



PRESS RELEASE

CHASE BANK (KENYA) LIMITED (IN RECEIVERSHIP) AND SBM BANK (KENYA) LIMITED

Central Bank of Kenya welcomes the completion of a transaction that provides Chase Bank (Kenya) Limited (In Receivership) (CBLR) depositors access to a large portion of their frozen deposits. Through this [transaction](#), SBM Bank (Kenya) Limited (SBM Kenya), acquired certain assets and assumed certain deposits with respect to CBLR, including 50 branches and a significant majority of staff. As the 50 branches opened their doors this morning, customers were able to walk in and carry out the full range of transactions.

Since the placing of Chase Bank Limited under receivership on April 7, 2016, 97 percent of accounts have been fully paid. On August 17, 2018, 75 percent of the value of deposits that remained under moratorium at CBLR were transferred to SBM Kenya, and from today customers have structured access to these deposits as [announced](#) on April 17, 2018. This transaction was supported by a transparent [Expression of Interest](#) process, and stakeholders were kept apprised at various points in this process, culminating in today's event.

Following the completion of the acquisition and assumption process, CBK and the Kenya Deposit Insurance Corporation (KDIC) will continue working to recover and realise the assets that remain in CBLR, in order to enhance the recovery for CBLR stakeholders. This includes pursuing the assets that were illegally acquired from Chase Bank Limited. CBK and KDIC intend to engage further with creditors in this process, as needed, with a view to maximise and hasten the recovery. CBK and KDIC will communicate in this respect as appropriate.

In his remarks today, CBK Governor Dr. Patrick Njoroge noted that this is the first time that a successful carve-out of this nature has been carried out in Africa. He also noted that this process was fully private sector-driven, and expressed his gratitude to all the individuals and institutions that have been involved in the process. "This is one small step for depositors, but a giant leap for the stability of the financial sector", concluded Dr. Njoroge.

SBM Holdings Ltd (SBMH), together with its subsidiaries, is a leading financial services group in Mauritius, with a growing international presence currently extending to Madagascar, India and more recently in Kenya, where the SBM Group acquired Fidelity Bank in May 2017, thereafter renaming it SBM Kenya. SBMH is the third largest company listed on the Stock Exchange of Mauritius with a market capitalisation of approximately USD 680 million, with the Government of Mauritius as a significant shareholder, and total assets of USD 5.8 billion as at December 31, 2017. SBM provides all services of a universal bank within a diversified business model. Lines of business include, *inter alia*: Retail, SME and Corporate Banking, Wealth Management and Investment Banking.

CBK and KDIC reiterate their commitment in keeping with their respective mandates and in accordance with the Laws of Kenya, to protect the interest of depositors, creditors, and the wider public interest.

CENTRAL BANK OF KENYA

August 20, 2018