



Company Presentation


June 2021



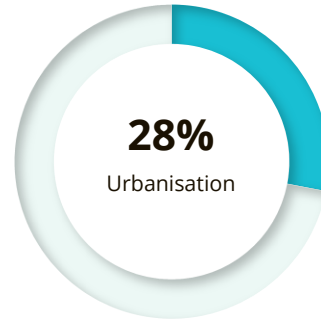
Kenya Opportunity

Unique opportunity to drive financial inclusion to a broad consumer market

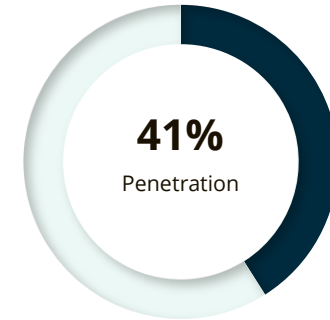
 Kenya has a population of c.**54 million people**.

 **41%** of the population have an active bank account, however, with the advent of mobile money, **83%** have access to financial services. The possibility of reaching new customers through technology is evident.

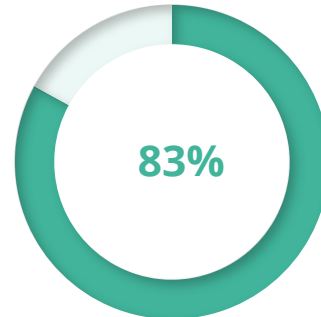
 Mobile subscriptions in Kenya is currently at **109%** as a percentage of the population, one of the highest in Africa, proving digital and mobile banking is the obvious path to reach the underbanked in emerging African markets.



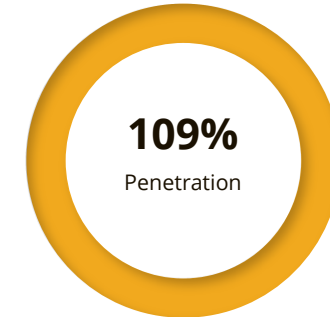
Total population
54 million



Active bank account penetration
22.1 million



Access to financial services
44.8 Million

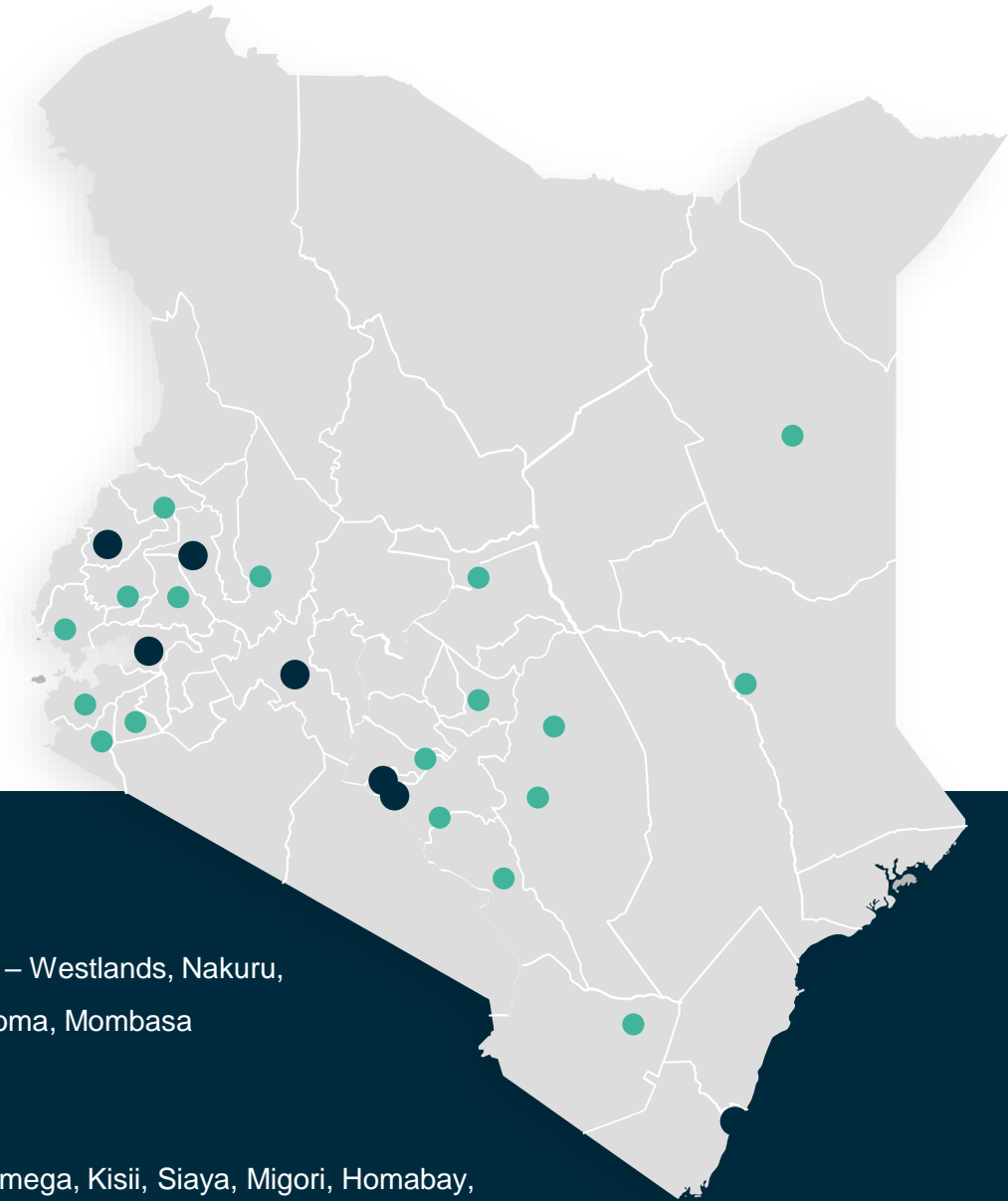


Mobile connections
58.9 Million

TrustGro Overview (1/2)



- TrustGro is a non-deposit taking microfinance company incorporated in Kenya.
- The company was founded in 1993 and has been under its current ownership from January 2020.
- The company provides government payroll loans, private company payroll loans, vehicle logbook loans, salary advance loans.
- The Company has 7 branches and 18 satellites with presence in 25 Counties.
- Company had a staff compliment of 63, and a net loan book of KES 697.3 million as at end of March 2021.



Market Share:

1.2%

Clients:

>9,000

Employees:

> 63

Defaults:

7.1%

Agents

>200

Loan Book:

Kes 697M

Branches ○

Nairobi – CBD, Nairobi – Westlands, Nakuru, Eldoret, Kisumu, Bungoma, Mombasa

Satellites ●

Kapsabet, Kitale, Kakamega, Kisii, Siaya, Migori, Homabay, Kabarnet, Wajir, Isiolo, Embu, Mwingi, Thika, Kitui, Garissa, Machakos, Kitui, Voi



Simple | Conventional | Appropriate

Purpose and Core Values



OUR MISSION:

We help enhance the quality of life of our customers through providing access to simple, convenient and appropriate financial services.



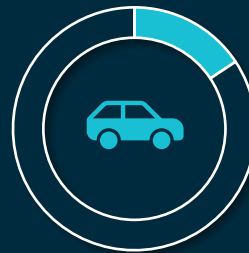
OUR VISION:

We create an ecosystem where people and organizations can access financial solutions that help them meet their desired objectives.



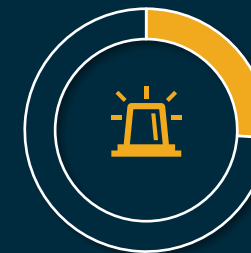
OUR VALUES:

People | Innovation | Integrity | Teamwork



Vehicle Logbook Loans

- Stimulate Business
- Tender and Supplies



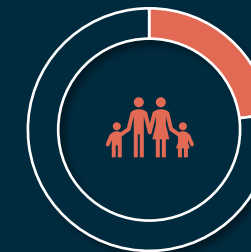
Private Payroll Loans

- Short-term emergencies
- Emergency bills



Salary Advance

- Family support
- Education
- Medical
- Farming

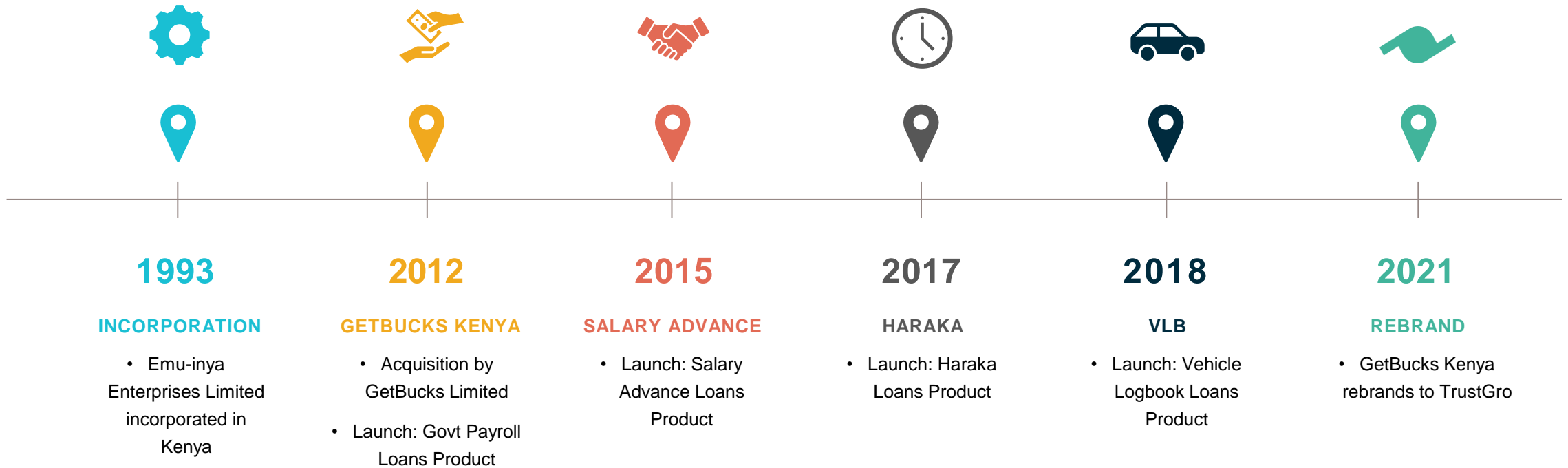


Govt. Payroll Loans

- School fees
- Family support
- Medical

Our Timeline

The History of TrustGro



Our Products



Govt. Payroll Loans

- Unsecured loan
- Market: **government employees**
- Max term: 84 Months
- Amount (KES): 10,000 to 1.5 Million



Vehicle Logbook Loans

- Secured loan
- Market: **vehicle owners in business or employed**
- Max term: 24 Months
- Amount (KES): 50,000 to 2.5 Million



Salary Advance Loans

- One-month payday loan
- Available to **private sector employees**
- Amount (KES): 5,000 to 200,000

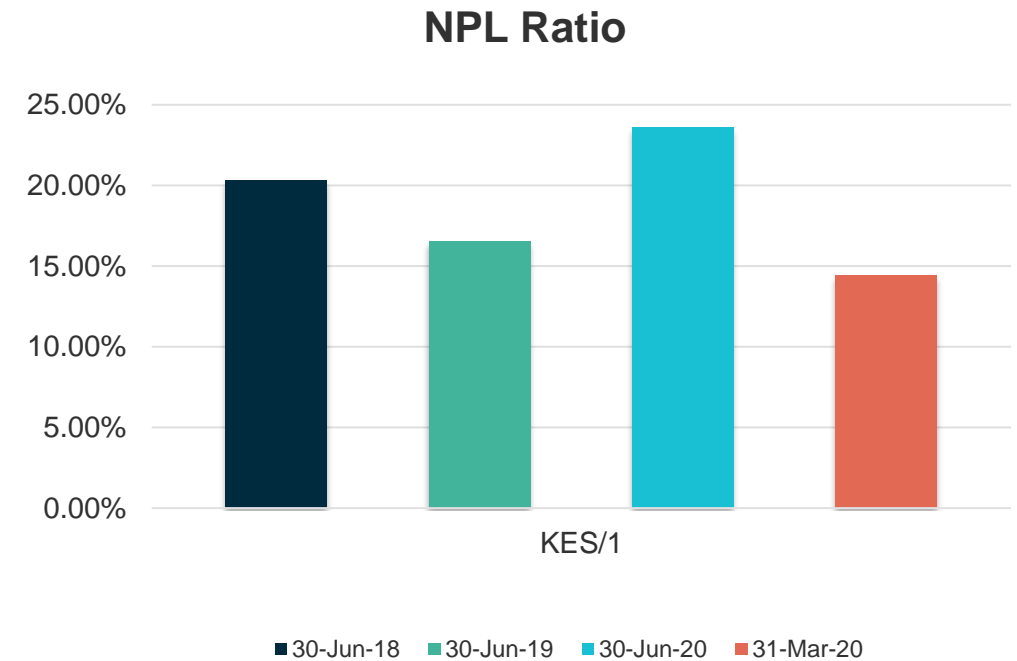


Private Payroll Loans

- A short-term unsecured loan
- Market: **employees of private sector companies** that have signed an MOU with TrustGro.
- Max term: 3 Months
- Amount (KES): 500 to 50,000

Key Metrics: Loan Portfolio

Loan portfolio data (by product)					
	01-Jan-18	01-Jan-19	01-Jan-20	01-Jan-20	01-Jan-21
	31-Dec-18	31-Dec-19	31-Mar-20	31-Dec-20	31-Mar-21
Total loan portfolio					
Men	958	2,950	3,672	5,309	6,126
Women	291	665	779	1,046	1,510
Number of active loans (end of period)	1,249	3,615	4,451	6,355	7,636
Portfolio by product					
1 Government Payroll Loans					
Number of active borrowers (end of period)	1,246	3,573	4,350	6,174	7,215
Gross outstanding portfolio (end of period)	70,155,568	221,338,822	268,429,971	519,278,510	627,313,288
2 Vehicle Logbook Loans					
Number of active borrowers (end of period)	0	13	16	68	123
Gross outstanding portfolio (end of period)	0	7,297,594	8,279,412	26,009,030	58,091,266
3 Salary Advance Loans					
Number of active borrowers (end of period)	1	5	17	45	230
Gross outstanding portfolio (end of period)	42,150	239,750	558,650	1,682,403	11,689,370
4 Haraka					
Number of active borrowers (end of period)	2	24	68	68	68
Gross outstanding portfolio (end of period)	4,592	54,357	180,789	180,789	180,789



TrustGro Credit Approval Process

Our loan management system is comprehensive and is backed by data analytical tools



Looking Forward: Our Strategy

Our corporate strategy is founded on trust and focused on building partnerships that generate sustainable growth for the company and all its stakeholders.

The corporate strategy include **20 strategic objectives** that fall within 3 broad strategic themes being:

- Growth through innovation,
- Memorable customer experience through partnerships, and
- Sustainability.



Growth through innovation

- We take a data driven approach to anticipate changes in the environment and use insights to prepare our customers to take advantage of these changes. As such, revenue growth will always be propelled by new ground-breaking ideas that significantly increase customer utility.



Memorable customer experience

- Any services or products that our customers expect should be delivered at a standard that matches or exceeds their expectations.
- We believe our customers deserve individual experiences suited to their unique circumstances.



Build to last

- We believe in constantly evaluating whether we have an effective business model that achieves our desired outcomes, and not only so, but also assessing if we are achieving these outcomes in the most efficient manner possible. By constantly seeking to improve, we believe that we are building a business that will become a trend setter, developing best practices that are replicated across the industry.

Our Value Proposition

We are customer centric with the aim of **helping enhance the quality of life of our customers**



Simplicity

- Our products and services are designed to be easy to understand.
- Our terms and conditions are designed to be transparent
- Our communication is clear and consistent



Convenience

- Our product and service offers are easily accessible
- Our solutions are placed at clients' point of need
- Our products and services can be accessed via USSD and web pages



Appropriate

- Our products and services are focused on providing solutions
- Our aim not to compound the problems faced by our clients
- Our focus is clients being better off after accessing our products than they were before.

Financials



TrustGro Financials: Income Statement

	April 2021 Actual YTD	Q3 2021	Q2 2021	Q1 2021
Interest revenue calculated using EIR	234.6 m	67.9 m	69.1 m	74.5 m
Other interest and similar income	2.6 m	.5 m	1.0 m	.7 m
Finance costs	(63.7 m)	(24.4 m)	(14.9 m)	(19.0 m)
Net interest income	173.4 m	43.9 m	55.3 m	56.3 m
Net fee and commission income	249.8 m	66.4 m	71.6 m	70.5 m
Net trading income	423.2 m	110.3 m	126.8 m	126.8 m
Loan book impairment charges	21.3 m	41.2 m	.8 m	(12.2 m)
Other income	22.8 m	5.0 m	4.7 m	5.8 m
Net operating income	467.3 m	156.6 m	132.4 m	120.4 m
Professional fees	(4.0 m)	(1.4 m)	(1.2 m)	(1.1 m)
Depreciation and amoritsation	(3.6 m)	(1.1 m)	(1.2 m)	(1.1 m)
Depreciation Right of use asset	(6.8 m)	(2.0 m)	(2.0 m)	(2.1 m)
Employee costs	(85.0 m)	(24.7 m)	(29.8 m)	(29.3 m)
Other operating expenses	(53.9 m)	(14.5 m)	(14.6 m)	(13.7 m)
Sales expenses	(12.3 m)	(2.9 m)	(3.7 m)	(4.1 m)
Foreign exchange	(62.0 m)	18.6 m	(9.3 m)	(18.3 m)
Profit / (loss) before taxation	239.7 m	128.6 m	70.6 m	50.6 m
Taxation	(66.9 m)	(20.1 m)	(13.2 m)	(15.4 m)
Profit / (loss) for the period	172.8 m	108.5 m	57.3 m	35.3 m

TrustGro Financials: Financial Position

	April 2021 YTD	Q3 2021	Q2 2021	Q1 2021
Assets				
Cash and cash equivalents	166.6 m	187.1 m	86.0 m	70.7 m
Fixed Deposits	61.0 m	40.9 m	40.8 m	60.9 m
Loan book advance	636.7 m	619.0 m	606.1 m	653.0 m
<i>Gross loan book advance</i>	<i>743.4 m</i>	<i>729.5 m</i>	<i>772.9 m</i>	<i>839.8 m</i>
<i>Provision for impairment</i>	<i>(106.7 m)</i>	<i>(110.6 m)</i>	<i>(166.8 m)</i>	<i>(186.8 m)</i>
Trade and other receivables	52.3 m	51.1 m	51.4 m	42.7 m
Property, plant & equipment	17.4 m	17.7 m	17.6 m	14.7 m
Operating lease asset	9.0 m	9.7 m	11.7 m	13.8 m
Intangible assets	.9 m	1.0 m	.3 m	.3 m
Group loan	9.1 m	9.0 m	1.1 m	-
	953.1 m	935.4 m	814.9 m	856.0 m
Equity				
Parent equity	485.0 m	470.7 m	362.2 m	357.6 m
	485.0 m	470.7 m	362.2 m	357.6 m
Liabilities				
		-	-	-
Financial borrowings	431.2 m	434.8 m	427.8 m	456.6 m
Trade and other payables	3.0 m	1.9 m	3.2 m	6.6 m
Provisions-Dividends	.0 m	.0 m	.0 m	-
Taxation payable	23.8 m	17.2 m	9.2 m	20.8 m
Operating lease liability	10.1 m	10.8 m	12.4 m	14.4 m
	468.1 m	464.7 m	452.6 m	498.4 m
Total equity and liability	953.1 m	935.4 m	814.9 m	856.0 m

Meet the team



Tonderai Mutesva

Chief Executive Officer

Tonderai has been the CEO of TrustGro from February 2020. He previously worked with MyBucks SA as a Corporate Finance Executive, ABC Holdings as a Product Development Manager, Atlas Mara as part of the Corporate Development Mergers and Acquisition team and BancABC Zimbabwe as an Investment Banker. He is a holder of BSc Economics degree, is a CFA charter holder and is certified by the Global Association of Risk Professionals as a Financial Risk manager.



Wycliffe Kiprono

Head of Credit

Wycliffe was appointed Head of Credit in August 2020. He has previously worked with Kenya Commercial Bank, Kenya Women Finance Trust and Real People Business Finance. He holds a BA in Development Economics.



Diane Okock

Finance Manager

Diane was appointed Head of Finance in 2017. She previously worked for Opportunity International Kenya as a Finance and Administration Officer. She has also worked at Opportunity Wedco Care in the finance department. She holds an MBA in Project Management, BCom in Finance and is a CPA (K).



Meet the team



Winnie Salome

Human Capital Manager

Winnie was appointed Human Capital Manager in 2016. She has previously worked for Kenya National Commission for Human Rights. She holds a BSc in Human Resource Management. She is also a member of the IHRM.



Eric Gathii

IT Manager

Eric was appointed IT Manager in 2015. He previously worked for Blue Microfinance as IT Manager. He holds an MSc in Information Technology and a BSc in Computing and Information Systems.



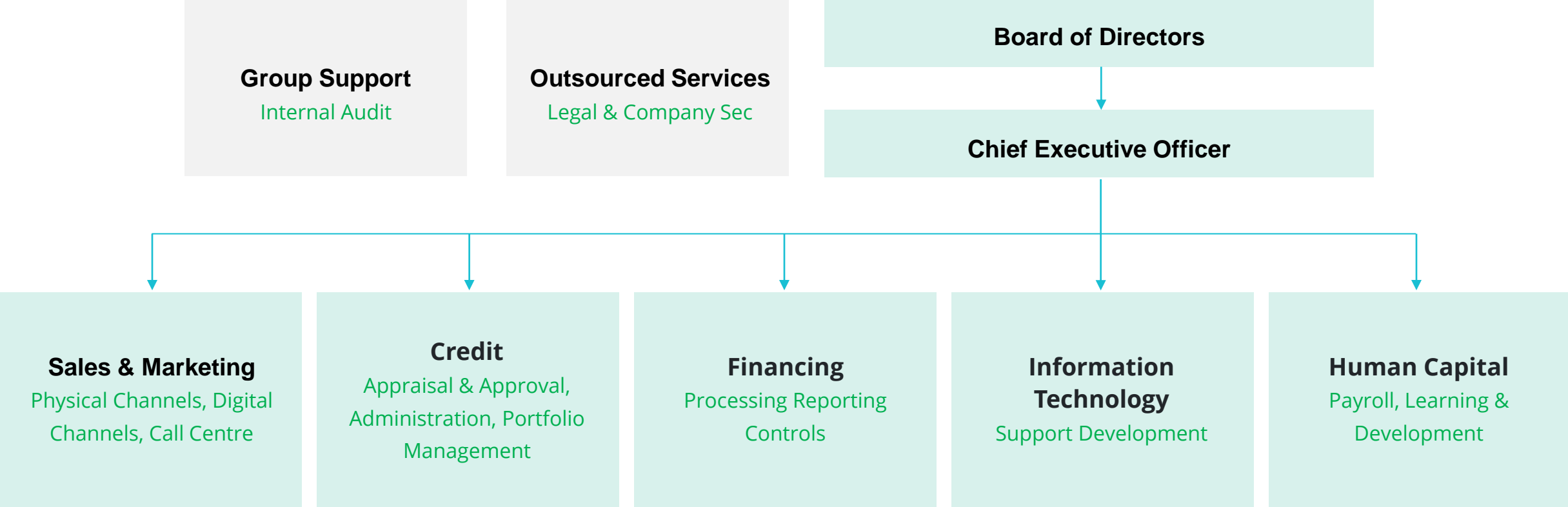
Ronald Arara

Marketing Manager

Ronald was appointed Marketing Manager in 2020. He previously worked at Andare Marketing Agency and Inside Out ventures. He holds a BA in Business Management and is a member of MSK.



Organization Structure



Thank you



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