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**KAMPALA.** Lending to key economic sectors helped Stanbic Uganda Holdings Limited, which comprises the bank among other subsidiaries, to register Shs591b in profit in the financial year 2025, while shareholders are set to receive Shs360b in dividends.

That is coupled with improved loan repayments and operational efficiencies.

Sectors such as agriculture, manufacturing, infrastructure, and small and medium-sized enterprises (SMEs) are of critical importance to banks, acting as a primary driver of both profitability and risk management while fostering sustainable economic growth.

By directing credit to vital industries, banks act as economic catalysts, facilitating industrial expansion, creating jobs, and increasing the overall demand for financial services.

Presenting the financial results for 2025 on March 23 at Sheraton Kampala Hotel, Chief Executive of Stanbic Uganda Holdings Limited, Mr Francis Karuhanga, said: "Our robust earnings of Shs591b and a return on equity of 26.8 percent reflect the strength of our strategy, the resilience of our franchise, and our unwavering focus on delivering long-term shareholder value."

The above net profit indicates that the company registered a 23.6 percent increase in profitability from the Shs478b net profit recorded in 2024, underscoring sustained growth, disciplined execution, and a resilient business model.

#### Good economic environment

Stanbic's performance was delivered against a steadily improving macroeconomic environment. Uganda's economy expanded by 6.3 percent in 2025, up from 6.0 percent the previous year, supported by easing monetary conditions and renewed investor confidence.

Inflation remained well contained at

# Stanbic Bank shareholders to get Shs360b



With an increase from Shs47b to Shs591b, Mr Mumba Kalifungwa has had a good start of his CEO tenure at Stanbic Bank. PHOTO/FILE

an average of 3.6 percent, while the Central Bank Rate moderated to 9.75 percent. The Ugandan shilling strengthened to an average of Shs3,600 against the US dollar, compared to Shs3,755 in 2024, reflecting improved foreign exchange inflows and reserve buffers.

Despite ongoing fiscal pressures, mar-

ket sentiment was sustained by progress toward first oil production, reinforcing confidence in Uganda's medium-term growth trajectory.

Return on equity strengthened to 26.8 percent, significantly exceeding the group's 20 percent benchmark and reinforcing the business's ability to gener-

## 23.6%

The increase in profitability Stanbic Uganda Holdings Ltd results showed.

ate superior shareholder returns.

Shareholder value creation remained evident in the Group's market performance, with the share price recording a steady 89 percent rise over a three-year period, closing at Shs60 as of December 31, 2025, reflecting sustained investor confidence and strong earnings.

Among the key sectors of the economy that received the bank's increased lending, the released financial results of Stanbic Bank for 2025 indicate include Shs632 billion to manufacturing, Shs598 billion to trade, and Shs595 billion to infrastructure.

The Group's strong results were underpinned by the performance of Stanbic Bank Uganda, which continues to be the primary driver of the franchise.

#### Good start

In his first year as Chief Executive Officer Mumba Kalifungwa oversaw strong balance sheet growth, supported by deepening customer trust and enhanced operational efficiency.

In the financial year 2025, the bank's customer deposits grew by 13 percent to Shs8.0 trillion, up from Shs7.1 trillion, reflecting sustained confidence in the bank's stability and service offering.

The financial results show that net loans and advances increased by 16.4 percent to Shs5.1 trillion, driven by improved credit turnaround times and disciplined risk assessment. This growth underscores the bank's contin-

ued role in supporting economic activity across key sectors.

Revenue growth also strengthened, rising 11 percent to Shs1.4 trillion, supported by solid interest income and diversified non-interest revenue streams.

Mr Kalifungwa said, "This performance reflects the collective effort of our people, the trust of our clients, and the strength of our partnership. I am encouraged by the momentum we have built and confident in our ability to sustain it."

The Stanbic chief finance officer, Ronald Makata, highlighted that capital adequacy remained strong, with a total capital ratio of 23 percent, nearly double the regulatory minimum of 12 percent, providing a substantial cushion to absorb shocks while supporting future growth.

Non-performing loans ratio was at 1.2 percent, significantly below the group risk appetite of 7.5 percent and lower than the Uganda banking industry average of 3.6 percent.

The credit loss ratio improved to 0.8 percent, reflecting prudent risk management and a high-quality loan book.

Liquidity levels remained exceptionally strong, with the liquidity coverage ratio at 354 percent, more than three times the regulatory requirement, ensuring the bank is well-positioned to meet short-term obligations even under stressed conditions. The net stable funding ratio of 176 percent further underscores a stable and well-diversified long-term funding base.

"Our balance sheet strength and disciplined risk management continue to position us for sustainable growth while providing resilience in an evolving operating environment," said Mr Makata.

Looking ahead, Stanbic Uganda reaffirmed its commitment to driving inclusive and sustainable growth through its Positive Impact agenda, approved by the Board in 2025, as the group approaches 35 years of operations.