

Our Ref RN/NNH/10212379
Your Ref TBC
Date 19th March, 2020

The Rwanda Stock Exchange
1st Floor, Kigali City Tower
KN81 ST
P.O Box 5337
Kigali, Rwanda



Dear Sirs,

RE: PROPOSAL BY EQUITY GROUP HOLDINGS PLC TO SET UP A NON-OPERATING HOLDING COMPANY IN KENYA TO HOLD ITS INSURANCE BUSINESS SUBSIDIARIES INCLUDING A SUBSIDIARY IN KENYA TO CONDUCT AND UNDERTAKE LONG TERM INSURANCE BUSINESS

We refer to the above mentioned matter.

We would like to inform you that the Board of Directors of Equity Group Holdings Plc (EGH) has approved:

- a) the proposal for EGH to conduct and undertake long term insurance business in Kenya; and
- b) the setting up of a non-operating holding company in Kenya to hold EGH's insurance business subsidiaries including a subsidiary to conduct and undertake long term insurance business in Kenya (**Proposed Insurance Business**).

The Proposed Insurance Business, including putting in place all the necessary structures, commercial arrangements and any ancillary arrangements relating to the Proposed Insurance Business, is subject to obtaining shareholder approvals and the receipt of regulatory approvals from the Central Bank of Kenya and the Insurance Regulatory Authority.

Please find enclosed with this letter a copy of the cautionary announcement approved by the Capital Markets Authority (Kenya). Kindly have the cautionary announcement published on the Rwanda Stock Exchange tomorrow morning.

Should you need clarification or further information, please do not hesitate to contact the undersigned.

Yours faithfully,

Rosa Nduati-Mutero
for and on behalf of Anjarwalla and Khanna LLP

Encl.



Equity Group Holdings Plc

Company Number C.4/2005
Equity Centre, 9th Floor, Hospital Road, Upper Hill
P.O. Box 75104-00200 Nairobi, Kenya

The Capital Markets Act, Chapter 485A of the Laws of Kenya
The Capital Markets (Securities) (Public Offers, Listing and Disclosures) Regulations, 2002

CAUTIONARY ANNOUNCEMENT

PROPOSED SETTING UP OF A NON-OPERATING HOLDING COMPANY IN KENYA TO HOLD EQUITY GROUP HOLDINGS PLC'S INSURANCE BUSINESS SUBSIDIARIES INCLUDING A SUBSIDIARY IN KENYA FOR CONDUCTING AND UNDERTAKING LONG TERM INSURANCE BUSINESS

Pursuant to Regulation 19(2) of the Capital Markets (Securities) (Public Offers, Listing and Disclosures) Regulations, 2002 (as amended), Equity Group Holdings PLC (**EGH**) hereby announces to the public that its Board of Directors has approved: (a) the proposal for EGH to conduct and undertake long term insurance business in Kenya; and (b) the setting up of a non-operating holding company to hold EGH's insurance business subsidiaries and a subsidiary in Kenya to conduct and undertake long term insurance business in Kenya (**Proposed Insurance Business**).

The Proposed Insurance Business, including putting in place all the necessary structures, commercial arrangements and any ancillary arrangements relating to the Proposed Insurance Business, is subject to obtaining shareholder approval and regulatory approvals from the Central Bank of Kenya and the Insurance Regulatory Authority.

By setting up the Proposed Insurance Business, EGH will be able to expand the services it is offering in Kenya. Furthermore, through the Proposed Insurance Business, EGH aims to provide access to competitive long term insurance services whilst also delivering significant value to its stakeholders.

Until further announcements regarding the Proposed Insurance Business are made, the shareholders of EGH and other investors are advised to exercise caution when dealing in EGH ordinary shares on the Nairobi Securities Exchange, the Uganda Securities Exchange and the Rwanda Stock Exchange.



Dr. James Mwangi, CBS
Group Managing Director and Chief Executive Officer
Equity Group Holdings Plc
19th March, 2020

DISCLAIMER: This announcement is for information purposes only. It has been issued with the approval of the Capital Markets Authority pursuant to the Capital Markets (Securities) (Public Offers, Listing and Disclosures) Regulations 2002 as amended. As a matter of policy, the Capital Markets Authority of Kenya, the Capital Markets Authority of Uganda and the Capital Market Authority of Rwanda assume no responsibility for the correctness of the statements appearing in this announcement.

EQUITY GROUP HOLDINGS PLC is regulated as a non-operating holding company by the Central Bank of Kenya.

Advisor to EGH

Legal Advisor:

Anjarwalla
Khanna LLP

