



Absa Bank Kenya PLC

The Board of Directors of Absa Bank Kenya PLC is pleased to announce the audited group results for the year ended 31 December 2024

	Bank		Group	
	December 2023 Shs '000 Audited	December 2024 Shs '000 Unaudited	December 2023 Shs '000 Audited	December 2024 Shs '000 Unaudited
I Statement of financial position				
A Assets				
1 Cash balances (both local and foreign)	12,692,202	7,900,546	12,692,202	7,900,546
2 Balances due from Central Bank of Kenya	16,906,714	16,515,605	16,906,714	16,515,605
3 Kenya Government and other securities held for dealing purposes	20,446,444	33,469,771	20,446,444	33,469,771
4 Financial assets at fair value through profit and loss	-	-	-	-
5 Investment securities:	-	-	-	-
a) Held to maturity:	-	-	-	-
a. Kenya Government securities	1,062,014	1,048,921	1,062,014	1,048,921
b. Other securities	-	-	-	-
b) Fair value through other comprehensive income (FVOCI)	73,273,648	95,359,991	73,644,453	96,068,301
a. Kenya Government securities	73,273,648	95,359,991	73,644,453	96,068,301
b. Other securities	-	-	-	-
6 Deposits and balances due from local banking institutions	329,506	2,649,555	329,506	2,649,555
7 Deposits and balances due from banking institutions abroad	1,391,125	5,419,593	1,391,125	5,419,593
8 Tax recoverable	-	598,158	-	814,045
9 Loans and advances to customers(net)	335,713,679	309,097,555	335,713,679	309,097,555
10 Balances due from banking institutions in the group	27,204,622	7,215,882	27,204,622	7,215,882
11 Investment in associates	-	-	-	-
12 Investment in subsidiary companies	462,751	462,751	-	-
13 Investment in joint ventures	-	-	-	-
14 Investment properties	-	-	-	-
15 Property and equipment	3,329,327	2,927,933	3,331,898	2,931,012
16 Prepaid operating rental leases	31,056	29,993	31,056	29,993
17 Intangible assets	658,914	1,109,126	702,881	1,208,829
18 Deferred tax	8,631,927	7,521,127	8,724,454	7,603,892
19 Retirement benefit asset	-	-	-	-
20 Other assets	18,167,109	14,802,274	17,614,460	14,502,758
21 Total assets	520,301,038	506,128,781	519,795,508	506,476,258
B Liabilities				
22 Balances due to Central Bank of Kenya	13,047,459	-	13,047,459	-
23 Customers' deposits	366,903,302	371,874,155	362,749,279	367,114,721
24 Deposits and balances due to banking institutions (local)	10,935,164	6,781,160	10,935,164	6,781,160
25 Deposits and balances due to banking institutions (foreign)	749,867	263,992	749,867	263,992
26 Other money market deposits	-	-	-	-
27 Borrowed funds	4,294,626	3,505,293	4,294,626	3,505,293
28 Balances due to banking institutions in the group	36,053,423	22,279,389	36,053,423	22,279,389
29 Tax payable	792,600	-	589,397	-
30 Dividends payable	-	-	-	-
31 Deferred tax liability	-	-	-	-
32 Retirement benefit liability	-	88,000	-	88,000
33 Other liabilities	22,100,236	21,159,951	22,181,083	21,239,497
34 Total liabilities	454,876,677	425,951,940	450,600,298	421,272,052
C Shareholders' funds				
35 Paid up/assigned capital	2,715,768	2,715,768	2,715,768	2,715,768
36 Share premium/(discount)	-	-	-	-
37 Revaluation reserves	(4,721,011)	(1,163,609)	(4,757,700)	(1,181,240)
38 Retained earnings/(accumulated losses)	59,830,614	69,876,946	63,638,152	74,921,942
39 Statutory loan loss reserve	-	-	-	-
40 Other reserves	266,416	328,855	266,416	328,855
41 Proposed dividends	7,332,574	8,418,881	7,332,574	8,418,881
42 Capital grants	-	-	-	-
43 Total shareholders' funds	65,424,361	80,176,841	69,195,210	85,204,206
44 Minority interest	-	-	-	-
45 Total liabilities and total shareholders funds	520,301,038	506,128,781	519,795,508	506,476,258
II Statement of comprehensive income				
1.0 Interest income				
1.1 Loans and advances to customers	44,252,616	53,374,238	44,252,616	53,374,238
1.2 Government securities	9,133,662	9,327,534	9,178,475	9,400,552
1.3 Deposits and placements with banking institutions	832,141	1,951,781	832,141	1,951,781
1.4 Other interest income	-	-	-	-
1.5 Total interest income	54,218,419	64,653,553	54,263,232	64,726,571
2.0 Interest expenses				
2.1 Customer deposits	12,126,927	18,508,137	11,876,693	17,957,806
2.2 Deposits and placements with banking institutions	2,171,427	284,857	2,171,427	284,857
2.3 Other interest expenses	171,327	256,134	171,327	256,134
2.4 Total interest expenses	14,469,681	19,049,128	14,219,447	18,498,797
3.0 Net interest income	39,748,738	45,604,425	40,043,785	46,227,774
4.0 Non - interest income				
4.1 Fees and commissions income on loans & advances	1,543,039	1,406,782	1,543,039	1,406,782
4.2 Other fees and commissions	4,284,765	4,503,928	5,776,844	6,038,584
4.3 Foreign exchange trading income	6,510,041	6,044,789	6,510,005	6,044,864
4.4 Dividend income	-	-	-	-
4.5 Other income	715,564	2,623,284	697,630	2,605,305
4.6 Total non-interest income	13,053,409	14,578,783	14,527,518	16,095,535
5.0 Total operating income	52,802,147	60,183,208	54,571,303	62,323,309
6.0 Operating expenses				
6.1 Loan loss provision	9,244,514	9,091,445	9,244,453	9,096,610
6.2 Staff costs	11,484,234	12,786,673	11,725,426	13,018,139
6.3 Directors emoluments	187,249	244,658	196,468	255,543
6.4 Rental charge	127,400	68,557	127,801	68,737
6.5 Depreciation on property and equipment	850,732	924,775	851,035	925,612
6.6 Amortisation charges	127,426	210,207	138,583	222,245
6.7 Other operating expenses	8,520,836	8,882,351	8,609,446	9,016,754
6.8 Total operating expenses	30,542,391	32,208,666	30,893,212	32,603,640
7.0 Profit before tax and exceptional items	22,259,756	27,974,542	23,678,091	29,719,669
8.0 Exceptional items	-	-	-	-
9.0 Profit after exceptional items	22,259,756	27,974,542	23,678,091	29,719,669
10 Current tax	(8,338,018)	(8,719,745)	(8,758,969)	(9,223,607)
11 Deferred tax	1,454,737	383,447	1,448,207	379,639
12 Profit after tax and exceptional items	15,376,475	19,638,244	16,367,329	20,875,701
13 Other comprehensive income				
13.1 Gains/(losses) from translating the financial statements of foreign operations	-	-	-	-
13.2 Fair value changes in FVOCI financial assets	(4,488,127)	5,104,714	(4,518,950)	5,124,560
13.3 Revaluation surplus on property,plant and equipment	-	-	-	-
13.4 Share of other comprehensive income of associates	-	-	-	-
13.5 Income tax relating to components of other comprehensive income	1,346,438	(1,531,414)	1,355,685	(1,537,368)
14 Other comprehensive income for the year net of tax	(3,141,689)	3,573,300	(3,163,265)	3,587,192
15 Total comprehensive income for the year	12,234,786	23,211,544	13,204,064	24,462,893
Earnings per share (Shs)	2.83	3.62	3.01	3.84
Dividends per share (Shs)	1.55	1.75	1.55	1.75

	Bank	
	December 2023 Shs '000 Audited	December 2024 Shs '000 Audited
III Other disclosures		
1) Non-performing loans and advances		
a) Gross non-performing loans and advances	35,254,674	42,470,812
b) Less: Interest in suspense	5,831,630	7,212,340
c) Total non performing loans and advances	29,423,044	35,258,472
d) Less: loan loss provisions	17,373,643	20,813,274
e) Net non performing loans(c-d)	12,049,401	14,445,198
f) Discounted value of securities	9,297,549	11,105,254
g) Net NPLs (excess)/exposure (e-f)	2,751,852	3,339,944
2) Insider loans and advances		
a) Directors ,shareholders and associates	55,981	44,237
b) Employees	10,372,279	10,359,121
c) Total insider loans and advances	10,428,260	10,403,358
3) Off balance sheet items		
a) Letters of credit, guarantees, acceptances	54,293,768	48,309,536
b) Forwards, swaps and options	103,427,258	67,935,677
c) Other contingent liabilities	-	-
d) Total Contingent liabilities	157,721,026	116,245,213
4) Capital strength		
a) Core capital	60,169,095	72,330,858
b) Minimum statutory capital	1,000,000	1,000,000
c) Excess/(deficiency)	59,169,095	71,330,858
d) Supplementary capital	19,729,013	15,578,833
e) Total capital	79,898,108	87,909,692
f) Total risk weighted assets	442,484,634	424,834,723
g) Core capital/total deposit liabilities	16.7%	19.9%
h) Minimum statutory ratio	8.0%	8.0%
i) Excess/(deficiency)	8.7%	11.9%
j) Core capital/total risk weighted assets	13.6%	17.0%
k) Minimum statutory ratio	10.5%	10.5%
l) Excess/(deficiency)	3.1%	6.5%
m) Total capital/total risk weighted assets	18.1%	20.7%
n) Minimum statutory ratio	14.5%	14.5%
o) Excess/(deficiency)	3.6%	6.2%
5 Liquidity		
a) Liquidity ratio	31.1%	42.5%
b) Minimum statutory ratio	20.0%	20.0%
c) Excess/(deficiency)	11.1%	22.5%

Message from the Directors:

The Board of Absa Bank Kenya PLC is pleased to release the financial performance results for the period ended 31 December 2024, the second year of executing on our five-year strategy anchored in our corporate purpose of "Empowering Africa's tomorrow, together, one story at a time".

The financial results highlight a strong and resilient performance, with revenues increasing by 14% to Kshs. 62.3 billion, in a challenging operating environment. We have sustained momentum in executing our strategy, resulting in improved profitability and further enhancing our Return on Equity to 24.5%, which demonstrates the Bank's commitment to delivering sustainable returns to our shareholders.

Additionally, we achieved 11% growth in non-funded income, bolstered by diversified traditional revenue sources and strong performance from our new revenue streams, including payments, lending, asset management and brokerage services.

Our balance sheet remains strong, with total assets exceeding the half-trillion mark. There was a reduction in customer loans by 8% to Kshs. 309 billion, reflecting the impact of strengthening local currency, elevated interest rates and constrained consumer purchasing power. On a constant currency, the loan book was flat year on year. We, nevertheless, continued to provide financial support to critical sectors of the economy and customer segments, including through our digital lending platform Timiza that targets micro and small entrepreneurs and individuals.

During the year, we enabled many home ownership dreams through our affordable housing offerings and supported enterprises through working capital and corporate trade finance. All these position us well for future growth and we are confident that, as economic conditions stabilise, our robust asset base and prudent risk management framework will support renewed expansion.

The Board is satisfied with the strides the Bank has made in bringing its strategy to life, as reflected in the financial performance. This milestone underscores the effectiveness of the Bank's growth strategy and reinforces our unwavering commitment to crafting financial solutions that truly meet the needs of individuals, businesses, and communities. Beyond the numbers, this progress embodies a shared mission to create meaningful, lasting value for all stakeholders—including over 35,000 small enterprises and women-led businesses that have been empowered with essential financial and non-financial skills to help them navigate the challenging landscape.

Furthermore, we continued to accelerate investments towards initiatives that position us as a holistic modern financial services provider that meets customers' evolving needs through innovation and partnerships. While our operating costs increased by 9%—well below industry—our strategic investments in technology and talent have yielded strong returns, maintaining our industry-leading cost-to-income ratio of 37.7%.

These targeted investments enable us to diversify revenue through scalable payment solutions while enhancing customer experience.

Delivering shareholder value

Based on our strong profitability, and considering the Company's need to continue investing into the future, the Board of Directors is pleased to propose to shareholders a final dividend payout of Kshs.8.4 billion, translating to Kshs.1.55 per ordinary share. Including the interim dividend of Kshs.0.20 per share in October 2024, the total annual dividend reached Kshs.9.5 billion—Kshs.1.75 per ordinary share—an increase of Kshs.1.1 billion, or 13%, compared to 2023 Kshs.8.4 billion. Subject to shareholders' approval, the dividend will be disbursed on or around Thursday, 22 May 2025, to the members of the Company listed on the share register as of the closure date, 30 April 2025.

Looking ahead, we are confident in our ability to continue accelerating growth momentum and sustainably creating value for all our stakeholders while prudently navigating external challenges. With the guidance and oversight of the Board, our management team will continue to diligently execute our strategy, aiming to position Absa as a modern and innovative consumer financial services provider, a leading partner for small and medium businesses, and a powerhouse in corporate and investment banking.

We remain steadfast in our digitalization efforts towards enhancing customer experience while leveraging the strong market presence and reputation the Absa brand enjoys. Furthermore, as a home of talent, we aim to continue enriching our employee value proposition through investments in training, future skills, and wellbeing.

Appreciation

We extend our gratitude to our customers, shareholders, colleagues, and all stakeholders for their unwavering support, which has enabled this impressive performance and overall organisational success.

Publication

The statement of financial position, the statement of comprehensive income, cashflow and changes in equity as well as the disclosures presented above have been prepared from the financial records of the Bank and its subsidiaries. These published statements and disclosures are also available on the Bank's website, www.absabank.co.ke. They may also be accessed at the institution's head office at Absa Headquarters, Waiyaki Way.

They were duly approved by the Board on Thursday, 20 March 2025 and signed on its behalf by:

Charles Muchene Chairman	Abdi Mohammed Managing Director	Yusuf Omari Chief Financial Officer
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