# Precision. Progress. Possibility.

How AI-powered lending is enabling resilience, growth, and inclusion — responsibly.

# CEO Rajat Dayal's message to the reader:

At Yabx, we believe the real story of financial inclusion isn't just about access—it's about agency. Our vision is to empower every customer not simply with credit, but with the tools, knowledge, and flexibility to transform their financial journey on their own terms. As we look across Africa and beyond, we see rising aspirations, but also the need for products and partnerships that genuinely strengthen resilience, choice, and dignity.

In a market where over 67% remain underbanked, and traditional scorecards leave good people behind, Yabx's approach is different. We harness technology to understand not only ability, but intent, and we work with partners who share our commitment to responsible innovation. We are proud that 91% of our customers report a better quality of life, but even prouder when we see agency in action—women making household decisions, entrepreneurs expanding operations, and families investing in their children's future.

Responsible inclusion means prioritizing customer health, transparency, and flexibility —even as we scale. As fintech explodes across emerging markets, Yabx's north star remains: to drive progress that uplifts communities, strengthens social fabric, and creates new possibilities. Together with our bank, telco, and ecosystem partners, we're showing that sustainable impact, real change, and prosperity go hand in hand. There remains much work to do, and the journey is far from over. Thank you for being part of this movement, trusting Yabx as a partner, and sharing our belief in a future where financial empowerment is everyone's right.

**Rajat Dayal**
CEO & Founder, Yabx

# An Independent Impact Assessment has been conducted by MFR.

MFR is a global leader in impact measurement and ESG ratings, with extensive experience in assessing financial inclusion, client well-being, and social performance in emerging markets.

**Assessment Aim:**

To objectively measure how Yabx's lending solutions in one of it's largest markets - Uganda improved customer lives, business outcomes, and community resilience, using globally recognized frameworks for impact measurement.

**Methodology:**

- Conducted by MFR's independent team of experts
- Combined rigorous client surveys with performance data analysis
- Applied best practices from the Impact Management Project (IMP), Social Performance Task Force (SPTF), and global benchmarks
- Evaluated outcomes across business growth, household welfare, resilience, and health.
- Used statistical analysis and validated indicators to determine change plausibly linked to Yabx services

This third-party validation ensures the integrity and credibility of Yabx's impact, helping guide responsible growth and maximize positive outcomes.

# Why this report matters?

Because the last mile of credit deserves first-class science.

Africa-first focus

Performance-first

Inclusion-credible

UN SDG-aligned outcomes

- No Poverty
- Good Health and Well-being
- Quality Education
- Gender Equality
- Decent Work and Economic Growth
- Industry, Innovation and Infrastructure
- Reduced Inequality
- Partnerships for the Goals

# The market before us

Financial Inclusion came late to Africa and when it did- it missed the point.

Over 51% of Africa was underserved before the fintech revolution happened, more than 90% of them went into a debt trap.

## Ethiopia

Digital lenders can increase debt by 100% through accumulated penalties

## Nigeria

40% of Nigerians are in debt trap, with 26% owing money to loan apps

## Uganda

Many borrowers fall into debt traps with some owing money to up to 20 different mobile loan apps

## Ghana

The Bank of Ghana has issued warnings about mobile money loan defaulters who deliberately avoid SIM card registration to escape repayment

## Tanzania

56% of digital borrowers reported defaulting on their loans

## South Africa

Default rates associated with loans suspected of involving fraudulent activities increased by 15%

## Kenya

Kenya's Hustler Fund saw 19 million of the 21 million borrowers (90%) default on their loans, representing the clearest example of the 90% debt trap figure across the continent

# Our Vision & Mission

Financial Inclusion is a common goal but how we arrive at it- makes all the difference.

## Vision

By showcasing responsible borrowers' success, we spark financial discipline, literacy, and empowerment across the economy.

## Mission

To precisely identify deserving borrowers and ensure loans are utilized for purposes that drive meaningful progress and upliftment

# In this report, we showcase the impact of our mission.

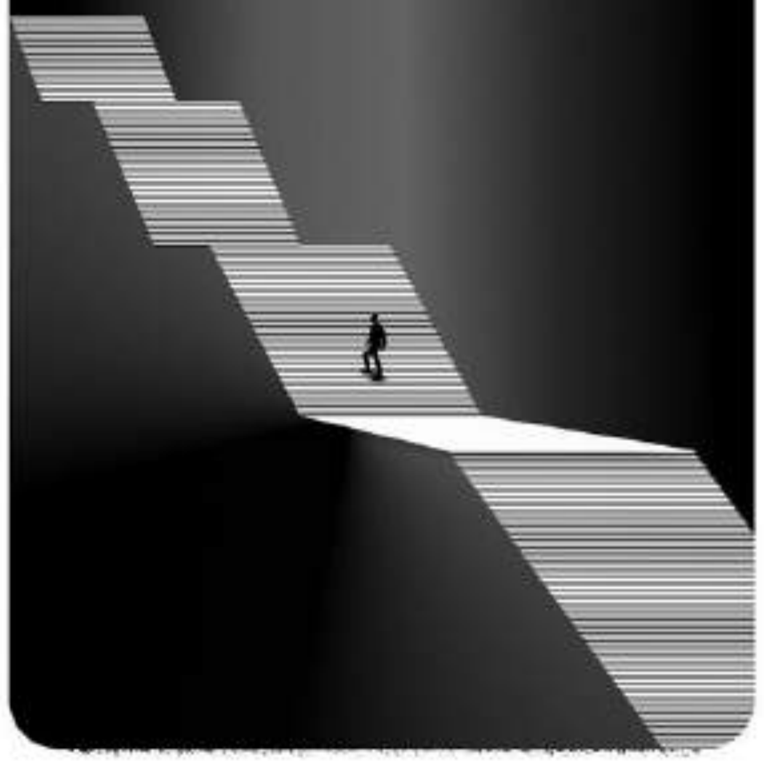
This report is divided into three sections.

## Precision

Delivering the right credit, at the right time, with data-driven accuracy.

## Progress

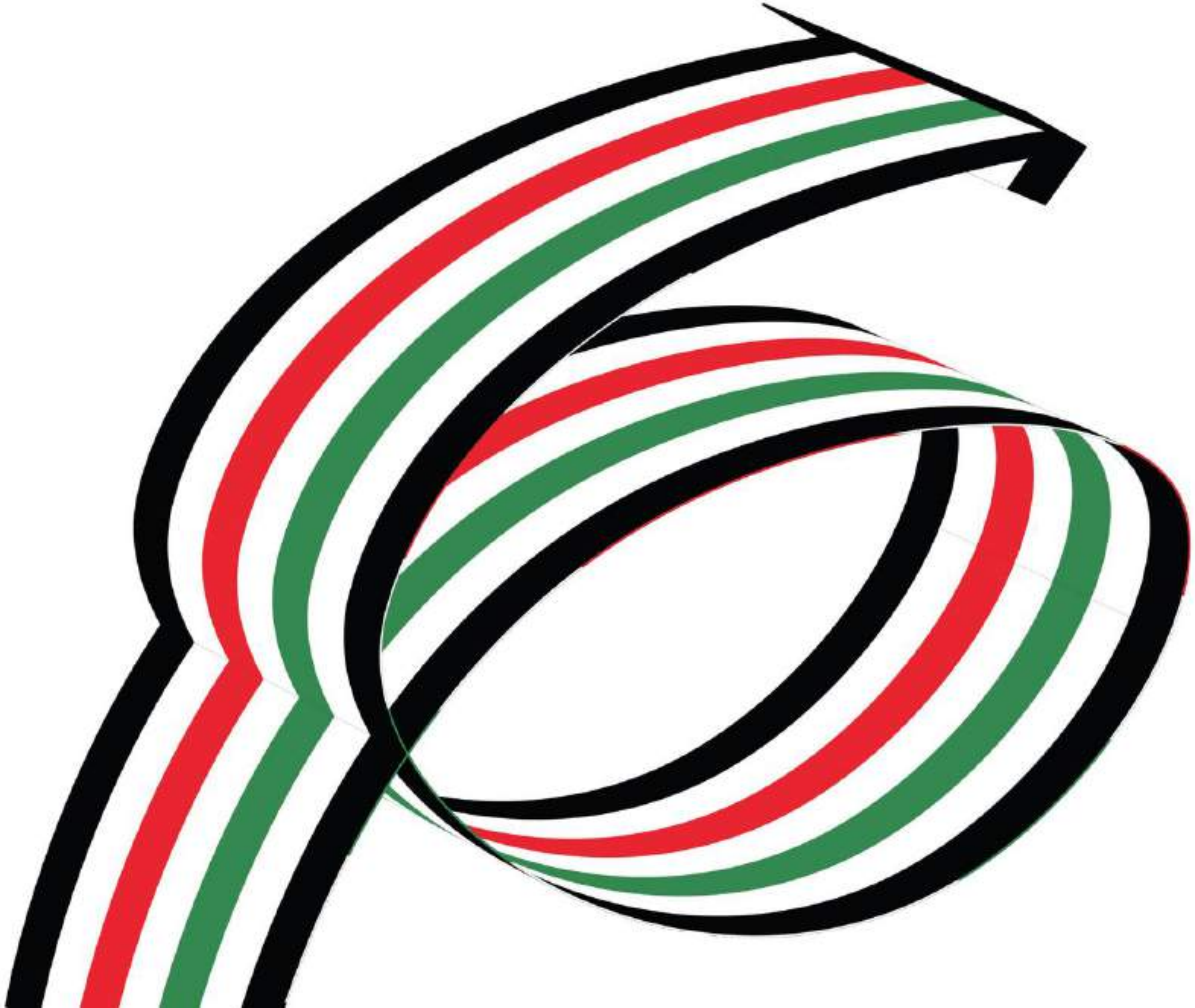
Every loan builds income, assets, and stability.



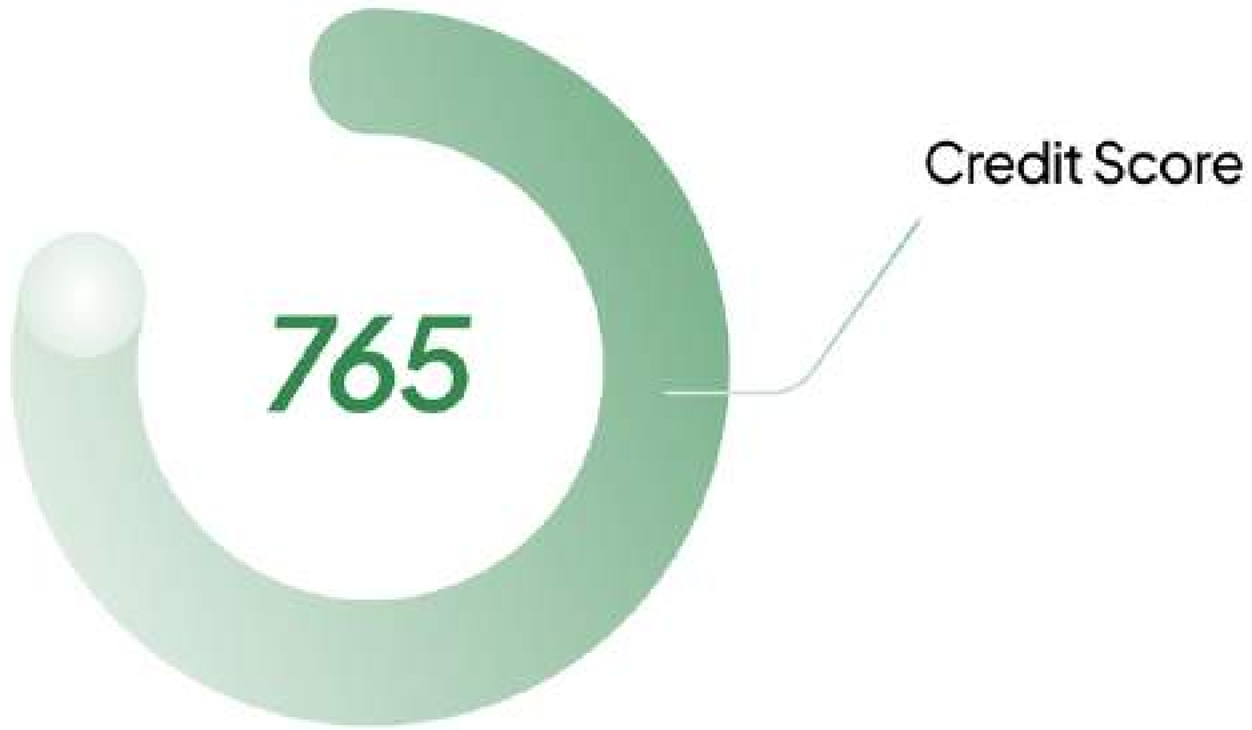
## Possibility

Unlocking markets, empowering millions, fuelling sustainable growth.

# Precision



# Precision: beyond credit scores, into intent




Precision lending transcends traditional risk assessment by identifying not just the ability to repay but the intent to repay - the critical differentiator that separates good borrowers from debt traps.

By leveraging alternative data and behavioural insights, we achieve scale and speed while targeting profiles historically ignored by formal financial systems, transforming exclusion into inclusion.

## Why it matters:

Women control 70% of informal trade and contribute 90% of food production - their financial inclusion unlocks $300 billion in annual GDP potential while breaking generational poverty cycles.

# Women

Despite representing 58% of Africa's self-employed population, women receive only 3% of startup financing and face a persistent 12-point gender gap in account ownership.

# MSMEs

Contributing 50% of Africa's GDP and 95% of businesses, MSMEs face a $331 billion financing gap with only 4% accessing formal bank loans despite generating 80% of employment.

## Why it matters:

These enterprises are Africa's economic backbone – their growth creates jobs, drives innovation, and builds sustainable local economies that reduce dependency on external aid.

# Rural Population

Representing 55% of the global unbanked population, rural communities remain excluded despite agriculture accounting for significant economic activity yet receiving only 6% of commercial bank credit.

## Why it matters:

Rural financial inclusion strengthens food security, builds climate resilience, and prevents urban migration while empowering communities that feed the continent.

# Real-Time Scale & Speed



15 +million

## lives impacted

Hyper-targeted acquisition pinpoints and engages high-value prospects.

MSMEs

60%

Women

37%

## $180 disbursed every minute

Dynamic ticket-sizing intelligently adjusts order sizes in real time based on market conditions, risk appetite, and trading strategy.

Rural

56%

$700+ mn

## Annualised disbursal

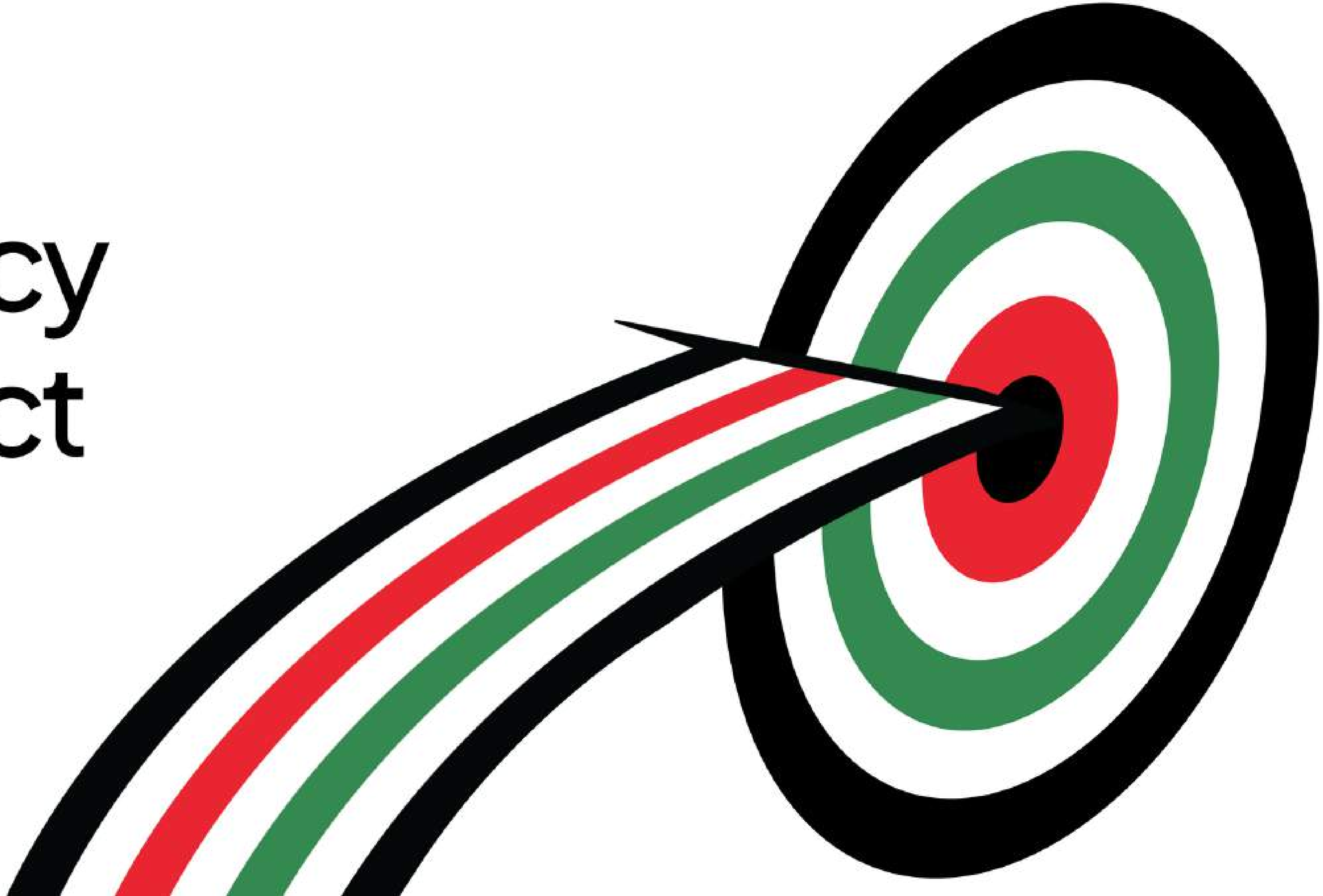
Continuous risk repricing ensures real-time risk updates.

128 million

## Credit transactions

A <300ms engine delivers instant, real-time decisions.

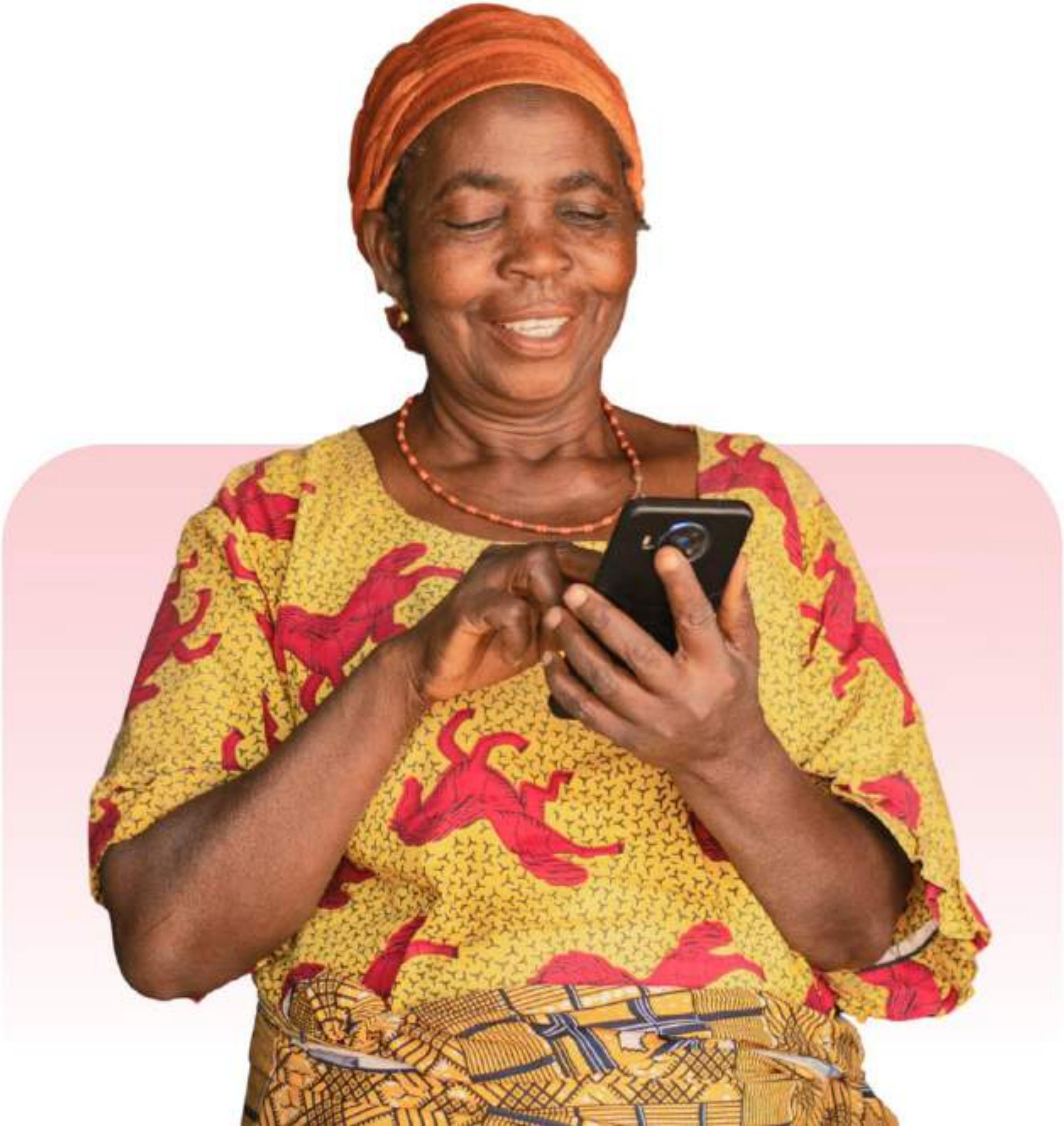
# Accuracy in Impact



# 91%

Report better life quality

10 REDUCED INEQUALITIES



# 78%

## Higher financial voice

5 GENDER EQUALITY

# 72%

## Higher household income


# 45%

## Women borrowers

5 GENDER EQUALITY

YABX

# What made this possible?

## Performance-First
NPL below 4 %

## Risk-Sharing
skin-in the-game with partner banks

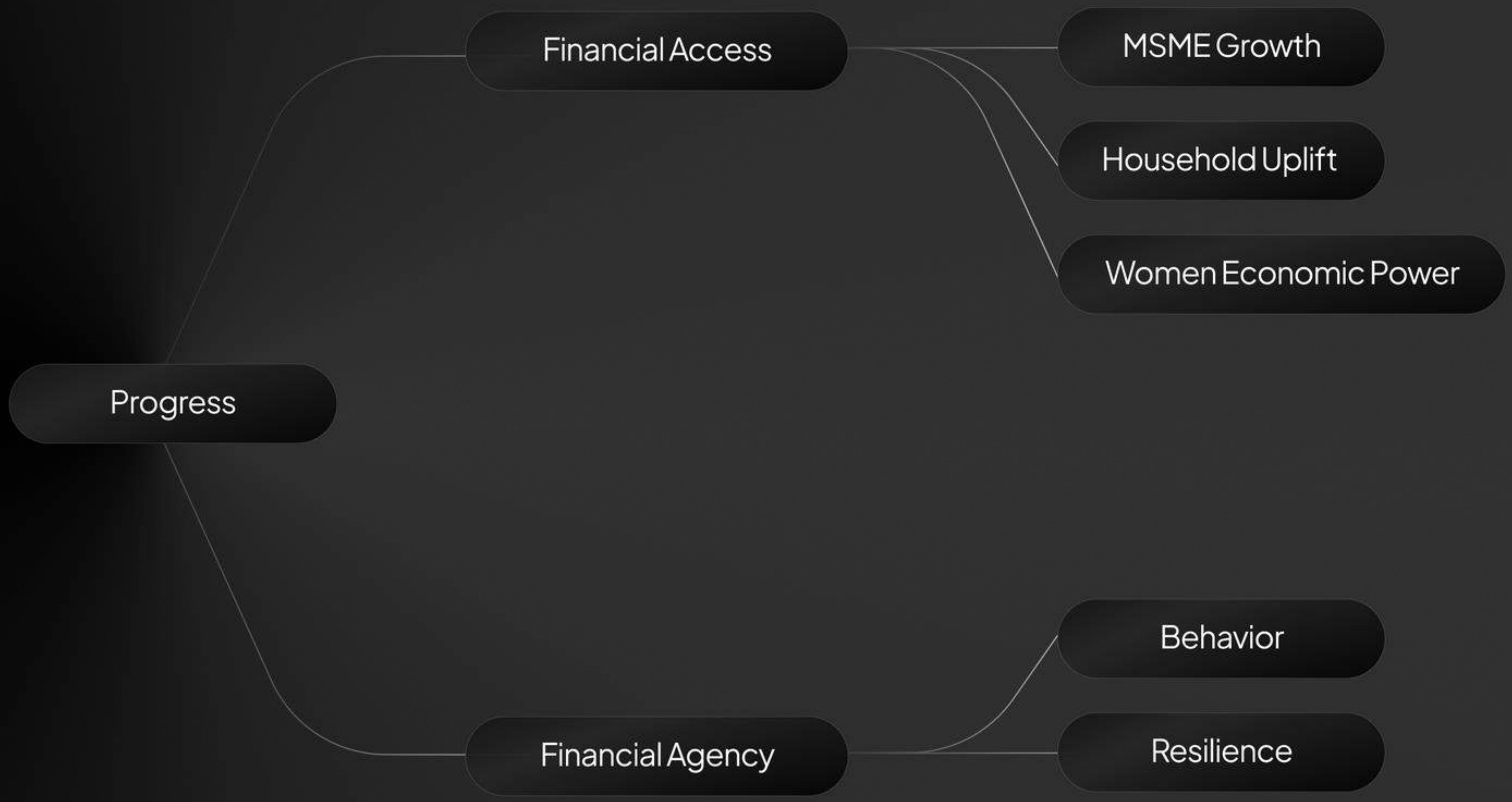
## AI-Powered
15k features, refreshed daily

## Agile-Strategic
idea→launch < 60 days

# Progress

# From Intent to Impact

Does ambition translate to growth?




The goal is to not to simply reach the correct underbanked crowd. It is to make them progress using credit as a tool.

# From First Loan

Progress is borrowers rising, women accessing capital, and micro-enterprises turning cash into livelihoods.

# to Lasting Change

# Enterprise growth


**88%** feel more confident in business decisions

**73%** report higher business income

**72%** grew business assets

**38%** created new jobs

# MSME Growth Borrowers



## Asher Nkuba

29 | Rice Mill Operator

Asher's mill broke down during harvest, but Yabx's instant credit—backed by his mobile sales records—funded new machinery, boosting capacity by 50%, raising revenue, and enabling him to hire another operator.

# Women's Economic Power

We don't design women-only products.
We build bias-free systems that allow women to thrive.

YABX

# Gender Smart Finance

Women report stronger increase in business income, household assets, and decision-making

1 NO POVERTY

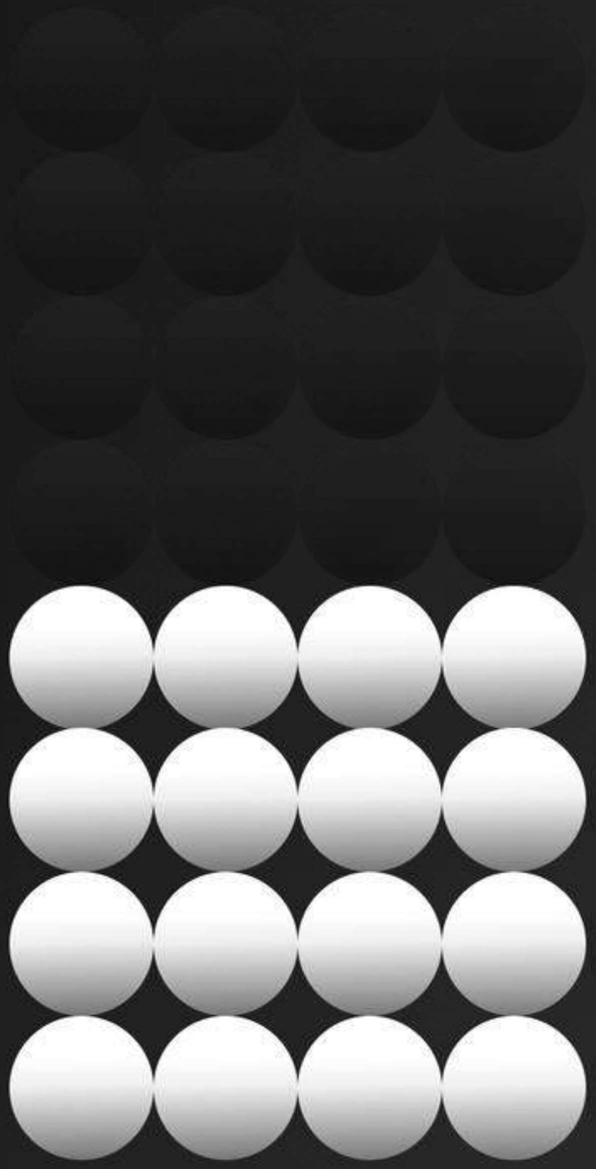
3 GOOD HEALTH AND WELL-BEING

4 QUALITY EDUCATION

5 GENDER EQUALITY

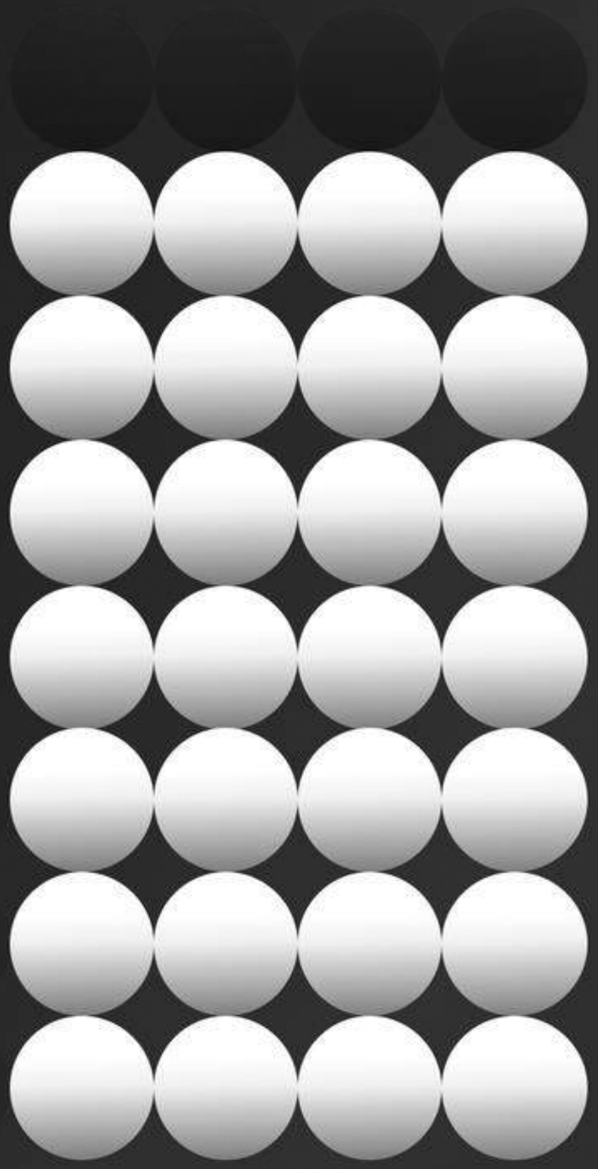
**45%**

of borrowers are women



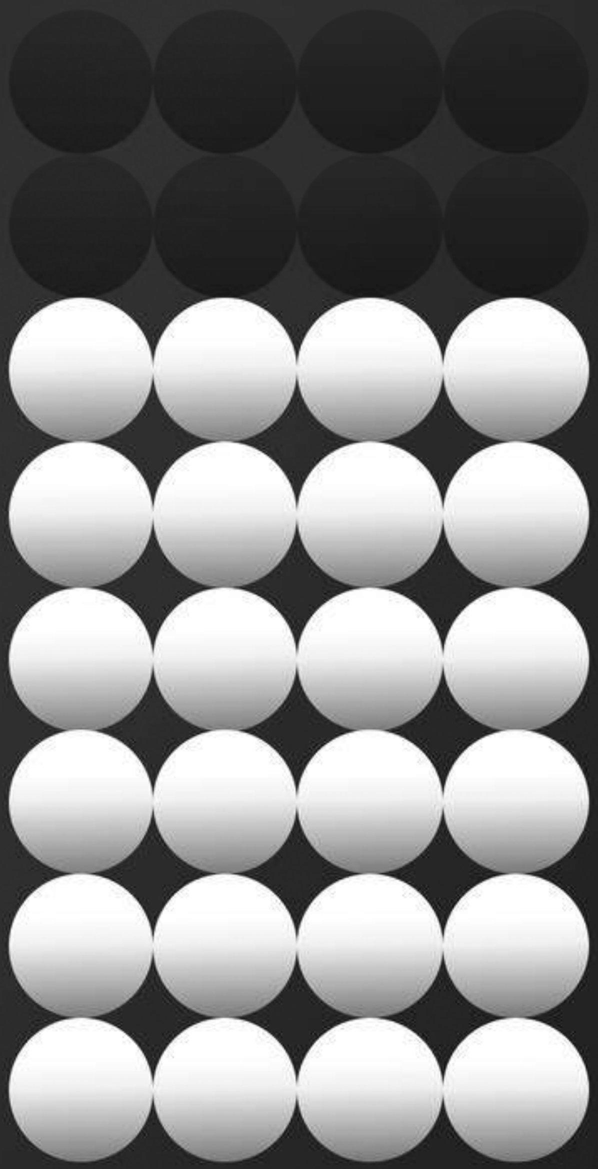
**78%**

of women now make joint or sole financial decisions



**60%**

used credit directly for income-generating activity



# Women borrowers



## Grace Achieng

35 | Poultry Farmer

Grace was repeatedly denied bank loans for lack of collateral despite steady egg sales. Yabx evaluated her mobile payment history, call behaviour etc. to extend a working-capital loan, allowing her to expand her flock by 200 hens, resulting in a 65% rise in household income and full financial decision-making control.

# Household Up-Lift

# Credit that strengthens families

Finance is only useful if it reaches the dinner table, the clinic, and the classroom.


**68%** used credit to pay school fees

**63%** report improved children’s attendance

**34%** made home upgrades

**66%** improved diet quality

**44%** accessed healthcare more reliably

# Chimwemwe Banda

42 | Cassava Vendor

Chimwemwe's family struggled with food insecurity and school fees during the rainy season when supply chains stalled. A Yabx microloan financed refrigerated transport boxes, enabling her to source fresh cassava from distant farms—improving her children's nutrition, funding their tuition, and stabilizing her earnings year-round.

# Access shapes behaviour

Access is not the end. Agency is.

53% started saving

53% increased income sources

91% say their life has improved

93% are optimistic about the future

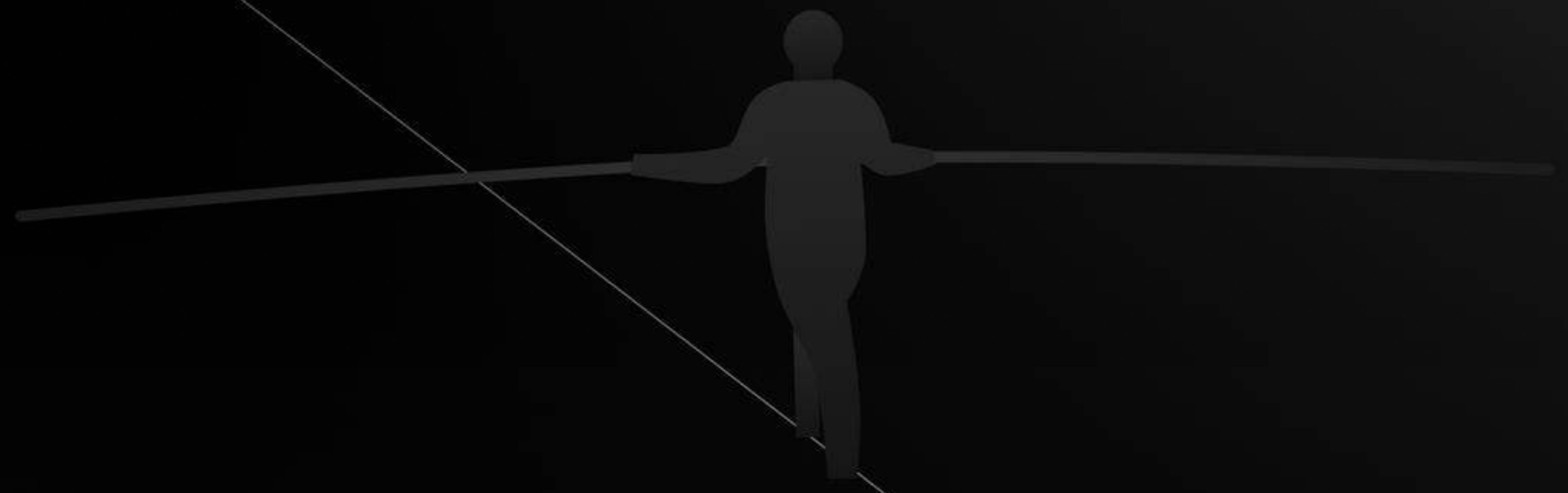
# Financial Access → Financial Behaviour

94% would borrow again

Improved financial access can shape and enhance individual's financial behaviour.

# Built for Resilience

The real test is when life happens.



# We build flexibility, dignity & long term thinking.


87 %

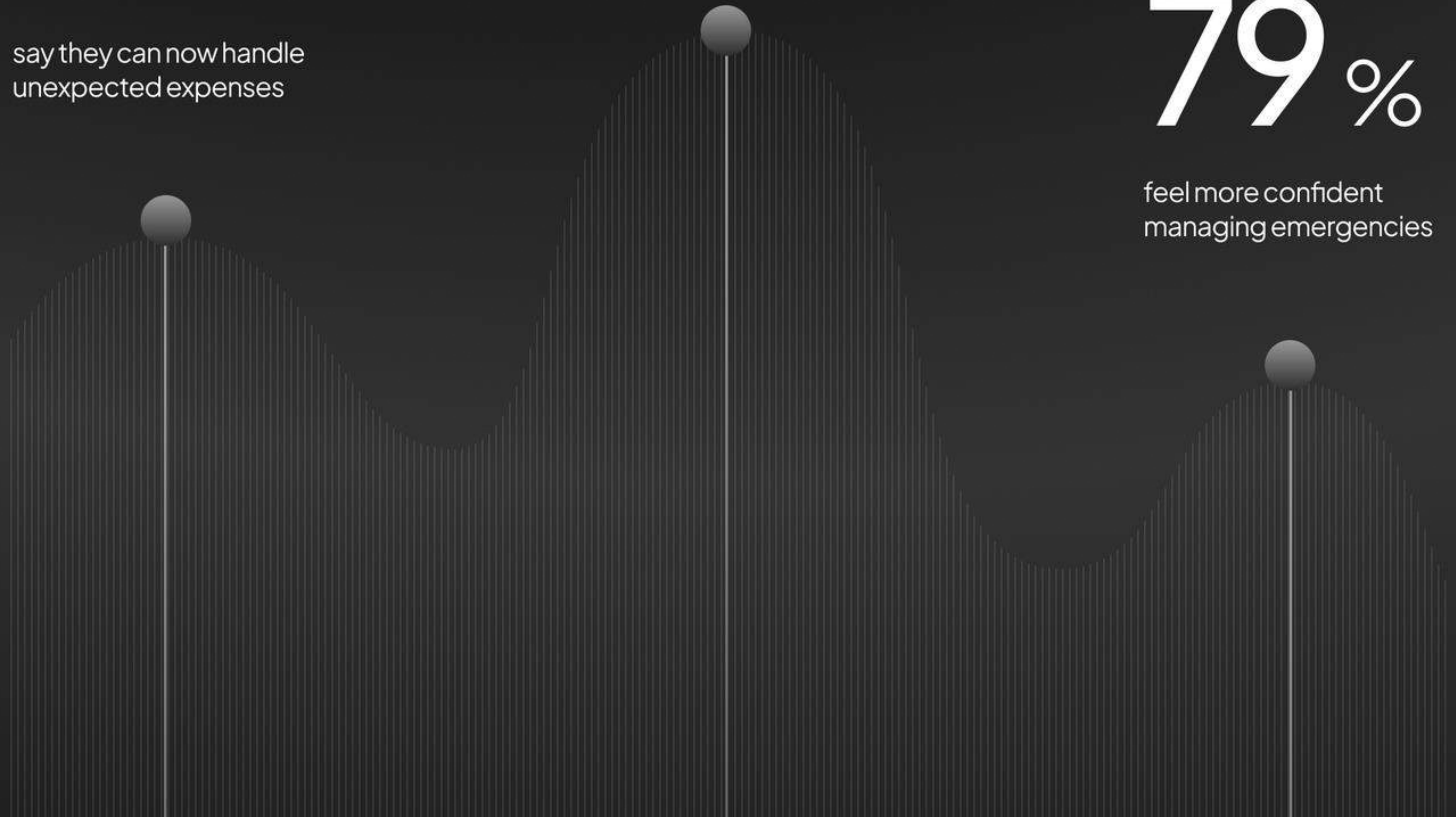
say they can now handle unexpected expenses

92 %

report a stronger sense of financial control

79 %

feel more confident managing emergencies



# Resilient borrowers



## Joseph Mwansa

40 | Maize Farmer

After flooding destroyed his fields, Joseph faced total crop loss and mounting debts. Yabx's rapid, flexible loan—underwritten using his historical harvest yields and local weather forecasts—helped him install raised beds and simple diversion ditches, restoring his harvest cycle and safeguarding his family's livelihood against future climate shocks.

# Possibility

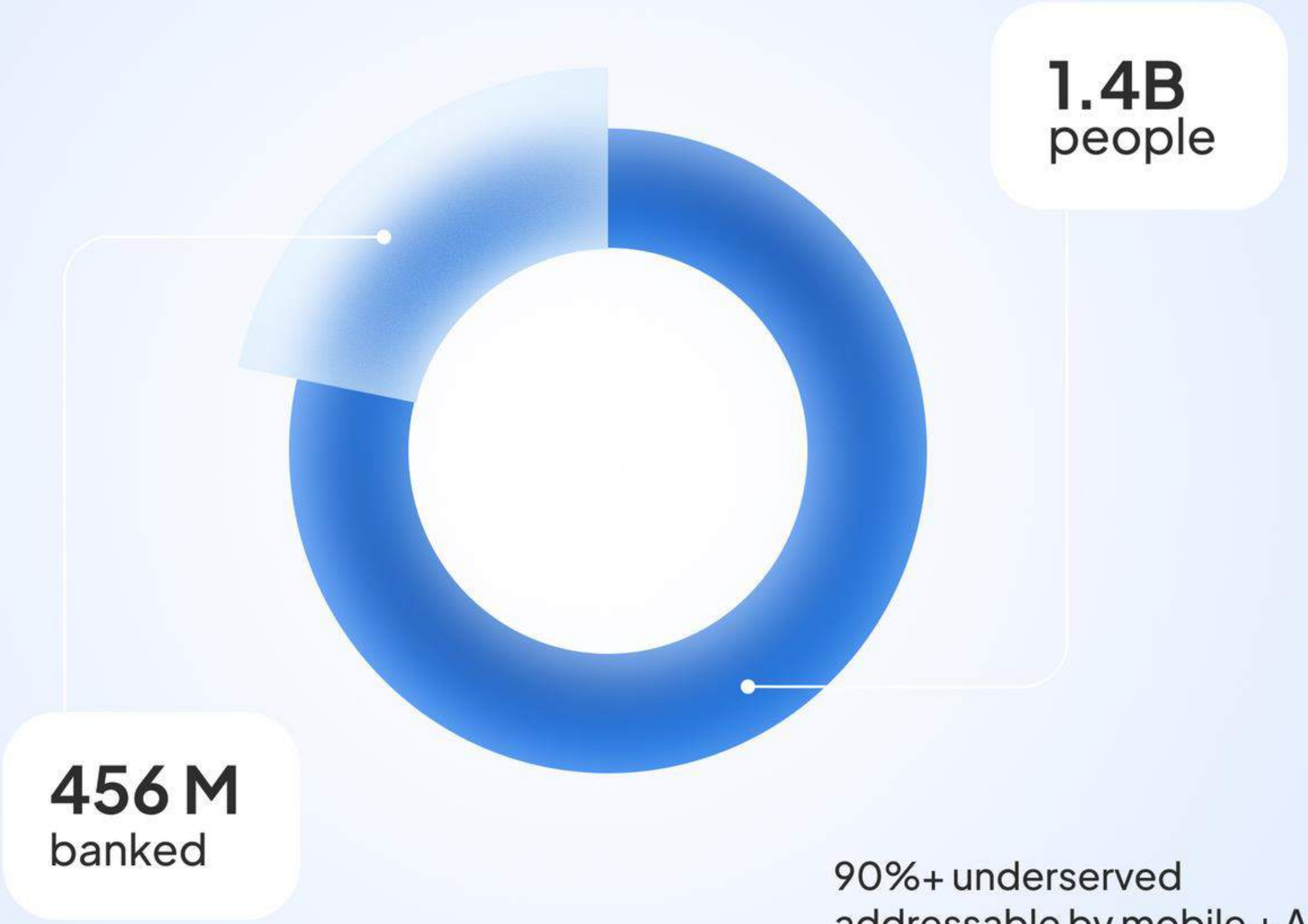
# The 90% Opportunity

Banks in Africa & MENA still bypass nine in ten adults. With precision-scoring proven and customer progress visible, the canvas now is scale.

YABX

# Market Horizon

The biggest white-space is green-field.




90%+ underserved
addressable by mobile + AI

# Africa, now



## SMEs

Number of SME

**125mn**

Underbanked SME

**55%**

Expected growth

**10%**

## Women

Number of women

**583mn**

Unbanked Women

**50% of women across Africa remain unbanked**

# Africa in 2050.

## Unprecedented entrepreneurship wave

1.25 billion additional young people under 25 by 2050

## concentrated credit demand

700 million NEW urban residents by 2050

## massive economic expansion needing financing

$26.4 trillion in additional GDP by 2050

## A Workforce on the Rise

The working-age population will grow by 796M, reaching 1.55B.

# Africa in 2050.



Millions have moved forward with our support, but millions more are still waiting to take their next step. Every day, new people come up, looking for help. If Africa does not get stronger—through education, savings, and financial services—many will still be blocked from the life they want.

Money is not everything. But it helps us reach our hopes. We know this matters. That is why at Yabx, we don't step back, no matter how tough the challenge. Whenever our customers need us, we show up and stand strong by their side.

Precision. Progress. Possibility. This is our promise, now and for the future.

# Thank you