

KINGDOM SECURITIES

STOCK PICKS

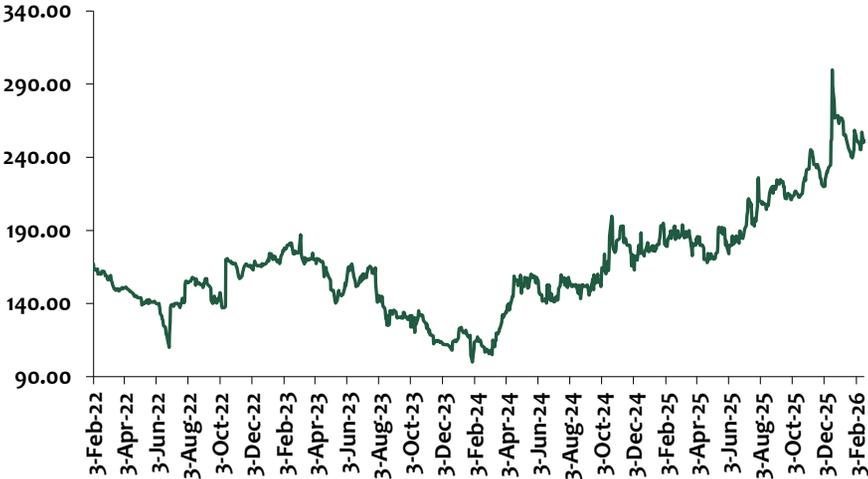
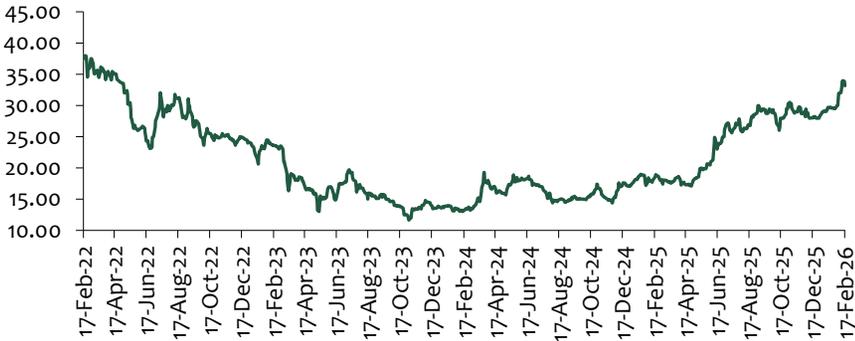


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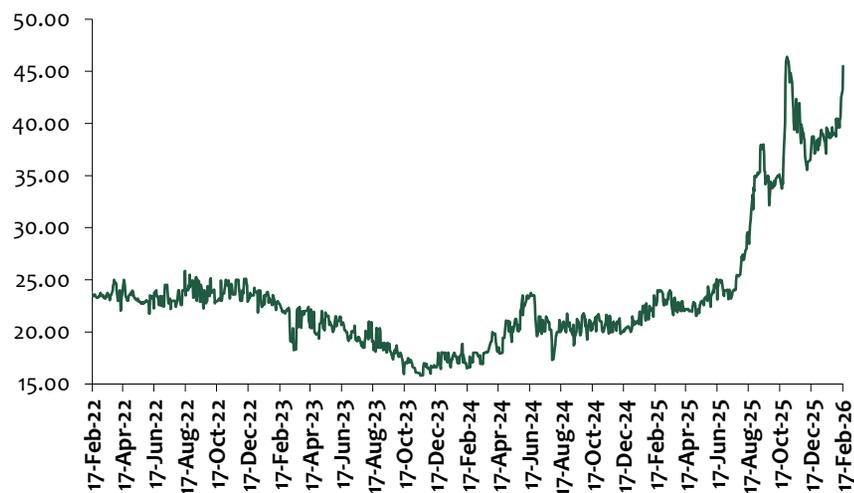
Price Trends	Sentiment	Fair Value Estimate
Buy Recommendation		
<p style="text-align: center;">East African Breweries</p> 	<p>EABL:</p> <ul style="list-style-type: none"> The company delivered a strong performance in the six months to December 2025, posting a 38% jump in earnings to Kes. 11.2Bn, demonstrating solid profitability and operational resilience; given this momentum in the first half, we expect improved full-year results supported by sustained demand, operating efficiencies, and strategic execution. Diageo’s exit and the entry of Asahi Group strengthen EABL’s strategic positioning, enhancing its appeal as a platform for expanding footprint across Africa. However, regulatory linked uncertainty could impact revenues 	324.18
<p style="text-align: center;">Safaricom</p> 	<p>Safaricom:</p> <ul style="list-style-type: none"> Safaricom’s upside is anchored on Ethiopia’s long-term growth potential, sustained domestic market leadership, and structurally rising data usage supported by smartphone adoption and demographic trends. The expansion of its financial services ecosystem — particularly through Ziidi Trader — alongside the planned ownership restructuring that may enhance foreign participation and operational independence, strengthens its strategic appeal. The higher interim dividend also 	36.44

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signals confidence in earnings momentum and supports a constructive full-year outlook.

- On the downside, growth in traditional voice and SMS segments remains limited, with increasing substitution from internet-based communication platforms posing structural revenue pressures over the medium to long term.

TotalEnergies Marketing Kenya



Total Kenya:

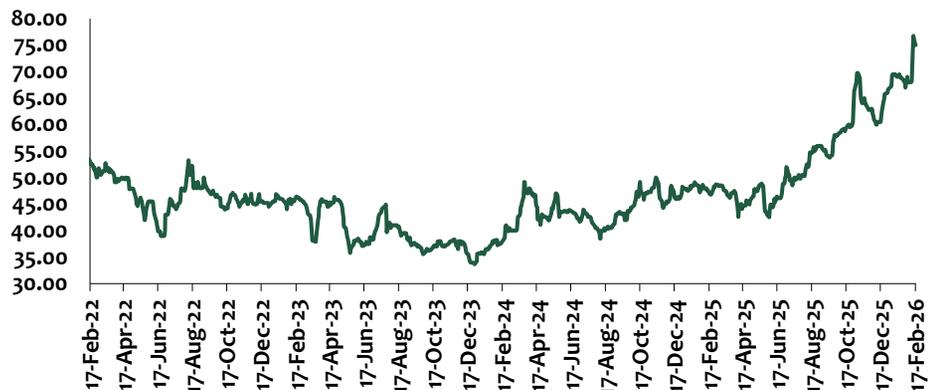
- We foresee earnings resilience in the near term supported by lower finance costs, as revenues remain steady. Growth remains anchored on strong domestic sales and continued service station expansion, supporting stable network and general trade performance despite weaker export volumes.

52.38

Speculative Buy

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Equity Group Holdings



Equity:

- The bank exhibits strong fundamentals and a robust earnings trajectory, with scope for a higher dividend payout should historical trends persist.
- Profit after tax (PAT) grew 32.2% y/y to KES 54.12Bn in 3Q25, up from KES 40.94Bn in 3Q24.
- Based on current earnings momentum, the lender is well positioned to exceed KES 60Bn in full-year PAT.
- Despite the positive outlook, current price levels limit attractiveness for long-term entry, although the stock still offers near-term upside potential.

Co-operative Bank of Kenya



Co-operative Bank:

- Co-operative Bank broke tradition and paid an interim dividend of Kes 1.00 in 3Q25 signaling earnings resilience.
- Earnings per share rose 12.3% to Kes 3.68, up from Kes 3.27 as of Q3 2024, powered by a surge in profit after tax to Kes 21.56Bn from Kes 19.21Bn.
- If the bank holds to its long-standing dividend rhythm, the year could close with a total payout of roughly Kes 2.50; consistent with its pattern of stepping up returns every three years

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KCB Group

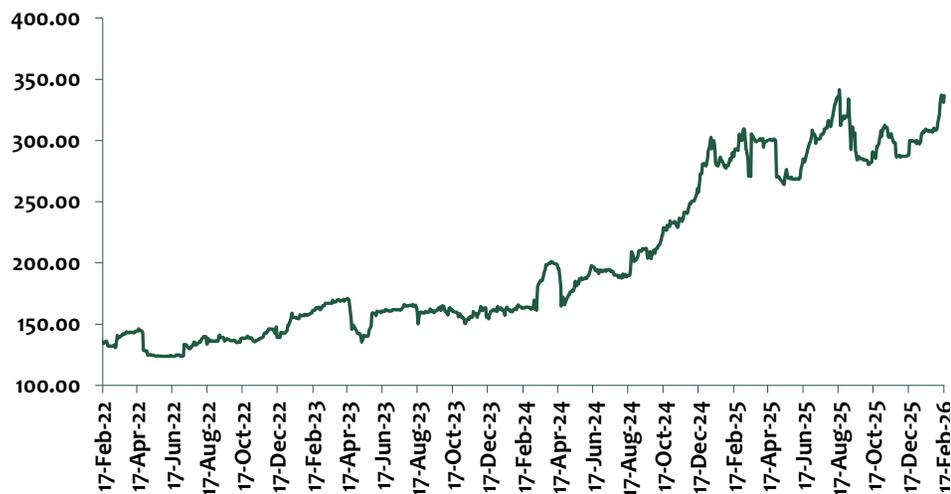


KCB Bank:

- The counter is a strong player in the banking sector.
- Long-term profitability is supported by: profitable subsidiaries, aggressive lending strategy and broad-based revenue diversification
- Benefits from strong foreign visibility and participation.
- Creates opportunities for speculative investors at current price levels.
- Price momentum is expected to persist ahead of:
 - Full-year results announcement
 - Subsequent dividend declaration

HOLD RECOMMENDATIONS

Standard Chartered Bank

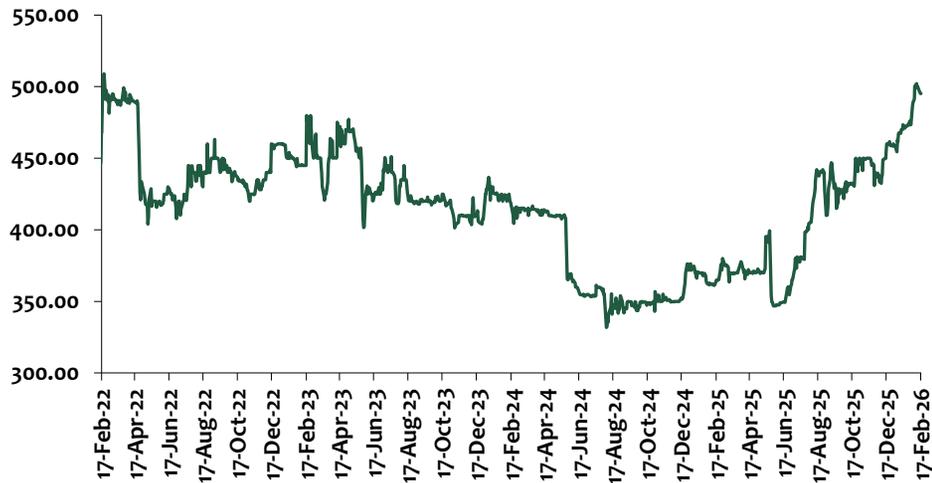


Standard Chartered:

- StanChart remains a notable dividend-paying stock despite earnings pressure from the pension case.
- 2025 dividend per share may decline by 45%–55% if historical payout patterns persist.
- Long-term dividend track record and story remain intact.

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British American Tobacco Kenya

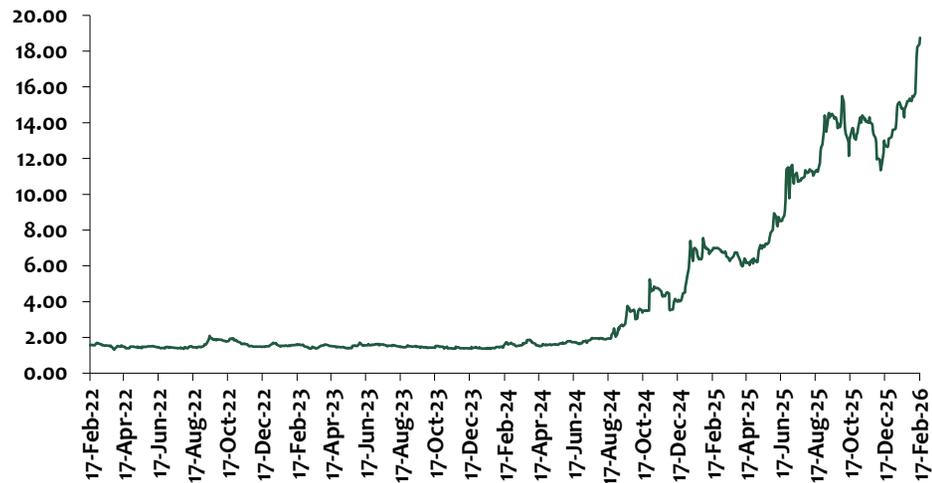


BAT:

- High and reliable dividend yield which could drive further price appreciation if management increases final dividend per share.
- Resilient Earnings with the resumption of Velo sales expected to increase revenues going forward.
- Hold for income and value ahead of the full year results.
- Downsides include erratic weather conditions that would impact tobacco harvest

Sell Recommendations

Kenya Power

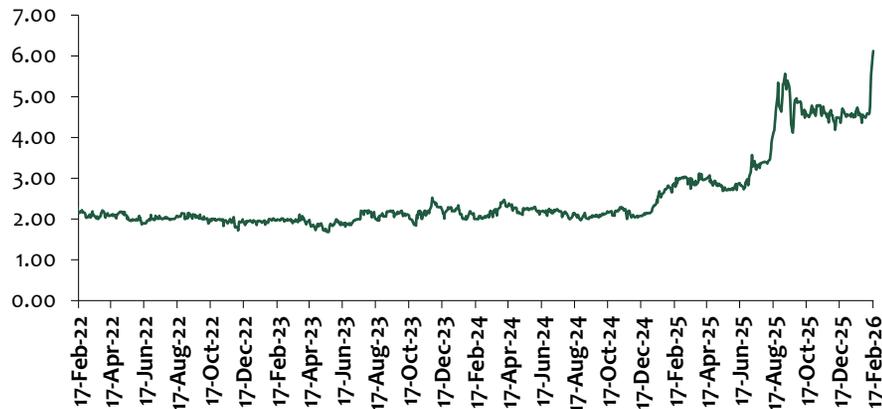


Kenya Power:

- The stock continues to exhibit solid underlying fundamentals; however, following the recent price appreciation, upside appears limited in the near term. We therefore advise locking in gains.

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CIC Insurance



CIC Insurance:

- The company has recently benefited from strategic asset disposals executed at a profit, which have improved sentiment around working capital management. However, with much of this upside now reflected in the current price, we advise profit taking at current levels.

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Kingdom Securities is a Subsidiary of Co-operative Bank of Kenya.

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