



IMPORTANT NOTICE CAUTIONARY ANNOUNCEMENT

National Bank of Kenya Limited

(Incorporated in Kenya on 19/06/1968 under the repealed Companies Act (CAP.486)
Registration Number C.7763

**The Capital Markets Act
Chapter 485A of the Laws of Kenya
Regulation 19(2) of the Capital Markets (Securities) (Public Offers, Listing and Disclosures)
Regulations, 2002**

**PROPOSED ACQUISITION BY KCB GROUP PLC
OF 100% OF THE ORDINARY SHARES (POST CONVERSION OF THE PREFERENCE SHARES
INTO ORDINARY SHARES) OF NATIONAL BANK OF KENYA LIMITED**

Following the earlier Public Notice dated 18 April 2019 upon receipt of the Notice of Intention from the KCB Group Plc (“KCB” or “Offeror”), the Directors of National Bank of Kenya Limited (“the Company”) were today, 6th May 2019 served by KCB with the Offeror’s Statement to acquire a hundred percent (100%) of the ordinary shares of the Company post conversion of the Preference Shares into ordinary shares (“Offer Shares”) (“Proposed Transaction”).

Under the Offeror’s Statement, KCB intends to satisfy the Offer Price/Purchase Consideration through a share swap of one (1) ordinary share of KCB for every ten (10) ordinary shares of the Company.

The acquisition of the Offer Shares by the Offeror is also stated to be subject to several conditions, including: (i) the Company delisting from the Nairobi Securities Exchange upon acceptance of the Offer by not less than 75% of the Offer Shares including scope for minority squeeze out; (ii) the conversion of the **1,135,000,000** preference shares in the capital of the Company to **1,135,000,000** new ordinary shares; and; (iii) procurement of regulatory approvals from, amongst others, the Capital Markets Authority, the Central Bank of Kenya, and the Competition Authority of Kenya.

Further details of the proposed transaction will be issued through the requisite announcements that KCB and the Company will make pursuant to the provisions of the Capital Markets (Take-overs and Mergers)

Regulations, 2002 and The Capital Markets (Licensing Requirements) (General) Regulations, 2002 and in a shareholders' circular to be issued to the Company's shareholders.

The Board of the Company will consider the Offeror's Statement in detail and make consultations and then seek the necessary approvals from the Shareholders and the regulators once the approved Take Over Document has been received from KCB and evaluated.

In the meantime, the shareholders of the Company and the Public, are advised to exercise due caution when dealing in the shares of the Company until further announcements are made.

By Order of the Board

Habil A. Waswani

Company Secretary

Date: 6th May 2019

DISCLAIMER: This announcement is for information purposes only. It 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 assumes no responsibility for the correctness of the statements appearing in this announcement.