

CO-OP BANK REPORTS 18.1% GROWTH IN PROFIT TO KSH 11.4 BILLION FOR Q1 2026

Co-op Bank has posted a strong Profit Before Tax of KSh 11.37 billion for the first quarter ended 31 March 2026, compared to KSh 9.63 billion recorded in the same period in 2025, an impressive 18.1% growth. Profit After Tax grew by 21.3% to KSh 8.41 billion from KSh 6.93 billion in Q1 2025.

This is the best-ever performance to be recorded in a single quarter.

This strong performance underscores the significant gains made under the 2025-2029 “Good to Great” Strategy and the “Soaring Eagle” Transformation Agenda.

Co-op Bank also just got listed among *Africa’s Fastest Growing Companies 2026* by the Financial Times of London. Now in its 5th year, Africa’s Fastest Growing Companies is the product of an independent and objective study by Statista & the Financial Times to identify and highlight 130 growth champions in Africa

Highlights of Q1 2026 Performance

- **Return on Average Equity** stood at 20.4%, reflecting sustained value creation for shareholders.
- **Total Assets** increased by 14.3% to KSh 884.6 billion, from KSh 774.1 billion in Q1 2025.
- **Customer Deposits** grew by 16.6% to KSh 612.2 billion, while net loans and advances increased by 13.6% to KSh 436.8 billion.
- **Government Securities** grew by 12.7% to KSh 272.9 billion, from KSh 242.1 billion in Q1 2025, supporting both liquidity and earnings diversification.
- **Borrowed funds** increased by 13.5% to KSh 62.2 billion, reflecting continued partnership with external funders to diversify the funding base.
- **Shareholders’ Funds** increased by 11.5% to KSh 173.8 billion, supported by continued retained earnings growth and strengthening of the Group’s capital base.
- **Net Interest Income** increased by 12.2% to KSh 15.98 billion, supporting overall income growth.

- **Operating income** increased by 13.6% to KSh 24.05 billion, driven by growth in net interest income and non-funded income.
- **Operating expenses** increased by 8.4%, with the cost-to-income ratio before provisions at 44.3%, demonstrating continued efficiency gains from the Bank's Growth & Efficiency journey.
- The Group maintained a strong liquidity and capital position, with a Liquidity Ratio of 63.4% and Total Capital to Total Risk Weighted Assets at 23.2%, providing a robust platform for continued lending, investment and long-term value creation.
- We continued to strengthen Asset Quality with the Non-Performing Loans (NPL) ratio improving to 14.5% from 17.0% in Q1 2025; IFRS Coverage stood at 80.1%, reflecting continued prudence in provisioning.

Digital Leadership and Scale

The Group continued to strengthen its digital leadership, with over **90% of all customer transactions** processed through alternative delivery channels, reflecting sustained adoption of convenient, secure and accessible banking solutions.

- The Bank's omni-channel platform across mobile, internet and USSD continues to support seamless and efficient service delivery.
- This is complemented by an extensive distribution infrastructure comprising over **16,200 Co-op Kwa Jirani agents, 615 ATMs and Cash Deposit Machines**, and a **24-hour contact centre**, ensuring accessibility across all customer segments.
- The Group maintained a strong physical presence with a network of **222 branches**, comprising **189 branches in Co-op Bank Kenya, 6 in Co-op Bank South Sudan, and 27 under Kingdom Bank**.
- The branch network is further complemented by **619 SACCO front offices**, reinforcing the Bank's deep integration within the co-operative ecosystem.
- Customer reach continued to expand, supported by a growing base of over **22,000 Diaspora Banking customers**.
- Staff numbers increased to **6,271**, reflecting continued investment in people and operational capacity, creating a total of **383 jobs** in the period.

MSME, E-Credit and Financial Inclusion

The Group continued to deepen financial inclusion and enterprise growth through its MSME and digital credit propositions.

- **E-Credit disbursements in Q1 2026 reached KSh 19.11 billion**, supporting customers with convenient and accessible credit solutions.
- Since inception, the E-Credit platform has disbursed **over 520 Billion shillings**, underscoring its scale and impact in driving financial inclusion.
- The Bank continued to strengthen its MSME value proposition, with over **264,000 MSMEs onboarded** onto tailored MSME packages.
- In addition, **71,043 MSMEs** were supported through capacity-building and training initiatives, enhancing business skills and resilience.
- MSMEs remained a key segment for the Group, accounting for **16.8% of the Bank's loan book** and **22.6% of customer deposits**, reflecting strong engagement across both lending and transactional relationships.
- **Kingdom Bank is upgrading its Core Banking System** to the Finacle Core Banking system that went live in Co-op Bank Kenya & Co-op Bank South Sudan.

Youth Financial Services (YFS)

The Group accelerated its youth banking agenda in Q1 2026, anchored on a clear mission to transform the financial lives of young people and empower them to grow, as we position ourselves to **serve over 10 million youth customers in the medium term**.

- The Bank formally established a dedicated Youth Financial Services Division and appointed a substantive Director, reinforcing its long-term commitment to building a market-leading, digitally driven youth franchise.
- During the quarter, the Bank provided over 100,000 young people with access to financial literacy programmes.
- The Customer Value Proposition for the (YFS) is to provide young customers with convenient access to relevant financial solutions, including digital account opening, savings, investments, credit, financial literacy and business support.

- Powered by the Co-op Bank App, the Bank has enabled fully digital access to Money Market Fund and bond investment propositions, as we continue to expand the range of services available to our young customers.
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Performance of Subsidiaries

The Group's subsidiaries continued to make a positive contribution to performance, reinforcing the strength of the universal banking model.

- **Kingdom Bank Ltd** posted Profit Before Tax of **KSh 446.2 million**, from KSh 224.7 million in the previous period, representing growth of **98.6%**, supported by continued expansion in its retail and business banking segments.
 - **Co-op Bancassurance Intermediary Ltd** recorded Profit Before Tax of **KSh 560.4 million**, compared to KSh 402.1 million in the previous period, representing growth of **39.5%**, supported by deeper insurance penetration across the customer base.
 - **Co-optrust Investment Services Ltd**, our fund management business, delivered strong growth with Funds Under Management of **KSh 489.0 billion**. Profit Before Tax grew to **KSh 335.2 million**, representing growth of **107.6%** from KSh 161.5 million in Q1 2025.
 - **Co-op Bank of South Sudan Ltd** recorded Profit Before Tax of **KSh 99.0 million**, compared to a loss of KSh 47.0 million in Q1 2025, reflecting improved performance in the face of a dynamic operating environment.
 - **Kingdom Securities Ltd** delivered Profit Before Tax of **KSh 57.7 million**, compared to KSh 41.8 million in Q1 2025, representing growth of **38.0%**, driven by increased activity in the capital markets.
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Sustainability, ESG and Impact

The Group continued to strengthen its commitment to sustainable banking and responsible growth, embedding environmental, social and governance principles across its operations and strategy.

- During the period, the Bank continued to make progress in climate risk management, with ongoing alignment to IFRS S1 and S2 and the Kenya Green Finance Taxonomy. This is supporting the integration of climate considerations into risk management, business decisions and long-term planning.

- The Bank continued to strengthen its sustainability reporting and disclosure readiness, with a focus on providing clear, useful and reliable information on long-term value creation, climate resilience and sustainability impact. The Bank was also honoured with the ESG Reporting - GRI Category award at the 2025 FiRe Awards, recognising excellence in sustainability reporting and transparency.
- Through the **Co-op Bank Foundation**, the Group continued to support access to education, with over 12,545 students benefiting from the scholarship programme since inception.
- The Bank through Co-op Consultancy Services subsidiary continued to strengthen the co-operative enterprise ecosystem, executing **3,925 co-operative advisory mandates** in Q1 2026 in capacity-building and advisory support.

Awards and Recognition

The Group's strong performance, innovation and operational excellence continued to receive recognition across key regional and global platforms.

- **Global Finance named Co-op Bank the Best Bank in Kenya 2026**, reflecting the Bank's continued leadership in digital transformation, customer-led innovation, impactful financial solutions and sustained value creation.

Conclusion

Co-operative Bank Group remains steadfast in advancing its strategic priorities, firmly grounded in resilience and growth across diverse economic sectors. Our success is driven by:

- **Distinctive customer experience - 'The Co-op Bank Way'**: Delivering exceptional experiences through a deeply embedded, consistent customer-centric culture across all touchpoints.
- A **universal banking model** that balances comprehensive service offerings with operational agility.
- A **robust digital presence** that ensures seamless accessibility, supported by an industry-leading omni-channel platform.

- An extensive **physical footprint** comprising a countrywide branch network, ATMs and agency outlets, fortifying our reach across all regions of the country.
- A deep and growing customer base currently standing at over 9.8 million account-holders.
- The unique advantages of being rooted in the largest co-operative movement in Africa—boasting **15 million members**—which underscores our unique synergies and deep community integration.



Dr. Gideon Muriuki - CBS, MBS
Group Managing Director & CEO

13 May 2026

About Co-operative Bank Group

The Co-operative Bank of Kenya Ltd ('Co-op Bank') is incorporated in Kenya under the Company's Act and is licensed to carry out the business of banking under the Banking Act. The Bank was listed in year 2008 wherein it is now the largest Co-operative Bank in Africa.

The Group is one of the largest financial institutions in the region with 5 subsidiaries namely, Kingdom Securities Ltd, Co-optrust Investment Services Ltd, Co-op Bancassurance Intermediary Ltd, Kingdom Bank Ltd and Co-operative Bank of South Sudan Ltd; The Bank also owns a 24.8 per cent stake in CIC Insurance Group and 25% stake in Co-op Bank Fleet Africa Leasing Ltd. The Bank's footprint across Kenya and the region includes 222 branches comprising 189 Co-op Bank Kenya branches, 6 Co-op Bank South Sudan branches, and 27 Kingdom Bank branches; 615 ATMs & Cash Deposit Machines; and over 16,200 Co-op Kwa Jirani agency banking outlets supporting our growing client base.