



**Joint Press Release**

**2nd August 2022**

## **KCB Group Plc to Acquire DRC-Based Lender Trust Merchant Bank (TMB)**

*The transaction will see KCB acquire 85% of the DRC-based lender.*

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KCB Group Plc has entered into a definitive agreement with shareholders of TMB to acquire a majority stake in the Democratic Republic of Congo (DRC)-based lender.

The transaction is expected to close by the end of the third quarter of 2022, subject to regulatory, shareholders and other approvals. This will see KCB acquire 85% of the shares in TMB while the existing shareholders will continue to hold the balance for a period of not less than 2 years after which, KCB will acquire their shares.

KCB will pay a cash consideration for the shares determined based on the net asset value of TMB at completion of the proposed transaction, and using a price to book multiple of 1.49.

TMB, a public company limited by shares, is one of DRC's largest banks with US\$1.5 billion in total assets. TMB has a strong offering in Retail, SME, Corporate and Digital banking channels. It has over 110 branches and numerous agency banking outlets spread across DRC.

This acquisition is aligned with the Group's strategic focus of scaling its regional presence. Once completed, this acquisition will complement KCB Group's regional footprint with an asset base of KShs. 1.5 Trillion (USD 12.6 billion) and is expected to strengthen the Group's Retail and Corporate banking franchises.

"This is part of our ongoing strategy to tap into opportunities for new growth while investing in and maximizing returns from the Group's existing businesses. It gives us strong headroom to accelerate our growth ambitions to deliver better value for our shareholders and to bolster the push for deeper financial inclusion and social and economic transformation in Africa and beyond. We are excited that we can now play a role in catalyzing DRC's and indeed East Africa's economic expansion agenda," said Andrew Wambari Kairu, KCB Group Chairman.

"We are very excited about the opportunities KCB offers in this transaction and we are proud to bring our unique DRC insights and experience to the KCB Group. We believe that by combining our local knowledge and standing with the size and expertise of KCB Group, we should be able to increase market share and shareholder value through unlocking our synergies and business opportunities," said Robert Levy, TMB Chairman.

**KCB Group Plc**

**Directors:** A. W. Kairu (Chairman); P. R. Russo; L. K. Kiambi; C. S. – National Treasury;  
L. M. Njiru; Mrs. A. O. Eriksson; A. R. M. Mohamed; Dr. J. O Bagaka; Mrs. A. M. Kirenge.



With the acquisition, TMB customers will benefit from best-in-class digital capabilities, transactional banking solutions, trade finance expertise and access to regional business opportunities offered by KCB Group. TMB will give KCB Group access to Africa's second-largest country with a population of over 93 million people.

In the three months ending March 2022, KCB Group PLC profit after tax surged 54.6% to KShs. 9.9 billion. This rise from KShs. 6.4 billion in a similar period last year was boosted by growth in total income and reduction in loan loss provision.

Revenues increased by 26.0% to KShs. 29.0 billion on account of an increase in interest income, increase in non-funded income from lending activities and service fees and a 21.1% rise in earning assets.

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#### **About KCB Group PLC**

*KCB Group Plc is East Africa's largest financial services organization that was established in 1896 in Kenya. Over the years, the Group has grown and spread its wings into Tanzania, South Sudan, Uganda, Rwanda, Burundi and Ethiopia. KCB Group also owns the National Bank of Kenya, a Kenyan lender. Today KCB has the largest branch network in the region with 492 branches, 1,178 ATMs and over 25,496 merchants and agents offering banking services on a 24/7 basis in East Africa. Additionally, KCB Group owns KCB Bancassurance Intermediary limited, KCB Capital Limited, KCB Foundation and Kencom House Limited as non-banking businesses. This is complemented by mobile banking and internet banking services with 24-hour contact center services for our customers to get in touch with the Bank. KCB has a vast network of correspondent relationships totaling over 200 banks across the globe, and our customers are assured of a seamless facilitation of their international trade requirements wherever they are.*

**For further information, please contact Rosalind Gichuru, Group Director, Marketing, Corporate Affairs & Citizenship; email: [RGichuru@kcbgroup.com](mailto:RGichuru@kcbgroup.com)**

#### **About Trust Merchant Bank SA**

*Established in 2004, TMB is today one of the leading financial services providers in the Democratic Republic of Congo (DRC). A pioneer in financial inclusion, TMB is home to the largest client base of any bank operating in the DRC as well as the country's largest branch network. Widely recognized as an innovator in the Congolese banking sector, TMB was the first bank in the market to introduce mobile banking services, and more recently the first to launch lease financing. Additionally, TMB owns the life insurance company Afrissur SA, one of only three life insurance companies in the country.*

**For further information, please contact Isabelle Duvigneaud, Head of Marketing; email: [corpaffairs@tmb.cd](mailto:corpaffairs@tmb.cd)**

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