



## KCB GROUP PLC.

(Incorporated in Kenya under the Companies Act, 2015, Laws of Kenya)  
(Registration Number C 9/88)

THE CAPITAL MARKETS ACT  
(CHAPTER 485A OF THE LAWS OF KENYA)

# NOTICE OF INTENTION TO ACQUIRE ALL THE ORDINARY SHARES OF NATIONAL BANK OF KENYA LIMITED ISSUED PURSUANT TO REGULATION 4 (1) OF THE CAPITAL MARKETS (TAKE-OVERS & MERGERS) REGULATIONS, 2002

### 1. Notice of Intention

Pursuant to regulation 4(1) of The Capital Markets (Take-overs & Mergers) Regulations, 2002 (the Regulations), we, KCB Group Plc (KCB), hereby give notice that we intend to acquire 100% of the ordinary shares with a par value of Kenya Shillings Five (Kes 5.00) each, (the Offer Shares) of National Bank of Kenya Limited (NBK).

### 2. The Offer

- 2.1. The Offer shall be by way of a share swap of 10 ordinary shares of NBK for every 1 ordinary share of KCB.
- 2.2. In all respects, the Offer Shares will be acquired free from all liens, charges, encumbrances and other interests and together with all rights now and hereafter attaching thereto including the right to receive all dividends and other distributions hereafter declared, made or paid.

### 3. The Proposed Offeror

- 3.1. KCB is a non-operating holding company incorporated under the Companies Act (No. 17 of 2015) with registration number C.9/88 and whose address is Kencom House, P. O. Box 48400 – 00100, Nairobi, Kenya. KCB is listed on the Main Investment Market Segment of the Nairobi Securities Exchange (NSE) and cross listed on the Dar es Salaam Securities Exchange, Uganda Securities Exchange and Rwanda Securities Exchange.
- 3.2. KCB is not acting in concert with any person in making the Offer.
- 3.3. The following are the companies related to, and persons associated with KCB:

Incorporated in Kenya:		
Name	Country of Incorporation	Beneficial Ownership (%)
KCB Bank Kenya Limited	Kenya	100
Kenya Commercial Finance Co. Limited	Kenya	100
KCB Capital Limited	Kenya	100
Savings & Loan Kenya Limited	Kenya	100
KCB Foundation	Kenya	100
Kenya Commercial Bank Nominees Ltd	Kenya	100
Kencom House Limited	Kenya	100
KCB Insurance Agency Limited	Kenya	100

Incorporated outside Kenya:		
Name	Country of Incorporation	Beneficial Ownership (%)
KCB Bank Tanzania Limited	Tanzania	100
KCB Bank South Sudan Limited	South Sudan	100
KCB Bank Rwanda Limited	Rwanda	100
KCB Bank Burundi Limited	Burundi	100
KCB Bank Uganda Limited	Uganda	100

Associate:		
Name	Country of Incorporation	Beneficial Ownership (%)
United Finance Limited	Kenya	45

### 4. The Proposed Offeree

NBK is a public limited liability company incorporated under the Companies Act (No. 17 of 2015) with registration number C.7763 and listed on the Main Investment Market Segment of the Nairobi Securities Exchange (NSE) and whose address is National Bank Building, Harambee Avenue, P. O. Box 72866 – 00200, Nairobi, Kenya.

### 5. Persons acting in concert, irrevocable undertakings and options to acquire the Offer Shares

- 5.1. Neither KCB, nor any person related to or associated with KCB, has acquired, held or controlled directly or indirectly, any of the Offer Shares.
- 5.2. Neither KCB, nor any person related to or associated with KCB has received an irrevocable undertaking from any of the holders of the Offer Shares to accept the Take-Over Offer.
- 5.3. Neither KCB nor any related companies or any person associated with it has an option to acquire any of the Offer Shares.

### 6. Agreement, arrangement and understanding regarding the Offer Shares

There is no existing or proposed agreement, arrangement or understanding relating to the Offer Shares between KCB or any related company or person associated with KCB and the holders of the voting shares to which the Offer relates.

### 7. Conditions

- 7.1. Completion of the acquisition will be subject to fulfilment (or waiver at the sole discretion of KCB where such condition is legally capable of waiver) of the following conditions:
  - 7.1.1. the recommendation of the board of directors of NBK to the shareholders of NBK to accept the Offer;
  - 7.1.2. receipt of requisite regulatory approvals, including:
    - 7.1.2.1. approval of the acquisition from the Competition Authority of Kenya, pursuant to the Competition Act (Chapter 504 of the Laws of Kenya);
    - 7.1.2.2. From the CBK:
      - 7.1.2.2.1. approval of the acquisition by KCB of more than 25% of the issued shares of NBK; and
      - 7.1.2.2.2. no objection to KCB as a significant shareholder of NBK;
    - 7.1.2.3. to the extent required for the implementation of the Offer, the approval of any other relevant regulatory authorities;
    - 7.1.2.4. to the extent that any of the regulatory approvals, no objection or exemptions have conditions attached to them, such conditions being acceptable to KCB;
  - 7.1.3. approval of the acquisition by shareholders of KCB;
  - 7.1.4. conversion of the 1,135,000,000 non-cumulative preference shares of Kenya Shillings Five (Kes 5.00) each, of NBK, into ordinary shares at a ratio of one preference share to one ordinary share;
  - 7.1.5. receipt by the closing date of the Offer (as will be provided in the offer document) of acceptances from shareholders holding at least seventy five per cent (75% ) of the Offer Shares; and
  - 7.1.6. resolution by NBK's shareholders to the de-listing of the Offer Shares from the NSE.

### 8. Delisting and Squeeze Out

- 8.1. If the Offer is accepted by shareholders holding at least 90% of the Offer Shares, KCB intends to apply the provisions of the Take-over Regulations and Part XXIV, Division 4 of the Companies Act, 2015 to compulsorily acquire the remaining shares of NBK.
- 8.2. If acceptances of 75% of the Offer Shares are received, and subject to approval from the Capital Markets Authority, the Offer Shares will be delisted from the NSE.

BY ORDER OF THE BOARD

JOSEPH KANIA  
GROUP COMPANY SECRETARY  
18 April, 2019

### Disclaimer:

This announcement is for information purposes only and is not intended to constitute, and may not be construed as, a public offering. This announcement has been issued with the approval of the Capital Markets Authority pursuant to the Capital Markets (Securities) (Public Offers, Listing and Disclosures) Regulations, 2002 as amended. As a matter of policy, the Capital Markets Authority does not assume responsibility for the correctness of any statements or opinions made or reports contained in this public notice or the Circular to Shareholders.