

EQUITY GROUP HOLDINGS PLC 21ST ANNUAL GENERAL MEETING

**SHAREHOLDERS'
QUESTIONS AND ANSWERS**



QUESTIONS	ANSWERS
DIVIDENDS	
Why does the company continue retaining the biggest portion of profits instead of rewarding shareholders? When do we expect dividends payout ratios to be revised upwards?	<p>The Group has a Board approved dividend policy which provides that the company should pay out to shareholders between 30-50% of the annual profits.</p> <p>This policy reflects the Group's positioning as a rapidly growing company operating in a high-growth region, where strong returns and sustained expansion require significant capital investment. Accordingly, a substantial portion of earnings is retained to fund growth through internally generated resources. This retention strategy not only supports expansion but also contributes to the appreciation of shareholder value over time.</p> <p>Given the capital demands of our growth phase and the need to maintain a strong balance sheet capable of absorbing potential shocks, the Group will, in the medium term, pay out at the lower end of the 30-50% range.</p>
Is the bank maintaining a consistent dividend policy, or has it been revised recently due to market or operational challenges? Are there any plans to introduce or modify a dividend reinvestment program (DRIP) for shareholders?	<p>The Group has a Board approved dividend policy which provides that the company should pay out to shareholders between 30-50% of the annual profits.</p> <p>This policy reflects the Group's positioning as a rapidly growing company operating in a high-growth region, where strong returns and sustained expansion require significant capital investment. Accordingly, a substantial portion of earnings is retained to fund growth through internally generated resources. This retention strategy not only supports expansion but also contributes to the appreciation of shareholder value over time.</p> <p>Given the capital demands of our growth phase and the need to maintain a strong balance sheet capable of absorbing potential shocks, the Group will, in the medium term, pay out at the lower end of the 30-50% range.</p>
How much is the dividends awarded per share? How was the figure arrived at?	<p>The Board has proposed a first and final dividend of Ksh. 4.25 per share for the financial year ended 31st December 2024, to be paid, subject to shareholder approval at the upcoming AGM, on or about 30th June 2025 to shareholders on the register as at the close of business on 23rd May 2025.</p>
When will dividends be paid out?	<p>The Board has proposed a first and final dividend of Ksh. 4.25 per share for the financial year ended 31st December 2024, to be paid, subject to shareholder approval at the upcoming AGM, on or about 30th June 2025 to shareholders on the register as at the close of business on 23rd May 2025.</p>
How often are the dividends paid to the share holders	<p>Dividends are paid either on interim or annual intervals. Please note that a first and final dividend of Ksh. 4.25 per share for the financial year ended 31st December 2024, to be paid, subject to shareholder approval at the upcoming AGM, on or about 30th June 2025 to shareholders on the register as at the close of business on 23rd May 2025.</p>

QUESTIONS	ANSWERS
Can we get a dividend increment next time?	<p>The Group has a Board approved dividend policy which provides that the company should pay out to shareholders between 30-50% of the annual profits.</p> <p>This policy reflects the Group's positioning as a rapidly growing company operating in a high-growth region, where strong returns and sustained expansion require significant capital investment. Accordingly, a substantial portion of earnings is retained to fund growth through internally generated resources. This retention strategy not only supports expansion but also contributes to the appreciation of shareholder value over time.</p> <p>Given the capital demands of our growth phase and the need to maintain a strong balance sheet capable of absorbing potential shocks, the Group will, in the medium term, pay out at the lower end of the 30-50% range.</p>
Why don't you pay interim dividends?	<p>The Board of Directors will make appropriate recommendations based on the performance of the Company and commitment to the Dividend policy.</p>
Why is the dividend payout too low after a lot of group reinvestment?	<p>The Group has a Board approved dividend policy which provides that the company should pay out to shareholders between 30-50% of the annual profits.</p> <p>This policy reflects the Group's positioning as a rapidly growing company operating in a high-growth region, where strong returns and sustained expansion require significant capital investment. Accordingly, a substantial portion of earnings is retained to fund growth through internally generated resources. This retention strategy not only supports expansion but also contributes to the appreciation of shareholder value over time.</p> <p>Given the capital demands of our growth phase and the need to maintain a strong balance sheet capable of absorbing potential shocks, the Group will, in the medium term, pay out at the lower end of the 30-50% range.</p>
I have never received my dividends, what is the procedure of checking dividends?	<p>Thank you for your query. Please contact our Shares Registrar on sharesregistry@equitybank.co.ke or 254 763026842</p>
Pesa siipati	<p>Thank you for your query. Please contact our Shares Registrar on sharesregistry@equitybank.co.ke or +254 763026842</p>
Mpesa my dividend	<p>Thank you for your query. Please contact our Shares Registrar on sharesregistry@equitybank.co.ke or +254 763026842</p>
Late payment	<p>Thank you for your query. Please contact our Shares Registrar on sharesregistry@equitybank.co.ke or +254 763026842</p>

QUESTIONS	ANSWERS
Can the bank compile all the documents proving dividend payments made to me or to my bank account? I feel like I have never received any.	Thank you for your query. Please contact our Shares Registrar on sharesregistry@equitybank.co.ke or +254 763026842
Ordinarily, this should not be a question for AGM. However, I put it here because I have done all I was told to do. How do we efficiently claim unpaid dividends? Initially I was told the problem was that my bank account was captured incorrectly. This was corrected long time ago I have provided proofs repeatedly. In the effort to claim the unpaid dividends I have done the following. 1. I have made many phone calls to the Equity registrars 2. I filled in forms for the same at the Kisii and Kisumu Branches 3. I visited the Equity Registrars in Upper Hill in February this year and I was promised I would be paid within a week. 4. I have sent several emails, I even sent one yesterday as well. This has been going on since last year, what I am supposed to do in this case?	We confirm the matter was fully resolved and acknowledged. Apologies for any inconvenience caused. For further queries, please contact our Shares Registrar on sharesregistry@equitybank.co.ke or +254 763026842
What are the dividend payment modes? Can one request that payment of the dividends be paid to an MPESA wallet? Thanks!	Dividends will be disbursed as per your selected mode of payment, i.e bank account or by cheque. For further clarification, kindly contact the Share Registrar on Sharesregistry@equitybank.co.ke or +254 763026842
If someone moves abroad and has shares, is it possible same way you invite for meeting to send notifications?	Thank you for your query. Please contact our Shares Registrar on sharesregistry@equitybank.co.ke or 254 763026842
BONUS SHARES	
Can the bank think of giving bonus shares?	The Board of Directors continually reviews various mechanisms for returning value to shareholders, including dividends, share splits, and bonus share issuances. While we remain committed to exploring these options, we are cognizant of the current market environment, which we consider not conducive to the issuance of bonus shares at this time. We continue to monitor market conditions closely to ensure that any corporate action undertaken is value-accretive to shareholders and aligned with our strategic objectives and purpose
EXPANSION INTO OTHER REGIONS	
Any signs on growth and market expansions to other countries?	We currently rank either first or second in three of our most significant and largest markets, and among the top four in two other markets. Our objective is to remain a systemic bank, leveraging economies of scale and maintaining a competitive advantage. Accordingly, our current focus is on sustaining growth within the regions in which we already operate.

QUESTIONS	ANSWERS
ELECTION OF DIRECTORS	
<p>Do we have a representative of the various interest groups in the Board of Equity? How are the youth represented in the Board? Do we have a clear succession planning policy? Please share</p>	<p>The Capital Markets (Public Offers, Listings and Disclosures) Regulations, 2023 (commonly referred to as the POLD 2023 Regulations) came into effect on 15th December 2023. These regulations aim to enhance transparency, investor protection, and corporate governance within Kenya's capital markets.</p> <p>At Equity Group Plc, we have anchored our governance structure on all applicable regulatory requirements and aligned it with global best practices in corporate governance. As a global conglomerate, our organizational structure is informed by international standards and global perspectives, while retaining the agility to operate effectively within local markets.</p> <p>The Board is committed to maintaining a well-balanced composition that reflects both global and local representation, ensures independence, and promotes diversity in skills, experience, and perspective. We remain focused on building strong leadership and talent pipelines to harness emerging opportunities and mitigate potential risks.</p> <p>In line with the requirements of the POLD 2023 Regulations, we have initiated the reconstitution of the Group Board and the boards of our subsidiaries, along with their respective committees. This process is intended to ensure full compliance with the new regulatory framework while also reinforcing our strategic objectives.</p> <p>These changes are designed to strengthen our governance by addressing key tenets such as board independence, diversity, tenure, and the enhancement of the Board's skill mix, thereby positioning the Group for sustained growth and resilience.</p>
DEMOCRATIC REPUBLIC OF CONGO (DRC)	
<p>What is the plan for DRC subsidiary</p>	<p>The DRC represents one of the Group's most promising frontier markets and remains a key strategic focus. As the economic engine of East and Central Africa, the DRC is driving regional growth through its abundant strategic resources. It boasts vast mineral wealth, significant agricultural potential, and a large population that presents a strong foundation for financial inclusion. Additionally, its unique geographic positioning, spanning from the Indian Ocean to the Atlantic and serving as a gateway to a hinterland of 11 well-endowed countries, further enhances its strategic importance.</p> <p>We have strategically established our presence in the DRC through the acquisition of two key institutions: ProCredit Bank, renowned for its innovation and focus on SMEs, and Banque Commerciale du Congo (BCDC), the oldest Belgian bank in the country. These acquisitions have provided us with extensive national coverage and a strong platform to drive our growth agenda. We are now fully leveraging this investment to reinforce our market leadership, particularly in the mining sector, while also enhancing our capacity to support fast-moving consumer goods (FMCGs), small and medium-sized enterprises (SMEs), and the agricultural value chain.</p>

QUESTIONS	ANSWERS
INTERNAL CONTROLS AND FRAUDS	
<p>What checks and controls have been introduced to guarantee that internal employee fraud is prevented or detected much earlier?</p>	<p>The Group has in the last three years seen a transition from a computerized to digitized environment which has seen us change our core systems. During this transition period, risk has been escalated and there were existing processes and system weaknesses that were exploited. We have subsequently addressed those weaknesses and identified other processes & system weaknesses as part of the embedment of the Enterprise Risk Management Framework within the first line where we have proactively identified potential failures (risks) and developed Risk Registers with controls and control monitoring for every area of the bank.</p> <p>As part of the embedding of the Enterprise Risk Management Framework within the first line where we are proactively identifying potential failures (risks) and developing Risk Registers with controls and Continuous control monitoring for every area of the bank.</p> <p>We have also enhanced and reinforced the relevant policies and processes that had weaknesses and created real time digital control monitoring. These actions have stabilized the environment and since July 2024, we have not had any frauds, demonstrating the stabilization of our control environment.</p>
<p>What is the team doing to address the theft by employees? The public perception on this too</p>	<p>We are firmly committed to upholding our core values, which include Professionalism, Integrity, Unity of Purpose, and Respect and Dignity for the customer, among others. In line with this commitment, we continuously work to ensure that all staff remain aligned with Equity's values and organizational ethos. The recent staff conduct reviews were therefore not related to fraud, but rather addressed matters concerning ethics and workplace culture.</p>
<p>How did the purported fraud in the bank manage to circumvent the bank's controls, could there be other undetected occurrences and do you routinely test the bank's vulnerabilities to forestall similar issues?</p>	<p>Thank you for the query. There were existing process and system weaknesses that were exploited. We have subsequently addressed those weaknesses and identified other processes & system weaknesses as part of the embedment of the Enterprise Risk Management Framework within the first line where we have proactively identified potential failures (risks) and developed Risk Registers with controls and control monitoring for every area of the bank.</p>

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<p>The proposed dividend is very encouraging, but I really wonder what the situation might have been if the bank didn't lose the 1.5billion to insider forgeries. Is this amount not too large to go unnoticed by an entity with an internal audit department? What improvements have you made to the checks and balances/internal control audit to stem such cases of theft in the future?</p>	<p>We have subsequently addressed those weaknesses and identified other processes & system weaknesses as part of the embedment of the Enterprise Risk Management Framework within the first line where we have proactively identified potential failures (risks) and developed Risk Registers with controls and control monitoring for every area of the bank.</p> <p>As part of the embedding of the Enterprise Risk Management Framework within the first line where we are proactively identifying potential failures (risks) and developing Risk Registers with controls and Continuous control monitoring for every area of the bank.</p> <p>We have also enhanced and reinforced the relevant policies and processes that had weaknesses and created real time digital control monitoring. These actions have stabilized the environment and since July 2024, we have not had any frauds, demonstrating the stabilization of our control environment.</p> <p>We are firmly committed to upholding our core values, which include Professionalism, Integrity, Unity of Purpose, and Respect and Dignity for the customer, among others. In line with this commitment, we continuously work to ensure that all staff remain aligned with Equity's values and organizational ethos. The recent staff conduct reviews were therefore not related to fraud, but rather addressed matters concerning ethics and workplace culture.</p>
<p>What is the position of the management with regard to the recent sacking of employees alleged to have fraudulently acquired money from customers' accounts?</p>	<p>Our Corporate purpose and promise to our Stakeholders are built on a strong foundation of trust as well as high ethical standards. Our Zero tolerance for unethical behavior has therefore consistently resulted into consequence management with respect to any forms of fraud, bribery and conflict of interest.</p>
<p>Look for ways of ensuring reliable security on customers' money in their account. People have lost confidence. Also check on staff on the counters some have very poor customer service.</p>	<p>Thank you for your feedback. We have always and continue to maintain enhanced security measures and continuously address service concerns to maintain trust and improve our customers' overall experience. Your feedback is valuable to us.</p> <p>Our Corporate purpose and promise to our Stakeholders are built on a strong foundation of trust as well as high ethical standards. Our Zero tolerance for unethical behavior has therefore consistently resulted into consequence management with respect to any forms of fraud, bribery and conflict of interest.</p>
<p>Thanks for taking action on dishonest staff nowadays we are not getting those calls or sms "Your account has been suspended". What impact did the billion fraud where money was withdrawn and wired to other bank Acs by insiders have towards our final dividend. Or was it insured?</p>	<p>The loss related to the fraud was included as part of the Bank's 2024 performance. This loss was therefore taken in the results of 2024 which were audited by the independent external auditors.</p>

QUESTIONS	ANSWERS
<p>There has been several reports of loss of funds from the bank through cybercrime. What is the bank doing to put this to a stop in the long term?</p>	<p>Cybercrime is indeed a growing threat across the banking sector globally, and we take the protection of customer funds and data with the utmost seriousness. To address this, we've adopted a multi-faceted cybersecurity strategy that focuses on prevention, detection and resilience. We are upgrading our security architecture with next-generation tools such as behavioral analytics, AI-powered threat detection, and real-time fraud monitoring systems.</p> <p>Currently, the bank is implementing an Enterprise Fraud Management system that will assist in proactive fraud management embedding both AI and machine learning capabilities on the customer behavior to assist in fraud detection. This will revamp the current 7/24 fraud monitoring and detections capabilities. From the user authentication perspective we are strengthening transaction authentication processes, integrating biometric and behavioral fraud detection to better safeguard customers during digital interactions. Our internal control governance has also been enhanced by adopting a combined assurance approach through our Defence Council, where all incidence and control gaps are reported and actions to address such tracked for closure with key emphasis on improved controls environment and better governance model across the bank.</p>
REMUNERATION OF DIRECTORS	
<p>Can you please share with us the Remuneration Policy and breakdown?</p>	<p>Kindly note copy of the Policy is available for inspection on the AGM portal and at the Company's head office situate at Equity Centre, 9th Floor, Hospital Road, Upper Hill Nairobi between 9am - 4pm during workdays.</p>
<p>What are the measures to ensure that investment returns are not taken advantage of by the directors?</p>	<p>During the 21st AGM, a Directors Remuneration Policy will be submitted for consideration and approval by Shareholders</p>
<p>Don't pay them more this year dividends remain the same, so there haven't worked hard for us as investors</p>	<p>Thank you for sharing your perspective. Your concerns about dividends and investor returns are noted, and we'll ensure this feedback informs discussions on shareholder value.</p>
AUDITED FINANCIAL STATEMENTS	
<p>Can I get the Audited Financial Statements?</p>	<p>Please note you may access the audited financial statements on our website https://equitygroupholdings.com/agm/</p>
<p>Is the billion lost recently through fraud included in this report?</p>	<p>The loss related to the fraud was included as part of the Bank's 2024 performance. This loss was therefore taken in the results of 2024 which were audited by the independent external auditors.</p>
<p>"What are the implications of financial losses incurred during the year but only identified later, according to various media reports?"</p>	<p>The loss related to the fraud was included as part of the Bank's 2024 performance. This loss was therefore taken in the 2024 results which were audited by the independent external auditors.</p>
<p>Return on investment computation & ratios</p>	<p>Please note that the Audited Financial Statements are available on the Company's website https://equitygroupholdings.com/agm/. Regards, EGH PLC</p>

QUESTIONS	ANSWERS
<p>How well is the bank doing? How big are the liabilities and debt portfolios? Any new products? Need to improve on bureaucracy and paper work eg. why do I have to go to my branch in CBD to transfer to another branch? Are there any Improvements in customer service? Improve on service delivery. But still a good bank in my opinion.</p>	<p>The Group's financial performance can be found in the independently audited financial statements of the Group. Specifically, to liability and the debt, these are contained in the Group's Consolidated Statement of Financial Position for the period ended 31 December 2024.</p> <p>Customer service excellence remains at the heart of our strategic agenda, and we are pleased to report significant progress across multiple fronts. We have fundamentally transformed our service delivery capabilities, achieving over 90% of client concerns resolved on first contact. Our systematic approach to continuous improvement has yielded tangible results - we identified 96 customer pain points and have successfully closed 70% of them through dedicated intervention.</p> <p>Technology enhancement has been central to our transformation. We have upgraded our Customer Relationship Management (CRM) system for centralized customer management, deployed automated social media tools for faster resolution, and significantly improved transaction success rates. These investments ensure consistent, reliable service-delivery across all touchpoints.</p> <p>We acknowledge that dependency on third-party services has occasionally created bottlenecks, particularly during high-demand periods. Customer expectations for 24/7 digital engagement have intensified pressure on our infrastructure. To address these challenges, we have continued our digital expansion and modernization initiative started in 2023, which has delivered improved system stability and enhanced customer experience.</p> <p>Relationship management has become a core strategic focus, moving beyond transactional interactions to building deeper partnerships with our customers. Our enhanced CRM capabilities enable personalized experiences that strengthen long-term relationships and improve customer stickiness.</p> <p>We are institutionalizing customer journey management across all segments, with full regional rollout planned for 2025. Our teams are now equipped with design thinking capabilities, ensuring we maintain an outside-in perspective that puts customer needs first.</p> <p>We remain committed to creating seamless, sustainable, and personalized experiences that exceed expectations and drive long-term customer loyalty.</p>

QUESTIONS	ANSWERS
APPOINTMENT OF AUDITORS	
Is there a policy on the rotation of external auditors? Messrs. PricewaterhouseCoopers have served since 2017, which is about 8 years.	<p>The regulatory requirement is rotation of Audit Partner every five (5) years. Whilst the current external auditor was appointed in 2017, the current audit partner came in 2022 pursuant to the regulatory requirement on rotation.</p>
CONSTITUTION OF THE MEETING	
Will you ever go back to in person agms?	<p>Please note that the 21st 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.</p>
Why not hybrid AGM and invite investors?	<p>Please note that the 21st 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.</p>
OTHERS	
Do you have a platform where one can trade in the daytime stock market directly (online) without involvement of staffs	<p>Thank you for your question, it aligns with a key pillar of our Group's transformation agenda: democratizing access to investment opportunities across our markets.</p> <p>Through Equity Investment Bank (EIB), our wholly owned investment banking subsidiary, we are in advanced stages of launching a fully digital, self-directed investment platform. The platform will enable investors to access and transact across a wide range of capital market instruments independently.</p> <p>These include:</p> <ul style="list-style-type: none"> • Equities (real-time trading on NSE and regional exchanges) • Money Market Funds with instant liquidity • Treasury bonds and bills • Eurobonds and offshore fixed income products • Unit trusts and collective investment schemes • Third-party global funds through international partnerships <p>The platform will allow users to trade and invest in real time, access curated products, track portfolio performance, and manage investments across multiple markets and currencies. We are piloting in Kenya, with plans to scale across Uganda, Rwanda, DRC, South Sudan, and Tanzania.</p> <p>Thank you once again for your trust in Equity Group.</p>

QUESTIONS	ANSWERS
<p>What technology projects will be financed in the short, middle and long term? If there are what is the expected return on investment?</p>	<p>In the short term, we will finance foundational technology projects to complete our application modernization, cybersecurity enhancement and digital onboarding platforms. This is to improve operational efficiency and customer acquisition. In the medium term, investments will target data analytics, AI-driven automation, and payment orchestration platforms to facilitate product bundling, improve decision-making, scale innovation and digital transformation. Over the long term, we plan to fund scalable platforms to expand ecosystems, open banking APIs, and digital public infrastructure integrations.</p> <p>Each investment is aligned to our priorities and designed to deliver measurable returns, ensuring sustained competitiveness, market expansion, profitability, increased customer lifetime value, reduced costs, and new monetization channels.</p>
<p>How do we make sure Equity Football Club remains a profitable entity and maintained professionalism because we're using a lot of resources in this team yet it's not reflecting true value of our investment. Given an opportunity I'll like to run this football club and make it a force to reckon with in Kenya and East Africa as we head all-over Africa</p>	<p>Equity participates in several sports including Basketball, Football, Volleyball, Handball and Chess. In all these, the Equity Teams have consistently delivered excellent results in the Kenya Inter-Bank Games. The core purpose of participation in Sports is threefold; to promote employee wellness, to build team cohesiveness as well as teamwork and to add to our Social impact as we scale up sports across regions and branches. The sports also enhance our Brand reputation through media coverage. Public Relations Value through media coverage, audience engagement and Brand perception continues to grow. In 2023, the PR value was Kes 345.3mn, in 2024 it was 371.5mn and for the first two months this year the value was Kes 28.9mn with 56 hits across all media channels.</p>
<p>Is it possible to get a complimentary gift from Equity even if the AGMs are held virtually?</p>	<p>Thanks for your proposal. The Company will consider your proposal in future planning.</p>
<p>We will be provided some cash for airtime to log in after the meeting. How much money will it be?</p>	<p>Thank you for your suggestion regarding airtime for the e-AGM. We'll consider this in future planning. Your input is genuinely appreciated.</p>
<p>Always do as told by Central Bank of Kenya reduced interest rate as per law to attract more customers to the bank</p>	<p>The bank endeavors to support its customers by ensuring credit is affordable. As required by Laws and regulations, the bank developed a transparent Risk Based Pricing Model which was approved by the Central Bank of Kenya and subsequently implemented. Increases in market interest rates in 2023 and early 2024 led to an increase in the cost of deposits and other funds, consequently resulting in higher interest rates on loans. Since 2024, the Central Bank Rate has been reduced by an aggregate of 3.25%. The Bank continues to participate in discussions between the Kenya Bankers Association and Central Bank of Kenya aimed at finding ways to make credit more affordable to customers.</p>
<p>The staff changes are too frequent. When you get used to a staff they are gone. And these young people need to know the bank products well & how services are delivered. Otherwise you were my first bank in 2009 and my first choice. Keep shining.</p>	<p>Thank you for your continued loyalty and for sharing your valuable feedback. We acknowledge your concerns, and we are committed to enhancing training and continuity to serve you better. Your support since 2009 means a lot to us, thank you for making us your first choice. We remain dedicated to delivering the service excellence you expect. Keep shining with us!</p>