



PRESS RELEASE

ACQUISITION OF UWEZO MICROFINANCE BANK LIMITED BY SALAAM AFRICAN BANK

The Central Bank of Kenya (CBK) announces the acquisition of 100 percent shareholding of Uwezo Microfinance Bank Limited (Uwezo MFB) by Salaam African Bank (SAB) of Djibouti effective March 25, 2021. This follows CBK's approval on December 24, 2020 under Section 19(4) of the Microfinance Act and approval by the Cabinet Secretary for the National Treasury and Planning on January 12, 2021, pursuant to Section 19(3)(b) of the Microfinance Act.

SAB was established in Djibouti in 2007 and is licensed and regulated by the Central Bank of Djibouti as one of the three (3) Islamic banks in Djibouti. The bank, which holds 30 percent of the total bank accounts in Djibouti, has the highest number of branches and Automated Teller Machines (ATMs) in Djibouti. SAB has a presence in Ethiopia through a representative office and in Kenya through an investment bank licensed by the Capital Markets Authority.

Uwezo MFB was licensed by CBK on November 8, 2010 as a community microfinance bank carrying out business in Starehe Division of Nairobi County. The institution was granted approval to upgrade to a nationwide microfinance bank in December 2015. Uwezo MFB had a market share of 0.45 percent of the microfinance banking sector and was ranked 10 out of 14 MFBs as at March 31, 2021. It has one branch in Nairobi.

CBK welcomes this transaction which will strengthen the business model of Uwezo MFB and enhance the resilience of Kenya's microfinance banking sector.

CENTRAL BANK OF KENYA

May 20, 2021