SERVICE OF THE TAKE-OVER DOCUMENT - PROPOSED ACQUISITION BY KCB GROUP PLC OF 100% OF THE ORDINARY SHARES OF NATIONAL BANK OF KENYA LIMITED

Following the earlier Public Notice dated 6 May 2019 upon receipt of the Offeror’s Statement from the KCB Group Plc (“KCB” or “Offeror”), the Directors of National Bank of Kenya Limited (“the Company”) were, on 19th June 2019 served by KCB with the Take-Over Document to acquire a hundred percent (100%) of the ordinary shares of the Company upon re-designation of the Preference Shares into ordinary shares (“Offer Shares”) (“Proposed Transaction”).

Under the Take-Over Document, 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.

In accordance with the Capital Markets (Take-overs and Mergers) Regulations, 2002 the Board of the Company will issue a Circular within fourteen (14) business days, to the Shareholders for the purpose of making an informed assessment as to the merits of accepting or rejecting the take-over offer and the extent of the risks involved in such action. This Circular will also include an Expert’s Opinion as to whether the purchase consideration is within the valuation expectations.

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.

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: 20th June 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.