On 29 April 2019, EGH announced that it had entered into a binding term sheet (the Binding Term Sheet) pursuant to which EGH had agreed to exchange certain banking assets of Atlas Mara Limited (ATMA) in four countries for shares in EGH as follows: (i) 62% of the share capital of Banque Populaire du Rwanda Plc (BPR); (ii) 100% of the share capital of African Banking Corporation Zambia Limited (ABCZam); (iii) 100% of the share capital of African Banking Corporation Tanzania Ltd (ABCTz); and (iv) 100% of the share capital of African Banking Corporation (Moçambique), SA (ABCMoz) (the Proposed Transaction).

The announcement stated that the Proposed Transaction was subject to completion of confirmatory due diligence, the entering of detailed transaction agreements and obtaining regulatory and shareholder approvals. By way of update, EGH hereby confirms that, as of the date of this announcement, the parties have yet to sign detailed transaction agreements and the Binding Term Sheet has expired. However, EGH and ATMA expect to continue further discussions in early-2020 to try to reach mutually acceptable commercial terms with respect to the Proposed Transaction, or a variant of it. There is currently no certainty that a transaction will materialise.

EGH remains committed to its strategic objective of expanding its footprint in Africa to provide access to competitive, tailored financial services to improve people’s lives and livelihoods whilst also delivering significant value to its stakeholders and to its vision of building sub-Saharan Africa’s premier financial institution through delivering innovative products and services to customers, including, in particular, the effective use of technology.

EGH will make further announcements upon conclusion of any fresh binding transaction agreements. Until further announcements regarding the Proposed Transaction are made, the shareholders of EGH and other investors are advised to exercise caution when dealing in EGH ordinary shares on the Nairobi Securities Exchange, the Uganda Securities Exchange and the Rwanda Stock Exchange.

Dr. James Mwangi
Group Managing Director and Chief Executive Officer
Equity Group Holdings Plc
31st December, 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 of Kenya assumes no responsibility for the correctness of the statements appearing in this announcement.