



PRESS RELEASE

EQUITY GROUP REPORTS KSHS 60.7 BILLION PROFITS BEFORE TAX, DRIVEN BY STRATEGIC DIVERSIFIED GROWTH

- *Proposed dividend per share of Kshs 4.25, a payout ratio of 34.5%*
- *Earnings per share increased by 11% to Kshs 12.3*
- *Asset quality improves by 100 basis points from Q1 2024 to Q4 2024.*
- *Profits after tax grew by 12% to Kshs 48.8 billion.*
- *Regional operations contribute 49% of total assets and 54% of profit before tax.*

NAIROBI, 27th March 2025: Equity Group Holdings Plc continues to deliver solid financial results, underpinned by the Group's strategic focus on business diversification, innovation, and regional expansion. With strong liquidity, capital buffers, and robust regional businesses, the Group is poised to maintain its leadership position in the region and continue driving sustainable growth.

While releasing the full year 2024 results, Dr. James Mwangi, Equity Group Holdings Plc Managing Director, and CEO said, "We are proud of the resilience demonstrated by the Group amidst a challenging global economic landscape. Our financial strength gives us the flexibility to seize opportunities as the regional economies present diversified levers for growth. The Group's liquidity and capital position remains very strong, positioning us to better support our customers in the years ahead."

In FY 2024, Equity Group Holdings Plc achieved a Profit After Tax (PAT) of Kshs 48.8 billion, demonstrating the continued success of the Group's diversified business model and prudent risk management. The Group's Profit Before Tax (PBT) grew by 17% to Kshs 60.7 billion, while Earnings Per Share (EPS) rose by 11% to Kshs 12.3, signifying the Group's sustained strong performance.

The Group's total deposits grew to reach Kshs 1.4 trillion with the customer base growing to 21.6 million, showcasing the scale and reach of the deposit franchise. The Group's liquidity position remains strong, with cash and cash equivalents rising by 19% to Kshs 345 billion, while investment securities grew to Kshs 512 billion, contributing to an overall liquidity ratio of 57%. This positions the Group very well to effectively execute the Africa Recovery and Resilience Plan (ARRP), a private sector led development plan championed by Equity which is aimed at catalyzing, capacitating, connecting, and financing enterprises and households across Africa while enabling trade and investment on the continent. Beyond providing financial and digital tools and solutions, Equity Group empowers individuals, businesses, and communities through a clear framework for development, by building capabilities and mitigating risks, enabling them to leverage these tools to achieve their social, environmental, and economic ambitions.

The ARRP seeks to drive long-term transformation across the continent, relying on the support and active participation of diverse stakeholders. Strategic partnerships with Development Finance Institutions (DFIs), global technology and digital partners, and social impact



organizations have been instrumental in enabling the Group to deliver a wide range of social and commercial outcomes with lasting, sustainable results. As part of these efforts, the Group has partnered with AfDB, Microsoft and Mastercard Corporation to digitize 10 million farming customers under the Community Pass initiative for the delivery of the MADE Alliance, further enhancing financial inclusion and digital accessibility across Africa; and with the World Food Programme to further capacitate small-holder farmers into agribusiness.

The Group demonstrated commitment to its shareholders by proposing a dividend of Kshs 4.25 per share, representing a payout ratio of 34.5%, reinforcing its track record of delivering value to its shareholders. This is underpinned by a return on equity (ROE) of 21.5% and a return on assets (ROA) of 2.8%, both of which are well above industry averages.

Equity Group has adopted a tri-engine model, integrating commercial, social, and sustainability priorities to foster sustainable economic growth and create meaningful societal impact. The Group continues to build on its legacy of resilience, strong governance, long track record of execution, self-disruption, agility, and scalability of its business model to thrive in the different markets it operates in. It has continued to grow the value it creates for its customers and stakeholders, becoming a regional systemic financial services provider in position one or two in three of the six markets it operates in, Kenya, DRC, and Rwanda. The Group's strategic focus on regional expansion and product diversification continues to drive growth with the Group's regional subsidiaries contributing 49% of total assets, 48% of total loans and 54% of profit before tax, further diversifying the revenue base. The Kenya subsidiary, while still a major contributor, accounted for 46% of total revenue. Equity Bank Rwanda revenue grew YoY by 36%, Equity Bank Tanzania by 20% and EquityBCDC by 9% while PAT for Equity Bank Rwanda grew by 30% YoY, Equity Bank Tanzania by 107%, Equity Bank Uganda 186% and EquityBCDC by 29%, signaling increasing contributions from regional operations. Equity Bank Kenya has in the past six months cut its base lending rate three times sending a clear signal of its intent to grow its loan book as Kenya's economy shows signs of recovery. The lowering of interest rates will reduce the cost of borrowing, offering businesses access to more affordable credit while for households it means increased disposable income thus stimulating consumer spending.

Due to the global operating environment characterized by unprecedented geopolitical shifts, the Group's defensive and prudent approach to risk management was evident in its loan loss provisions, which amounted to Kshs 20.2 billion. The Non-Performing Loan (NPL) ratio remained below industry average at 12.2%, significantly lower than the 16.4% published industry average. NPL coverage stands at 71%, demonstrating the Group's strong asset quality.

The Equity Life Assurance business continues to register impressive performance with YoY Profit before tax growing by 58% to Kshs 1.5 billion from Kshs 934 million. Further, the robust but prudent strategy for investment of policyholder funds resulted in a gross declared return of 13.5%, signaling Equity's Group capabilities to provide value to the over 14 million policies issued since inception in March 2022.



With an eye on long-term value creation, the Group's acquisition of a general insurance license, in addition to its existing life assurance license, marked an exciting milestone. This move enhances the Group's ability to offer a comprehensive suite of insurance solutions ensuring that customers across all segments; corporate, SME, and retail, can access integrated solutions that protect their lives, health, and wealth.

"As we continue to expand our financial services ecosystem, our Bancassurance unit remains a vital component of our growth strategy. The 6% increase in premium collections, despite the current market challenges, underscores the unit's potential. To unlock further growth, we invested heavily in the unit's repositioning, focusing on talent development, digital transformation, and process enhancements. This medium-to long-term strategy will allow us to deliver a more integrated, customer-centric experience, where insurance is a key layer in our customers' overall financial well-being. Encouragingly, our insurance premium financing solution has seen a significant 50% increase in uptake, reflecting our dedication to supporting customers through uncertain times as they prioritize protecting their health, life and assets," said Dr. Mwangi.

As part of its ongoing transformation, Equity Group has continued to invest in technology, critical infrastructure, and diversification. The Group has modernized its digital channels, which now process 86% of all transactions, enabling customers to access a seamless, digital first experience. Furthermore, ONE Equity, the Group's integrated digital platform, allows customers to access a wide range of products and services under a single umbrella, enhancing cross-selling and customer engagement.

The value of business processed through Equity Mobile YoY increased by 67% from Kshs 1.895 trillion to Kshs 3.174 trillion while Equity Online for business (EazzyBiz) increased by 21% from Kshs 3.165 trillion to Kshs 3.841 trillion and the interoperable Pay With Equity (PWE) for merchants increased by 14% from Kshs 1.884 trillion to Kshs 2.149 trillion, ATM increased by 21% from Kshs 398.6 billion to Kshs 481.4 billion as customers embraced the newly introduced Cash Deposit Machines to ease the pain for businesses looking to secure their cash after banking hours while branches are evolving to be more SME, large enterprises and corporates focused, with transaction volumes increasing by 21% from Kshs 4.176 trillion to Kshs 5.046 trillion.

Brand Finance ranked the Bank as the 2nd strongest banking brand in the world in 2024 and as the most valuable brand in East and Central Africa its value rising to USD 450 million (KES 64 billion). In all franchise segments, Equity Bank has been a front runner, emerging as the best bank in several categories according to Think Business Banking awards. The Bank earned top honors, including recognition as the Best Bank, Best in Digital Banking, Best in Trade Financing, Best in Agriculture and Livestock financing, Best in Product Innovation, and Best in SME Banking, among others. Equity Group's insurance arm was also celebrated as the Best Insurance Provider, while its investment services were recognized for excellence in Wealth Management. These accolades reflect Equity Bank's unwavering commitment to



excellence, innovation, and leadership across diverse financial services, solidifying its position as a market leader.

The Equity Leaders Program (ELP) continues to make a significant impact, with 113 scholars having received full scholarships to pursue university education in top global universities. The program has already produced over 970 global scholars on full scholarship distributed across various disciplines, having attended 233 different universities in 37 countries and 6 continents. 204 scholars have attended the Ivy League universities, contributing to the region's human capital development. The ELP program recently admitted a new cohort of 750 scholars into the pre-university internship program, bringing the total number of ELP scholars supported by the Group to date to 29,515. Cumulatively, the program has facilitated 9,700 paid internships and provided opportunities for 3,979 TVET scholars.

The Group remains a leader in climate action, having planted over 35 million trees and extended more than USD 200 million in climate finance to support climate resilience initiatives. In promoting the clean energy transition, Equity Group Foundation has championed the distribution of 466,975 clean energy products to households and institutions. Equity's commitment to sustainability is further highlighted by its focus on nature restoration and its adoption of the Taskforce for Nature Finance Disclosure (TNFD) and African Natural Capital Alliance (ANCA) frameworks. International Finance Corporation, IFC, ranked the Group the global leader with the highest number of climate related transactions among 258 institutions worldwide.

In promoting economic empowerment, 2,477,358 women and youth received training in financial education with 634,059 MSMEs receiving capacity building in entrepreneurship. Under the Young Africa Works Program, Kshs 340.8B has been disbursed to 323,303 MSMEs.

The Group's social protection programs have reached 5.79 million individuals, with Kshs 164.2B disbursed via cash transfers. In health, the Equity Afya Clinics have cumulatively recorded 3,343,889 patient visits across 132 outpatient medical centers. This holistic approach underscores Equity Group's commitment to fostering sustainable development and improving livelihoods across the region.

Dr. Mwangi concluded "Equity Group remains committed to driving positive change. Our focus on financial inclusion, regional expansion, and sustainable growth will enable us to continue being a catalyst for economic empowerment and resilience across Africa. As we move forward, we remain optimistic about the future and will continue to leverage our strengths to create long-term value and impact for our customers and shareholders."