



## PRESS RELEASE

### RECEIPT OF NON-BINDING OFFER FOR CHASE BANK (KENYA) LIMITED

Central Bank of Kenya (CBK) and Kenya Deposit Insurance Corporation (KDIC) announces that they have received a non-binding offer from SBM Holdings Limited (SBM) with respect to Chase Bank (Kenya) Limited (In Receivership) (CBLR), as part of the EOI process announced on March 30, 2017 (see [Press Release](#)).

The non-binding offer includes the acquisition of certain assets and matched liabilities from CBLR. Whilst the non-binding offer is still subject to confirmatory due diligence and a binding contract, it is expected that this transaction will *inter alia* ensure a substantial recovery for depositors currently under moratorium and a transfer of a substantial number of staff and branches of the existing CBLR operations. Non-moratorium depositors will continue to have full unrestricted access to their funds.

CBK and KDIC met with CBLR depositors and shareholders on October 6, 2017, and who were supportive of the non-binding offer.

SBM is a leading financial services group and the third largest company listed on the Stock Exchange of Mauritius, with a growing international presence currently extending to Madagascar, India and Kenya, where SBM acquired Fidelity Bank in May 2017. SBM has a market capitalisation of approximately \$700 million, with the Government of Mauritius as a significant shareholder, and total assets in excess of \$5 billion. SBM provides all services of a universal bank within a diversified business model. Lines of business include, *inter alia*: Retail, SME and Corporate Banking.

Through this potential acquisition, and combined with its other operations in Kenya, SBM will bring its experience and expertise from Mauritius and other markets, to further enhance competitiveness and the resilience of Kenya's banking sector.

CBK and KDIC assess that SBM's non-binding offer represents a viable proposal for the substantial resolution of CBLR, for the benefit of depositors and the strengthening of the Kenyan financial sector. If agreed, it is expected that the proposed transaction will be concluded by the end of 2017.

**CENTRAL BANK OF KENYA**

**KENYA DEPOSIT INSURANCE CORPORATION**

October 9, 2017