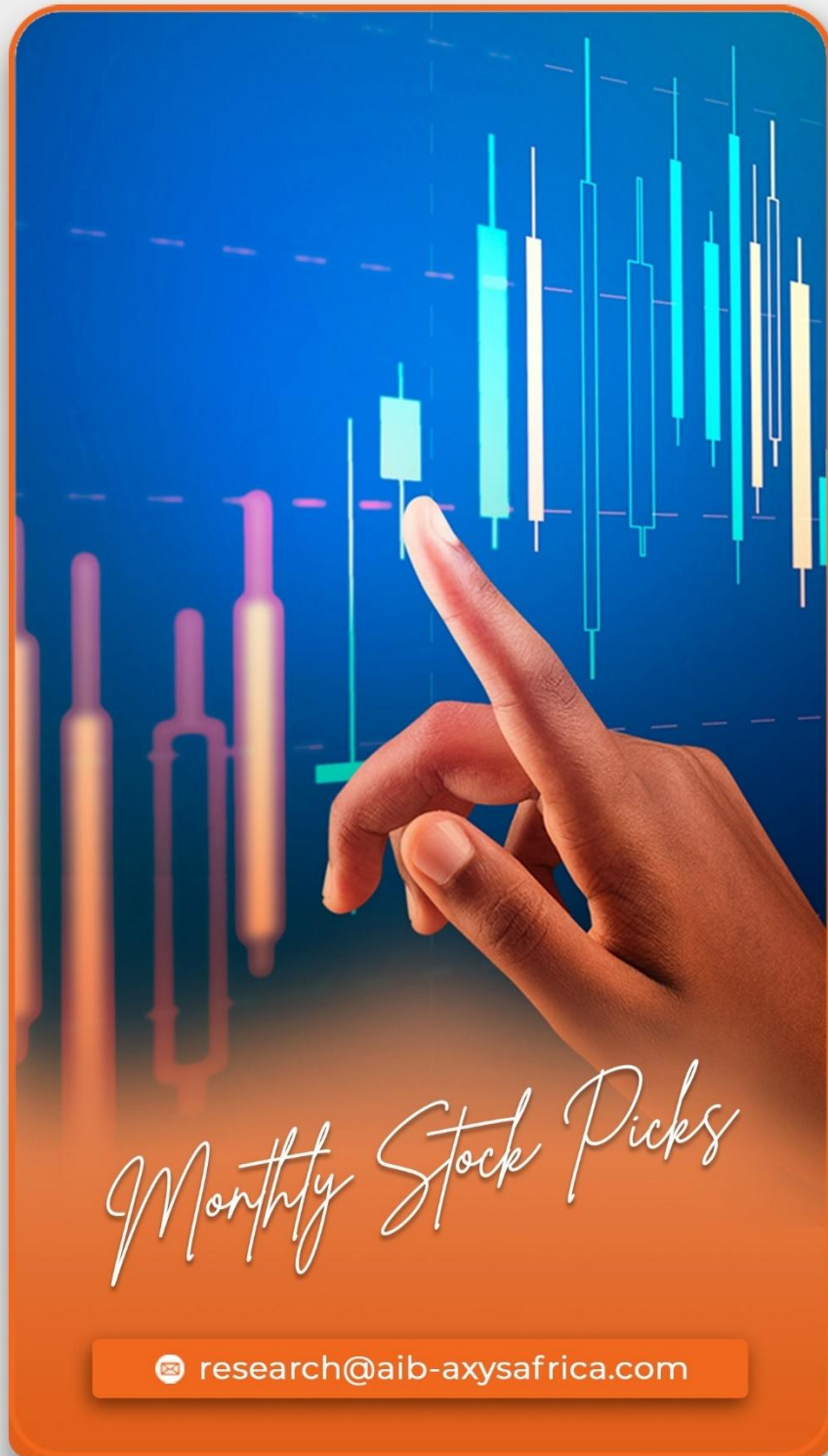


MONTHLY



STOCK PICKS

AIB-AXYS September 2025 Stock Recommendations

August 2025 Highlights

Half Year Earnings Season

- **Banking Sector** - August saw banks release their interim results. Broadly, second quarter growth in interest income continued to gradually pick up across the board as loan books rebounded slowly compared to the first quarter. Now, with the new credit lending model being priced in, a more accommodative monetary environment, and subdued credit uptake that has characterized the market, we expect growth in loan books, which will ultimately support revenues. Banks' non-funded income remained strained as a stable shilling gnawed at margin spreads and continued to suppress FX trading income, a common scenario across the board. We expect this trend to persist through the second half of the year. However, we note that banks are increasingly leaning on their non-banking segments, such as bancassurance, to drive non-funded income, while also focusing on FX volumes to offset the thinner spreads. On a brighter note, the cost of funds continues to ease as banks capitalize on the accommodative monetary environment to mobilize cheaper deposits.
- **Insurance Sector** - Four out of the six listed insurance companies reported declines in net earnings, save for Jubilee Holdings Limited and Kenya Reinsurance Corporation Ltd. From a revenue perspective, except for Kenya Re and Liberty Kenya Holdings, other listed underwriters reported topline growth. The bottom line was weighed down by elevated insurance service expenses. During the review period, underwriters cited a surge in motor and medical claims, which ultimately squeezed margins. Investment income grew across the board despite the low-interest rate environment, supporting the bottom line. Underwriters with vibrant asset management businesses also benefited, given the continued expansion of unit trust schemes in the country. Going forward, we expect underwriters to capitalize on investment income to shore up the bottom line while adopting key measures to counter rising service expenses, thereby strengthening their underwriting results.
- **August Monetary Policy Review** –The banking in its August meeting, the Monetary Policy Committee (MPC) cut the Central Bank Rate (CBR) by 25 bps to 9.5%, marking the seventh consecutive reduction since August last year. The MPC noted that inflation remained within the 2.5%–7.5% target range and was expected to stay anchored, while global economies continued easing rates. Private sector credit growth rose to 3.3% in July from 2.2% in June but remained below desired levels, justifying the cut. Our in-house view had been for a hold to allow earlier cuts to take effect, but we believe the latest move will still help stimulate private sector lending.
- **Kenya Shilling Overnight Interbank Average (KESONIA)** - To improve monetary policy transmission, the Central Bank introduced the Kenya Shilling Overnight Interbank Average (KESONIA) as the new credit risk pricing model, effective 1st September 2025. Under this framework, the Total Lending Rate is defined as: $\text{Total Lending Rate} = \text{KESONIA} + \text{Premium (K)}$. KESONIA is based on the average, volume-weighted rate of unsecured overnight lending between Kenyan banks, denominated in Kenya Shillings. Premium (K) accounts for the cost of funds, borrower-specific credit risk, and the expected return to shareholders. The Total Cost of Credit (TCC) is further defined as: $\text{TCC} = \text{KESONIA} + \text{Premium (K)} + \text{Fees \& Charges}$. This new model enhances policy transmission, improves transparency in credit pricing, and aligns Kenya with global best practices in benchmark-based lending.

Table 1: Summary of Latest Net Earnings Results

	Company	Comment
1.	ABSA Bank	H1'25 posted a 9.1% y/y rise in net earnings to KES 11.68Bn, supported by lower loan loss provisions (-37.9%) and reduced operating costs (11.5%). Net interest income dipped 2.9% while non-interest income grew 3.3%, leaving total operating income slightly down (-1.2%). The loan book contracted 3.6%, though deposits rose 2.3%, underscoring balance sheet resilience despite muted credit growth
2.	Co-operative Bank	H1'25 results reported an 8.4% y/y rise in net profit to KES 14.08Bn, supported by strong net interest income growth of 23.1% y/y. Operating income rose 10.6% despite an 8.2% dip in non-interest revenue. Costs increased 13.0% and provisions surged 50.5%, reflecting prudent risk management. Lending grew 4.2%, deposits 7.9%, with liquidity remaining solid.
3.	Diamond Trust Bank	Q2'25 net earnings rose 9.7% y/y to KES 5.37Bn, supported by an 11.8% y/y increase in net interest income to KES 15.86Bn, driven by a 7.7% expansion in the loan book. However, growth was offset by a 5.0% y/y decline in non-funded income on weaker FX trading, partly cushioned by higher fees and commissions. Operating costs rose modestly, while provisions fell 10.5%, underpinning overall earnings resilience.
4.	E.A Breweries Limited	Net earnings climbed by 12.2% y/y coming in at KES 12.19 Bn in the period under review. The performance was driven by 3.7% y/y increase in net revenues to KES 128.79 Bn. Net earnings were bolstered by foreign exchange gains and declining finance cost. The Board of Directors recommend a final dividend of KES 5.50 per share.
5.	E.A Portland Cement	Net earnings improved to a profit of KES 35.1Mn from a loss of KES 720.7Mn. This return to profitability was anchored on improving sales volume driven by strategic pricing. Additionally, improved plant utilization helped minimize operational costs, improving retained earnings in the period.
6.	Equity Group	Q2'25 posted a 16.9% y/y rise in PAT to KES 34.6Bn, supported by lower provisions (-34.5%), cost discipline, and a 9.1% increase in net interest income. This offset a 4.4% dip in non-interest income, sustaining positive operating leverage. Regional subsidiaries contributed 43% of Group PAT, underscoring Equity's pan-regional growth.
7.	I&M Group	Group net earnings rose by 36.3% y/y to KES 8.31Bn, supported by a 23.7% y/y jump in net interest income. Non-interest income grew by 12.9% y/y, largely driven by fees and commissions, offsetting a dip in forex trading income. The loan book expanded modestly (2.1% y/y), with growth mainly from customer lending.
8.	Kapchorua Tea	Net earnings plunged by 54.6% y/y to KES 181.18Mn from KES 399.36Mn. The decline was driven by persistent oversupply in the global tea market, which continued to suppress demand and prices.
9.	KCB Group	Net earnings rose 8.1% y/y to KES 32.33Bn, lifted by higher net interest income of KES 69.14Bn, despite an 11.3% dip in non-interest income. The loan book expanded 6.1% y/y, while deposits were flat (0.3% y/y), pointing to funding pressures. EPS improved 8.0% to KES 19.61, while the share price rallied 73% y/y
10.	KPLC	KPLC maintained its earnings momentum witnessed in the second half of FY24, as net earnings recorded a 3025.39% y/y growth to KES 9.97 Bn up from KES 0.32 Bn recorded a year prior. An interim dividend of KES 0.20 per share was declared.

Table 1: Summary of Latest Net Earnings Results

	Company	Comment
11.	NCBA Group	<p>HI'25 net profit rose 12.6% y/y to KES 11.04Bn, supported by a 26.7% jump in net interest income to KES 20.84Bn. However, performance was weighed by balance sheet contraction, with assets (-3.8% y/y), loans (-7.0% y/y), and deposits (-6.0% y/y) all declining. EPS grew 12.6% y/y to KES 6.71, while the interim dividend was raised 11.1% y/y to KES 2.50</p>
12.	Safaricom	<p>Shareholder net earnings declined by 17.7% y/y to KES 28.12Bn, primarily prompted by foreign exchange reforms in Ethiopia. Group revenues grew 15.1% y/y to KES 189.42Bn driven largely by value-driven double-digit growth in M-Pesa and Mobile Data.</p>
13.	Stanbic Bank	<p>HI'25 Net earnings plunged by 10.2% y/y to KES 6.54 Bn. Notably, total operating expenses surged by 15.4% y/y gnawing into the margins. Credit impairment provisions decreased by 25.6% y/y. The Board of Directors recommend an interim dividend of KES 3.80 per share.</p>
14.	Standard Chartered Bank Kenya	<p>HI'25 PAT declined 21.3% y/y to KES 8.09Bn, on the back of softer income streams amid calmer currency markets. Operating income fell 15.3% y/y to KES 22.10Bn, weighed by a 7.4% dip in net interest income and a sharper 29.0% drop in non-interest income, with forex trading income down to KES 1.99Bn from KES 4.92Bn. Earnings were weighed by muted trading gains on a stable shilling.</p>
15.	Williamson Tea	<p>Net earnings declined to a loss of KES 166.44Mn from a profit of KES 529.95Mn. The business recorded a KES 392.22Mn loss from operations before tax which we believe was underpinned by oversupply in the global tea market, which pressured prices and demand.</p>
16.	Liberty Kenya Holdings	<p>HI'25 net earnings fell 58.9% y/y to KES 260Mn, down from KES 632Mn in HI'24, weighed by a weaker insurance service result (KES 225Mn vs. KES 577Mn) and higher net insurance finance expenses (-11.8% y/y to KES 1.25Bn). Investment income rose modestly 4.6% y/y to KES 2.08Bn but was insufficient to offset muted insurance operations. EPS declined to KES 0.43 from KES 1.16.</p>
17.	CIC Insurance	<p>Net earnings declined 10.1% y/y to KES 638.5Mn, from KES 710.0Mn in HI'24. Performance was weighed down by weaker insurance service result, which dropped to KES 128.2Mn from KES 1.05Bn. However, revenue momentum was partly supported by a 53.7% y/y rise in investment return to KES 2.75Bn, cushioning the bottom line. EPS stood at KES 0.23 from 0.30 in HI'24.</p>
18.	Jubilee Insurance	<p>HI'25 net profit rose 21.7% y/y to KES 3.06Bn, supported by stronger insurance finance income (+76.1% y/y) and a 15.0% y/y uplift in the insurance services result. While other income dipped 35.3% y/y, overall profitability remained firm, aided by disciplined cost management. EPS improved 20.3% y/y to KES 41.63, highlighting sustained earnings resilience and operational strength.</p>

August 2025 Equities Market Highlights

- On a monthly perspective, market indices registered bullish sentiments with the **Nairobi All Share Index** rising by **7.7% m/m**, NSE-20 rising **11.2% m/m**, and NSE-10 rising **8.3% m/m**.
- Equities market turnover contracted by 13.9% m/m to KES 10.77Bn in August 2025 from KES 12.51Bn in July 2025. On a yearly perspective, turnover expanded by 65.4% from KES 6.51Bn .** In August, the market was buoyed by another rate cut, with the Monetary Policy Committee (MPC) lowering the Central Bank Rate to 9.5% from 9.75%. This continued to suppress yields in the fixed income market, with the 91-day paper dropping below 8.0%, while the equities market offered compelling opportunities. August also marked the interim earnings season for corporates, primarily banks and insurance companies, during which investors typically take positions for dividends and capital gains. Foreign participation further lifted activity, with foreign investors closing the month at a net buying position, suggesting increased exposure to key counters during the earnings season.
- Notably, investors appeared desensitized to tariff-related headlines, with market activity largely unaffected by such developments. Going forward, we expect sustained market participation, particularly in key counters still trading at a discount. However, we remain cognizant that the ongoing bull run has pushed prices closer to our in-house target levels, thereby thinning the upside potential. This has compelled us to review our recommendations and adjust accordingly.

Table 2: Equity Market Statistics

Statistic	Aug-25	Jul-25	Aug-24	m/m change	y/y change
Equity Turnover (KES Mn)	10,771.18	12,509.31	6,510.97	▼ (13.9%)	▲ 65.4%
Market Cap (KES Bn)	2,719.26	2,524.22	1,619.78	▲ 7.7%	▲ 67.9%
NSE All Share Index (RHS)	172.60	160.22	103.67	▲ 7.7%	▲ 66.5%
NSE 10 Index	1,709.51	1,578.79	1,088.19	▲ 8.3%	▲ 57.1%
NSE 20 Index	2,845.64	2,558.63	1,678.21	▲ 11.2%	▲ 69.6%
NSE 25 Index	4,443.40	4,135.28	2,812.75	▲ 7.5%	▲ 58.0%
Foreign buys	4,202.21	3,625.79	2,890.26	▲ 15.9%	▲ 45.4%
Foreign sales	2,531.55	4,149.77	2,891.89	▼ (39.0%)	▼ (12.5%)
Net F. Flows	1,670.65	(523.98)	(1.6)	▲ 418.8%	-
Total Volume Traded (Mn)	692.94	487.14	392.13	▲ 42.2%	▲ 76.7%

Source: NSE, AIB-AXYS Africa Research

- Sameer Africa** was the top gainer in August 2025 clocking an 83.7% m/m valuation gain to KES 15.65. **Eaagads Ltd** was the second largest gainer rising 77.6% m/m to KES 21.40, Express Kenya Ltd advanced 57.6% m/m to KES 6.62. **Nairobi Securities Exchange** was fourth, climbing 53.4% m/m to KES 14.60 and **Eveready East Africa** was fifth gaining 48.9% m/m to KES 1.40
- Kenya Airways Ltd** was the top capital loser slipping 25.5% m/m to KES 3.74, **Kakuzi Plc** was second shedding 11.8% m/m to KES 387.00 while **Nairobi Business Ventures** was third trimming 11.5% m/m to KES 1.62. **Kapchorua Tea Kenya** was fourth trimming 3.7% to KES 327.00 while **Standard Group** was fifth trimming 3.1% m/m to KES 6.32.

Table 3: Top Gainers and Losers August 2025

Top Gainers 2025	Closing Price	% Change	Top Losers 2025	Closing Price	% Change
Sameer Africa	KES 15.65	▲ 83.7%	Kenya Airways Ltd	KES 3.74	▼ (25.5%)
Eaagads Ltd	KES 21.40	▲ 77.6%	Kakuzi Plc	KES 387.00	▼ (11.8%)
Express Kenya Ltd	KES 6.62	▲ 57.6%	Nairobi Business Ventures	KES 1.62	▼ (11.5%)
Nairobi Securities Exchange	KES 14.60	▲ 53.4%	Kapchorua Tea Kenya	KES 327.00	▼ (3.7%)
Eveready East Africa	KES 1.40	▲ 48.9%	Standard Group	KES 6.32	▼ (3.1%)
Home Afrika Ltd	KES 0.88	▲ 39.7%	NCBA Group	KES 64.25	▼ (3.0%)
CIC Insurance Group	KES 4.73	▲ 39.1%	Umeme Ltd	KES 9.50	▼ (1.0%)
B.O.C Kenya	KES 124.75	▲ 38.6%	Nation Media Group Plc	KES 13.30	▼ (0.7%)
Total Kenya	KES 34.95	▲ 37.1%			
Kenya Re Insurance Corporation	KES 2.99	▲ 35.3%			

Safaricom Plc recorded the highest turnover in August 2025, with aggregate turnover clocking KES 5,993.7Mn. **Equity Group Holdings** was second, with turnover amounting to KES 5,821.2 Mn. **KCB Group** came in third, with total turnover clocking KES 3,007.4Mn.

Foreigners accounted for the larger share of trading activity in **Safaricom Plc, Equity Group Holdings, KCB Group, East African Breweries and Umeme Ltd.**

Table 4: Top Movers August 2025

Top Movers 2025	Turnover (KES Mn)	Turnover (USD Mn)	Foreigners' Participation	Closing Price	% Change (YTD)
Safaricom Plc	KES 5,993.7	\$46.39	33.3%	KES 28.60	▲ 8.7%
Equity Group Holdings	KES 5,821.2	\$45.06	11.1%	KES 56.00	▲ 10.9%
KCB Group	KES 3,007.4	\$23.28	13.4%	KES 54.25	▲ 14.5%
East African Breweries	KES 1,046.2	\$8.10	10.7%	KES 218.25	▲ 3.6%
Absa Bank Kenya	KES 324.0	\$2.51	0.7%	KES 20.10	▲ 3.1%
I&M Holdings	KES 297.4	\$2.30	0.5%	KES 38.65	▲ 5.5%
Standard Chartered Bank	KES 296.2	\$2.29	1.6%	KES 320.00	▲ 1.2%
Kenya Power & Lighting Co	KES 247.2	\$1.91	11.3%	KES 12.80	▲ 13.3%
KenGen Co.	KES 242.8	\$1.88	13.3%	KES 8.76	▲ 19.0%
Kenya Re Insurance Corporation	KES 237.5	\$1.84	3.2%	KES 2.99	▲ 35.3%
Co-operative Bank of Kenya	KES 214.8	\$1.66	4.5%	KES 17.80	▲ 4.7%
British American Tobacco Kenya	KES 208.8	\$1.62	2.5%	KES 427.25	▲ 6.7%
Stanbic Holdings	KES 202.3	\$1.57	11.8%	KES 182.50	▲ 3.0%
HF Group Plc	KES 165.5	\$1.28	0.0%	KES 9.58	▲ 23.1%
Umeme Ltd	KES 114.0	\$0.88	47.4%	KES 9.50	▼ (1.0%)

Source: NSE, AIB-AXYS Africa Research

AIB-AXYS Africa Equities Coverage Universe

Stock	Strengths	Risks	Recommendation
ABSA Bank Kenya Current Price: KES 23.00 Target Price: KES 21.61 Downside: 6.0%	<ul style="list-style-type: none"> A growing momentum in Non-Funded Income driven by a strong asset management wing, brokerage, as well as bancassurance The NPL ratio remains below the industry average 	<ul style="list-style-type: none"> Gross NPL ratio inched up by 1.8% to 13.2% 	<i>HOLD</i>
Co-operative Bank Current Price: KES 21.00 Target Price: KES 21.10 Downside: 0.5%	<ul style="list-style-type: none"> A resilient core lending business evidenced by increase in net interest income by 23.1%/y to KES 29.38 Bn An expanding loan book expected to enhance interest income 	<ul style="list-style-type: none"> Non-performing loans climbed by 9.7%/y to KES 76.29 Bn from KES 69.55 Bn, dampening the asset quality 	<i>HOLD</i>
Equity Group Current Price: KES 54.75 Target Price: KES 61.40 Upside: 12.1%	<ul style="list-style-type: none"> A strong subsidiary performance (DRC posted 22.0%/y in profits) now increasingly contributing to the Group's net earnings An expanding loan book to support, interest income growth 	<ul style="list-style-type: none"> NPL ratio inched up to 13.7% in H1'25 from 12.9% in H1'24 Elevated stock of non-performing loans recorded in H1'25 to KES 139.4 Bn 	<i>BUY</i>
Diamond Trust Bank (DTB-K) Current Price: KES 105.00 Target Price: KES 109.69 Upside: 4.5%	<ul style="list-style-type: none"> Profit After Tax climbed by 9.7%/y to KES 5.37 Bn, supported by interest income expansion A resilient loan book and a strong subsidiary business 	<ul style="list-style-type: none"> Non-performing loans climbed by 5.2%/y to KES 40.61 Bn as the NPL coverage dropped to 40.6% on the back of declining provisioning Lackluster growth in return on equity 	<i>HOLD</i>
KCB Group Current Price: KES 53.00 Target Price: KES 62.85 Upside: 18.6%	<ul style="list-style-type: none"> A solid lending business evidenced by expansion 6.1%/y in the loan book to KES 1.10 Tn, Growing subsidiaries will continue to support overall growth 	<ul style="list-style-type: none"> Elevated NPL ratio remains above the industry average. NPL coverage slipped by 1.6% points in H1'25 	<i>BUY</i>
Stanbic Kenya Current Price: KES 182.25 Target Price: KES 186.11 Upside: 2.1%	<ul style="list-style-type: none"> Rebound in Non-Funded Income reaching to KES 7.62 Bn from KES 7.56 Bn, supported by fees and commissions A progressive dividend policy 	<ul style="list-style-type: none"> Declining net interest income on the back of an easing monetary environment Surging cost to income pointing to declining operational efficiency 	<i>HOLD</i>

AIB-AXYS Africa Equities Coverage Universe

Stock	Strengths	Risks	Recommendation
NCBA Group Current Price: KES 70.00 Target Price: KES 73.24 Upside: 4.6%	<ul style="list-style-type: none"> Growing income from non-banking (insurance business as well as investment banking) subsidiaries The lender is effectively managing its non-performing loan stock A progressive dividend policy 	<ul style="list-style-type: none"> A shrinking loan book may limit interest income from loans and advances 	<i>HOLD</i>
Standard Chartered Bank Current Price: KES 311.25 Target Price: KES 323.11 Upside: 3.8%	<ul style="list-style-type: none"> Balanced demand growth for personalized wealth management and mass retail propositions unlocking 'last mile' growth frontiers. Progressive and consistent dividend policy Gross Non-Performing Loans (NPLs) decreased by 29.4% y/y in H1'25. 	<ul style="list-style-type: none"> Outlook is clouded by a pending heavy payout after a long-standing litigation, following the Supreme Court's dismissal of the bank's plea, potentially affecting the dividend payout 	<i>HOLD</i>
EABL Group Current Price: KES 224.25 Target Price: KES 232.33 Upside: 3.6%	<ul style="list-style-type: none"> Resilient demand levels across its portfolio brand offerings. Nimble growth across subsidiaries to support steady long-term growth. Easing finance costs on the back of declining interest rates as well as shrinking debt 	<ul style="list-style-type: none"> Illicit alcohol is increasingly tampering with the market, posing a challenge to revenues Declining purchasing power may limit spending ability and challenge sales 	<i>HOLD</i>
Safaricom Plc Current Price: KES 29.20 Target Price: KES 25.36 Downside: 13.15%	<ul style="list-style-type: none"> Customer Value Management initiatives unlock new pockets of revenue growth for mature revenue lines like Voice and SMS. Strong commercial traction in Ethiopia - led by M-Pesa and Mobile Data propositions - propelling overall group earnings growth. Rising 4G+ device penetration is expected to expand the company's addressable market. 	<ul style="list-style-type: none"> Competition from State-backed telco competitor likely to lengthen break-even projections in the Ethiopia unit. 	<i>HOLD</i>

AIB-AXYS Africa Equities Coverage Universe

Stock	Strengths	Risks	Recommendation
Jubilee Holdings Current Price: KES 306.50 Target Price: KES 320.00 Upside: 4.4%	<ul style="list-style-type: none"> Growing insurance revenue in a competitive operating environment point to a healthy business and continues to drive the bottom line Progressive dividend policy A resilient asset management business 	<ul style="list-style-type: none"> Industry-wide increase in claims ratio. Intensifying competition in the industry, driven by the entry of banking sector players through bancassurance subsidiaries, may constrain revenue growth potential. 	<i>HOLD</i>
I&M Group Current Price: 44.25 Target Price: 45.24 Upside: 2.2%	<ul style="list-style-type: none"> Resilient growth in net earnings (36.4% y/y), driven by both funded and non-funded segments Robust expansion strategies across the region and increased digital adoption will support growth 	<ul style="list-style-type: none"> Rising brick-and-mortar expenses due to ongoing expansion raising operating expenses. 	<i>HOLD</i>
Kapchorua Tea Current Price: KES 327.00 Target Price: KES 342.00 Upside: 4.6%	<ul style="list-style-type: none"> Efficient cost management supports agile return on equity. Progressive dividend policy 	<ul style="list-style-type: none"> Escalation of geopolitical tensions risk disrupting key export market destinations. Strengthening shilling presents downside risks for offshore sales. Torrential rains risks destroying biological assets. 	<i>HOLD</i>
CIC Insurance Current Price: KES 5.26 Target Price: KES 5.39 Upside: 2.5%	<ul style="list-style-type: none"> A solid core business line evidenced by 8.3% y/y growth in insurance revenue Management's strategic investments delivered exceptional results, with investment return growing 53.7% y/y to KES 2.7 Bn in H1'25 A resilient asset management business is expected to boost the bottom line 	<ul style="list-style-type: none"> Dividend yield trails the industry average Industry-wide rise squeezing margins 	<i>HOLD</i>
Williamson Tea Current Price: KES 240.00 Target Price: KES 250.00 Upside: 4.2%	<ul style="list-style-type: none"> Growing demand for diverse tea blends offer new growth frontiers. Large disparity between prevailing market price and book value presents ample room for long-term price discovery. Progressive dividend policy 	<ul style="list-style-type: none"> Escalation of geopolitical tensions risk disrupting key export market destinations. Strengthening shilling presents downside risks for offshore sales. 	<i>HOLD</i>

AIB-AXYS Africa Equities Coverage Universe

Stock	Strengths	Risks	Recommendation
KenGen Plc Current Price: KES 9.86 Target Price: KES 10.55 Upside: 7.0%	<ul style="list-style-type: none"> Shifting weather patterns supporting an acceleration in geothermal energy production. Ongoing expansion of Olkaria I and IV plants to step up energy capacity 	<ul style="list-style-type: none"> Adverse changes in weather patterns may lead to a decline in geothermal energy production. Existing thermal power operations remains expensive owing to rising fuel costs. 	<i>HOLD</i>
KPLC Current Price: KES 14.30 Target Price: KES 15.15 Upside: 5.9%	<ul style="list-style-type: none"> Continued optimization of business operations has seen working capital improvement during the half year, coming in at negative KES 18.99 Bn from negative KES 42.46 Bn registered at 2024 Finance costs continue to decline due to the strengthening of the shilling, with retained earnings surging 	<ul style="list-style-type: none"> Infrastructure constraints and elevated price level could hinder the potential upside for investors, with many manufactures and high consumption clients opting to use their own power sources in a bid to tame cost pressures. 	<i>HOLD</i>
Liberty Kenya Holdings Current Price: KES 11.05 Target Price: KES 11.74 Upside: 6.2%	<ul style="list-style-type: none"> Progressive dividend policy. Core business stability is expected to augment profitability. The launch of a fully digital insurance solution is expected to improve its market positioning as well as enhance customer experience 	<ul style="list-style-type: none"> Intensifying competition in the industry, driven by the entry of banking sector players through bancassurance subsidiaries, may constrain revenue growth potential. A surge in motor and medical claims is expected to temper net earnings. 	<i>HOLD</i>
BAT Kenya Current Price: KES 446.00 Target Price: KES 468.72 Upside: 5.1%	<ul style="list-style-type: none"> Organic consumer growth, driving consistent revenue expansion. Impressive operational efficiency has seen total operating costs decline by 6.0% y/y to KES 7.5 Bn Reintroduction of oral nicotine pouches stands to drive revenues Progressive dividend policy 	<ul style="list-style-type: none"> Proliferation of illicit trade poses a challenge to revenue growth Shrinking purchasing power may limit sales Potential risks due to ongoing tax review 	<i>HOLD</i>

AIB-AXYS Africa Shari’ah Equities Portfolio Recommendation

Stock	Strengths	Risks	Recommendation
Williamson Tea Current Price: KES 240.00 Target Price: KES 250.00 Upside: 4.2%	<ul style="list-style-type: none">Growing demand for diverse tea blends offer new growth frontiers.Large disparity between prevailing market price and book value presents ample room for long-term price discovery.Progressive dividend policy	<ul style="list-style-type: none">Escalation of geopolitical tensions risk disrupting key export market destinations.Strengthening shilling presents downside risks for offshore sales.	<i>HOLD</i>
Kapchorua Tea Current Price: KES 327.00 Target Price: KES 342.00 Upside: 4.6%	<ul style="list-style-type: none">Efficient cost management supports agile return on equity.Progressive dividend policy	<ul style="list-style-type: none">Escalation of geopolitical tensions risk disrupting key export market destinations.Strengthening shilling presents downside risks for offshore sales	<i>HOLD</i>
KenGen Plc Current Price: KES 9.86 Target Price: KES 10.55 Upside: 7.0%	<ul style="list-style-type: none">Shifting weather patterns supporting an acceleration in geothermal energy production.Ongoing expansion of Olkaria I and IV plants to step up energy capacity by an extra 58MW by 2025.	<ul style="list-style-type: none">Adverse changes in weather patterns may lead to a decline in geothermal energy production.Existing thermal power operations remains expensive owing to rising fuel costs.	<i>HOLD</i>
KPLC Current Price: KES 14.30 Target Price: KES 15.15 Upside: 5.9%	<ul style="list-style-type: none">Continued optimization of business operations has seen working capital improvement during the half year, coming in at negative KES 18.99 Bn from negative KES 42.46 Bn registered at 2024Finance costs continue to decline due to strengthening of the shilling, with retained earnings surging	<ul style="list-style-type: none">Infrastructure constraints and elevated price level could hinder the potential upside for investors, with many manufactures and high consumption clients opting to use their own power sources in a bid to tame cost pressures.	<i>HOLD</i>
Safaricom Plc Current Price: KES 29.20 Target Price: KES 25.36 Downside: 13.2%	<ul style="list-style-type: none">Customer Value Management initiatives unlock new pockets of revenue growth for mature revenue lines like Voice and SMS.Rising 4G+ device penetration is expected to expand the company’s addressable market.	<ul style="list-style-type: none">Intensifying competition from Ethio Telecom, continues to exert pressure on the Group’s overall performance.Lengthened break-even projections in the Ethiopia unit.	<i>HOLD</i>

AIB-AXYS September 2025 Market Scorecard



AGRICULTURAL	Current Price	Daily Change (%)	YTD change (%)	Volumes Traded	Book Value per Share	Market Weight (%)	Trailing EPS	Dividend Per Share	P/E Ratio	P/B Ratio	Dividend yield (%)	Payout Ratio (%)	ROE (%)	ROA (%)
Eaagads Ltd	19.05	▼ (7.1%)	▲ 58.8%	11,742	40.23	0.02%	(1.91)	-	(10.0x)	0.5x	0.0%	0.0%	0.0%	0.0%
Kakuzi Plc	388.50	▼ (7.9%)	▲ 0.9%	1,158	279.19	0.27%	(9.37)	-	(41.5x)	1.4x	0.0%	0.0%	0.0%	0.0%
Kapchorua Tea Kenya Plc	327.00	▲ 0.2%	▲ 39.1%	412	268.30	0.09%	(2.39)	25.00	(136.8x)	1.2x	7.6%	107.9%	8.6%	63.7%
The Limuru Tea Co. Plc	310.00	-	▼ (11.4%)	0	63.73	0.03%	(12.78)	-	(24.3x)	4.9x	0.0%	0.0%	0.0%	0.0%
Sasini Plc	18.60	▲ 0.8%	▲ 24.8%	7,801	93.17	0.15%	(3.13)	-	(5.9x)	0.2x	0.0%	0.0%	0.0%	0.0%
Williamson Tea Kenya Plc	240.00	▼ (2.4%)	▲ 6.0%	5,175	360.45	0.15%	(40.81)	10.00	(5.9x)	0.7x	4.2%	(114.2%)	0.0%	0.0%
Industry Median		▼ (1.2%)	▲ 15.4%			0.70%			(17.1x)	0.9x	0.0%	0.0%	0.0%	0.0%
AUTOMOBILES & ACCESSORIES	Current Price	Daily Change (%)	YTD change (%)	Volumes Traded	Book Value per Share	Market Weight (%)	Trailing EPS	Dividend Per Share	P/E Ratio	P/B Ratio	Dividend yield (%)	Payout Ratio (%)	ROE (%)	ROA (%)
Car & General (K) Ltd	38.60	▲ 5.9%	▲ 69.7%	2,866	155.99	0.05%	(3.33)	0.30	(11.6x)	0.2x	0.8%	(9.0%)	0.0%	0.0%
BANKING	Current Price	Daily Change (%)	YTD change (%)	Volumes Traded	Book Value per Share	Market Weight (%)	Trailing EPS	Dividend Per Share	P/E Ratio	P/B Ratio	Dividend yield (%)	Payout Ratio (%)	ROE (%)	ROA (%)
ABSA Bank Kenya Plc	23.00	▲ 1.5%	▲ 27.4%	408,095	16.39	4.38%	4.02	1.75	5.7x	1.4x	7.6%	45.6%	24.5%	4.1%
BK Group Plc	37.35	▲ 0.9%	▲ 14.7%	24,454	48.73	1.17%	3.24	2.64	11.5x	0.8x	7.1%	102.9%	6.6%	1.2%
Diamond Trust Bank Kenya Ltd	105.00	▼ (0.9%)	▲ 52.2%	199,403	322.98	1.03%	28.83	7.00	3.6x	0.3x	6.7%	25.6%	8.9%	1.3%
Equity Group Holdings Plc	54.75	▼ (0.9%)	▲ 13.4%	475,054	73.16	7.24%	12.34	4.25	4.4x	0.7x	7.8%	34.4%	16.9%	2.6%
HF Group Plc	11.00	▲ 0.5%	▲ 143.9%	1,019,372	11.22	0.58%	0.90	-	12.2x	1.0x	0.0%	0.0%	8.0%	1.7%
I&M Group Plc	44.25	▲ 0.6%	▲ 22.1%	320,663	61.34	2.69%	9.66	3.00	4.6x	0.7x	6.8%	32.3%	15.7%	2.8%
KCB Group Plc	53.00	▲ 1.4%	▲ 27.4%	5,376,659	95.48	5.97%	18.21	4.00	2.9x	0.6x	7.5%	21.4%	19.1%	3.0%
NCBA Group	70.00	▲ 0.7%	▲ 45.2%	275,954	71.89	4.04%	16.65	5.75	4.2x	1.0x	8.2%	43.3%	23.2%	4.1%
Stanbic Holdings Plc	182.25	▲ 0.3%	▲ 32.8%	15,784	187.86	2.53%	33.01	22.70	5.5x	1.0x	12.5%	65.4%	17.6%	2.8%
Standard Chartered Bank Kenya Ltd	311.25	▲ 0.3%	▲ 11.3%	134,678	173.61	4.12%	40.75	8.00	7.6x	1.8x	2.6%	22.1%	23.5%	4.1%
The Co-operative Bank of Kenya Ltd	21.00	▼ (1.2%)	▲ 27.7%	4,835,089	26.64	4.32%	4.39	1.50	4.8x	0.8x	7.1%	34.6%	16.5%	3.2%
Industry Median		▲ 0.5%	▲ 27.4%			38.09%			4.8x	0.8x	7.1%	34.4%	16.9%	2.8%
COMMERCIAL AND SERVICES	Current Price	Daily Change (%)	YTD change (%)	Volumes Traded	Book Value per Share	Market Weight (%)	Trailing EPS	Dividend Per Share	P/E Ratio	P/B Ratio	Dividend yield (%)	Payout Ratio (%)	ROE (%)	ROA (%)
Eveready East Africa Ltd	1.35	▼ (2.2%)	▲ 17.4%	88,705	0.30	0.01%	(0.28)	-	(4.8x)	4.6x	0.0%	0.0%	0.0%	0.0%
Express Kenya Plc	8.48	▼ (7.0%)	▲ 135.6%	40,070	7.74	0.01%	(2.26)	-	(3.8x)	1.1x	0.0%	0.0%	0.0%	0.0%
Homeboyz Entertainment Plc	4.66	-	-	0	-0.35	0.01%	(0.71)	-	(6.6x)	(13.2x)	0.0%	0.0%	0.0%	0.0%
Kenya Airways Ltd	4.37	▲ 0.2%	▲ 14.1%	169,502	-1,870.92	0.01%	0.74	-	(0.0x)	(0.0x)	0.0%	0.0%	(4.6%)	3.0%
Longhorn Publishers Plc	2.94	▼ (2.0%)	▲ 27.8%	20,777	-0.52	0.03%	(1.89)	-	(1.6x)	(5.7x)	0.0%	0.0%	0.0%	0.0%
Nairobi Business Ventures Ltd	1.63	▼ (1.8%)	▼ (18.9%)	320,428	1.41	0.08%	0.01	-	176.5x	1.2x	0.0%	0.0%	0.7%	0.4%
Nation Media Group Plc	13.90	▲ 2.2%	▼ (3.5%)	29,646	2.50	0.10%	(3.00)	-	(4.6x)	5.6x	0.0%	0.0%	0.0%	0.0%
Sameer Africa Plc	15.45	▼ (3.1%)	▲ 535.8%	27,824	2.98	0.15%	0.93	-	16.6x	5.2x	0.0%	0.0%	31.2%	16.3%
Standard Group Plc	6.16	▲ 2.7%	▲ 22.7%	13,321	-28.82	0.02%	(10.15)	-	(0.6x)	(0.2x)	0.0%	0.0%	0.0%	0.0%
TPS Eastern Africa (Serena) Ltd	16.50	▲ 4.8%	▲ 10.7%	11,438	37.86	0.11%	4.54	0.35	3.6x	0.4x	2.1%	7.7%	12.0%	12.0%
Uchumi Supermarket Plc	0.33	▲ 3.1%	▲ 94.1%	131,432	-11.73	0.00%	(5.56)	-	(0.1x)	(0.0x)	0.0%	0.0%	0.0%	0.0%
WVPP Scangroup Plc	2.91	▼ (4.3%)	▲ 17.3%	138,750	10.89	0.04%	(1.17)	-	(2.5x)	0.3x	0.0%	0.0%	0.0%	0.0%
Industry Median		▼ (0.9%)	▲ 17.4%			0.56%			(2.0x)	0.4x	0.0%	0.0%	0.0%	0.0%
CONSTRUCTION & ALLIED	Current Price	Daily Change (%)	YTD change (%)	Volumes Traded	Book Value per Share	Market Weight (%)	Trailing EPS	Dividend Per Share	P/E Ratio	P/B Ratio	Dividend yield (%)	Payout Ratio (%)	ROE (%)	ROA (%)
Bamburi Cement Ltd	54.00	-	▼ (1.8%)	0	69.50	0.69%	(1.97)	23.72	(27.4x)	0.8x	43.9%	(850.2%)	0.0%	0.0%
Crown Paints Kenya Plc	51.00	-	▲ 55.0%	6,335	25.41	0.25%	1.34	-	38.1x	2.0x	0.0%	0.0%	5.3%	2.1%
E.A Cables Ltd	1.71	-	▲ 58.3%	0	0.34	0.02%	0.37	-	4.6x	5.1x	0.0%	0.0%	110.1%	1.9%
E.A Portland Cement Co. Ltd	53.00	▼ (1.9%)	▲ 73.2%	16,433	226.97	0.17%	20.26	-	2.6x	0.2x	0.0%	0.0%	8.9%	5.2%
Industry Median		-	▲ 56.7%			1.12%			3.6x	1.4x	0.0%	0.0%	7.1%	2.0%
ENERGY & PETROLEUM	Current Price	Daily Change (%)	YTD change (%)	Volumes Traded	Book Value per Share	Market Weight (%)	Trailing EPS	Dividend Per Share	P/E Ratio	P/B Ratio	Dividend yield (%)	Payout Ratio (%)	ROE (%)	ROA (%)
KenGen Co. Plc	9.86	▼ (1.4%)	▲ 170.9%	1,265,309	42.33	2.28%	1.11	0.65	8.9x	0.2x	6.6%	85.5%	2.6%	1.5%
Kenya Power & Lighting Co Plc	14.30	▼ (1.7%)	▲ 197.3%	2,213,023	49.85	0.98%	15.41	0.70	0.9x	0.3x	4.9%	4.5%	30.9%	8.2%
TotalEnergies Marketing Kenya Plc	37.75	▼ (0.5%)	▲ 88.8%	106,489	51.78	0.83%	4.74	1.92	8.0x	0.7x	5.1%	42.9%	9.2%	4.9%
Umeme Ltd	9.82	▼ (2.3%)	▼ (41.4%)	353,492	5.23	0.56%	(11.07)	7.81	(0.9x)	1.9x	79.6%	(70.6%)	0.0%	0.0%
Industry Median		▼ (1.6%)	▲ 129.8%			4.65%			4.4x	0.5x	5.8%	23.7%	5.9%	3.2%
INSURANCE	Current Price	Daily Change (%)	YTD change (%)	Volumes Traded	Book Value per Share	Market Weight (%)	Trailing EPS	Dividend Per Share	P/E Ratio	P/B Ratio	Dividend yield (%)	Payout Ratio (%)	ROE (%)	ROA (%)
Britam Holdings Plc	8.70	▼ (0.5%)	▲ 50.0%	12,294,539	12.27	0.77%	1.86	-	4.7x	0.7x	0.0%	0.0%	15.2%	2.1%
CIC Insurance Group Ltd	5.26	▲ 1.5%	▲ 144.7%	350,434	4.64	0.48%	1.22	0.13	4.3x	1.1x	2.5%	12.5%	26.3%	4.5%
Jubilee Holdings Ltd	306.50	▼ (3.6%)	▲ 76.7%	12,459	743.02	0.78%	72.14	13.50	4.2x	0.4x	4.4%	20.8%	9.7%	2.3%
Kenya Re- Insurance Corporation Ltd	3.46	▼ (3.9%)	▲ 170.3%	4,061,061	9.27	0.68%	0.81	0.15	4.3x	0.4x	4.3%	19.0%	8.7%	6.6%
Liberty Kenya Holdings Ltd	11.05	▼ (0.5%)	▲ 65.4%	7,606	2.90	0.21%	1.86	-	5.9x	3.8x	0.0%	0.0%	64.1%	23.6%
Sanlam Kenya Plc	9.26	▲ 4.0%	▲ 87.1%	37,277	5.98	0.21%	9.95	-	0.9x	1.5x	0.0%	0.0%	166.3%	15.5%
Industry Median		▼ (0.5%)				3.13%			4.3x	0.9x	1.2%	6.3%	20.7%	5.6%
INVESTMENT	Current Price	Daily Change (%)	YTD change (%)	Volumes Traded	Book Value per Share	Market Weight (%)	Trailing EPS	Dividend Per Share	P/E Ratio	P/B Ratio	Dividend yield (%)	Payout Ratio (%)	ROE (%)	ROA (%)
Centum Investment Co Plc	13.80	▼ (1.4%)	▲ 39.7%	17,111	64.97	0.32%	3.32	0.32	4.2x	0.2x	2.3%	15.6%	5.1%	2.7%
Home Afrika Ltd	1.77	▲ 6.0%	▲ 378.4%	1,191,215	-4.41	0.03%	0.17	-	10.4x	(0.4x)	0.0%	0.0%	(3.9%)	1.9%
Kurwitu Ventures Ltd	1,500.00	-	-	0	502.63	0.01%	(35.95)	-	(41.7x)	3.0x	0.0%	0.0%	0.0%	0.0%
Olympia Capital Holdings Ltd	5.12	▼ (5.2%)	▲ 82.9%	53,666	42.35	0.01%	0.31	-	16.6x	0.1x	0.0%	0.0%	0.7%	0.6%
Trans-Century Plc	1.12	-	▲ 187.2%	0	-38.80	0.01%	(6.10)	-	(0.2x)	(0.0x)	0.0%	0.0%	0.0%	0.0%
Industry Median		-	▲ 82.9%			0.37%			4.2x	0.1x	0.0%	0.0%	0.0%	0.6%
INVESTMENT SERVICES	Current Price	Daily Change (%)	YTD change (%)	Volumes Traded	Book Value per Share	Market Weight (%)	Trailing EPS	Dividend Per Share	P/E Ratio	P/B Ratio	Dividend yield (%)	Payout Ratio (%)	ROE (%)	ROA (%)
Nairobi Securities Exchange Plc	15.80	▲ 1.0%	▲ 163.3%	26,075	4.01	0.14%	0.45	0.32	35.1x	3.9x	2.0%	71.1%	11.2%	5.1%
MANUFACTURING & ALLIED	Current Price	Daily Change (%)	YTD change (%)	Volumes Traded	Book Value per Share	Market Weight (%)	Trailing EPS	Dividend Per Share	P/E Ratio	P/B Ratio	Dividend yield (%)	Payout Ratio (%)	ROE (%)	ROA (%)
B.O.C Kenya Plc	128.25	▼ (1.2%)	▲ 44.5%	1,246	109.00	0.09%	10.84	2.50	11.8x	1.2x	1.9%	23.1%	9.9%	8.6%
British American Tobacco Kenya Plc	446.00	▼ (0.2%)	▲ 18.6%	8,395	147.65	1.56%	37.97	55.00	11.7x	3.0x	12.3%	122.7%	25.7%	22.7%
Carbacid Investments Plc	26.15	▲ 1.2%	▲ 24.8%	30,473	17.97	0.23%	3.31	-	7.9x	1.5x	0.0%	0.0%	18.4%	18.5%
East African Breweries Plc	224.25	▼ (0.2%)	▲ 27.8%	51,213	40.73	8.16%	12.47	8.00	18.0x	5.5x	3.6%	64.2%	30.6%	9.9%
Flame Tree Group Holdings Ltd	1.91	▲ 8.5%	▲ 91.0%	617,234	6.88	0.01%	1.13	-	1.7x	0.3x	0.0%	0.0%	16.4%	5.4%
Africa Mega Agricop Plc	72.00	-	▲ 2.9%	0	2.18	0.03%	0.13	-	553.8x	33.0x	0.0%	0.0%	6.0%	1.2%
Unga Group Ltd	21.40	▼ (0.7%)	▲ 42.7%	14,502	44.85	0.06%	(5.29)	-	(4.0x)	0.5x	0.0%	0.0%	0.0%	0.0%
Industry Median			▲ 27.8%			10.15%			11.7x	1.5x	0.0%	0.0%	16.4%	8.6%
TELECOMMUNICATION	Current Price	Daily Change (%)	YTD change (%)	Volumes Traded	Book Value per Share	Market Weight (%)	Trailing EPS	Dividend Per Share	P/E Ratio	P/B Ratio	Dividend yield (%)	Payout Ratio (%)	ROE (%)	ROA (%)
Safaricom Plc	29.20	▲ 0.2%	▲ 71.3%	5,702,145	4.44	41.02%	1.59	1.20	18.4x	6.6x	4.1%	69.0%	35.9%	12.4%
Market Average		▲ 0.0%	▲ 94.1%						5.1x	1.6x	1.9%		10.4%	3.7%

Upcoming Dividend Dates

Company	Interim/Special Dividend	Final Dividend	Book Closure	Dividend Payment
British American Tobacco	KES 10.00		29-Aug-25	26-Sep-25
Car & General	KES 0.30		2-Sep-25	15-Sep-25
Stanbic Holdings Plc	KES 3.80		2-Sep-25	29-Sep-25
KCB Group	(Interim & Final) KES 4.00		3-Sep-25	11-Nov-25
Jubilee Holdings Ltd	KES 2.00		5-Sep-25	9-Oct-25
Standard Chartered Bank	KES 8.00		11-Sep-25	7-Oct-25
East African Breweries		KES 5.50	16-Sep-25	28-Oct-25

Source: NSE, AIB-AXYS Africa Research

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