

Equity Group Holdings Plc on Wednesday announced that it has entered into a binding agreement to acquire 91.93 percent of the issued share capital of Compagnie Generale de Banque (Cogebank), a commercial bank in Rwanda.

Equity Bank Group said that it will pay an aggregate cash consideration of 6.7 billion shillings (about US\$ 48.1 million ) for the controlling equity stake

“Equity Group intends to offer the remaining shareholders 100 percent of Cogebanque,” said James Mwangi, managing director and chief executive officer of Equity Group Holdings, in a statement released in Nairobi, Kenya’s capital.

In addition, Mwangi noted that the acquisition of the Rwandan lender and subsequent amalgamation of the business with that of Equity Group’s existing banking subsidiary in Rwanda would position the regional commercial bank as the second largest bank in Rwanda after the merger with a total combined assets market share of 18 percent and a deposits market share of 19 percent based on audited accounts on Dec. 31, 2022.

Rwanda’s Minister of Finance and Economic Planning Uzziel Ndagijimana said that Equity Group’s acquisition of Cogebanque reflects the trust and confidence placed in Rwanda’s economic prospects. He also praised the resilience of the financial industry.

“The consolidation of these two institutions will undoubtedly contribute to the growth and stability of Rwanda’s banking sector, enabling us to provide better financial services to our citizens and facilitate economic empowerment,” he added.