



Equity Group Holdings Plans Trans-Africa Expansion with USD \$100 Million (Ksh 11 Billion) Loan from the African Development Bank (AfDB)

- The facility will support Equity's expansion in East and Central Africa and ensure MSMEs have access to capital to recover and thrive in a Post COVID-19 Environment
- The Kshs 11 Billion loan comes on the heels of an additional USD 50 Million (Kshs 5.5 Billion) Loan Facility from the African Guaranty Fund.

Nairobi, Kenya: March 23, 2021 – Equity Group Holdings (EGH) has signed a USD \$100 million loan (Ksh 11 Billion) facility to support its expansion across Eastern and Central Africa, enhancing its ability to serve small and medium enterprises (SMEs) as it grows.

In addition to operating in 7 African countries – Kenya, Rwanda, Uganda, South Sudan, Tanzania, the Democratic Republic of the Congo and Ethiopia – the Group has recently expanded its operations in the DRC by merging its existing operations of Equity Bank Congo with its acquisition of BCDC to form EquityBCDC, now the second largest financial services company in the country.

At the signing, Dr. James Mwangi, Managing Director and CEO of Equity Group Holdings said, “Together with the African Development Bank Group, Equity Group will be strongly positioned to support MSMEs to keep their lights on during the prevailing COVID-19 pandemic that has slowed down the economy impacting on the cashflows of enterprises. By extending credit to them during this period, Equity demonstrates its commitment to walk with its customers, and to empathize with their social economic situation brought about by the pandemic.” Dr Mwangi added, “We have seen the impact of pumping oxygen to our MSMEs during this period. They have been able to re-imagine, repurpose and retool their enterprises and emerged more resilient thereby protecting jobs and creating more job opportunities through venturing into more innovative initiatives such as manufacturing of internationally certified quality PPEs.”

The loan, a tier two facility with a seven-year maturity, is expected to promote EGH's ability to offer bespoke products to MSMEs, strengthen its balance sheet and optimize its capital structure across the continent with a special focus on women and youth entrepreneurs.

“EGH has a strong track record of designing products suited to the needs of SMEs as well as emerging corporates. The timing of the facility's disbursement could not have been more appropriate especially as businesses seek to remain operational in the midst of a COVID-19 pandemic that is causing financial havoc,” said Stefan Nalletamby, AfDB's Director for financial sector development. “We are very pleased to collaborate with EGH in playing a countercyclical role during this pandemic.”

Equity's prudent approach to conserving its cashflow and supporting MSMEs through the COVID-19 crisis has provided more comfort to lenders across the continent and its partnership with the African Development Bank will now facilitate further financing of MSMEs.

This is the sixth tranche for Equity Group after having signed a \$50 million USD (Kshs 5.5 Billion) loan facility with IFC in September; a \$100 million USD (Ksh 11.0 Billion) from Proparco in October and a EUR 125 million (Kshs 16.5 Billion) loan facility signed last week with the European Investment Bank, a US \$100 Million (Ksh 11 Billion) Credit Facility with Leading European Development Banks DEG, FMO and CDC-UK and a USD 75 Million (Kshs 8.25 Billion) Loan Facility with the African Guaranty Fund to fortify credit flows and liquidity to MSMEs totaling Kshs 63.25 Billion.

About Equity Group Holdings, Plc:

Equity Group Holdings (EGHL) is a Pan-African financial services holding company listed at the Nairobi Securities Exchange, Uganda Securities Exchange, and Rwanda Stock Exchange. The Group has banking subsidiaries in Kenya, Rwanda, Uganda, South Sudan, Tanzania, and DRC and a representative office in Ethiopia. It has other subsidiaries in investment banking, insurance, telecom, fintech and social impact investments. Equity Group has an asset base of over \$ 10 billion. With over 14.2 million customers, the Group is one of the biggest banks in customer base in the region. Since 2008, the Group's corporate foundation, Equity Group Foundation (EGF), has delivered humanitarian programs in Education and Leadership, Food and Agriculture, Social Protection, Health, Clean Energy

and the Environment, Enterprise Development and Financial Inclusion to millions of Africans. EGF has a networked health care provider, Equity Afia which has been supporting COVID-19 relief efforts.

For more information, please visit: <https://equitygroupholdings.com/>

About the African Development Bank Group

The African Development Bank Group (AfDB) is Africa's premier development finance institution. It comprises three distinct entities: the African Development Bank (AfDB), the African Development Fund (ADF) and the Nigeria Trust Fund (NTF). On the ground in 34 African countries with an external office in Japan, the AfDB contributes to the economic development and the social progress of its 53 regional member states.

For more information, please visit: <https://afdb.org>