

EQUITY GROUP HOLDINGS PLC

# CIRCULAR TO SHAREHOLDERS - COGEBANQUE

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Acquisition of 91.93% of the issued share capital of Compagnie Générale de Banque  
(Cogebanque) PLC Ltd by Equity Group Holdings Plc

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## **THIS DOCUMENT IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION**

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**If you require any assistance in respect of this Circular, you are advised to seek independent professional advice from your stockbroker, investment adviser, accountant, bank manager, lawyer or other professional adviser.**

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This circular (this **Circular**) is issued by Equity Group Holdings PLC ("**the Company**") and has been prepared in compliance with the requirements of the Capital Markets Act (CAP 485A of the Laws of Kenya), the Capital Markets (Securities) (Public Offers, Listing and Disclosures) Regulations, 2002 and the Nairobi Securities Exchange Listing Manual.

The Capital Markets Authority ("**CMA**") has approved issuance of this Circular. As a matter of policy, neither the CMA, nor the Nairobi Securities Exchange, the Uganda Capital Markets Authority, the Uganda Securities Exchange, the Rwanda Capital Markets Authority, nor the Rwanda Stock Exchange assume any responsibility for the correctness of any statements made or opinions and reports contained in this Circular.

The responsibility for preparation of this Circular resides with the Company which accepts responsibility for the accuracy and completeness of the information, reports or opinions relating to the Company expressed, contained or referred to in this Circular.

If you have disposed of all your shares in the Company, please forward this document to the purchaser or transferee, or to the stockbroker, banker or other agent through whom the sale or transfer was effected, for delivery to the purchaser or transferee.

### **CIRCULAR TO SHAREHOLDERS**

Acquisition from the Government of Rwanda, Rwanda Social Security Board, Sanlam Vie Plc and Ms. Judith Mugirasoni (the "**Sellers**") of 183,854 ordinary shares in the share capital of Compagnie Générale de Banque (Cogebanque) PLC Ltd ("**Cogebanque**") (amounting to 91.93% of the issued share capital of Cogebanque) for a cash consideration of RWF 54,679,282,724, particulars of which are set out in Part 3 of this Circular.

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PART 1  
GENERAL



## 1. TERMS AND DEFINITIONS

In this Circular, unless otherwise stated and as the context allows, the words highlighted in bold have the meaning stated alongside them. Words in the singular include the plural and vice versa, words signifying one gender include the other gender and references to a person include juristic persons and associations of persons:

**Act** - The Companies Act, (Act No. 17 of 2015, Laws of Kenya);

**Amalgamation** - the proposed amalgamation of the business and assets of Cogebanque and EBRL following completion of the Cogebanque Acquisition;

**Binding Term Sheet** - the binding terms of reference entered into between the Sellers and EGH on 13 June 2023 that sets out the terms of the Cogebanque Acquisition, the main terms of which are set out in Part 2 of this Circular;

**BNR** – the National Bank of Rwanda;

**Capital Markets Act** – the Capital Markets Act (CAP 485A, the Laws of Kenya);

**Cogebanque** - Compagnie Générale de Banque (Cogebanque) PLC Ltd;

**Cogebanque Acquisition** - the purchase of 183,854 shares of Cogebanque, representing 91.93% of Cogebanque's issued ordinary shares from the Sellers;

**Consideration** - a total cash consideration of RWF 54,679,282,724 for the Sale Shares inclusive of dividends declared after 1 January 2023 other than the final dividend of RWF 3,000,000 that Cogebanque declared on 19 May 2023 that will be paid to the current shareholders of Cogebanque prior to Completion;

**CMA** - the Capital Markets Authority established under the Capital Markets Act;

**Company or EGH** - Equity Group Holdings PLC, a public limited liability company (incorporated in Kenya under registration number C.4/2005) and listed on the NSE, the USE and the RSE;

**Completion** - completion of the Cogebanque Acquisition as stipulated in the Binding Term Sheet and the definitive documents to be entered into in relation to the Cogebanque Acquisition;

**Draft POS Regulations** - the draft Capital Markets (Securities) (Public Offers, Listing and Disclosures) Regulations, 2023 published by the CMA in 2023 published at <https://www.cma.or.ke/index.php/news-highlights/468-draft-capital-markets-public-offers-listing-and-disclosure-regulations-2022-final> which once enacted into law, will be applicable to the Company;

**EBRL** - Equity Bank Rwanda Limited, a limited liability company incorporated in Rwanda with code 102229882 licensed by BNR to provide banking services in Rwanda whose registered address is at KN 4 Av, Grand Pension Plaza, Kigali, Rwanda, and which is a fully-owned subsidiary of EGH;

**EGH Group or the Group** - EGH and its subsidiaries;

**FY** – financial year;

**Head Office Building** - Cogebanque's eight-storey head office building located at plot number 1320, Nyarugenge District, Nyarugenge Sector comprising a gross external area of seventeen thousand, one hundred and fifty two (17,152) square meters and a lettable area of eleven thousand, six hundred and eleven (11,611) square meters;

**IFRS** - International Financial Reporting Standards;

**IFRS NAV** - means the reported book carrying value of assets less the reported book carrying value of liabilities extracted from financial statements prepared in accordance with IFRS as at a specified date;

**IFRS PAT** - means the reported profit after tax attributable to shareholders reported in financial statements prepared in accordance with IFRS for a specified period;

**KES** - Kenya Shillings, being the lawful currency of the Republic of Kenya;



**NSE** - the Nairobi Securities Exchange;

**POS Regulations** - the Capital Markets (Securities) (Public Offers, Listing and Disclosures) Regulations, 2002 issued by the CMA and applicable to the Company;

**RSE** - the Rwanda Stock Exchange;

**RWF** – Rwanda Francs, being the lawful currency of the Republic of Rwanda;

**Sale Shares** - the 183,854 ordinary shares in Cogebanque to be purchased by EGH from the Sellers, equivalent to 91.93% of the total issued share capital of the Company legally and beneficially owned by the Sellers, all of which have been issued and are fully paid or credited as fully paid;

**Sellers** - collectively, the Government of Rwanda, Rwanda Social Security Board, Sanlam Vie Plc, Ms. Judith Mugirasoni, and each, a Seller;

**SME** – Small- and medium-enterprises;

**USD** - United States Dollars, being the lawful currency of the United States of America; and

**USE** - the Uganda Securities Exchange.

## 2. CORPORATE INFORMATION ON THE COMPANY

Name	Equity Group Holdings PLC, a company incorporated in Kenya under company registration number C.4/2005 and which is publicly listed on the NSE and cross-listed on the USE and the RSE.
Registered Office	Equity Centre, 9 <sup>th</sup> Floor Hospital Hill Road, Upper Hill P.O. Box 75104 – 00200 Nairobi, Kenya Telephone: +254 763 063 000
Issued Share Capital	KES 1,886,837,401 divided into 3,773,674,802 ordinary shares of KES 0.50.
Core business	Non-operating holding company with banking subsidiaries in Kenya, Rwanda, Tanzania, Uganda, South Sudan and Democratic Republic of Congo, a Commercial Representative Office in Ethiopia and non-banking subsidiaries in Kenya that are engaged in providing investment banking and stock-broking, insurance, custodial services, payment services and telecommunication services.

### Directors

Name	Address	Nationality
Prof. Isaac Macharia (Chairman)	P.O Box 75104-00200 Nairobi	Kenyan
Dr. James Mwangi	P.O Box 75104-00200 Nairobi	Kenyan
Helen Gichohi	P.O Box 75104-00200 Nairobi	Kenyan
Evelyn Rutagwenda	P.O Box 75104-00200 Nairobi	Rwandese
Vijay Gidoomal	P.O Box 75104-00200 Nairobi	Kenyan
Mary Wamae	P.O Box 75104-00200 Nairobi	Kenyan
Dr. Edward Odundo	P.O Box 75104-00200 Nairobi	Kenyan



Jonas Mushosho	P.O Box 75104-00200 Nairobi	Zimbabwean
Dr Evans Baiya	P.O Box 75104-00200 Nairobi	Kenyan
Samuel Kirubi*	P.O Box 75104-00200 Nairobi	Kenyan

*\* Mr Kirubi's appointment as a Director is subject to regulatory approval.*

A brief profile of the Directors of the Company is set out in Part 6 of this Circular.

Company Secretary      Lydia Ndirangu - Certified Public Secretary (Kenya) (CPS Registration No. 3793)  
Equity Centre, 9<sup>th</sup> Floor  
Hospital Road, Upper Hill  
P.O. Box 75104-00200  
Nairobi

Share Registrar      Mary Wamae  
Equity Centre, 9<sup>th</sup> Floor  
Hospital Road, Upper Hill  
P.O. Box 75104-00200  
Nairobi  
Email address: [sharesregistry@equitybank.co.ke](mailto:sharesregistry@equitybank.co.ke)

#### Advisors



##### **Financial Advisor**

AstuteLogic Advisory Limited  
Registered office: West Wing, ICEA Lion Centre  
Chiromo Road, Nairobi  
PO Box 8 - 00623  
Nairobi, Kenya  
**Contact: Naval Sood**



Anjarwalla & Khanna LLP  
ALN House, Eldama Ravine Close,  
Off Eldama Ravine Road  
P.O. Box 200-00606  
Nairobi, Kenya  
**Contact: Rosa Nduati-Mutero**



## PART 2

### Letter from the Chairman







Equity Group Holdings Plc  
9<sup>th</sup> Floor, Equity Centre  
Hospital Road, Upper Hill  
P.O. Box 75104 - 00200  
Nairobi, Kenya

**Date: 22 June 2023**

Dear Shareholder,

**Acquisition by Equity Group Holdings Plc of 91.93% of the issued share capital of Compagnie Générale de Banque (Cogebanque) PLC Ltd**

On behalf of the Board, I am pleased to share with you at this stage, pending the time when approval or ratification (if required by law) of shareholders is required, information on the proposed acquisition by your Company of 183,854 ordinary shares in Cogebanque from the Government of Rwanda, Rwanda Social Security Board, Sanlam Vie Plc, Ms. Judith Mugirasoni (the “**Sellers**”) (the “**Cogebanque Acquisition**”).

**1. INTRODUCTION**

On 14 June 2023, your Board made a public announcement informing shareholders that EGH had entered into a binding term sheet with the Sellers in respect of the Cogebanque Acquisition (the “**Binding Term Sheet**”). The announcement stated that completion of the Cogebanque Acquisition was subject to conditions that are customary to transactions of this nature including receipt of all corporate and regulatory approvals.

Your Company expects to complete the Cogebanque Acquisition on or about 10 August 2023. The purpose of this Circular is to provide you with information on:

- a. Cogebanque and the reasons for the Cogebanque Acquisition;
- b. the salient terms of the Cogebanque Acquisition including the Consideration to be paid;
- c. the basis of the Consideration to be paid; and
- d. the recommendation of the Board.

Regulation G.06 of the Fifth Schedule (Continuing Obligations) of the POS Regulations requires EGH, as a listed company subject to regulation by the CMA, to “... obtain approval of shareholders and make a disclosure in the annual report, for any:-...(a) acquisition of shares of another company or any transaction resulting in such other company becoming a subsidiary or related company of the issuer...”.

As the Binding Term Sheet for the Cogebanque Acquisition was signed after the circulation of the notice for the 19<sup>th</sup> Annual General Meeting of the shareholders of EGH to be held on 28 June 2023 (the “**19<sup>th</sup> AGM**”), EGH has sought and obtained a no-objection letter from the CMA to allow EGH to only discuss the Cogebanque Acquisition at the 19<sup>th</sup> AGM and to seek and obtain ratification of the Cogebanque Acquisition from the shareholders of EGH at the 20<sup>th</sup> annual general meeting to be held in 2024 (the “**20<sup>th</sup> AGM**”).

However, the CMA has also published the Draft POS Regulations which when enacted into law, will repeal and replace the POS Regulations. Regulation 14.6 of the Thirteenth Schedule of these Draft POS Regulations if they come into force, would require EGH to “...obtain the approval of shareholders for any: ... acquisition of shares in a company or any transaction resulting in such other company becoming a subsidiary or related company of the issuer in which the investment of the issuer is of a value exceeding ten percent of the net asset value of the issuer...”.

Your Board is of the view that the Cogebanque Acquisition falls below the threshold specified in the Draft POS Regulations. Consequently, your Board has discussed the matter with the CMA and has agreed with the CMA that EGH will provide information to shareholders of the planned acquisition via this Circular but may choose not to seek ratification of the Cogebanque Acquisition by the shareholders should the Draft POS Regulations come into force before the date of the 20<sup>th</sup> AGM.



## **2. BACKGROUND TO AND REASON FOR THE COGEBANQUE ACQUISITION**

### **2.1 Introduction**

EGH's stated purpose is *"Transforming lives, giving dignity and expanding opportunities for wealth creation"* and its vision is *"To be the champion of the socio-economic prosperity of the people of Africa"*.

EGH's primary activities are to:

- a. carry on the business of a non-operating holding company as defined under the Banking Act (Chapter 488, Laws of Kenya);
- b. employ the funds of the Group in the development and expansion of the business of the Group and all or any of its subsidiaries; and
- c. co-ordinate the administration of and provide advisory, administrative, management and other services in connection with the activities of its subsidiaries.

The Group includes 6 banking subsidiaries providing an extensive menu of financial services in Kenya, Rwanda, Tanzania, Uganda, South Sudan, the Democratic Republic of Congo, a Commercial Representative Office in Ethiopia and 6 non-banking subsidiaries incorporated in Kenya that are engaged in providing investment banking and stock-broking, insurance, payment services, custodial services and telecommunication services.

### **2.2 Background to the Cogebanque Acquisition**

#### **2.2.1 Information on Cogebanque**

Cogebanque is a public limited company licensed by BNR to provide banking services in Rwanda. Cogebanque was established in July 1999 by 42 Rwandan investors and currently has 27 shareholders, with the Government of Rwanda holding the largest stake of 41.67% of the issued shares. The shares of Cogebanque are not traded on any securities exchange. As at the end of 2022, Cogebanque was the fifth largest bank in Rwanda as measured by reported book value of total assets and shareholders' equity. As at 31<sup>st</sup> December 2022, Cogebanque operated via 28 branches, approximately 600 active bank agents and 36 automated teller machines, and employed 360 employees.

Cogebanque is currently organized into 3 key business lines:

- Corporate banking
- Small- and medium enterprise (SME) banking; and
- Retail banking.

Further information on Cogebanque is set out in Part 3 of this Circular.

As a result of the Cogebanque Acquisition, EGH will become the majority shareholder in Cogebanque holding 91.93% of the total issued share capital of Cogebanque. Cogebanque will therefore become a subsidiary of EGH when Completion takes place on or about 10 August 2023. Concurrently with the Cogebanque Acquisition, your Company intends to offer to buy the remaining shares in Cogebanque with a view to achieving 100% ownership.

#### **2.2.2 Information on EGH Group's existing operations in Rwanda**

EGH already owns a banking subsidiary (EBRL) that is incorporated in and operates in Rwanda. As at the date of this Circular, EGH owns 100% of the issued share capital of EBRL. EBRL currently provides banking services mainly to small and medium sized businesses and private households in Rwanda. As at the end of 2022, EBRL ranked number three in Rwanda in terms of reported book value of total assets and shareholders' equity.

Following the Cogebanque Acquisition, EGH expects to amalgamate the business of Cogebanque with that of EBRL to create a single entity that will own and operate the combined business of both banks. EGH expects that, at that point, the combined entity will rank second in Rwanda in terms of reported book value of total assets and a close third in Rwanda in terms of reported book value of shareholders' equity.

### **2.3 Reason for the Cogebanque Acquisition**

The Cogebanque Acquisition and subsequent amalgamation provides an opportunity for EGH to build on existing country linkages where it already has an existing footprint, to scale operations by broadening the use of EGH's platforms and enhance its competitive position in the market particularly when measured in terms of assets and branch network.



The Board of EGH expects that completion of the Cogeбанque Acquisition and the subsequent amalgamation could result in the following benefits for the EGH Group:

- expanded distribution footprint in Rwanda and improved ability to deploy technology solutions across a bigger customer base enabling the EGH Group to deliver its mission of providing access to competitive, integrated financial services that socially and economically empower consumers, businesses and communities whilst also delivering significant value to its stakeholders;
- ability to leverage EGH Group's existing platforms to scale up operations in Rwanda which could ultimately lead to improved return on shareholders' funds;
- expanded scale of the EGH Group operations in Rwanda which helps diversify the EGH Group's sources of revenues and profits from a geographical perspective; and
- expanded scale of operations in Rwanda which helps position the EGH Group as the gateway to Africa and helps achieve EGH Group's goal of building Sub-Saharan Africa's premier financial institution through delivering innovative products and services to customers, including, in particular, the effective use of technology in the target economies.

### **3. DETAILS OF THE COGEBANQUE ACQUISITION**

#### **3.1 Main terms of the Cogeбанque Acquisition including the Consideration**

The main terms of the Cogeбанque Acquisition contemplated under the Binding Term Sheet are usual and customary for transactions of this type. The Binding Term Sheet specifies that the consideration to be paid for each of the Sale Shares is RWF 297,406 per share that aggregates to a consideration of RWF 54,679,282,724 in cash for all the Sale Shares. This aggregate consideration is equivalent to KES 6,717,274,078 at an exchange rate of RWF 8.1401 per KES.

Further information on the terms contemplated under the Binding Term Sheet is set out in Part 4 of this Circular.

#### **3.2 Basis of the Consideration to be paid**

Your Board's opinion is that the Consideration to be paid for the Cogeбанque Acquisition is reasonable in the circumstances as EGH management's income-based valuation computations support the Consideration and the implied price metrics are consistent with observed multiples at which similar transactions have completed in the recent past. Further, your Board appointed AstuteLogic Advisory Limited as transaction advisor ("the **Transaction Advisor**") to advise on the Cogeбанque Acquisition and the advice obtained supports the Consideration to be paid. Further details of the basis for the Consideration and extracts from the Transaction Advisor's report are set out in Part 4 of this Circular.

#### **3.3 Source of Funds for the Consideration**

EGH expects to pay the Consideration from internally generated cash resources.

### **4. YOUR BOARD'S CONCLUSION**

Your Board considers the Cogeбанque Acquisition an integral element of the EGH Group's expansion and growth strategy. The Cogeбанque Acquisition represents an acquisition of a subsidiary in Africa that principally undertakes businesses similar to those of the Company and its subsidiaries. The Cogeбанque Acquisition is therefore in line with the business strategy of the Company, as approved by the Board from time to time.

Yours faithfully

**Prof. Isaac Macharia**  
**Non-Executive Chairman**



## PART 3

# INFORMATION ON COGEBANQUE





## 1. HISTORY

Cogebanque was established in 1999 as a public limited company incorporated in Rwanda by a group of 42 Rwandan private investors, and thereafter obtained a licence from BNR to operate as a commercial bank in Rwanda. Since its inception, Cogebanque has demonstrated steady growth and, at the end of 2022, ranked fifth amongst all licensed commercial banks in Rwanda in terms of reported total assets. Cogebanque serves a variety of customers within the corporate, SME and retail customer segments and, in recent years, has focused on expanding its business in both the retail and SME space.

By 2016, the Rwanda Social Security Board (“RSSB”) had purchased a 30.6% stake in Cogebanque to become the largest single shareholder. The remaining 59.4% shareholding remained with private investors.

In 2022, the Government of Rwanda acquired a 41.67% stake in Cogebanque from five private individuals and companies that had, up to that point, been anchor shareholders in Cogebanque. Concurrently, Cogebanque also concluded the process of recovering certain performing and non-performing loans and advances that resulted in Cogebanque reporting a reduction in its reported gross loans from RWF 177 billion as at 31 December 2021 to RWF 146.5 billion as at 31 December 2022 and a reduction in loans classified as being in Stage 2 and Stage 3 under the IFRS loan provisioning methodology from an aggregate of RWF 58.4 billion (33% of gross loans) as at 31 December 2021 to RWF 39.63 billion (27%) of gross loans as at 31 December 2022.

## 2. CURRENT SHAREHOLDING

As at 31<sup>st</sup> December 2022, the share capital of Cogebanque comprised 200,000 fully paid ordinary shares held as follows:

Shareholder	Number of shares	% of issued shares
Government of Rwanda	83,339	41.67%
Rwanda Social Security Board (RSSB)	61,203	30.60%
Judith Mugirasoni	25,354	12.68%
Sanlam Vie Plc	13,958	6.98%
<b>Sub-total Sale Shares</b>	<b>183,854</b>	<b>91.93%</b>
23 other shareholders	16,146	8.07%
<b>Total ordinary shares in issue</b>	<b>200,000</b>	<b>100.00%</b>

After completion of the Cogebanque Acquisition, EGH will own 183,854 ordinary shares, representing 91.93% in Cogebanque.

## 3. RECENT TRANSACTIONS IN THE SHARES OF COGEBANQUE

Shares in Cogebanque are not listed on any securities exchange. Over the past 12 months prior to the date of this Circular, there has been one transaction in the shares of Cogebanque that resulted in a material change in the shareholding structure and one corporate action that altered the number of shares in issue as described further below:

- In December 2022, the Government of Rwanda entered into a share purchase agreement to purchase 29,106 ordinary shares in Cogebanque (representing 41.67% of the then issued ordinary shares of 69,850) from certain former shareholders of Cogebanque.
- Subsequently, also in December 2022, Cogebanque completed a share bonus issue of 1.863 new shares for every one existing share that increased the number of ordinary shares in issue from 69,850 to two hundred thousand (200,000).



#### 4. BUSINESS PROFILE

Cogebanque has been operating in Rwanda as a commercial bank under licence from the BNR for over 23 years. As at 31 December 2022, Cogebanque ranked fifth amongst licensed banks operating in Rwanda when measured by reported aggregate total assets and total shareholder funds.

Cogebanque provides a comprehensive range of products and services – including loans, savings products and remittance services (money transfer and electronic banking services) targeted at corporate, SMEs and retail customers. It provides these services through a variety of distribution channels that include 28 branches, over 600 agents, and 36 ATMs located across the country. These physical distribution channels are supported by Mobile banking (USSD on \*505# and Mobile App “CogemBank”), Cards (Mastercards, Smart cash and SafariBus), SchoolGEAR and internet banking delivery channels accessible through different media.

As at 31 December 2022, approximately 55.8% of Cogebanque’s loan portfolio had been extended to large corporate clients whilst 28.5% had been extended to SME clients and 15.6% to retail customers.

Further information on Cogebanque is available on its website: <https://cogebanque.co.rw/>

#### 5. FINANCIAL RESULTS

Cogebanque publishes financial statements prepared under IFRS annually and publishes interim financial statements each quarter as required by the banking regulatory framework applicable in Rwanda. As of the date of this Circular, Cogebanque had not published its full audited IFRS financial statements for the year ended 31 December 2022, but has published the summary audited financial statements for the period ended 31 December 2022.

These financial statements are available on the Cogebanque website set out above.

The tables below summarizes Cogebanque’s income statements and statements of financial position for the four-year period to 31 December 2022 and for the quarter ended 31 March 2023.

**Table 1: Cogebanque IFRS Statement of Comprehensive Income**

IFRS Statement of Comprehensive Income (In RWF billion unless stated)	As reported in audited financial statements for the 12 months ended				Equivalent to KES billions	Unaudited for 3 months to
	31-Dec-19	31-Dec-20	31-Dec-21	31-Dec-22	31-Dec-22	31-Mar-23
					KES billion	
Interest and similar income	25.62	30.09	34.86	37.66	4.27	8.88
Interest expense & similar expenses	-9.40	-10.40	-10.71	-10.45	-1.19	-2.20
Net interest income	16.22	19.69	24.16	27.20	3.08	6.68
Fees and commission income	3.35	1.50	1.86	1.77	0.20	0.81
Fees and commission expense	-0.75	-0.76	-0.97	-1.55	-0.18	-0.38
Net fee and commission income	2.60	0.74	0.89	0.22	0.02	0.42
Other operating income	1.36	1.44	1.42	0.57	0.06	0.13
Gain/(loss) on fair value on restructured loans		0.54	-0.29	-0.49	-0.06	
Foreign exchange income	1.03	1.45	1.19	0.71	0.08	0.14
	2.39	3.43	2.32	0.79	0.09	0.27
Total operating income	21.21	23.86	27.37	28.21	3.20	7.37
Impairment losses on financial assets	-3.09	-4.88	-5.70	-0.33	-0.04	0.71
	18.12	18.98	21.67	27.89	3.16	8.08
Employee benefits expense	-5.70	-7.08	-6.75	-7.64	-0.87	-2.28
Depreciation and amortisation	-2.17	-2.34	-2.24	-2.03	-0.23	-0.46
Other operating expenses	-4.22	-3.98	-4.55	-4.86	-0.55	-1.35
Finance costs	-0.27	-0.22	-0.19	-0.11	-0.01	-0.02
Total operating expenses	-12.36	-13.62	-13.73	-14.64	-1.66	-4.10
Profit before income tax	5.77	5.36	7.94	13.25	1.50	3.98
Income tax expense	-1.75	-1.52	-2.93	-4.19	-0.47	-1.19



Profit after income tax	4.01	3.84	5.01	9.06	1.03	2.79
Other comprehensive income	0.00	0.00	0.00	0.00	0.00	0.00
<b>Total comprehensive income for the year</b>	<b>4.01</b>	<b>3.84</b>	<b>5.01</b>	<b>9.06</b>	<b>1.03</b>	<b>2.79</b>

Source: Cogeбанque audited IFRS financial statements for FY19 to FY21 and the Cogeбанque published audited financial report for the year ended 31 December 2022 and unaudited quarterly report for the three months ended 31 March 2023.

Note: Billion equals 1,000 million.

**Table 2: Average exchange rates applicable in each financial period**

Average exchange rates for period	12 months to	12 months to	12 months to	12 months to	3 months to
Ended	31-Dec-19	31-Dec-20	31-Dec-21	31-Dec-22	31-Mar-23
RWF/KES	8.9444	9.0393	9.1862	8.8205	8.5784
KES/USD	102.0569	106.4676	109.6509	117.8326	126.5433
Implied RWF/USD	912.838	962.393	1007.275	1039.342	1085.539

Source: Central Bank of Kenya

**Table 3: Cogeбанque IFRS Statement of Financial Position**

IFRS statement of Financial Position (in RWF billion unless stated)	As reported in audited financial statements as at				Equivalent to KES billions	Un-audited as at
	31-Dec-19	31-Dec-20	31-Dec-21	31-Dec-22	31-Dec-22	31-Mar-23
<b>ASSETS</b>					<i>KES billion</i>	
Cash and balances with NBR	14.93	23.48	20.85	17.87	2.07	26.38
Amounts due from other banks	4.78	11.75	14.07	13.71	1.58	21.33
Government securities	43.55	53.15	61.86	100.68	11.64	103.96
Other assets	3.00	5.39	6.49	9.19	1.06	11.25
Current income tax		1.69	-		-	
Non-current assets held for sale		0.49	-		-	
Loans and advances to customers	143.63	157.82	173.99	139.91	16.17	134.65
Right-of-use assets	2.06	1.53	1.03	0.50	0.06	0.37
Intangible assets	1.18	1.39	1.10	1.08	0.13	1.02
Property and equipment	13.92	10.30	9.15	9.21	1.06	9.13
Investment property		2.68	2.62	1.71	0.20	1.70
<b>TOTAL ASSETS</b>	<b>227.04</b>	<b>269.68</b>	<b>291.16</b>	<b>293.86</b>	<b>33.96</b>	<b>309.79</b>
<b>LIABILITIES</b>						
Customer deposits	134.41	172.89	189.12	188.32	21.76	178.60
Amounts due to other banks	53.66	51.04	46.16	39.19	4.53	58.13
Current income tax		0.03	0.43	0.88	0.10	
Other liabilities	5.77	4.13	3.82	4.01	0.46	7.46
Provision for litigations		0.02	0.18	0.33	0.04	0.33
Government grants		2.21	1.84		-	
Loans from non-commercial banks		3.07	9.21	12.49	1.44	13.99
Lease liabilities	2.17	1.70	1.20	0.62	0.07	0.47
Deferred income tax	1.58	1.32	0.92	0.67	0.08	0.67
Dividends payable					-	3.00
<b>TOTAL LIABILITIES</b>	<b>197.59</b>	<b>236.40</b>	<b>252.87</b>	<b>246.51</b>	<b>28.49</b>	<b>262.65</b>
<b>EQUITY</b>						
Share capital	6.99	6.99	6.99	20.00	2.31	20.00
Share premium	1.37	1.37	1.37	1.37	0.16	1.37
Retained earnings	21.09	24.93	29.94	25.98	3.00	25.76
<b>TOTAL EQUITY</b>	<b>29.45</b>	<b>33.29</b>	<b>38.29</b>	<b>47.35</b>	<b>5.47</b>	<b>47.14</b>
<b>TOTAL EQUITY AND LIABILITIES</b>	<b>227.04</b>	<b>269.68</b>	<b>291.16</b>	<b>293.86</b>	<b>33.96</b>	<b>309.79</b>



Source: Cogeбанque audited IFRS financial statements for FY19 to FY21 and the published audited financial report for the year ended 31 December 2022 and unaudited quarterly report for the three months ended 31 March 2023.

Note: Billion equals 1,000 million.

**Table 4: Closing exchange rates at the end of each financial period**

Closing exchange rate as at	31-Dec-19	31-Dec-20	31-Dec-21	31-Dec-22	31-Mar-23
RWF/KES	9.3559	9.0771	9.1679	8.6527	8.3186
KES/USD	101.3365	109.1718	113.1412	123.3735	132.3324
Implied RWF/USD	948.094	990.963	1037.267	1067.514	1100.820

Source: Central Bank of Kenya





PART 4

INFORMATION ON THE COGEBANQUE  
ACQUISITION



## 1. MAIN TERMS OF THE COGEBANQUE ACQUISITION INCLUDING THE CONSIDERATION

The main terms of the Cogebanque Acquisition contemplated under the Binding Term Sheet are set out below:

- a) **Consideration.** The Binding Term Sheet specifies that EGH will pay a cash consideration of Rwanda Francs 54,679,282,724 for the Sale Shares inclusive of dividends declared after 1 January 2023 other than the final dividend declared by Cogebanque in May 2023 i.e. a price per share of RWF 297,406.
- b) **Risk sharing.** The Binding Term Sheet specifies that the Sellers will provide to EGH a package of warranties and indemnities that are usual and customary for a transaction of this size and nature.
- c) **Conduct of Business between signing and Completion.** The Binding Term Sheet requires the Sellers to ensure that Cogebanque operates in the normal course of business in the period between the signature date of the Binding Term Sheet and the Completion Date when EGH takes over ownership and control. Further, the Binding Term Sheet specifies that the Sellers and Cogebanque may not engage in specified actions that have the effect of reducing Cogebanque's reported book net asset value.
- d) **Pre-completion conditions.** The Binding Term Sheet specifies that a number of conditions must be fulfilled before EGH proceeds to complete the Cogebanque Acquisition and pay the Consideration. These include signing definitive agreements on terms substantially similar to those set out in the Binding Term Sheet, obtaining regulatory and corporate approvals and other matters. As at the date of this Circular most of the conditions remain outstanding and your Company estimates that, provided the conditions are fulfilled or waived, Completion will take place on or about 10 August 2023.
- e) **Post-completion conditions:** The Government of Rwanda has committed to purchasing the Head Office Building from Cogebanque (or its successor) within one year of completion of the Cogebanque Acquisition, at a price that ensures that Cogebanque, or its successor entity, realizes proceeds (net of applicable value added tax and stamp duties and applicable taxes on profit realized on sale) of RWF 11,488,000,000. Consequently, this recoverable amount for the Head-office Building has been built into the price to be paid for the Sale Shares.

## 2. BASIS OF THE PURCHASE CONSIDERATION TO BE PAID

As set out above, the Binding Term Sheet specifies that the consideration to be paid for the Sale Shares is RWF 54,679,282,724 in cash (equivalent to KES 6,717,274,078 at an exchange rate of RWF 8.1401 per KES). For this Consideration, EGH is entitled to any dividends attributable to the shares purchased that Cogebanque may declare on or after 1 January 2023 other than the final dividend for the year ended 31<sup>st</sup> December 2022 of RWF fifteen thousand (RWF 15,000) per share (equivalent to RWF three billion (RWF 3,000,000,000) in aggregate) that Cogebanque declared on 19<sup>th</sup> May 2023 that will be paid to the existing shareholders of Cogebanque prior to Completion of the Cogebanque Acquisition.

Consequently, the Consideration paid is equivalent to a price per share of RWF 297,406 per Sale Share. Further, this equates to an equivalent aggregate price of RWF 59.48 billion for 200,000 ordinary shares in Cogebanque that represent 100% of the issued share capital of Cogebanque.

The Board, in consultation with the Transaction Advisor, negotiated and agreed on the Consideration to be paid after taking into consideration several factors including, but not limited to:

- a) the macro-economic outlook of Rwanda and the East Africa region;
- b) the historical and projected financial performance of Cogebanque both on a stand-alone basis and on a with-synergies basis after the Amalgamation and after putting into effect EGH's operating and financial policies and processes;
- c) the rate of return on investment that EGH would expect from investments with a similar risk profile to that of Cogebanque;
- d) the estimated market value of the Head-office Building; and
- e) comparison of resulting pricing metrics against pricing metrics observed for recent transactions in shares of Cogebanque and controlling equity stakes in another bank based in Rwanda.

The resulting pricing metrics based on the agreed Consideration are as set out in the table below:



**Table 5: Pricing metrics**

Metric		Price in RWF billion for 100% of equity shares	Comparator (RWF billion)	Pricing metric
Price as multiple of FY22 IFRS NAV as reported	Note 1	RWF 59.48	RWF 47.35	1.26x
Price as a multiple of FY22 IFRS NAV adjusted to reflect recoverable value of Head Office building and for final dividend for FY22	Note 2	RWF 59.48	RWF 47.72	1.25x
Price as a multiple of proforma estimated adjusted IFRS NAV that Cogebanque may report as at 31 July 2023 just prior to Completion	Note 3	RWF 59.48	RWF 54.22	1.10x
Price as multiple of FY22 IFRS PAT	Note 4	RWF 59.48	RWF 9.06	6.89x

**Notes:**

*Note 1: Cogebanque IFRS NAV of RWF 47.35 billion as disclosed in published financial statements for the year ended 31 December 2022*

*Note 2: Cogebanque IFRS NAV of RWF 47.35 billion as disclosed in published financial statements for the year ended 31 December 2022 adjusted to (i) eliminate net book carrying value of the Head Office Building in the FY22 annual financial statements of RWF 8.12 billion; (ii) incorporate estimated recoverable value (after taxes) of Head Office Building as at 31 December 2022 of RWF 11.488 billion as specified in the Agreement; and (iii) treat final dividend for FY22 of RWF 3.0 billion that was declared in May 2023 as a liability.*

*Note 3: FY22 IFRS Adjusted NAV a computed in note 2 with a further adjustment to add proforma estimated profits after tax for seven-month period to 31 July 2023 of RWF 6.50 billion estimated as equal to the unaudited profit after tax that Cogebanque reported for the three-month period to 31 March 2023 of RWF 2.786 billion multiplied by a factor of seven divided by three.*

*Note 4: Cogebanque IFRS PAT of RWF 9.06 billion as disclosed in published financial statements for the year ended 31 December 2022*

Your Board considered the pricing metrics set out in Table 1 above as reasonable in the context of the following factors.

**EGH management's income-based valuation computations support the price to be paid.** EGH management team, in collaboration with the Transaction Advisor, has completed detailed financial analyses of projected future free cash flows available for distribution to shareholders that EGH can expect to derive from Cogebanque both on a stand-alone basis and on a with-synergies basis after combining the operations of Cogebanque with those of EBRL and the anticipated proceeds from sale of the Head Office Building as envisaged in the Binding Term Sheet. The discounted present value of these anticipated earnings is as summarized in the table below:

Make up of Price for 100% stake	
	RWF bn
Stand-alone DCF value of banking business	39.94
Adjustment for FY22 dividend to be paid	(3.00)
Adjustment for notional rent on Head Office building on sale	(2.64)
Standalone DCF value of banking business adjusted for notional rent	34.30
Present value of net synergies	13.70
Sub-total with-synergies value of banking business	47.99
Head Office Building (net after tax on realisation)	11.49
Price for 100% equity stake	59.48



**The implied price metrics are consistent with observed multiples at which similar transactions have completed in the recent past.** In particular, the price is consistent with the price multiples disclosed in respect of recent transactions in the shares of Cogeбанque and in another bank in Rwanda as set out further below.

- a. In December 2022, the Government of Rwanda entered into a share purchase agreement for the purchase of 29,106 ordinary shares in Cogeбанque (representing 41.67% of the then issued ordinary shares of 69,850) at a price that equates to 1.2x the net asset value that Cogeбанque reported as at 31 December 2022 adjusted for revaluation of certain buildings. We understand that the aggregate price that the Government of Rwanda has paid amounts to a price of RWF 894,511 per ordinary share of Cogeбанque inclusive of the right to receive any dividends for FY22 that Cogeбанque may declare. Subsequently, Cogeбанque completed a 1.863:1 share bonus issue that increased the number of ordinary shares in issue to two hundred thousand (200,000). The implied price per share paid by the Government of Rwanda for the shares it purchased is RWF 312,406 per share after adjustment for the effect of the bonus issue. This price represents a multiple of 1.32x the IFRS NAV that Cogeбанque reported as at 31 December 2022. Cogeбанque subsequently declared a dividend of RWF 15,000 per share in May 2023. Hence, the price paid excluding dividends for FY22 amounts to RWF 297,406 per share that represents a multiple of 1.26x Cogeбанque's reported IFRS NAV as at 31 December 2022.
- b. In its circular to shareholders dated 13 May 2021, KCB Group Plc stated that it had agreed to acquire up to 100% of the issued share capital of Banque Populaire du Rwanda Plc ("**BPR**") at a price to book multiple of 1.09x of the net asset value of BPR at completion of that acquisition. The circular further provided data that explained that the gross valuation of BPR's entire share capital represented a multiple of 1.10x to the adjusted IFRS NAV that BPR reported as at 30 June 2020 adjusted to incorporate adjustments to reflect the market value of BPR's head office building. BPR is the second largest bank operating in Rwanda measured by reported total assets and, in the circular, KCB Group Plc stated that its intention was to amalgamate the operations of BPR with those of KCB Group Plc's existing banking operations in Rwanda. Consequently, this transaction provides a useful point of comparison for the Consideration that EGH has agreed to pay for the Sale Shares.

### 3. EXTRACTS FROM INDEPENDENT ADVISOR'S REPORT

The Consideration to be paid for the Cogeбанque Acquisition of KES 6.717 billion represents 3.7% of the Group's consolidated IFRS NAV of KES 182.2 billion that EGH reported as at 31 December 2022. Consequently, the Cogeбанque Acquisition does not meet the threshold of 10% of net assets specified in the Draft POS Regulations to be classified as a transaction that required approval of Shareholders if the Draft POS Regulations were to come into force.

Your Board appointed AstuteLogic Advisory Limited to advise it on the Cogeбанque Acquisition. The text in italics below is an extract from the Transaction Advisor's report dated 12 June 2023 Advisor.

*In our opinion, based on the valuation procedures that we have performed as described more fully in section 2 of our letter of advice, the aggregate consideration of RWF 54.68 billion to be paid for the Cogeбанque Acquisition as set out in the Binding Term Sheet falls within our calculated range of buyer-specific with-synergies Investment Value for the stake to be purchased as at 31 May 2023 as summarised in the table below.*

*Summary of comparison with results of valuation computations*

Sum-of-parts buyer-specific with-synergies investment value of 100% of Cogeбанque equity as at 31 May 2023				Low-end	High-end
Discounted free cash flow to equity holders from banking business	RWF bn	37.37		37.37	43.21
Adjustment for FY22 dividend	RWF bn	(3.00)		(3.00)	(3.00)
Adjustment for notional rents for HQ building	RWF bn	(2.64)		(2.64)	(2.64)
Estimated investment value stand-alone basis	RWF bn	31.73		31.73	37.57
Discounted value of potential net synergies	RWF bn	12.72		12.72	12.72
Sub-total investment value of banking business	RWF bn	44.46		44.46	50.30
Present value of net proceeds from HQ building	RWF bn	11.49		11.49	11.49



Sum-of-parts Investment Value of 100% equity stake	RWF bn	55.95	61.79
<b>Comparison with agreed consideration for Cogeбанque Acquisition</b>			
Pro-rata Investment Value for 91.93% equity stake in Cogeбанque	RWF bn	51.43	56.80
Agreed consideration for Cogeбанque Acquisition	RWF bn	54.68	

*In estimating the Investment Value of the Cogeбанque banking business, we adopted the income approach and the discounted free cash flow to equity method as the primary valuation approach and method and applied the following main valuation parameters to the prospective financial information that we received from EGH management:*

- *Cost of equity of 21.95% per annum in nominal RWF terms (inclusive of estimated long-term inflation rates of 5% per annum over the explicit projection period and residual value period);*
- *Required retention of projected profit after tax sufficient to achieve a target minimum core capital to Risk Weighted Assets ratio of 20% over the explicit projection period with the balance of projected profits being available for distribution to shareholders;*
- *Exit multiple of 1.02x banking NAV as at 31 December 2027 (consistent with a growth rate of 13.3% per annum in total banking assets, target minimum core capital to Risk Weighted Assets ratio of 18% and an average return on average accounting equity of 18.5% - 21.95% in the residual value period);*
- *Estimated notional after-tax rental costs of RWF 0.38 billion per annum to house Cogeбанque Head Office staff in alternative accommodation on hypothetical sale of the Head-office Building;*
- *Higher risk adjusted discount rate of 24.95% for discounting projected synergies given higher degree of uncertainty of synergy cash flows; and*
- *The assumption that approximately 85% of estimated synergies can be attributed to Cogeбанque shareholders.*

*We estimated the Investment Value of the Cogeбанque Head Office building based on estimated net proceeds from a hypothetical sale of the building on 31 May 2023 of RWF 11.488 billion (net of all taxes including taxes on profit on sale of the building) that is equal to the agreed sale price specified in the Binding Term Sheet.*

*To corroborate the analysis from the primary valuation approach, we also applied the market approach – precedent transactions method. In particular, we compared the implied Cogeбанque Acquisition pricing metrics with:*

1. ***Observed price multiples paid for recent transactions in shares of Cogeбанque.*** *We observed that the Government of Rwanda purchased a 41.67% stake in Cogeбанque in December 2022 at a price (adjusted for entitlement to FY22 dividend) that represents a multiple of 1.26x Cogeбанque's reported FY22 IFRS NAV.*
2. ***Observed price multiples paid for a recent transaction involving sale of a controlling equity stake in another bank operating in Rwanda.*** *We observed that KCB Group Plc announced in May 2021 that it had entered into an agreement to purchase up to 100% of Banque Commerciale du Rwanda Plc at an implied Price to adjusted completion NAV multiple of 1.09x.*

*Based on these observations – we concluded that the Price to FY22 IFRS NAV multiple of 1.26x and the Price to estimated proforma completion NAV multiple of 1.10x implied by the consideration agreed for the Cogeбанque Acquisition is comparable with observed price to book multiples for recent relevant precedent transactions.*

#### **4. SOURCE OF FUNDS FOR THE CASH PURCHASE CONSIDERATION**

EGH expects to pay the agreed Consideration from internally generated cash resources. As at 31 March 2023, the Company reported cash balances of KES 14.68 billion in its stand-alone company financial statements compared to the Consideration that is equivalent to KES 6.72 billion.



## PART 5

# STATUTORY AND GENERAL INFORMATION





## 1. RESPONSIBILITY STATEMENT

The Directors whose names appear on page 3 of this Circular accept responsibility for the information contained in this Circular. The Directors declare that all the information contained in this Circular is correct, and neither the Board of Directors' minutes, audit reports or any other internal documents contain information which could distort the interpretation of this Circular.

The Directors are the persons responsible for the content of this Circular pursuant to Regulation 63 of The Capital Markets (Licensing Requirements) (General) Regulations, 2002.

## 2. DIRECTORS' INTERESTS

At the date of this Circular, the following Directors had direct and indirect beneficial interests in the ordinary shares of the Company as follows:

Director	No. of Shares	Ownership % age (100%)
Prof. Isaac Macharia (Chairman)	346,950	0.0092%
Dr. James Mwangi	127,809,180	3.39%*
Dr. Helen Gichohi	131,400	0.0035%
Evelyn Rutagwenda	Nil	Nil
Vijay Gidoomal	Nil	Nil
Mary Wamae	Nil	Nil
Dr. Edward Odundo	Nil	Nil
Jonas Mushosho	Nil	Nil
Dr Evanson Baiya	Nil	Nil
Samuel Kirubi	Nil	Nil

*\*By virtue of his shareholding and units in the Equity Bank Employees' Share Ownership Plan, Dr. James Mwangi's total direct and indirect shareholding is 3.39%.*

At the date of this Circular, there were no existing or proposed contracts between any of the Directors and the Company, other than employment contracts for those Directors who are employed in the ordinary course of business.

None of the Directors has or has had any direct or indirect beneficial interest in Cogebanque.

## 3. INFORMATION ON THE COGEBANQUE ACQUISITION

On 13 June 2023, the Company and the Sellers entered into the Binding Term Sheet.

Part 2 of this Circular contains the background to and reasons for the Cogebanque Acquisition and the recommendation of the Board. Part 3 of the Circular sets out details the shareholding of and financial information on Cogebanque. Part 4 of the Circular sets the key terms of the Binding Term Sheet including the consideration and payment details.

## 4. GOVERNING LAW

This Circular is governed by and construed in accordance with Kenyan law.



## **5. FORWARD LOOKING STATEMENTS**

This Circular contains forward-looking statements relating to the Company. These forward-looking statements can be identified by use of forward-looking terminology such as expects, may, is expected to, believes, is optimistic that, will, will continue, should, would be, seeks or anticipates or similar expressions or the negative thereof or other variations thereof or comparable terminology, or by discussions of strategy, plans or intentions.

These statements reflect the current views of the Company with respect to future events and are subject to certain risks, uncertainties and assumptions. Several issues could cause the actual results of the Company to be materially different from the projected results, performance or achievements that may be expressed or implied by such forward-looking statements or pro forma financial information.

If any one or more of these risks or uncertainties materialize, or should underlying assumptions prove incorrect, actual results may vary materially from those described in this Circular as anticipated, believed or expected.

The Company does not intend, and does not assume any obligation, to update any industry information or forward-looking statements set out in this Circular.

## **6. ADDITIONAL INFORMATION**

Shareholders can access additional information as set out below:

- a. the Company's consolidated audited financial statements for the five financial years ended 31 December 2022 available at <https://equitygroupholdings.com/investor-relations/>; and
- b. Cogebanque's audited financial statements for the four financial years ended 31 December 2022 available at <https://cogebanque.co.rw/financial-data/>.





## PART 6

### PROFILE OF CURRENT DIRECTORS



## **PROF. ISAAC MACHARIA**

### **Non-Executive Chairman**

Isaac holds a Master of Medicine in Otorhinolaryngology, Bachelor of Medicine and Bachelor of Surgery from the University of Nairobi and is a Fellow of the College of Surgeons of East, Central and Southern Africa (COSECSA). He is a Professor of ENT, Head and Neck Surgery at the University of Nairobi. Isaac is the East African regional advisor for CBM in Ear and Hearing Care as well as being the past Regional Secretary for Africa and the Middle East for the International Federation of Otorhinolaryngological Societies (IFOS). He is a past President of the Pan African Federation of Otorhinolaryngological Societies (PAFOS) and is a member of The Starkey Hearing Foundation Global Initiative Advisory Board. Prof Macharia was the founder Chairman of the Allergy Society of Kenya and the Cochlear Implant Group of Kenya (CIGOK). He is Chairman of Savannah Informatics, Jadala Investments and Co-founder as well as Chairman, Otolaryngology Associates and Nairobi ENT Clinic.

## **DR. JAMES MWANGI, CBS**

### **Group Managing Director & Chief Executive Officer**

James holds five honorary doctorate degrees in recognition of his positive impact on the Kenyan society. He holds a Bachelor of Commerce degree and is a Certified Public Accountant. He has been honored thrice with National Presidential Awards: The First Class Chief of the Order of the Burning Spear (CBS), the Moran of the Burning Spear (MBS) and Head of State Commendation (HSC).

On the global front, he has won several awards including the G8 Global Vision Award, 2007. He was named among the Top 50 Emerging Market Business Leaders and the 20 most influential people in Africa in 2011; the World Entrepreneur of the Year by Ernst & Young in 2012; the Forbes Africa Person of the Year in 2012 and was recently named in the Bloomberg 50 list of people who defined 2019 globally. He is an honoree of the 2020 Oslo Business for Peace Award, also described as the 'Nobel Prize for Business'.

On the regional front, James was also recognized as the Africa Investor Awards, CEO of the Year in 2009 and 2015; Innovation Leader of the Year in 2012; African Business Leader of the Year in 2013 and African Banker of the Year in 2010, 2011 and 2017 at the African Banker Awards. He was also named the Banker of the Year during the Banker Africa (East Africa) Awards in 2017 and 2018 and named African CEO of the year by the African Business Leadership 2020 Awards. Locally, he has received the Think Business CEO of the Year award for the last 4 years.

James has served on board and advisory roles at the Global Advisory Council for VISA Inc., the Clinton Global Initiative, The G8 New Alliance For Food Security And Nutrition, US President Barack Obama's Initiative for Global Development, the G20 Advisory Board of Agriculture and Initiative for Global Development and The Global Agenda Council on New Economic Thinking of the World Economic Forum from 2003-2007. He also served as the Founding Chair of Kenya's Vision 2030 from inception in 2007 to 2019.

He currently serves on several international bodies as an advisor and was appointed to the Nairobi Advisory Board of Columbia Global Centres. He is a member of the continent-wide PACT initiative, a Board member of the Economic Advisory Board of the International Finance Corporation (IFC), The Mastercard MEA Advisory Board, the Africa Leadership Academy in South Africa, the Global Alliance for Food Security and Nutrition. He is also a guest lecturer at Stanford, Columbia, MIT, Harvard, IESE and Lagos Business School where Equity Bank Business Model is a case study. Locally, he is the Chancellor of Meru University College of Science and Technology and the Chairman of the Health Committee of Kenya COVID-19 Fund Board.

## **MARY WAMAE**

### **Group Executive Director**

Mary holds a Masters degree in Leading Innovation and Change from York St. John University, UK, a Bachelor of Laws degree from the University of Nairobi and a Diploma in Law from the Kenya School of Law. She is a graduate of the Advanced Management Programme (Strathmore - IESE Business School, Barcelona Spain) and the Advanced Management Programme at Harvard Business School.

She is a Certified Public Secretary (Kenya) and member of The Institute of Certified Secretaries of Kenya (ICPSK), Law Society of Kenya, Women Corporate Directors and the Kenya Section of International Commission of Jurists.



She is an Advocate of the High Court of Kenya and holds a Post Graduate Diploma in Gender and Development and has over 15 years' experience in private legal practice. She is the overall winner of the 2021 Angaza Award: Women to Watch in Banking & Finance as well as overall winner of the 2021 Women on Board Award held by the Women on Board Network (WOBNet). She was recognized for her efforts in demonstrating purpose, authenticity, resilience, innovation, and sustainable contribution in economic and social-impact initiatives.

#### **EVELYN RUTAGWENDA**

##### **Non-Executive Director**

Evelyn holds a Bachelor of Commerce degree from Makerere University, Kampala. She is a Certified Public Accountant and member of the Institute of Certified Public Accountants of Rwanda (ICPAR). She previously worked as the Auditor General for the Republic of Rwanda; as the Secretary-General of Uganda National Chamber of Commerce and Industry (UNCCI); consultant/project accountant for Decentralization Secretariat (Institutional Capacity Building Project); Ministry of Local Government, Uganda and also as Chief Auditor at UCA Auditing Services among others. Evelyn spearheaded the formation of the Institute of Certified Public Accountants of Rwanda (ICPAR) and subsequently served the Institute in various capacities including, Chairperson of the Interim Governing Council, Ex Officio and elected member of the Governing Council. In 2009, she received an ACCA Achievements Award for her outstanding contribution to developing the accountancy and finance profession.

She is currently a Non-Executive Director of Equity Bank Tanzania Limited and Vice Chair Rwanda Development Board. In 2021, she completed her terms as Chair of the Boards of Equity Bank Rwanda Plc, MTN Rwanda and Crystal Telecom Limited, and previously served on the Boards of Equity Bank Uganda Limited, Total Uganda Limited and Victoria Motors Rwanda Limited.

#### **DR. HELEN GICHOHI, MBS, OGW**

##### **Non-Executive Director**

Helen holds a PhD. in Ecology from the University of Leicester in the UK, Master of Science degree in Biology of Conservation from the University of Nairobi and a B.Ed. (Sc) in Zoology from Kenyatta University respectively. Helen is currently serving as the Ambassador for Conservation in Africa for Fauna and Flora International. She has held various positions including Managing Director of Equity Group Foundation, President of African Wildlife Foundation and Managing Director of African Conservation Center. She is a recipient of the Charlotte Wyman Trust's Women in Conservation Program, the Order of Great Warrior (OGW) and the Moran of the Order of the Burning Spear (MBS). She won the Gai Environmental Award in 2012 at The WIFTs Foundation International Visionary Awards. Helen serves on the boards of Bamburi Cement Limited and Ole Pejeta Conservancy and on the Advisory Board of the School of Wildlife Conservation, African Leadership University. She previously served on the boards of Africa Wildlife Foundation and Kenya Wildlife Service Boards.

#### **VIJAY GIDOMAL**

##### **Non-Executive Director**

Vijay holds a Bachelor of Arts– LLB (law) degree from the University of Warwick, UK and qualified as a lawyer from Clifford Chance in the UK in 1992. He has worked in various capacities with Car & General and has seen the company grow regionally with representation in Kenya, Uganda, Tanzania, Rwanda, Burundi, Seychelles, Eritrea, Ethiopia, Djibouti and Somalia. The Company is a listed entity and has investments in automotive and equipment distribution, financial services, real estate, manufacturing and agriculture. Aside from Equity Group Holdings Plc Board, Vijay is also a board member at Cummins C&G Holdings Ltd; Watu Holdings Ltd; Ole Pejeta Conservancy; Fincom Ltd among others. He is a member of the Cummins Global Advisory Council and is the Chairman Cummins Middle East & Africa Advisory Council. He is an active member of the Young Presidents Association and is its former Chairman (Kenya Chapter) and former regional board member.



## **DR. EDWARD ODUNDO PhD, MBS**

### **Non-Executive Director**

Edward holds a PhD in Business Administration (Strategic Management) from the University of Nairobi, an MBA degree in Strategic Management and Marketing and a BSc Degree in Finance and Accounting. He is also an alumnus of Harvard University, John F. Kennedy School of Government (HSB), London School of Economics (LSE) and holds membership in several professional bodies (FCPA, FCPS, FKIM, ICIFA). He is the former Chief Executive Officer of Retirement Benefits Authority (Kenya) former Chairman of the Public Service Superannuation Scheme, Kenya (PSSS), former President of International Organization of Pension Supervisors, former Director of Insurance Regulatory Authority, former Commissioner of VAT at Kenya Revenue Authority and former Director, Nairobi Securities Exchange.

He is the Director, School of Pension and Retirement Studies (SPRS), Non-Executive Chairman Equity Life Assurance Kenya Limited (ELAK) –a subsidiary of Equity Group Holdings Plc, Chairman of Tangaza University Board of Trustees, Chairman of Management University of Africa Council and a lecturer at the University of Nairobi, School of Business as well as a Consultant in Pensions, Tax, Corporate Governance and Financial Services. He is a recipient of the Moran of the Order of The Burning Spear (MBS). He is a published author having authored books titled 'The Doctrine of Strategic Planning' and 'The Doctrine of Entrepreneurship'.

## **JONAS MUSHOSHO**

### **Non-Executive Director**

Jonas holds a Bachelor of Accounting Science from University of South Africa, Bachelors Degree in Accounting and an MBA from the University of Zimbabwe. He also has postgraduate qualifications from the University of Cape Town, Graduate School of Business, London Business School and Harvard Business School among others. He is a Chartered Accountant (CA(Z) CA (SA) and a Fellow of the Institute of Chartered Secretaries and Administrators.

He previously served in senior leadership positions in both the private and public sectors. He has led multi-national portfolios in different lines of business, particularly in financial services. He served as the Chief Executive Officer at Old Mutual Zimbabwe Limited between 2012 and 2019. He also doubled up as the Managing Director for Old Mutual Rest of Africa, where he was responsible for strategy implementation, stakeholder management, investment performance management, governance and compliance and functional effectiveness of the Old Mutual Business in 12 countries in the continent.

He is currently a consultant at Afreximbank where he is a director and Principal Officer of AfrexInsure, a subsidiary of the Bank. He is also a director at Brooks & Oracles, a council member at Zimbabwe Open University and serves as a non-executive director at Delta Corporation Ltd.

## **DR. EVANSON BAIYA**

### **Non-Executive Director**

Dr. Baiya is a globally recognized consultant and a professional with over 25 years of extensive experience in areas of ICT, innovation, strategy, leadership, fundraising, consultancy, training, strategic partnerships, technology transfer and commercialization, and digital transformation in North America, Europe, Asia and Africa serving financial services, technology, agriculture, healthcare and pharmaceutical, semiconductor, academia, and government sectors. He has co-authored the books, The Innovators Advantage, and Optimizing Strategy for Results, and many articles that appear in international publications such as Success Magazine®, Fast Company®, Innovation Management®, and more.



Dr. Baiya has served in board of directors at Venatrust Corporation, College of Business in Northwest Nazarene University, Idaho Global Entrepreneurial Mission, Peace Mentors Inc, and as Chair and President of Expansion International Inc, USA.

He is currently the Chief Innovation Officer and MD at Evastrategics, Inc (IT Development and Data Intelligence studio) and the MD and Business advisor at Innovator's Advantage, LLC (Innovation consultancy and Training Hub).

Dr. Baiya holds a Doctor of Philosophy in Engineering and Technology Management from Northcentral University, Master of Business Administration from Northwest Nazarene University, Postgraduate courses in Electrical Engineering and chemistry, Bachelor of Science in Chemistry from Idaho State University. He is a graduate of the Executive Program in Business Strategy and Intellectual Property from Harvard Business School.

### **SAMUEL KIRUBI**

#### **Executive Director** *(subject to Regulatory and Shareholder approval)*

Samuel holds a Masters Degree in Business Administration from Moi University and a BA in Economics and Statistics from Egerton University. He is a graduate of Advanced Management Program (Strathmore IESE Business School, Barcelona Spain).

He joined Equity Bank in 2001 and has gained vast experience in operations, marketing and customer service. He previously served as Chief Operations Officer in Equity Bank South Sudan from 2009. He was promoted to the Founding Managing Director of Equity Bank Rwanda in 2011 before being reassigned in the same position to Equity Bank Uganda in 2015. Last year, Equity Bank Rwanda became the 2nd largest bank in Rwanda. During his tenure in Uganda, he turned the subsidiary from loss making to become the 5th most profitable bank in Uganda and the third most profitable subsidiary of Equity Group after Kenya and DRC. Prior to joining as a staff, Samuel was one of Equity Group's pioneer interns in the bespoke Equity Leaders Program (ELP).

Samuel is currently the Group Chief Operations Officer overseeing the enhancement of the Group's capacity to deliver on its strategy by aligning people, processes, systems, commercial business and business risk to customers aspirations. He works with all the banking subsidiaries to deliver globally benchmarked exceptional banking services and solutions and leverage on technology to drive efficiency and seamless customer experience characterized by ease and convenience of lifestyle.

Equity Centre, 9<sup>th</sup> Floor, UpperHill  
P.O.Box 75104, Nairobi.  
Tel: 0763 000 000

info@equitygroupholdings.com, www.equitygroupholdings.com  
f @keEquitybank t @keEquitybank www.ke.equitybankgroup.com



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