

PRESS RELEASE

Centum to continue being majority shareholder of Sidian Bank

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Nairobi, Kenya. The share purchase agreement between Centum Investment Company Plc and Access Bank PLC has terminated by lapse of time.

Centum Group CEO Dr James Mworira in a statement said termination of the share purchase agreement means Centum will continue being majority shareholder of the mid-tier bank.

“The lapse of this agreement means that Centum continues to work with the management of the Bank on maximizing value to customers and all our stakeholders,” said Dr Mworira.

Centum Investment Company PLC had, through a notice issued on 7th June 2022, announced that it had entered into a share purchase agreement to sell all of its shareholding in Sidian Bank Limited to Access Bank PLC.

The Nairobi Securities Exchange-listed investment company holds 83.4 percent of the issued shares of Sidian in its own name, and also through its wholly-owned subsidiary, Bakki Holdco Limited.

Completion of the acquisition of shares in Sidian by Access Bank PLC was subject to various conditions, by the Long Stop Date, as defined in the SPA.

Despite the support and guidance of the Central Bank of Kenya, the Long Stop Date reached before the conditions to the SPA were fulfilled, meaning the SPA terminated and ceased to have force and effect. Further, Centum was not able to reach acceptable terms with Access Bank PLC for extension of the SPA and therefore opted not to pursue extension of the same.

“Sidian is a profitable bank with a well cut out niche market that makes it one of the choice assets in Centum’s portfolio,” said Dr Mworira.

The announcement comes as Centum has called a shareholders’ meeting to approve its planned share buyback.

The share buyback is intended to provide liquidity for owners of the dual-listed firm as well as reward long-term shareholders of the company whose proportionate holding will increase as a result of the share repurchase.

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