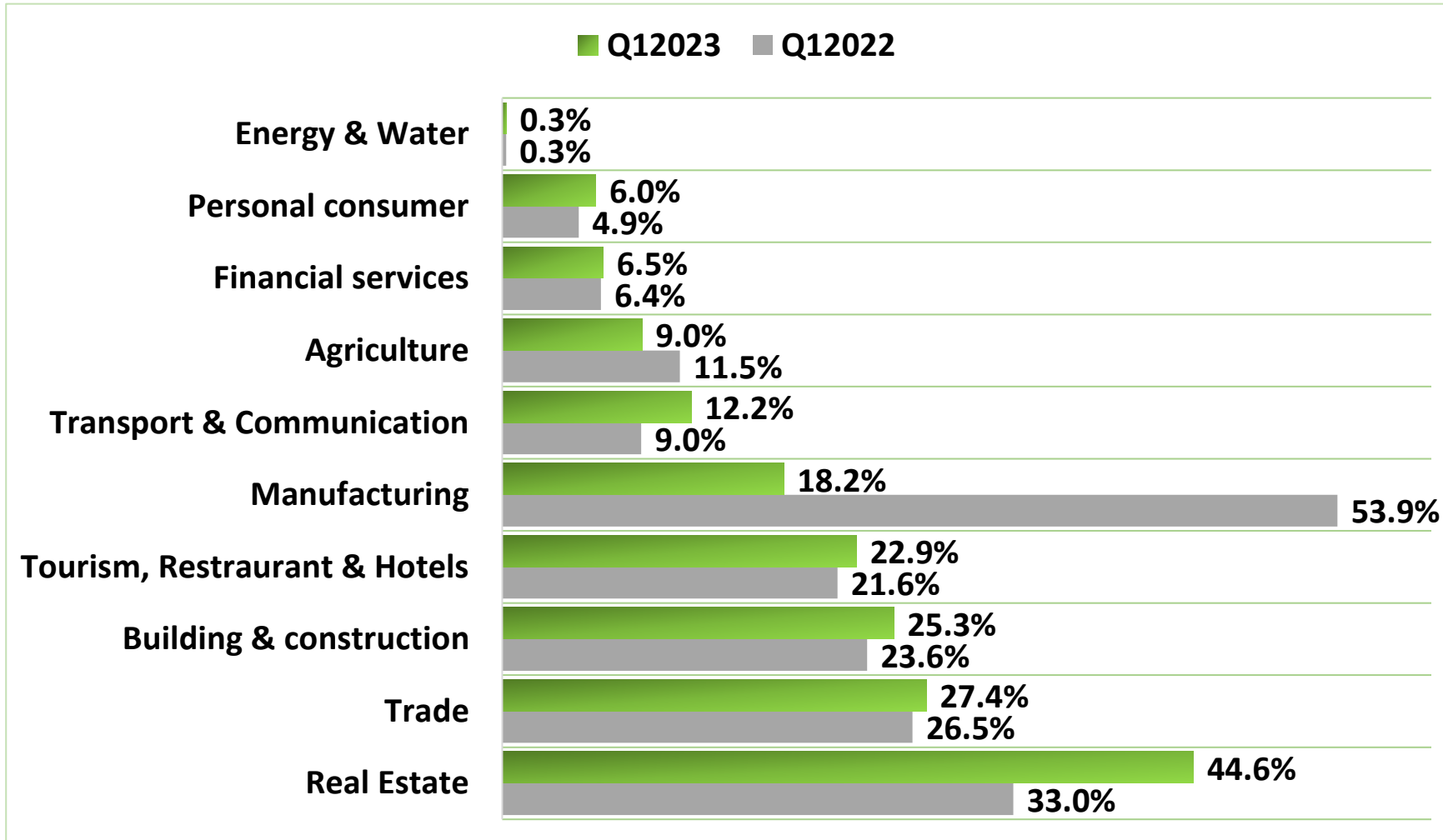
Adequate Coverage

- Kshs. 1.5 Billion loan loss provision in Q12023 (Kshs. 1.5B Q12022)
- Cost of risk has improved to 1.8% in Q12023 compared to 2% in Q12022.



Inclusive of the Discounted Value of Securities, our coverage is at **104.8%**

Portfolio Trends – Sector NPL



← Sector is 50.3% of our loan book

← Sector is 3% of our loan book

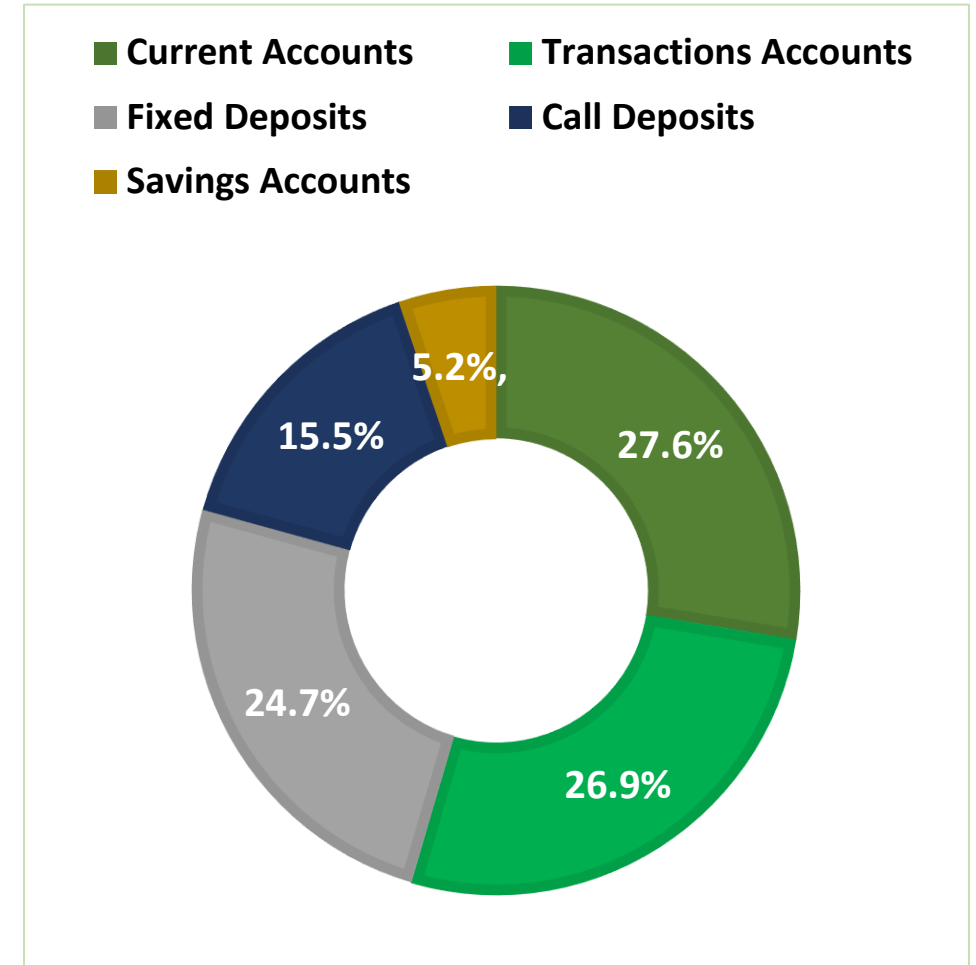
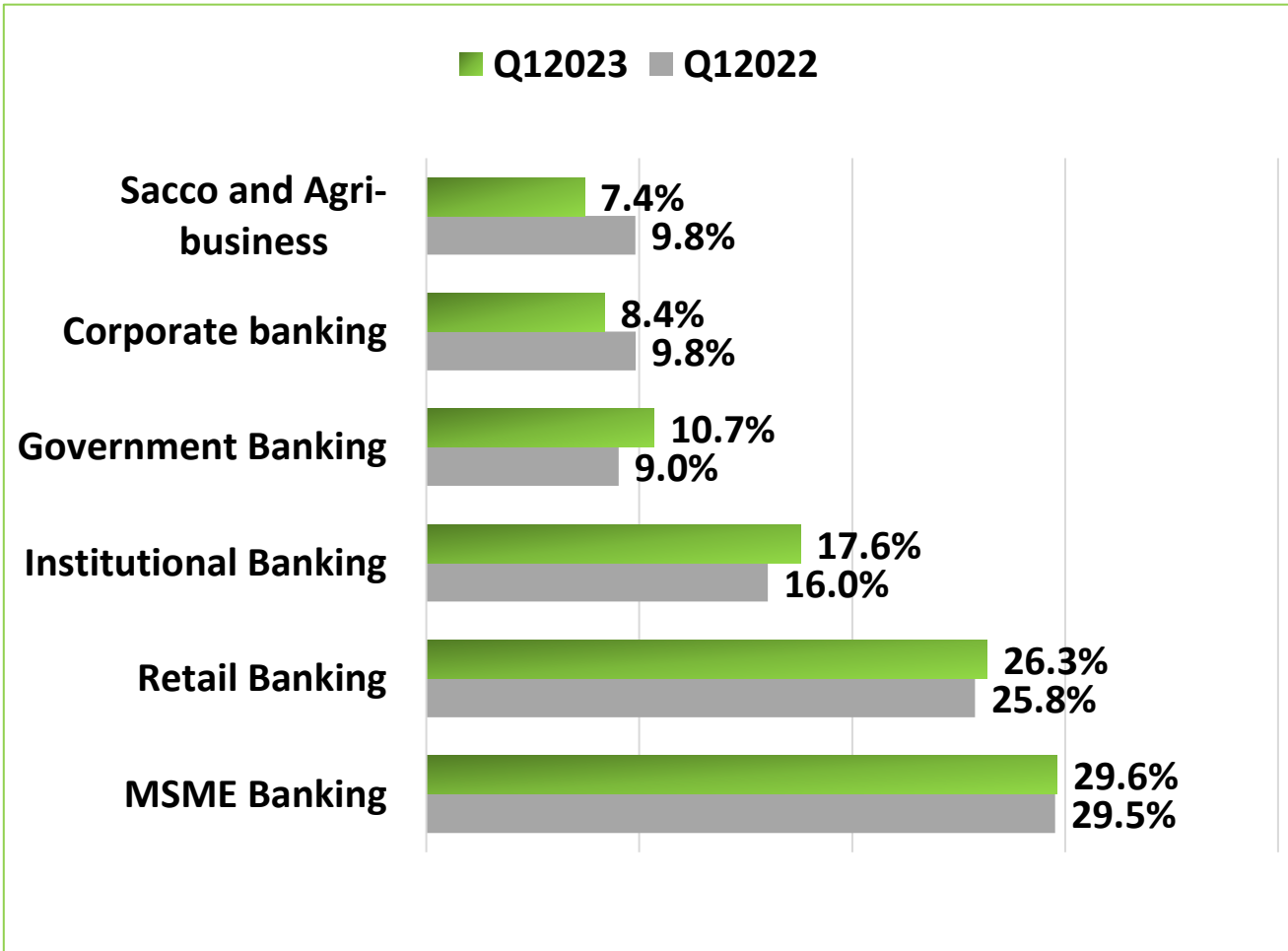
← Sector is 0.5% of our loan book

← Sector is 1.4% of our loan book

← Sector is 12.6% of our loan book

← Sector is 7.8% of our loan book

Well-diversified Liability Portfolio

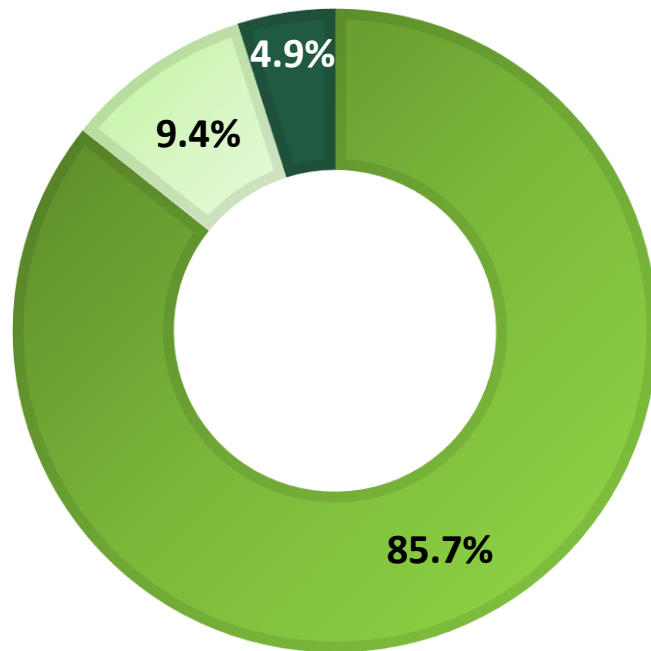


An Optimally balanced Kenya Shilling asset & funding book



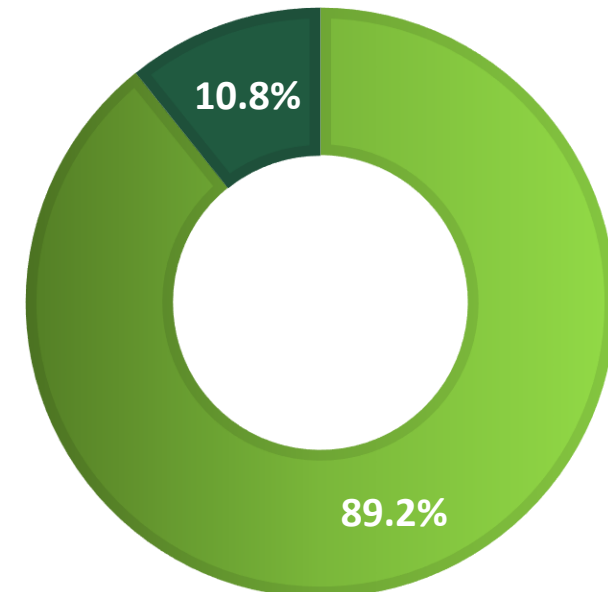
FUNDING: LOCAL VS. FOREIGN CURRENCY

■ LCY Funding ■ FCY Deposits ■ FCY Borrowing



LOAN BOOK: LOCAL VS. FOREIGN CURRENCY

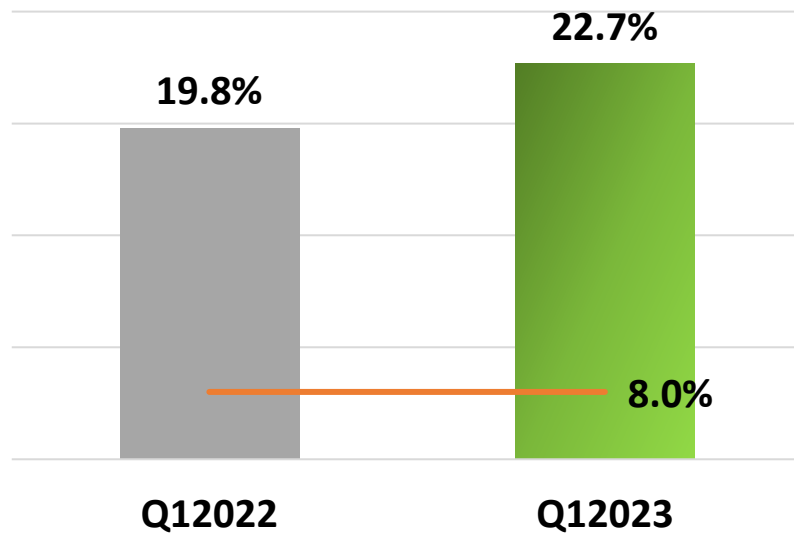
■ Local currency ■ Foreign Currency



Strong capital to support future growth

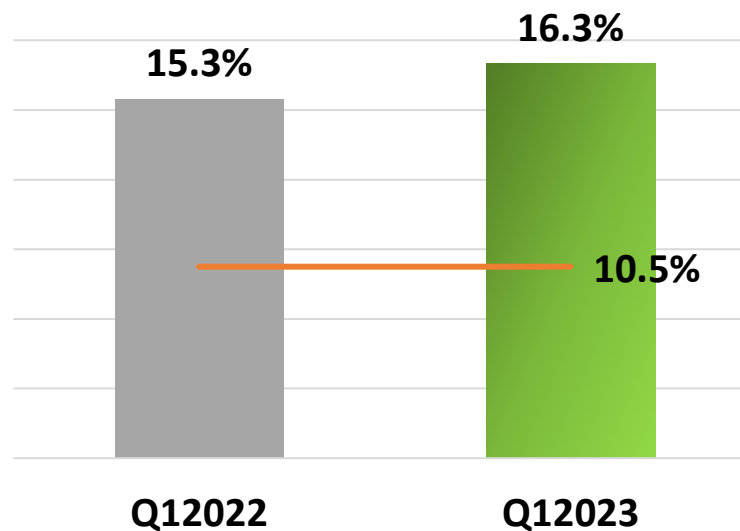
Capital buffers for sustainable growth

Core capital/Total deposit liabilities



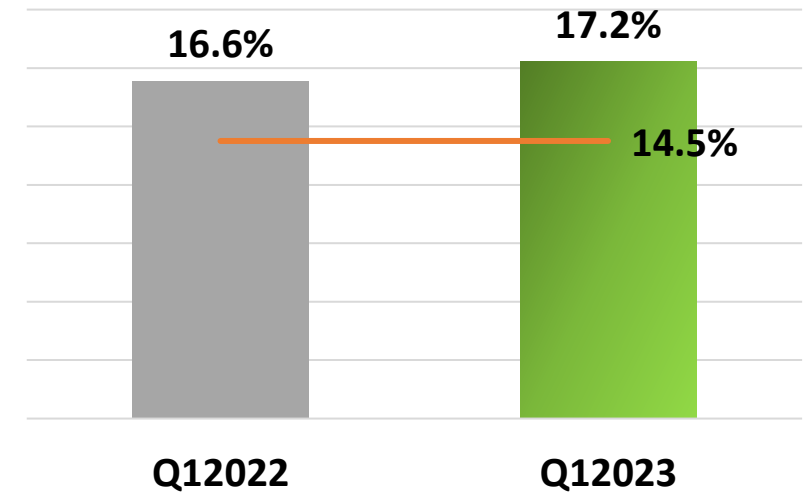
■ Core capital/Total deposit liabilities
— Minimum Statutory Ratio

Core capital/Total risk weighted assets



■ Core capital/Total risk weighted assets
— Minimum Statutory Ratio

Total capital/Total risk weighted assets



■ Total capital/Total risk weighted assets
— Minimum Statutory Ratio

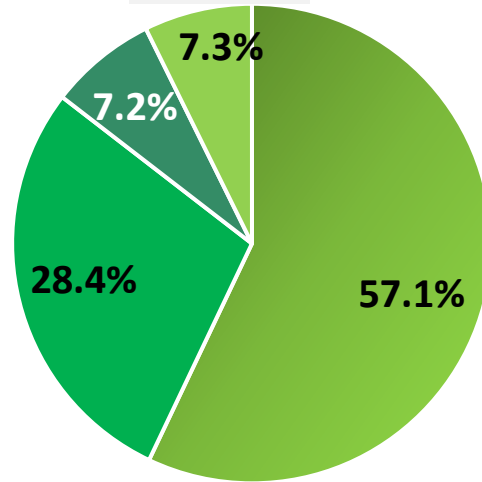
Optimal Asset and Funding Mix



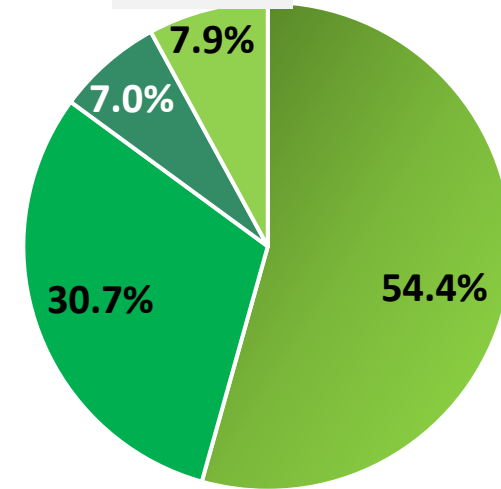
Asset Categories

- Net Loans
- Government Securities
- Cash and Cash Equivalent
- Other Assets

Q12023



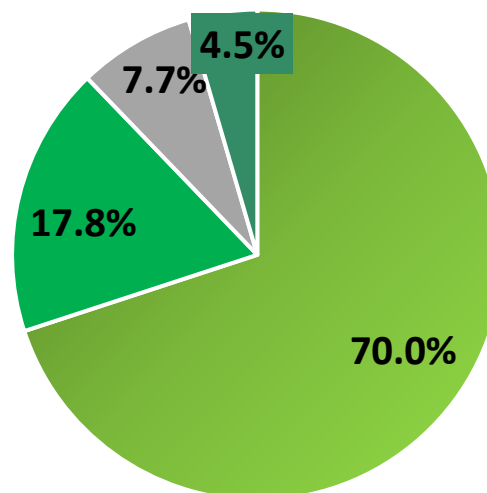
Q12022



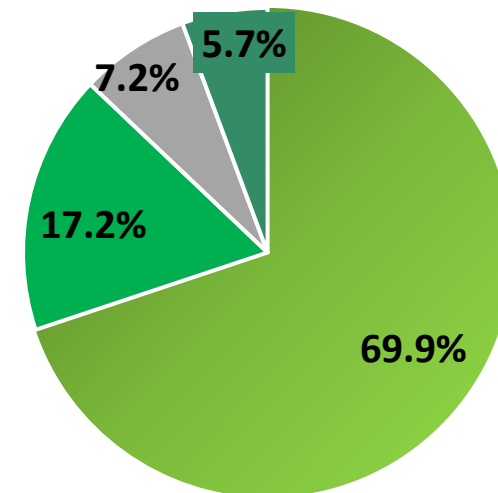
Funding Categories

- Deposits
- Shareholders funds
- Borrowed funds
- Other liabilities

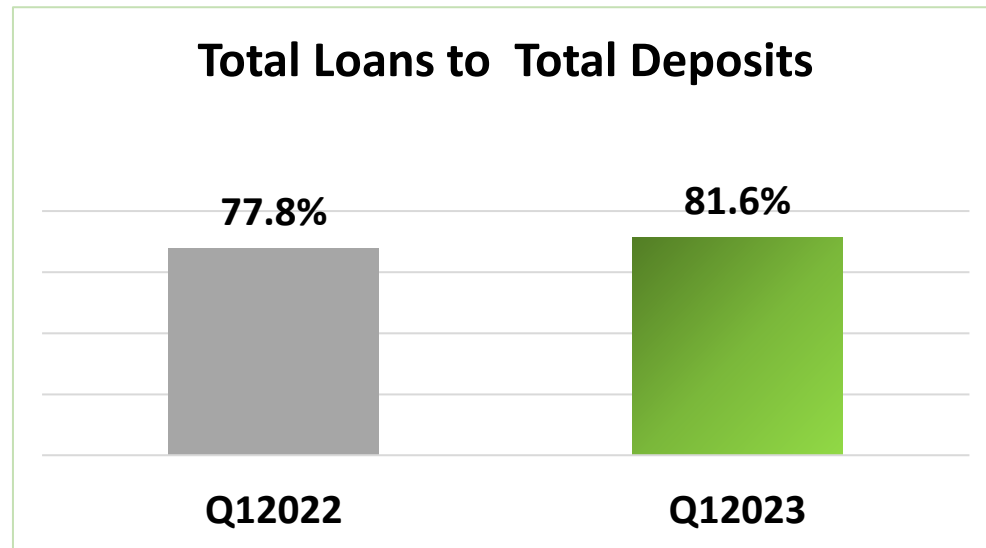
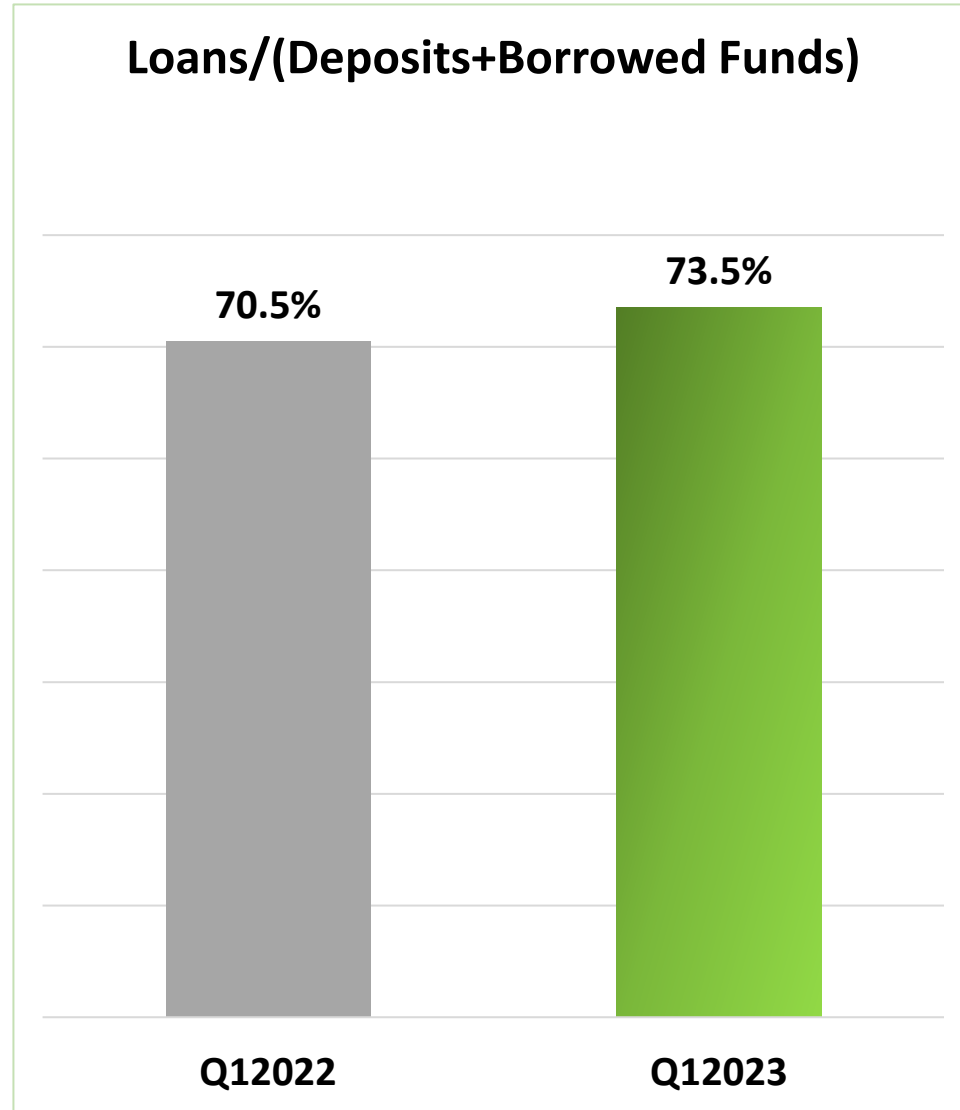
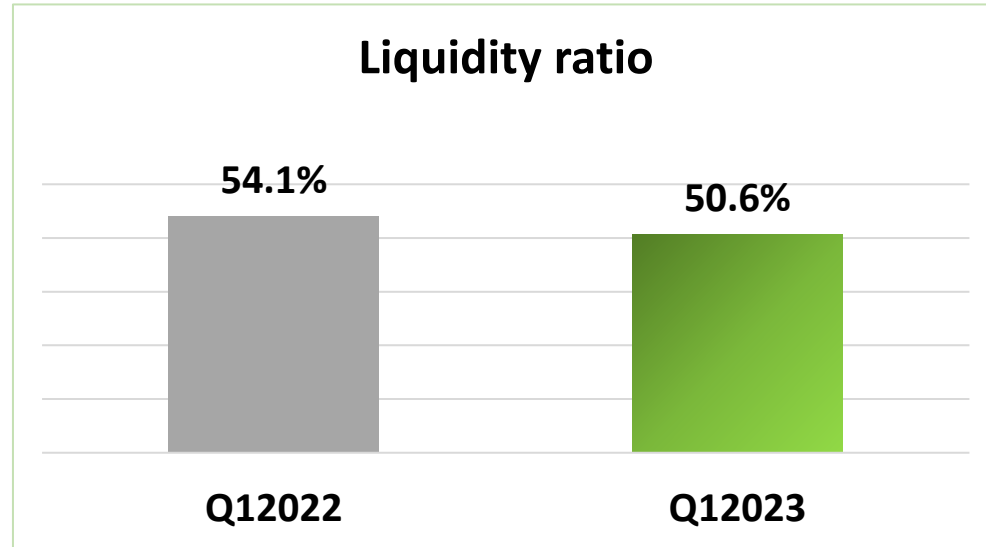
Q12023



Q12022



Strong Liquidity to Support Investments



Sustainable Profitability Growth



	Q12023	Q12022	YoY Change	
Total Interest Income	15.6	14.0	11.2%	↑
Total Interest Expenses	4.8	3.6	32.2%	↑
Net Interest Income	10.8	10.4	3.9%	↑
Fees and commissions on loans and advances	3.4	2.6	30.9%	↑
Other Fees and commissions	2.5	2.8	-10.1%	↓
Foreign exchange trading income	1.1	0.8	43.9%	↑
Other income	0.1	0.3	-60.6%	↓
Total Operating Income	17.9	16.8	6.5%	↑
Loan loss provision	1.53	1.54	-0.7%	↓
Staff costs	4.0	3.5	12.8%	↑
Other operating expenses	4.3	4.0	8.9%	↑
Total Operating expenses	9.8	9.0	8.8%	↑
Profit before tax and exceptional items	8.1	7.8	3.9%	↑
Exceptional items-Share of profit of associate	0.09	0.03	189.9%	↑
Profit Before Tax	8.1	7.8	4.6%	↑
Income tax	2.04	1.95	4.3%	↑
Profit After Tax	6.1	5.8	4.7%	↑

Subsidiary Contribution

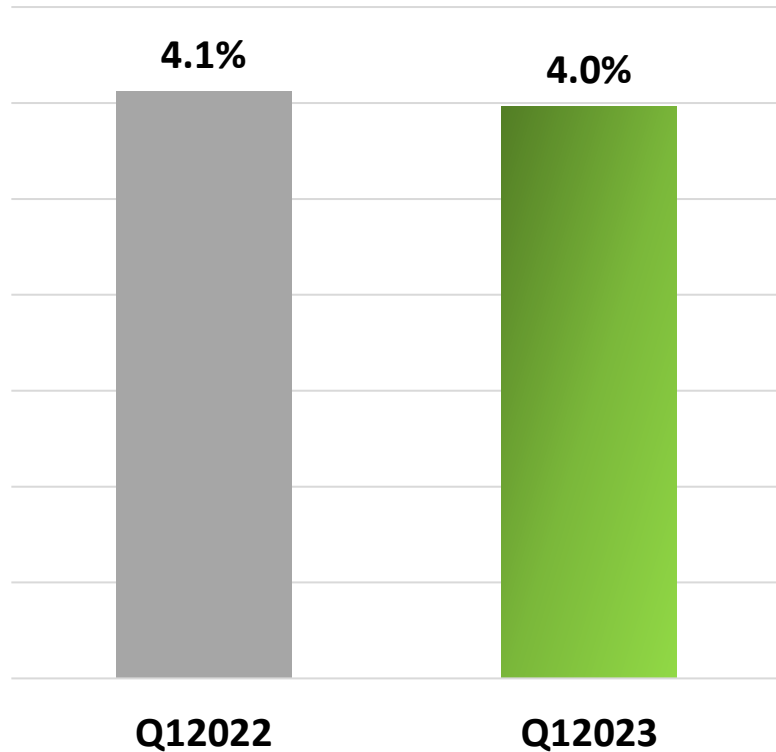


	Q12023	Q12022	Growth	Growth
	Kshs. '000'	Kshs. '000'	Kshs. '000'	%
Co-operative Bank of Kenya Ltd (COBK)	7,478,370	7,141,121	337,249	4.7%
Co-operative Bank of South Sudan (COBSS)	(71,346)	43,882	(115,228)	-262.6%
Co-opTrust Investment Services Ltd (CISL)	51,145	53,724	(2,580)	-4.8%
Co-op Consultancy & Insurance Agency Ltd (CCIAL)	336,401	316,906	19,496	6.2%
Kingdom Securities Ltd	(20)	(8,362)	8,342	99.8%
Kingdom Bank Ltd	261,520	209,792	51,728	24.7%
Co-op Bank and Subsidiaries Total	8,056,070	7,757,064	299,006	3.9%
Associates share of profit	93,082	32,113	60,969	189.9%
Group Profit before Tax	8,149,152	7,789,177	359,975	4.6%
Income Tax Expense	2,038,396	1,953,954	84,442	4.3%
Group Profit after Tax	6,110,756	5,835,223	275,533	4.7%

Key Ratios

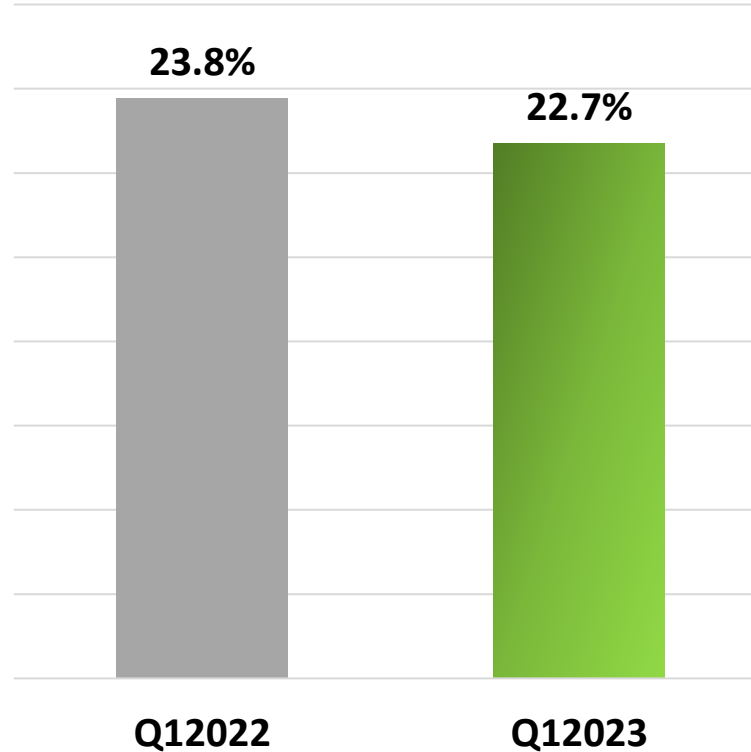
Return on Average Assets

■ Q12022 ■ Q12023



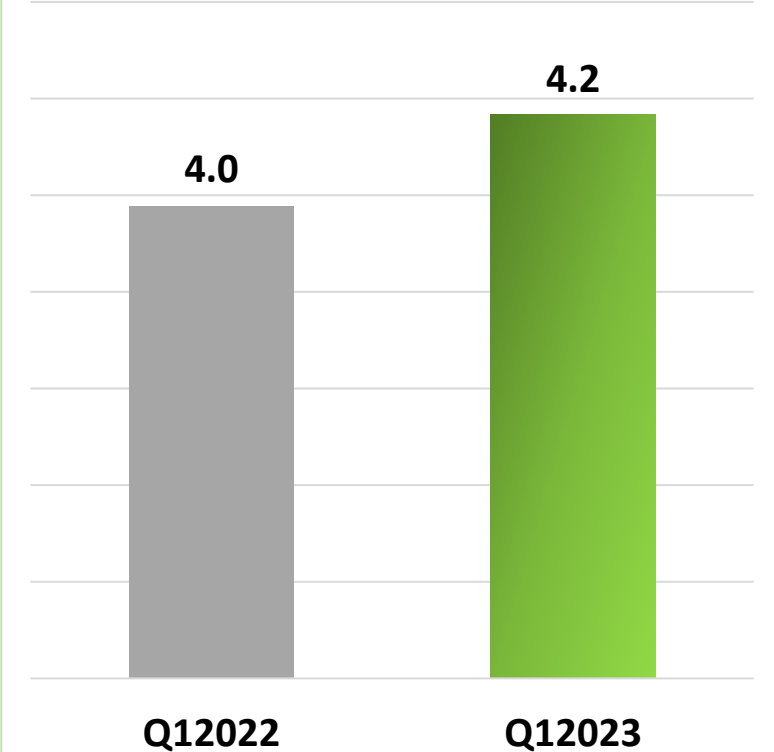
Return on Average Equity

■ Q12022 ■ Q12023



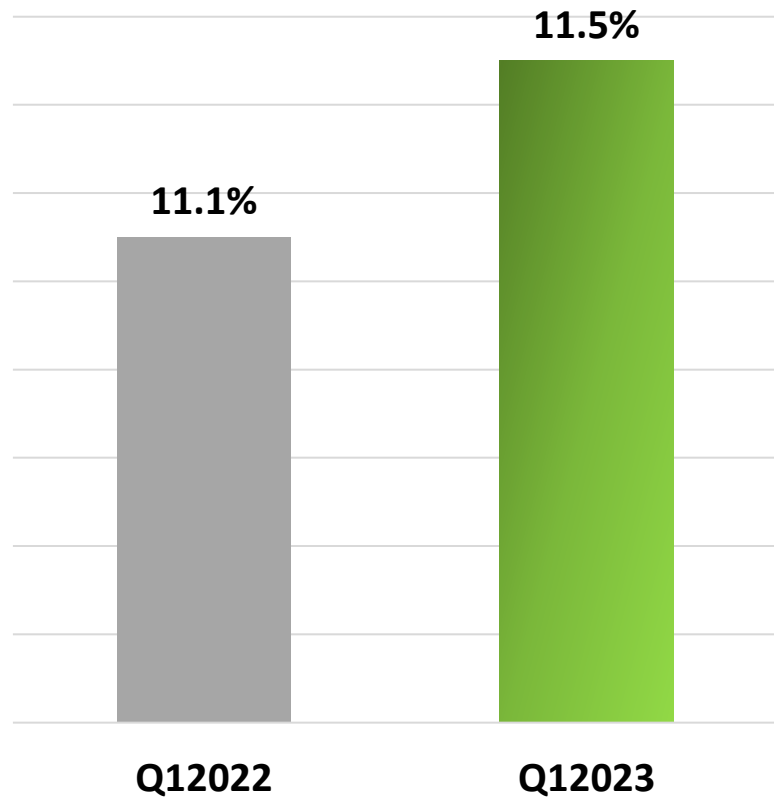
Earnings per share

■ Q12022 ■ Q12023

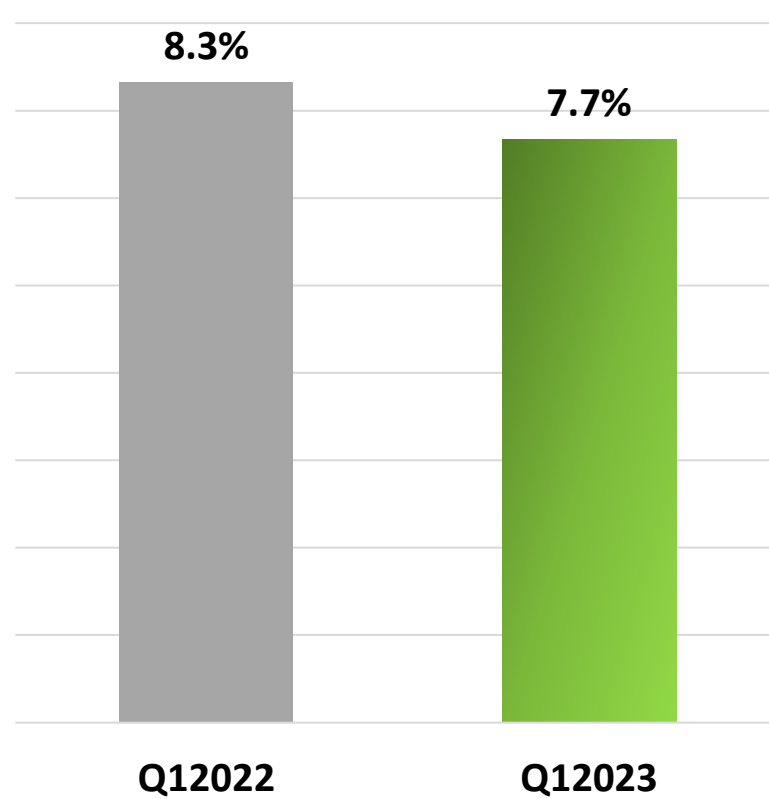


Key Ratios

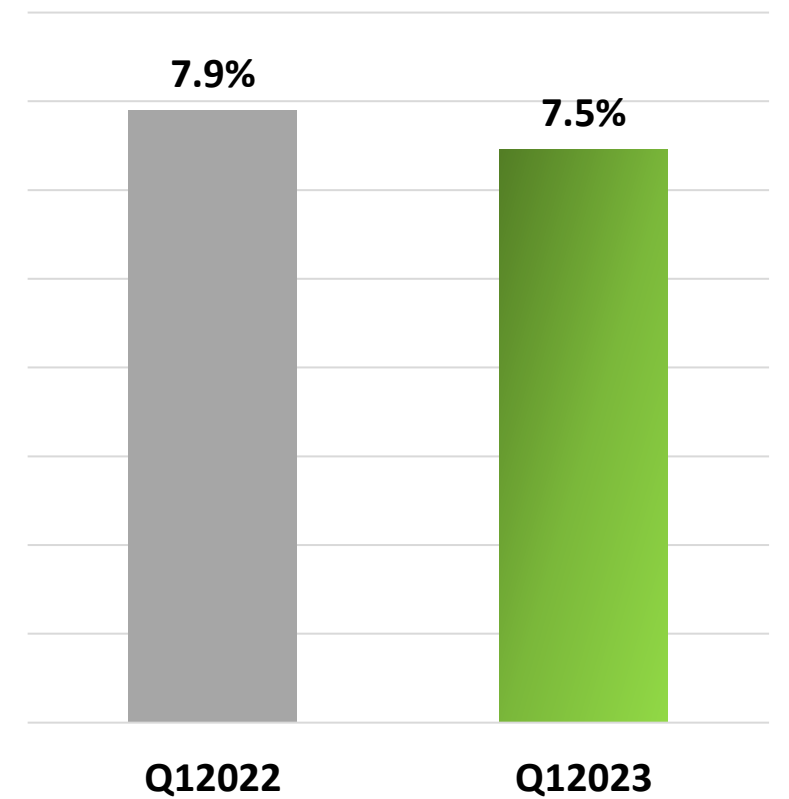
Average Return on Interest Earning Assets



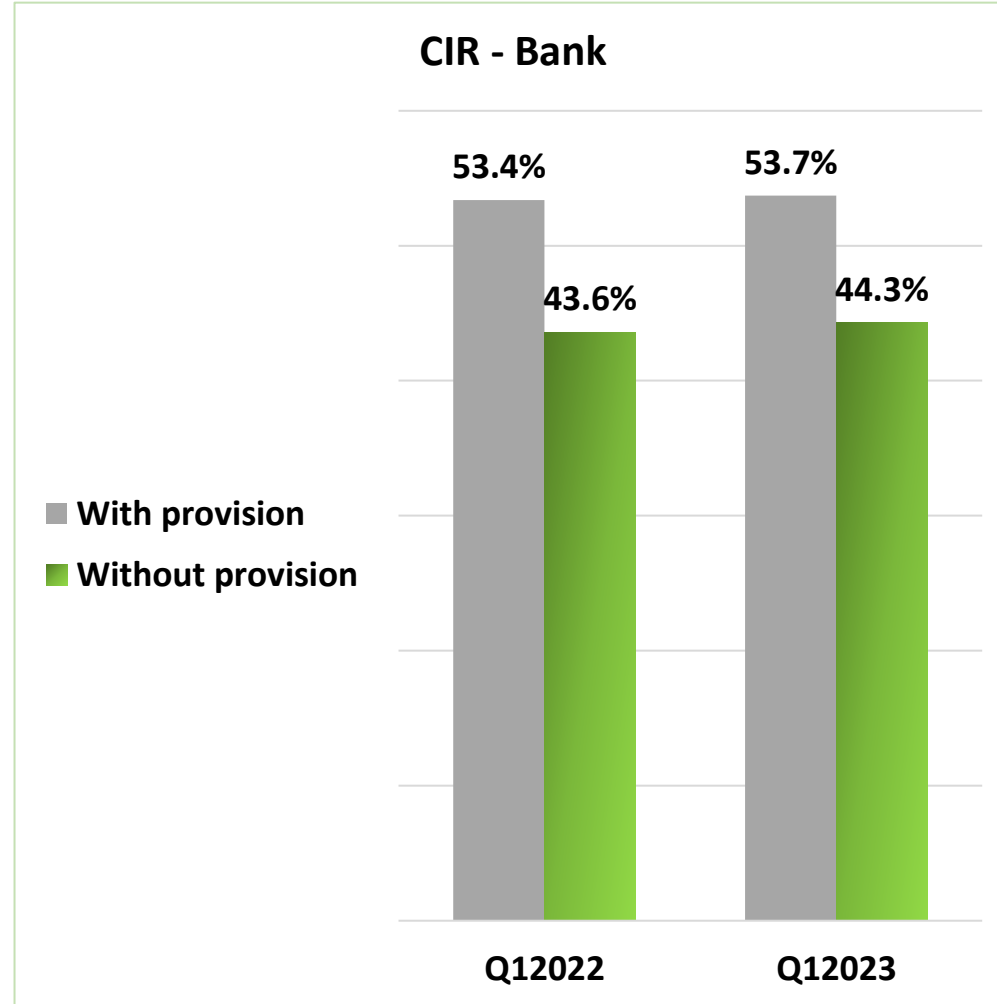
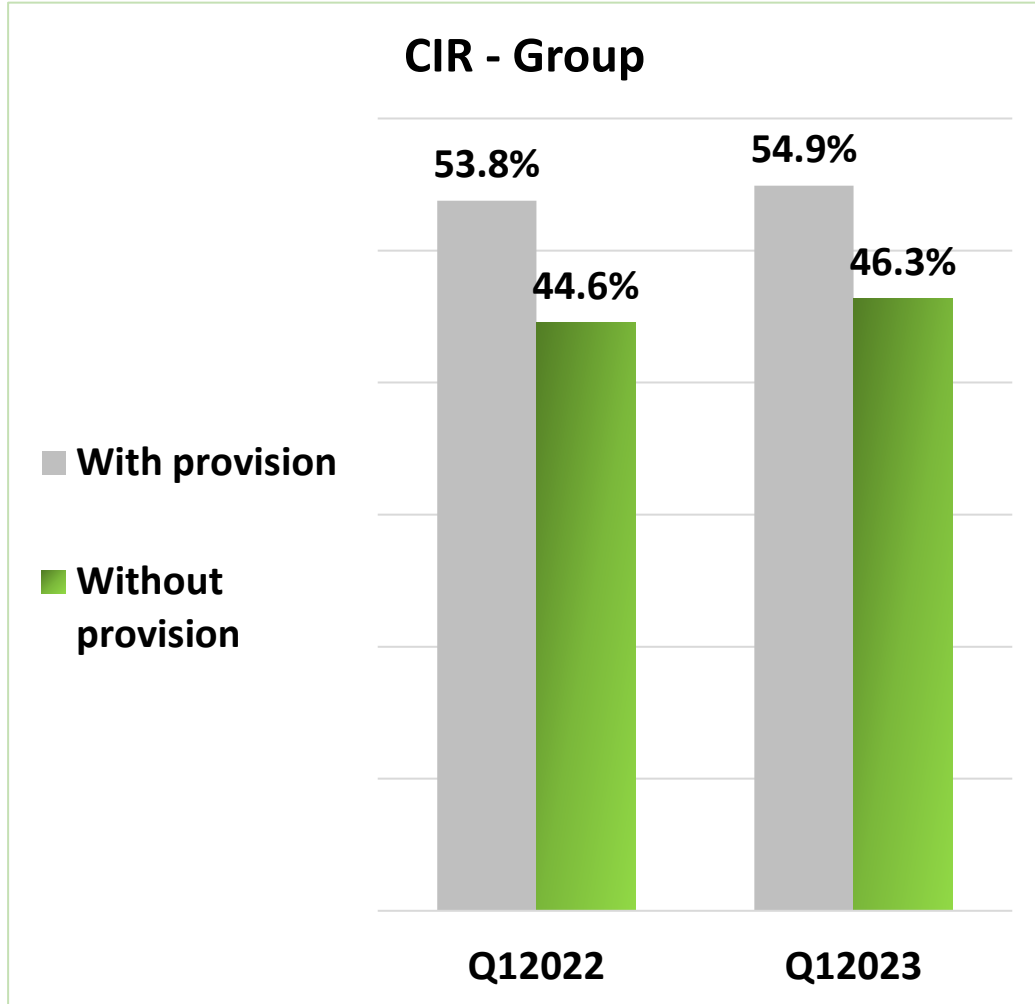
NIM on Loans



NIM on Interest Earning Assets

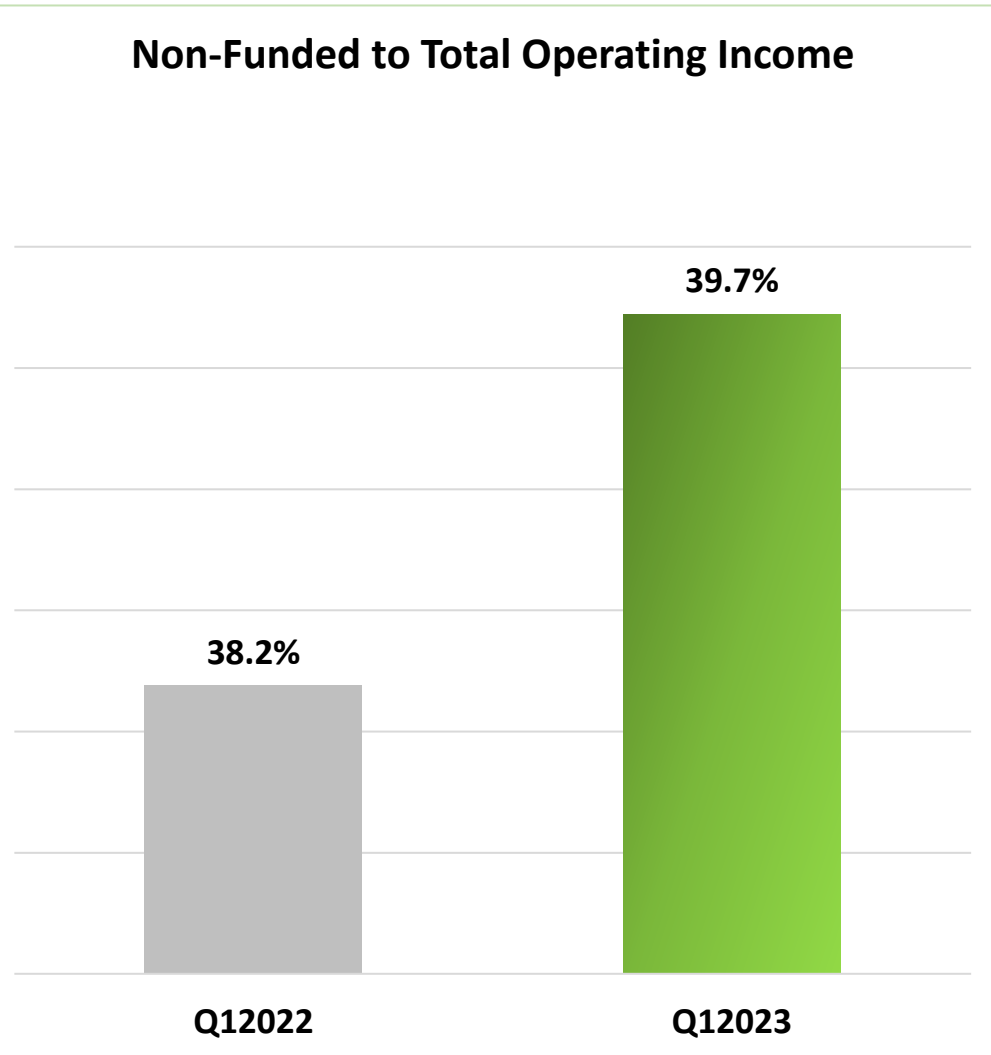


Key Ratios

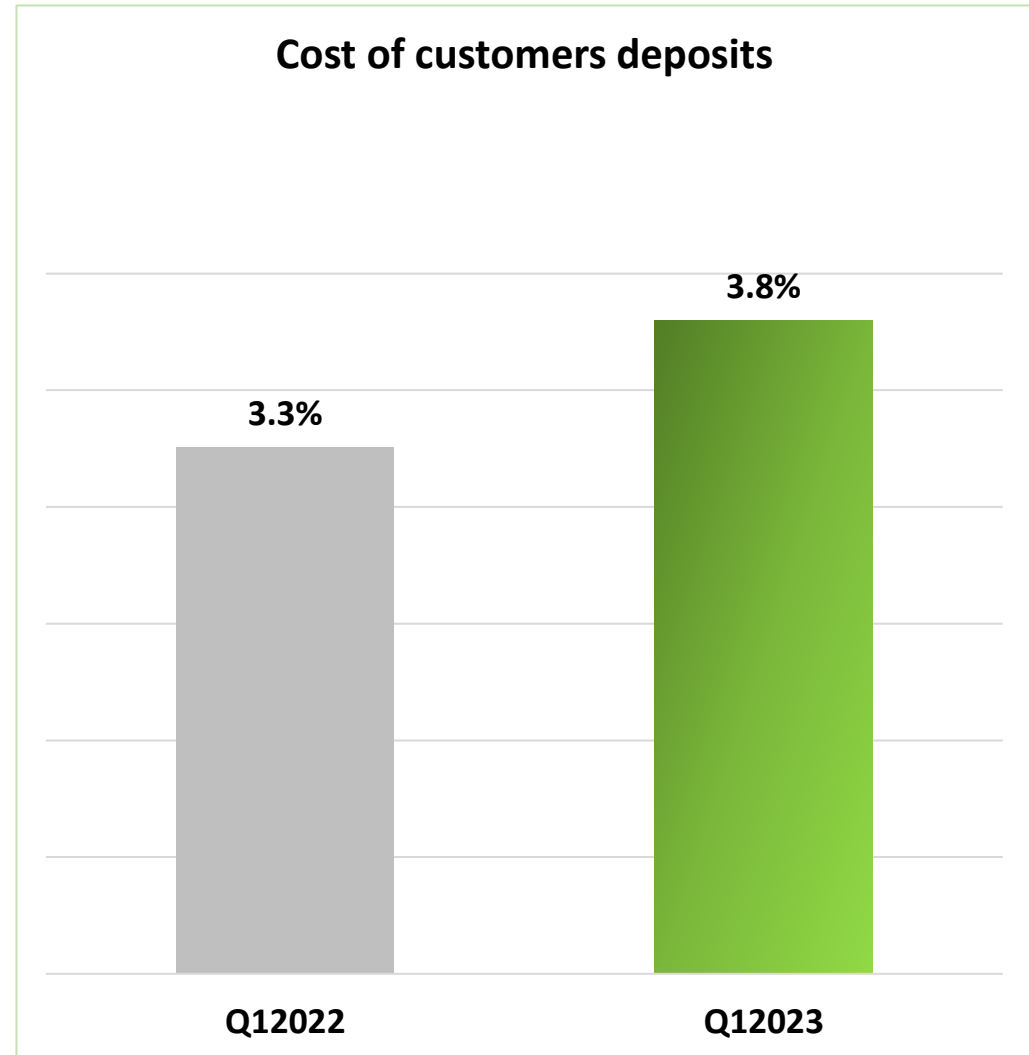


Key Ratios

Non-Funded to Total Operating Income



Cost of customers deposits





CO-OPERATIVE BANK

We are you

Thank You.