



PRESS RELEASE

UPDATE ON THE PROPOSED ACQUISITION OF FIDELITY COMMERCIAL BANK LIMITED BY SBM HOLDINGS LIMITED OF MAURITIUS

Since the November 22, 2016 [announcement](#) of the intention of SBM Holdings Limited (SBM Group) of Mauritius to acquire Fidelity Commercial Bank Limited (FCBL), both institutions have worked steadily towards this objective. Following SBM Group's preparedness for the conclusion of the transaction at the earliest, with necessary capital infusion, FCBL held a Board meeting on December 21, 2016 and then an Extraordinary General Meeting of shareholders on December 28, 2016 where the transaction was discussed and approved. The regulators in both Kenya and Mauritius have also been kept abreast of developments.

In light of the progress thus far, it is expected that a Share Purchase Agreement (SPA) will be signed in the near future, which would allow requests of the remaining regulatory approvals to be made. Subject to these approvals, the transaction will then be completed.

The proposed acquisition will mark the entry of SBM Group into Kenya's banking sector. SBM Group will bring its experience and expertise from Mauritius and other markets, to enhance competitiveness and the resilience of Kenya's banking sector. SBM Group is pursuing an international expansion strategy, and for the African region, it is anchored on Kenya as the entry point for Eastern Africa.

CENTRAL BANK OF KENYA

January 4, 2017