



EQUITY INVESTMENT BANK

A SUBSIDIARY OF EQUITY GROUP HOLDINGS PLC



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**TAILOR-MADE INVESTMENT
SOLUTIONS FOR YOU**

Equity Investment Bank Limited

Equity Investment Bank Limited is incorporated and licensed as an investment bank in Kenya, under the regulations of the Capital Markets Authority. It is a wholly owned subsidiary of Equity Group Holdings Limited (EGHL).

Equity Investment Bank's strategic priorities are crafted to advance the Group's value proposition across the diverse markets where it operates. The Investment Bank's endeavours focus on the following service areas, delivered through unwavering commitment to excellence and innovation:

Brokerage Business: *Enabling Market Accessibility*

Our foremost objective is to expand the accessibility of investment grade credits, denominated in both dollars and local currencies. Additionally, the Investment Bank takes pride in its initiatives that extend access to regional and global securities markets, encompassing shares and mutual funds. This progressive step empowers clients with a diversified investment landscape, fostering both growth and dynamism within the banking ecosystem.

Business/Corporate Advisory: *Igniting Deal Flow Generation*

Equity Investment Bank is dedicated to seamlessly integrating advisory support services to catalyze the generation of deal flow from a vibrant pool of investors and clients. This collaborative synergy as done within the Group ecosystem is poised to amplify growth opportunities for clients. The clients are exposed to the whole Group ecosystem in terms of quality liquidity and products/services, and customer counterparty reach, informing economic vitality and shared success.

Wealth Management: *Elevating Private Wealth Offerings*

Through a holistic approach, Equity Investment Bank aims to nurture the expansion of Private Wealth offerings, leveraging comprehensive expertise in asset services. This strategic alignment enables Equity Investment Bank to provide a comprehensive suite of solutions tailored to the unique financial aspirations of every client.

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WEALTH MANAGEMENT ADVISORY



Over the years, the need for investing in solutions that offer high returns and more liquidity has grown tremendously. This has forced families and corporations to seek alternative investment solutions beyond the traditional asset classes like real estate, whose returns have been diminishing over the years. Designing the right investment portfolio mix in this complex investment terrain can be a hard task.

Equity Investment Bank offers a variety of multi-currency investment solutions that give you the flexibility of choosing those that meet your investment objectives, and risk appetite, while also helping you to preserve and grow your wealth. We have a team of well-trained and experienced wealth specialists who will walk with you throughout your investment journey.

OUR ANALYSIS

Clients are evaluated on the following essential factors before investment advice is given:

Financial Goals: Advisors assess clients' short-term and long-term financial objectives, such as buying a home, saving for retirement, or funding education

Time Horizon: The length of time before a client needs to access their funds affects investment strategies.

Current Financial Situation: Assessing assets, liabilities, and existing investments provides a baseline for recommendations.

Estate Planning: The client's wishes regarding inheritance and legacy play a role in advice related to estate planning.

Risk Tolerance: Understanding how much risk a client is comfortable with is crucial for recommending suitable investments.

Income and Expenses: Evaluating income sources and spending patterns helps create realistic financial plans.

Tax Considerations: Advisors consider tax implications to optimize returns and minimize liabilities.

OUR SOLUTIONS



TREASURY BONDS

Treasury bonds are secure medium-term to long-term investments, that are issued by respective Central Banks. They offer guaranteed and fixed returns payable every six months. This solution is best for those seeking: high-return investments that offer capital preservation. At Equity, we offer access to African and Global Treasuries.



EUROBONDS

Eurobonds are secure medium term to long term investments that offer guaranteed returns payable every six months in a variety of currencies. This solution is best for those who are seeking multi-currency investments that offer a good return.



CORPORATE ADVISORY

At Equity, our professional advisers offer specialized advice and support to corporate houses in matters: corporate restructuring, joint ventures, cross-boarder investments, equity financing and buyouts.



STOCKS

Investing in the stock market offers opportunities to earn dividend income and capital gains.



TREASURY BONDS

Treasury Bonds are debt securities issued by respective central banks. They have fixed interest rates and mature over a specified period. Considered one of the safest investments due to backing by the respective Central banks.



Advantages of investing in Treasury Bonds

1

Predictable Returns: Fixed interest rates provide stable, predictable income.

2

Safety: Principal and interest payments are guaranteed by the government.

3

Liquidity: Treasury Bonds are highly liquid and can be sold easily in the secondary market at the prevailing market rate.

4

General Diversification: They perfectly complement a diversified investment portfolio.

EUROBONDS



Eurobonds are debt securities issued in a currency different from the currency of the issuer's country commonly in USD. They are typically issued in the international capital markets.

Eurobonds can be issued by governments, corporations, or international organizations.

Key Features of EuroBonds

Currency Diversification: Issued in various currencies, providing investors with currency diversification opportunities.

International Appeal: Attractive to global investors seeking exposure to different markets.

Fixed Interest Rates: Eurobonds may offer fixed or floating interest rates, catering to investor preferences.

Maturity Options: Wide range of maturities available to suit different investment horizons.

Advantages of investing in Eurobonds

1 **Currency Diversification:** Hedge against currency risk by investing in different currencies.

2 **Global Exposure:** Access to a broader range of issuers and markets, spreading risk.

3 **Attractive Yields:** Eurobonds often offer competitive yields compared to domestic bonds.

4 **Liquidity:** Generally, Eurobonds are highly liquid, facilitating easy buying and selling.

5 **Portfolio Diversification:** Effective tool for diversifying your investment portfolio.

6 **Regulatory Benefits:** They offer tax advantages or regulatory benefits in certain jurisdictions.

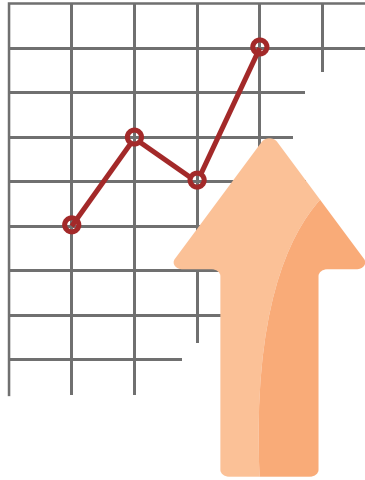


STOCK MARKET

The Stock Market represents a marketplace where investors buy and sell shares of publicly traded companies.

Stocks are ownership stakes in a company and are traded on stock exchanges like the New York Stock Exchange, Johannesburg Stock Exchange and the Nairobi Securities Exchange.

Stock prices fluctuate based on supply and demand, influenced by various factors.



Advantages of investing in the Stock market

1

Potential for High Returns: Historically, stocks have provided some of the highest returns among asset classes.

2

Dividends: Some stocks pay dividends, providing regular income to investors.

3

Liquidity: Stocks are highly liquid and can be bought or sold quickly.

4

Gene Portfolio Diversification: Stocks can help diversify your investment portfolio. Over time, investing in stocks can lead to substantial wealth accumulation.

5

Inflation Hedge: Stocks have the potential to outpace inflation, preserving your purchasing power.

6

Access to Growth: Invest in companies with high growth potential, contributing to long-term wealth.



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**ACCESS TO GLOBAL
INVESTMENT SOLUTIONS**

INTRODUCTION

In today's interconnected global landscape, investors can leverage diverse regions and economic cycles. Equity Investment Bank is dedicated to facilitating investor access to global markets, providing platforms that empower portfolio expansion beyond local markets.

EIB PRODUCT OFFERING

Equity Investment Bank offers the following products

- (a) Sovereign bonds
- (b) Corporate bonds: Investment Grades

INVESTMENT GRADE OPTIONS

Conservative investors often prefer investment-grade bonds due to their lower risk profile. These bonds are supported by robust country governments with solid fundamentals and resilient economies. Offering fair yields, they also provide an opportunity for diversification into global markets. The investment grades are detailed below:

FITCH INVESTMENT RATING	
AAA/AA+/AA/AA-	High credit quality
A+/A/A-	upper medium credit quality
BBB+/BBB/BBB-	Lower-medium credit quality



SOVEREIGN BONDS

EIB offers the following sovereign bonds:

- **Canada International Bond**
- **South Africa Eurobonds**
- **Kenya Eurobonds**

CANADA SOVEREIGN BOND RECOMMENDATION: RANKING AAA

ECONOMY HIGHLIGHTS

- 1 of the 16 countries with nominal GDP over USD1trillion, as of 2022 was at USD2.1Trillion
- Well-developed energy extraction sector, with the world's third-largest proven oil reserves.
- Canada also has impressive manufacturing and service sectors.
- Real estate, mining and manufacturing are the main exports.
- They mine oil and gas, coal, gold, copper, nickel. Manufacture food, chemicals, petroleum, fabricated metal products and machinery.
- Has a large bond global market size USD4.0Trillion at 3% market share

RISKS

- Global geopolitics
- Mining sectors vulnerable to changes in global market prices

Bond	Coupon	Maturity
Canada Govt Int.Bond	3.75%	4/26/2028

SOUTH AFRICA EUROBOND RECOMMENDATION: RANKING BB-

ECONOMY HIGHLIGHTS

- Exports: Iron and steel, mineral products, precious metals, vegetable products, chemical
- Products. minerals account for 25.1% of exports: chromium, vanadium, gold, gem diamonds
- Debt to GDP ratio at 70.9% as of March 2023
- As of August 2023, foreign exchange reserves equals 5.3months of import at 61.13Billion USD
- Have largely recovered from the Covid and economy has expanded 2 quarters in 2023
- Inflation rate June 2023 at 5.4%
- Have deep financial sector and stable banking system

RISKS

- Electricity disruption increased operating costs for businesses
- High income inequality which may cause socio-political unrest

Bond	Coupon	Maturity
Republic of South Africa	5.875	9/16/2025
Republic of South Africa	4.875	4/14/2026

KENYA EUROBOND RECOMMENDATION: RANKING B

ECONOMY HIGHLIGHTS

- Reserves at USD8.0Billion, which is 4.4 months import cover
- As of 2022, current account deficit of 6% of country GDP
- Offers large community base for the region as Kenya is part of East African Community (EAC) and African Continental Free Trade Area (AfCFTA)
- As One of the leading technological hubs in Sub-Saharan Africa
- Have Exports: Tea, coffee, tobacco, horticulture, textiles, cement

RISKS

- Significant exposure to foreign currency debt

Bond	Coupon	Maturity
KENINT 28	7.25%	2/28/2028
KENINT 31	9.75%	2/16/2031



CORPORATE BONDS - MINING COMPANIES

EIB offers the following corporate bonds:

- ArcelorMittal SA
- Glencore Funding LLC
- Rio Tinto
- Barrick Gold Corporation

ARCELORMITTAL SA

COMPANY PROFILE



ArcelorMittal is one of the world's leading integrated steel and mining companies. It produces a broad range of high-quality finished and semi-finished steel products.

Headquartered in Luxembourg City, ArcelorMittal has steel-making operations in about 15 countries on four continents, including more than 35 integrated and mini-mill steel-making facilities.

The company has iron ore mines in Brazil, Bosnia, Canada, Kazakhstan, Liberia, Mexico, Ukraine and the US, with coal mining in Kazakhstan and the US.

ArcelorMittal's markets are all those that consume steel as an input, including the automotive, appliance, engineering, construction, energy, and machinery markets

ArcelorMittal's success is built on its core values of sustainability, quality and leadership and the entrepreneurial boldness that has empowered its emergence as the first truly global steel and mining company.

RISKS

- Steel demand fluctuations - the global steel industry is cyclical, and demand for steel can be highly volatile depending on economic conditions.
- Inflation - rising input costs, including raw materials and energy.
- Currency fluctuations - since it operates in a global market
- Operational challenges - safety risks, environmental regulations, and labour unrest.

Issuer Name	Coupon	Maturity	Rating	Country
ArcelorMittal SA	4.25%	7/16/2029	BBB-	Luxembourg
ArcelorMittal SA	6.125%	6/1/2025	BBB-	Luxembourg
ArcelorMittal SA	4.55%	3/11/2026	BBB-	South Africa



CORPORATE BONDS - MINING COMPANIES

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Rio Tinto

RIO TINTO

COMPANY PROFILE

Rio Tinto Group, also known as Rio Tinto, is a British-Australian multinational mining and metals company. It is the second-largest metals and mining corporation globally

It operates in 35 countries and employs over 57,000 individuals. Significant operations are in Australia, Canada and Guinea.

STRENGTHS

- Technological innovation: Rio Tinto have strong technological innovations in the mining industry. They have automation and digitalization initiatives in the industry which enhance efficiency and operational excellence.
- Their diversified mining portfolio helps them mitigate against fluctuations in the commodity prices
- Their strong reputation and financial position gives them access to significant financial resources and initiatives to support growth and sustainability

RISKS

- Geographic concentration - a significant portion of its production comes from a few key regions. Overreliance on specific locations makes them vulnerable to disruptions due to political instability, natural disasters, or infrastructure issues.
- Concentration risk - while Rio Tinto is a significant player in diverse metals, it still generates a major portion of its revenue from iron ore.
- Evolving environmental and social regulations - the global mining industry faces increasingly stringent environmental and social regulations.

Issuer Name	Coupon	Maturity	Rating	Country
Rio Tto Fance USA Ltd	7.125 %	7/15/2028	A	USA
Rio Tto Alcan c*	6.125%	11/1/2028	A-	Quebec

BARRICK GOLD CORPORATION



COMPANY PROFILE

Barrick Gold Corporation, often referred to as Barrick, is a Canadian multinational gold and copper mining company. Founded in 1983, it is one of the world's leading gold producers with a global portfolio of mines and projects.

Barrick is headquartered in Toronto, Canada, and operates in 16 different countries across five continents.

STRENGTHS

- Clear runway - all their mines have 10-year business plans — in some cases being rolled out to 15 and 20 years — firmly anchored in demonstrable geological understanding, engineering and commercial feasibility.
- Growth from robust pipeline - growth projects support and enhance current production levels and continue to add to their reserve base organically through exploration.
- Leader in sustainability -their approach to ESG is driven by tangible on the ground action and measurable results that benefit all stakeholders.
- Disciplined shareholder returns -industry-leading dividend framework that provides an opportunity for enhanced returns while delivering financial flexibility and predictability throughout the cycle.

RISKS

- Financial risks - like other mining companies, Barrick faces risks associated with commodity price fluctuations, economic downturns, and increasing regulations.
- Gold price volatility - the price of gold fluctuates significantly
- Operational challenges - safety risks, environmental regulations, and labour unrest.

Issuer Name	Coupon	Maturity	Rating	Country
Barrick International	6.35 %	10/15/2036	BBB+	Canada

PRICING EXAMPLE

After formulation of a suitable investment strategy, EIB can recommend investment solutions that vary in tenor and return; tailor made to meet your investment needs as shown in these examples

KENYA EUROBOND 2031	Fitch B
Bond Issue	KENINT 9 3/4 02/16/2031
Face Value	1,000,000.000
Price per 100	100.2
Consideration	1,003,083.33
Interest per annum (%)	9.75
Interest per coupon (%)	4.875
1st coupon 08/24	48,750.000
2nd coupon 02/25	48,750.000
Total interest per annum	97,500.000

KENYA EUROBOND 2028	Fitch B
Bond Issue	KENINT 7 1/4 02/28/2028
Face Value	1,000,000.000
Price per 100	99
Consideration	1,024,638.89
Interest per annum (%)	7.25
Interest per coupon (%)	3.625
1st coupon 08/24	36,250.000
2nd coupon 02/25	36,250.000
Total interest per annum	72,500.000

Assumptions: Buying price @par but market forces can result in a premium or discount



SUKUK BONDS

EIB offers the following sukuk bonds:

- Kingdom of Saudi Arabia
- DP World Crescent Ltd

A sukuk bond is a financial instrument that is structured to comply with Islamic law (Sharia). It serves as an alternative to conventional bonds for investors seeking Sharia-compliant investment opportunities.

Sukuk bonds represent ownership in an underlying tangible asset or investment activity in adherence to Islamic finance principles, which prohibit the payment of interest and require investments to be based on tangible assets or services. The assets backing sukuk can vary, including real estate, infrastructure projects, or other permissible ventures.

Bond	Coupon	Maturity	Rating
Kingdom of Saudi Arabia (KSA)	5.268	10/25/2028	A+
DP World Crescent Ltd	4.848	9/26/2028	BBB



المملكة العربية السعودية
Kingdom of Saudi Arabia

KINGDOM OF SAUDI ARABIA (KSA) BOND

In the Kingdom of Saudi Arabia (KSA), sukuk bonds play a significant role in its financial markets. They enable sharia-compliant investment opportunities, foster liquidity and stability in financial sector.

STRENGTHS

- Abundant Oil reserves- holds some of the world's largest proven oil reserves.
- Geopolitical importance-situated at crossroads of Africa, Asia, and Europe, the country holds regional and international importance
- Investments in Infrastructure- The govt has embarked on ambitious infrastructure projects to diversify away from oil dependence and foster sustainable growth

RISKS

- Oil dependency- economy is heavily dependent on oil thus vulnerable to changes in the oil prices

DP WORLD CRESCENT LIMITED



DP World Crescent Limited is associated with DP World, one of the world's largest port operators.

DP World, headquartered in Dubai, United Arab Emirates, operates marine and inland terminals, logistics facilities, and other related services worldwide. The company plays a significant role in global trade, through its network of ports and logistics infrastructure. It has strong economic fundamentals.

STRENGTHS

- Global Presence: Has a vast global presence in 6 continents and can access several markets
- Financial strength: The company has strong financial position from port operations and diversified revenue streams.

RISKS

- Financial risks - like other mining companies, Barrick faces risks associated with commodity price fluctuations, economic downturns, and increasing regulations.
- Gold price volatility - the price of gold fluctuates significantly
- Operational challenges - safety risks, environmental regulations, and labour unrest.



GREEN BONDS

EIB offers the following green bonds:

- Sumitomo Mitsui Trust Bank Ltd
- International Development Association
- LG Energy Solution Ltd

Green bonds are a type of fixed income instrument specifically designed to raise capital for projects that have positive environmental benefits. These projects may include renewable energy, energy efficiency, clean transportation, sustainable water management, and other climate-friendly initiatives. Green bonds provide investors with the opportunity to support environmentally sustainable projects while earning returns on their investment.

Bond	Coupon	Maturity	Rating
Sumitomo Mitsui Trust Bank Ltd	5.5	3/9/2028	A
International Development Association	4.875	11/1/2028	AAA
LG Energy Solution Ltd	5.75	9/25/2028	BBB+



SUMITOMO MITSUI TRUST HOLDINGS INC

Sumitomo Mitsui Trust Holdings, Inc. (SMTH) is a prominent Japanese financial services holding company. It oversees a wide range of subsidiaries and affiliates, providing comprehensive financial services, including trust banking, asset management, real estate, and retail and corporate banking. Here's a detailed look at the Sumitomo Mitsui Trust Holdings, Inc. group:

SMTH's green bonds are designed to finance or refinance projects that provide clear environmental benefits, such as reducing greenhouse gas emissions, conserving energy, and promoting renewable energy.

STRENGTHS

- **Diverse Product Portfolio:** Offers a wide range of financial products and services, including banking, trust banking, real estate, asset management, and stock transfer agency services, catering to diverse client needs.
- **Leadership in Trust Banking:** One of the largest trust banks in Japan, with a strong reputation and extensive expertise in trust services and asset management.

- **Brand Recognition:** Established brand with a long history and strong recognition in Japan and internationally.
- **Solid Financial Performance:** Strong financial fundamentals, including robust revenue generation and profitability, driven by a diversified business model.
- **Green Finance:** Active involvement in green finance initiatives, including green bonds and sustainable investment products, promoting environmentally responsible investments.

RISKS

- **Geographic Focus:** Heavy reliance on the Japanese market, which exposes the company to domestic economic fluctuations and demographic challenges.
- **Limited International Presence:** Relatively limited international presence compared to some global competitors, which could restrict growth opportunities in emerging markets.
- **Changing Regulations:** Vulnerability to changes in financial regulations and policies, both domestically and internationally, which could impact business operations and profitability.
- **Interest Rate Risk:** Exposure to interest rate fluctuations, which can affect net interest margins and investment returns.



INTERNATIONAL DEVELOPMENT ASSOCIATION (IDA)

The International Development Association (IDA) is an institution within the World Bank Group that helps the world's poorest countries. Established in 1960, IDA aims to reduce inequalities and improve living conditions. The organization has also issued green bonds in order to finance projects that promote environmental sustainability. These projects focus on renewable energy, energy efficiency, sustainable water management, and other initiatives to combat climate change.

STRENGTHS

- **Concessional Financing:** Provides concessional loans and grants, making it easier for poor countries to access funds without incurring unsustainable debt.
- **Global Reach and Experience:** Operates in numerous countries worldwide, leveraging a broad network and extensive on-the-ground presence.

- **Collaboration with Other Organizations:** Works closely with other international organizations, governments, and NGOs to maximize impact.

RISKS

- **=Dependence on Donor Funding:** Reliance on donor contributions can lead to funding uncertainties, especially during global economic downturns or shifts in donor priorities.
- **Bureaucratic Processes:** Large and complex organizational structure can lead to slow decision-making and implementation processes.
- **Sustainability of Projects:** Ensuring the long-term sustainability of projects can be challenging, particularly when local capacity and funding are limited.



LG Energy Solution

LG ENERGY SOLUTION LTD

LG Energy Solution Ltd. is a prominent South Korean company specializing in energy solutions, particularly in the production of batteries for electric vehicles (EVs), energy storage systems (ESS), and other applications. It is a subsidiary of LG Chem Ltd. This is one of the largest chemical companies in the world. It is a leading South Korean Chemical Company established in 1947 with a diverse portfolio across life sciences and advanced materials. It has issued a green bond to finance environmentally friendly projects and promote green energy.

STRENGTHS

- **Advanced Battery Technology:** The organization is known for its cutting-edge battery technology, including high-density lithium-ion batteries and ongoing development of next-generation solid-state batteries.
- **R&D Capabilities:** Significant investments in research to continuously innovate and improve battery performance, safety, and sustainability.
- **Global Presence:** Extensive market presence in key regions, including Asia, North America, and Europe.
- **Diverse Client Base:** Strong relationships with leading automotive manufacturers.

- Sustainability Commitment: Actively involved in sustainability projects and initiatives such as battery recycling and eco-friendly materials

RISKS

- Raw Material Dependence: Heavy reliance on critical raw materials such as lithium, cobalt, and nickel, which are subject to supply constraints and price volatility.
- Geopolitical Risks: Exposure to geopolitical risks in regions where key raw materials are sourced can affect productivity.
- High Competition from other battery manufacturers and new market entrants
- High Investment Needs: Significant capital required for R&D, manufacturing facility expansion, and maintaining advanced technological capabilities.

OUR APPROACH



INITIAL ENGAGEMENT

You will be contacted by one of our wealth specialists. Through deep conversations, we identify what matters to you. The goal is to understand your financial situation and investment goals.



INVESTMENT STRATEGY RECOMMENDATION

After a critical analysis of your financial needs, a road map for implementing your financial plan and goals is crafted. A recommendation of investment solutions that aligns with your financial goals is made.



IMPLEMENT

We help put your plan into motion



REVIEW

As your financial circumstances and goals change, we will work together to review your plan and make adjustments that keep you on track.



HOW TO BEGIN YOUR INVESTMENT JOURNEY WITH US

The first step in your investment journey starts with opening a custody account with us. The form will be accompanied by a copy of your Passport and a passport sized photo. The investment execution will commence once the account opening process is complete.

EQUITY


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Equity Investment Bank Limited is regulated by the Capital Markets Authority.

