



PRESS RELEASE

ACQUISITION OF 20 PERCENT OF THE ISSUED SHARE CAPITAL OF CREDIT BANK PLC BY SHORECAP III, LP

The Central Bank of Kenya (CBK) announces the acquisition of 20 percent of the shareholding of Credit Bank PLC (CBP) by Shorecap III, LP (Shorecap) effective June 15, 2023. This follows CBK's approval on April 24, 2023, under Section 13(4) of the Banking Act and approval by the Cabinet Secretary for the National Treasury and Planning on April 28, 2023, pursuant to Section 9(1) of the Banking Act.

CBP was licensed by CBK as a non-banking financial institution in 1986 under the name Credit Kenya Limited. It converted to a fully-fledged commercial bank in 1995. The bank has seventeen (17) branches, spread across the country. The bank specializes in the provision of banking services to small corporates and Micro, Small and Medium-sized Enterprises (MSMEs). It is categorized as a small bank with a market share of 0.5 percent as at March 31, 2023.

Shorecap is a private equity fund registered under the laws of Mauritius, with Equator Capital Partners LLC as the managers of the fund. It is established by a Limited Partnership Agreement and its shares are owned by ShoreCap III GP Limited, African Development Bank Group, CDC Holdings Guernsey Limited, European Investment Bank, KfW Development Bank and Oesterreichische Entwicklungsbank AG (OeEB).

ShoreCap's business model mainly focuses on investing in inclusive financial services in Asia and Africa. The ultimate objective of the fund is to expand access to affordable and responsive financial products and services for the underserved market segments.

CBK welcomes this transaction that will diversify and strengthen the resilience of the Kenyan banking sector.

CENTRAL BANK OF KENYA

May 22, 2023