FINCA®

FINANCIAL PERFORMANCE 2023

MESSAGE FROM
MANAGING DIRECTOR

Dear Esteemed Stakeholders,

I am delighted to share with you the remarkable achievements of FINCA Uganda throughout the year 2023. This year has not only showcased our growth and resilience but has also underscored our unwavering commitment to excellence.

Our audited financial results for 2023 tell a compelling tale of prosperity, Innovation, and continuous progress. Achieving a notable 50% increase in total comprehensive income, totaling Ugx. 4.77 billion, alongside an impressive 5.6% growth in net loans and advances to customers, now standing at Ugx. 138.9 billion, vividly demonstrates our dedication to sustainable growth and customer-centric solutions.

UGX 4.77 Billion Total comprehensive income

UGX 138.9 Billion Net loans & advances

Through strategic financial decisions, such as prudent investments in treasury bills and other financial instruments, we have effectively managed risks while ensuring optimal returns in a dynamic market environment. Our proactive approach is evident in the 18% increase in borrowings (notes payable), reflecting our commitment to meeting the evolving credit needs of our valued clientele.

Furthermore, the commendable **6% rise in shareholders' funds to Ugx. 51.9 billion** underscores our robust financial position and steadfast commitment to best-in-class risk management practices.

At the heart of FINCA Uganda lies a deep-rooted dedication to customer satisfaction and innovation. Throughout 2023, we have significantly enhanced customer experiences through cutting-edge technological solutions, including the Digital Financial Services (DFA) application, our VISA Card solution in partnership with United Bank for Africa, and the introduction of an AI-powered Chatbot named "FLORA".

In 2023, FINCA Uganda continued to deliver digital solutions and strategies, witnessing a significant shift in customer transactions towards digital channels. By December 2023, **70% of all transactions were conducted through digital channels,** showcasing a notable increase from the previous year. This trend is indicative of the growing preference for digital banking solutions among customers. Several digital transformation projects were successfully rolled out during the year, reflecting our commitment to innovation and meeting the evolving needs of our customers.

The implementation of **FINCA 2.0 projects likely had a positive impact on customer experience, financial inclusion, and operational efficiency in 2023.** Enhanced accessibility, improved efficiency, personalization, and convenience were some key impacts, contributing to overall customer satisfaction.

In terms of financial inclusion and sustainable growth, FINCA Uganda achieved significant milestones by reaching a larger number of unbanked or underbanked individuals. We registered positive growth in borrower numbers and continued to introduce innovative financial products, empowering individuals through access to financial tools.

Looking ahead to 2024, the Board and Management remain committed to delivering on our strategic plan, focusing on growth, efficiency, customer centricity, innovation, and cultural transformation. With the strong support of our partners, shareholders, board, management, and staff, I am confident in our ability to drive strong shareholder returns and continue to create sustainable impact in the community.

Thank you for your continued trust and support as we navigate the journey ahead.

Warm regards,

James Onyutta
Managing Director FINCA Uganda