

EQUITY GROUP HOLDINGS PLC 20<sup>TH</sup> ANNUAL GENERAL MEETING

**SHAREHOLDERS  
QUESTIONS AND ANSWERS**



| QUESTION  | ANSWERS  |
|---|--|
| <b>CONSTITUTION OF THE MEETING</b>  |  |
| <b>where is the meeting</b>   | The Twentieth Annual General Meeting (“AGM”) will be held on Wednesday, 26th June 2024 at 9.00 a.m. by electronic means. Visit our website for the AGM Notice and further details on how to register.  |
| <b>Can i get a soft copy through the email provided?</b>  | Please note the AGM Notice and related documents are available on our website <a href="https://equitygroupholdings.com/investor-relations/">https://equitygroupholdings.com/investor-relations/</a>  |
| <b>How can I get the constitution of the meeting?</b>   | Please note the AGM Notice and related documents are available on our website <a href="https://equitygroupholdings.com/investor-relations/">https://equitygroupholdings.com/investor-relations/</a>  |
| <b>When do you intend to hold physical or hybrid meeting for the shareholders</b>   | Please note the 20th AGM for EGH PLC shall be held electronically and each shareholder will be given the link to attend the meeting. Based on the prevailing circumstances, the company may consider physical meetings in future   |
| <b>where is the meeting</b>   | The Twentieth Annual General Meeting (“AGM”) will be held on Wednesday, 26th June 2024 at 9.00 a.m. by electronic means. Visit our website for the AGM Notice and further details on how to register.  |
| <b>FINANCIAL STATEMENTS</b>   |  |
| <b>Give us bonus shares</b>   | Currently there is no agenda on bonus shares, however if the Board deems it necessary in future, the appropriate recommendation will be made to the shareholders for approval.   |
| <b>How much is it 300 shares equivalent to, what’s the selling price</b>  | Please note you may access the daily prices for the EGH Share on our website <a href="https://equitygroupholdings.com/investor-relations/#tab_stocks">https://equitygroupholdings.com/investor-relations/#tab_stocks</a>   |
| <b>In the first quarter of this year KCB overtook Equity in profitability after a long time. What went wrong or what could Equity have done to stay ahead</b>                           | As stated in the Q1 2024 results announcement, the Group continued to face an external operating environment characterized by volatile, complex, uncertain, and ambiguous macro-economic turbulence of extreme volatility in currency exchange rates, high interest rates and inflation. Early signs of a calming global macro-economic environment coupled with declining inflation and a stable exchange rate environment locally should support a recovery in performance. The Group is also continuing to make significant investments new businesses in Insurance and the Technology Groups to diversify earnings and to target higher growth opportunities particularly outside of Kenya. In addition to the investments being made at the business level, the Group is also investing in its human capital at the managerial level to ensure that there is strong stewardship to deliver on this growth.  |
| <b>Why don’t I get frequent notification about my account?</b>  | Thank you for your query. For further clarification kindly get in touch vide <a href="mailto:info@equitygroupholdings.com">info@equitygroupholdings.com</a>  |
| <b>Is it possible to share the financial statements in advance?</b>   | Please note you may access the AGM Notice with the Agenda and other related documents on our website <a href="https://equitygroupholdings.com/agm-annual-general-meeting/">https://equitygroupholdings.com/agm-annual-general-meeting/</a>   |
| <b>DIVIDEND</b>   |  |
| <b>Equity has retained earnings which has surpassed even its market capitalization by end of 2023, when do we expect dividend payout ratio to increase beyond their current levels?</b> | The Group has a published dividend policy that targets the annual payout recommended by the Board of Directors to be between 30-50% of the profits of the financial year. The Group continues to operate in a volatile uncertain environment that necessitates strong capital buffers to support growth and cushion the business especially given the Group’s systemic position in all markets it operates in. This volatile environment has recently seen the National Treasury in Kenya propose, in the draft Finance Bill 2024, higher paid-up capital levels for banks operating in Kenya to ensure the stability of the financial system. The Group’s current strong capital buffers present a competitive advantage in this volatile environment. Given the need to support growth witnessed in the regional banking subsidiaries, the Insurance and Technology groups, in the current year the Board has recommended a payout of Kshs. 4.00 per share representing 36% of audited 2023 net profit and a dividend yield of 11.9% on the 2023 year-end closing share price of Kshs.33.65. The Board of Directors will continue to review the payout in line with the needs of the business. |

| QUESTION   | ANSWERS   |
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| <b>I would wish to get my dividends through Mpesa, now and in the future.</b>  | Thank you for your query. Please contact our Shares Registrar on <a href="mailto:sharesregistry@equitybank.co.ke">sharesregistry@equitybank.co.ke</a> or 0763026842   |
| <b>Greetings, any tentative date of dividend payout? Thank you.</b>  | Please note a first and final dividend of Kshs. 4 per share in respect of the financial year ended 31st December 2023, will be paid on or about 29th June 2024 to the shareholders on the register as at the close of business on 24th May 2024, subject to shareholder approval.   |
| <b>This is a request to be informed where my dividends are channeled to.</b>   | Thank you for your query. Please contact our Shares Registrar on <a href="mailto:sharesregistry@equitybank.co.ke">sharesregistry@equitybank.co.ke</a> or 0763026842   |
| <b>Can my Dividend be converted to or credited as shares</b>   | Please note you can use your dividend proceeds to purchase more shares of EGH PLC at the Securities Exchange. For further support you may visit the nearest Equity Branch   |
| <b>Do I earn any dividend with my 200 shares?</b>  | Please note a first and final dividend of Kshs. 4 per share in respect of the financial year ended 31st December 2023, will be paid on or about 29th June 2024 to the shareholders on the register as at the close of business on 24th May 2024, subject to shareholder approval.   |
| <b>Amount per share</b>  | Please note a first and final dividend of Kshs. 4 per share in respect of the financial year ended 31st December 2023, will be paid on or about 29th June 2024 to the shareholders on the register as at the close of business on 24th May 2024, subject to shareholder approval.   |
| <b>How do I get my dividend</b>  | Dividend will be disbursed as per your selected mode of payment i.e Bank account or by cheque. For further clarification kindly contact the Shares Registrar on <a href="mailto:sharesregistry@equitybank.co.ke">sharesregistry@equitybank.co.ke</a> or 0763026842  |
| <b>Can an option where to receive dividends be added as you register</b>   | The mode or option of payment is determined at the point of opening CDS account (brokers/custodial). For further advise please contact our Shares Registrar on <a href="mailto:sharesregistry@equitybank.co.ke">sharesregistry@equitybank.co.ke</a> or 0763026842   |
| <b>Given the 100-lot minimum imposed by the NSE will Equity Group consider a stock split in the near future to increase liquidity and allow smaller investors entry.</b> | The Board of Directors continuously reviews various ways to return value to shareholders including stock splits, bonus shares and dividends. In the current year, the Board of Directors has recommended a payout of Kshs. 4.00 per share representing 36% of the audited 2023 net profit.  |
| <b>What are the medium- and long-term growth prospects for EGH and will this be of benefit to the shareholders?</b>  | The Group's long-term strategy is anchored on the African Recovery and Resilience Plan (AARP) plan which seeks to have the Group's customer base increase to 100m, 5m borrowing businesses and 25m borrowing customers by 2030. The key sectors of growth in this plan are intended to be Agriculture where the Group intends for the loan mix to grow to 30%, manufacturing to grow to 15% and MSME to grow to 65%. Pursuit of this long-term strategy has seen the Group increase its regional diversification of the banking business and a diversification into the Insurance and Technology Groups in the East African region which continues to be one of the fastest growing regions in the world. |
| <b>Finance Bill impact</b>   | The draft Finance Bill is currently under discussion by Parliament. The Board of Directors will review the outcome once the legislative process is complete.  |
| <b>what happened to dividends.</b>   | Please note a first and final dividend of Kshs. 4 per share in respect of the financial year ended 31st December 2023, will be paid on or about 29th June 2024 to the shareholders on the register as at the close of business on 24th May 2024, subject to shareholder approval.   |
| <b>How much is each share getting and how are we receiving?</b>  | Please note a first and final dividend of Kshs. 4 per share in respect of the financial year ended 31st December 2023, will be paid on or about 29th June 2024 to the shareholders on the register as at the close of business on 24th May 2024, subject to shareholder approval.   |
| <b>Are the dividends sent through MPESA? I have not received mine since last year. Is this option existing or not?</b>   | Thank you for your query. Please contact our Shares Registrar on <a href="mailto:sharesregistry@equitybank.co.ke">sharesregistry@equitybank.co.ke</a> or 0763026842   |

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|---|---|
| <p><b>The company should seriously consider using M-pesa as an option when making divided payment. I have not received my dividends for about 3 years now!!! all because of this issue of sending cheques through the post office. Investors in the company are dynamic and are from across the globe but some live in Kenya legally. having to go back to one's home country to cash a cheque in or even bring back the cheque to Kenya to cash it in has been a nightmare. The last time i was asked to open an Equity bank account in Kenya in order to cash the cheque, I do not need to open a new account, it shall be dormant and requires a me to register for a PIN etc!!! not to mention the exchange rate losses when cashed outside Kenya yet bank exchange rates are not friendly. Since last year I have tried several times to contact the registrar, but they have been of no help at all. I explained my circumstances but not help. Please avail the M-pesa option for those who find it convenient other companies are doing it why not Equity bank.!!</b></p> | <p>Thank you for your query. Please contact our Shares Registrar on <a href="mailto:sharesregistry@equitybank.co.ke">sharesregistry@equitybank.co.ke</a> or 0763026842</p>  |
| <p><b>How often are dividends paid and how are they paid?</b></p>   | <p>The proposed dividend (if any) are put forth by the Board of Directors to the Shareholders for Approval during Annual General Meetings. Shareholders choose their preferred mode or option for receiving the dividends, which should have been clearly indicated as at the account opening or formally changed later.</p>  |
| <p><b>what percentage is the dividend</b></p>   | <p>In the current year, the Board of Directors has recommended a payout of Kshs. 4.00 per share representing 36% of the audited 2023 net profit.</p>  |
| <p><b>How do I grow my dividend shares and grow from it.</b></p>  | <p>Thank you for your query. For investment advice, kindly visit the nearest Equity Branch.</p>   |
| <p><b>How much is dividend this year? Will the Associate company in health care make me earn more and when?</b></p>   | <p>1. Please note a first and final dividend of Kshs. 4 per share in respect of the financial year ended 31st December 2023, will be paid on or about 29th June 2024 to the shareholders on the register as at the close of business on 24th May 2024, subject to shareholder approval.</p> <p>2. The Proposed Health Insurance Business will provide an opportunity for Equity Group to leverage its extensive non-digital and digital rails to support easier access to and provision of insurance products. For more details visit our website <a href="https://equitygroupholdings.com/wp-content/uploads/2024/06/Equity-Group-Holdings-Plc_Circular-to-Shareholders.pdf">https://equitygroupholdings.com/wp-content/uploads/2024/06/Equity-Group-Holdings-Plc_Circular-to-Shareholders.pdf</a></p> |
| <p><b>What are the criteria required for one to earn dividends?</b></p>   | <p>One must be a shareholder as at the book closure date in order to receive a dividend at the dividend due date in accordance to the Company's Articles and prevailing legislation.</p>  |
| <p><b>How to maximum good payout to investors</b></p>   | <p>For further clarification on your query, please contact us on <a href="mailto:EGHAGM2024@equitygroupholdings.com">EGHAGM2024@equitygroupholdings.com</a></p>   |
| <p><b>Forecast</b></p>  | <p>For further clarification on your query, please contact us on <a href="mailto:EGHAGM2024@equitygroupholdings.com">EGHAGM2024@equitygroupholdings.com</a></p>   |
| <p><b>Consider the Payment of. an interim dividend in the future. Given the geopolitical tension in DRC, what is the future of the business in CONGO?</b></p>   | <p>1. Thanks for your query. The Board of Directors will make appropriate recommendation based on the performance of the Company and commitment to the Dividend policy.</p> <p>2. With a population of more than 100m, the country's strategic location bordering 9 countries in East, Central and Southern Africa and its abundant resource potential required to transition the World from fossil fuels, the DRC presents a significant opportunity for Equity Group. Following the successful elections in 2023 and the continued stability in the country, the Group continues to look to invest and grow the business in the DRC.</p>  |

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|---|---|
| <b>Was it paid in 2020,2021,2022, 2023</b>  | Equity Group Holdings Plc did not declare dividend in 2020. Nevertheless, dividend payouts were announced for the years 2021, 2022, and presently, 2023. for further assistance please contact our Shares Registrar on <a href="mailto:sharesregistry@equitybank.co.ke">sharesregistry@equitybank.co.ke</a> or 0763026842   |
| <b>I have never received my dividends what could be wrong</b>   | Thanks for your query. Please contact our Shares Registrar on <a href="mailto:sharesregistry@equitybank.co.ke">sharesregistry@equitybank.co.ke</a> or 0763026842  |
| <b>Kshs. 4 per share dividend was great for the year just ended. What strategies are put in place to ensure come year 2025 the Dividend to the shareholders will only go up.</b>  | <p>The Group's long-term strategy is anchored on the African Recovery and Resilience plan which seeks to have the Group's customer base increase to 100m, 5m borrowing businesses and 25m borrowing customers by 2030. The key sectors of growth in this plan are intended to be Agriculture where the Group intends for the loan mix to grow to 30%, manufacturing to grow to 15% and MSME to grow to 65%.</p> <p>The Group has a published dividend policy that targets the annual payout recommended by the Board of Directors to be between 30% - 50% of the after-tax profits of the financial year. Given the need to support growth witnessed in the regional banking subsidiaries, the Insurance and Technology groups, in the current year the Board has recommended a payout of Ksh. 4.00 per share representing 36% of audited 2023 net profit. The Board of Directors will continue to review the payout in line with the needs of the business.</p>  |
| <b>Dividends should be increased considering big inflation in the country and economic situation experienced by Kenyans.</b>  | Thanks for your query. Your comments are well noted. If the Board deems it necessary in future, the appropriate recommendation will be made to the shareholders for approval.   |
| <b>What is the interest rate for dividends</b>  | For further clarification on your query, please contact us on <a href="mailto:EGHAGM2024@equitygroupholdings.com">EGHAGM2024@equitygroupholdings.com</a>  |
| <b>How can I increase my shares?</b>  | Thanks for your query. Please contact our Shares Registrar on <a href="mailto:sharesregistry@equitybank.co.ke">sharesregistry@equitybank.co.ke</a> or 0763026842  |
| <b>As a shareholder of Equity Group Holdings PLC, I would like to inquire about the company's dividend policy. Given the current economic climate and the performance metrics presented in the annual report, can you provide insights into how the Board has determined the dividend payout for this year? Specifically, what factors were considered in maintaining or adjusting the dividend, and how does the current payout align with the company's long-term financial strategy and goals for shareholder value?</b> | <p>The Group has a published dividend policy that targets the annual payout recommended by the Board of Directors to be between 30% - 50% of the after-tax profits of the financial year. The Group continues to operate in a volatile and uncertain environment that necessitates strong capital buffers to support growth and cushion the business especially given the Group's systemic position in all the markets it operates in. This volatile environment has recently seen the National Treasury in Kenya propose, in the draft Finance Bill 2024, higher paid-up capital levels for banks operating in Kenya to ensure the stability of the financial system. The Group's current strong capital buffers present a competitive advantage in this volatile environment.</p> <p>Given the need to support growth witnessed in the regional banking subsidiaries, the Insurance and Technology groups, in the current year the Board has recommended a payout of Kshs. 4.00 per share representing 36% of audited 2023 net profit. The Board of Directors will continue to review the payout in line with the needs of the business</p> |

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|---|--|
| <p><b>Why has the bank declared such a low dividend payout rate?</b></p>  | <p>The Group has a published dividend policy that targets the annual payout recommended by the Board of Directors to be between 30-50% of the profits of the financial year. The Group continues to operate in a volatile uncertain environment that necessitates strong capital buffers to support growth and cushion the business especially given the Group's systemic position in all markets it operates in. This volatile environment has recently seen the National Treasury in Kenya propose, in the draft Finance Bill 2024, higher paid-up capital levels for banks operating in Kenya to ensure the stability of the financial system. The Group's current strong capital buffers present a competitive advantage in this volatile environment. Given the need to support growth witnessed in the regional banking subsidiaries, the Insurance and Technology groups, in the current year the Board has recommended a payout of Kshs. 4.00 per share representing 36% of audited 2023 net profit and a dividend yield of 11.9% on the 2023 year-end closing share price of Kshs.33.65. The Board of Directors will continue to review the payout in line with the needs of the business</p> |
| <p><b>Do you send notification to shareholders on dividends paid and when and where they are sent?</b></p>  | <p>Thank you for your query. Please contact our Shares Registrar on <a href="mailto:sharesregistry@equitybank.co.ke">sharesregistry@equitybank.co.ke</a> or 0763026842</p>   |
| <p><b>As Equity has expanded in the recent past through acquisition of banks in the region the Growth is evident through subsidiaries recording Profits after tax and contributing more than 30% of the Overall Group Profits with the exception of Kenya. Will this portion of profits trickle down to shareholders in the form of increased Dividends payouts</b></p>   | <p>The Group has a published dividend policy that targets the annual payout recommended by the Board of Directors to be between 30% - 50% of the after-tax profits of the financial year.</p> <p>Given the need to support growth witnessed in the regional banking subsidiaries, the Insurance and Technology groups, in the current year the Board has recommended a payout of Kshs. 4.00 per share representing 36% of audited 2023 net profit. The Board of Directors will continue to review the payout in line with the needs of the business.</p>   |
| <p><b>I have a pain with the Bank's registrar. I have not received my dividend for about 3 years now?? I have sent mails for 2-3 years with no help whatsoever. (I have all the emails). What reason does the company give for not paying dividends through Mpesa? Why do you always insist on a bank account, yet you put Mpesa as an option? It is convenient for me to receive through Mpesa. I have not received my dividends for about 3 years now because am always told to open a bank account here in Kenya when i get the cheque. for a foreign investor who is living and working in Kenya but with foreign bank account, Mpesa is the best option because cashing in a cheque leads to exchange rate loses and opening another bank account here is unnecessary.</b></p> | <p>Please note a first and final dividend of Kshs. 4 per share in respect of the financial year ended 31st December 2023, will be paid on or about 29th June 2024 to the shareholders on the register as at the close of business on 24th May 2024, subject to shareholder approval. For prompt assistance please get in touch with our Shares Registrar on</p>  |
| <b>REMUNERATION</b>   |  |
| <p><b>Considering the current economic environment and the need to balance executive compensation with shareholder value, can the Board provide a detailed explanation of the criteria and benchmarking process used to determine the remuneration packages for the directors? Additionally, how does the remuneration strategy align with the long-term performance goals and sustainability initiatives of Equity Group Holdings PLC?</b></p>   | <p>The Board reviews and recommends the remuneration structure of directors annually, subject to shareholders' approval. Though the directors' remuneration is fixed, it is competitively structured to attract and retain the best talent to effectively develop the Group's business.</p>  |



| QUESTION  | ANSWERS   |
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| <b>ELECTION</b>   |   |
| <b>I wish to run for the position of non-executive director in future. What is the procedure to do so?</b>  | Thank you for your query. Please contact our Company Secretary on <a href="mailto:CompanySecretary@equitygroupholdings.com">CompanySecretary@equitygroupholdings.com</a>  |
| <b>What positions are up for elections? who are the candidates?</b>   | Please note you may access the AGM Notice with the Agenda and other related documents on our website <a href="https://equitygroupholdings.com/agm-annual-general-meeting/">https://equitygroupholdings.com/agm-annual-general-meeting/</a> Kind regards, EGH PLC  |
| <b>APPOINTMENT OF AUDITORS</b>  |   |
| <b>Given the critical role that auditors play in ensuring the accuracy and integrity of our financial statements, could the Board provide an overview of the process and criteria used in selecting the proposed audit firm? Additionally, how does the Board ensure that the selected auditors maintain independence and objectivity throughout their engagement with Equity Group Holdings PLC?</b> | <p>The Audit Committee provides oversight of the work undertaken by External Auditor. The Committee reviews the External Auditor's approach, strategy, materiality, risk assessment, and audit scope. It ensures effective, objective, and independent audit work including receiving confirmation of independence from the Auditor. The Committee often holds Meetings with the Auditor excluding management for deliberations aimed at maintaining independence and objectivity.</p> <p>The Committee is responsible for focusing on setting, reviewing, and monitoring non-audit services per policy and ethical guidelines. In line with best practice, the Committee and relevant members of Management evaluated the performance of the Auditor in respect of the 2023 external audit and feedback was provided to Auditor.</p> |
| <b>SPECIAL BUSINESS</b>   |   |
| <b>Why has the group not yet opened operations in the Somali market and are there plans to enter the country considering the growth potential and integration to the Kenyan economy?</b>  | The Federal Republic of Somalia became a full member of the EAC in March 2024, increasing the regions population by 18.7m people. The Board of Directors continues to explore opportunities to expand into the region through both organic and in-organic growth in furtherance of its Vision to be the champion of the socio-economic prosperity of the people of Africa   |
| <b>OTHERS</b>   |   |
| <b>Kindly correct the spelling of the second name to read John not Johm</b>   | Thank you for your query. Please contact our Shares Registrar on <a href="mailto:sharesregistry@equitybank.co.ke">sharesregistry@equitybank.co.ke</a> or 0763026842   |
| <b>Is Equity willing to consider a share-buyback program?</b>   | Currently there is no agenda on share-buyback, however if the Board deems it necessary in future, the appropriate recommendation will be made to the shareholders for approval.   |
| <b>How is shares costing at the moment as I prefer to add more?</b>   | Please note you may access the daily prices for the EGH Share on our website <a href="https://equitygroupholdings.com/investor-relations/#tab_stocks">https://equitygroupholdings.com/investor-relations/#tab_stocks</a>  |
| <b>Does equity bank train its staff on RTGS swift transactions with central bank? Why did the bank fail its customers who were purchasing treasury bills and bonds whose payments were to be done by 17th of June 2024?</b>   | For further clarification on your query, please contact us on <a href="mailto:EGHAGM2024@equitygroupholdings.com">EGHAGM2024@equitygroupholdings.com</a>  |
| <b>When will the self-service online stock trading function be reinstated? Or is there a different App that one should use while buying and selling shares online?</b>  | Thank you for your query. For further clarification kindly get in touch vide <a href="mailto:info@equitygroupholdings.com">info@equitygroupholdings.com</a>   |
| <b>When will the self-service online stock trading function be reinstated? Or is there a different App that one should use while buying and selling shares online?</b>  | Thank you for your query. Please contact our Shares Registrar on <a href="mailto:sharesregistry@equitybank.co.ke">sharesregistry@equitybank.co.ke</a> or 0763026842   |