

## **OLD MUTUAL PROPERTY INVESTS KES 6.4 BILLION IN THE TWO RIVERS RETAIL AND LIFESTYLE CENTER.**

Old Mutual's property division, Old Mutual Property (OMP) has invested Kenya Shillings 6.4 Billion in Two Rivers Lifestyle Centre (TRLC), the holding company for the Two Rivers Mall, in a landmark deal that was arranged solely by Nabo Capital. This transaction implies a total asset valuation for the mall of approximately KES 23 Billion. OMP has made the investment via a subscription for a 10% shareholding of TRLC in newly issued stock and a loan that is convertible into an additional 40% shareholding, subject to the Competition Authority's approval. The transaction will see OMP ultimately hold a 50% stake in TRLC. This investment will enable the Two Rivers Mall to deliver a retail, entertainment and lifestyle experience that is unprecedented in the region.

"This deal is a very important affirmation of the investment-grade quality of the Two Rivers Mall. A private transaction of this magnitude by a reputable international investor of OMP's stature is also a firm vote of confidence in Kenya and the region as an investment destination." stated Pius Muchiri, Nabo Capital Managing Director.

The Two Rivers Mall, sitting on 10.2 acres, is part of the larger 102 acre master-planned Two Rivers Development. The development constitutes 851,000m<sup>2</sup> of bulk space and is destined to be a world-class destination. It includes a 3 star hotel being undertaken by City Lodge Hotel, an office building developed by Victoria Commercial Bank, a 5 star hotel and residential apartments that are in various stages of development. Two Rivers Development Limited (TRDL) has been the sole shareholder of TRLC and is destined to be Africa's Pre-emeinent destination.

The shareholding in TRDL will remain unchanged post this investment by OMP into the mall with Centum continuing to hold a controlling stake of 58%, AVIC 38% and the balance held by ICDC.

The transaction marks the first foray of the Old Mutual Group into the retail property sector in East Africa and represents OMP's largest real estate holding outside of South Africa. "The Two Rivers Mall fits in well with the Old Mutual Group's strategy of investing in high quality retail focused assets in East Africa and reinforces our commitment to and investment in Kenya," said Peter Mwangi, CEO of UAP Old Mutual in East Africa. OMP brings a wealth of experience to the mall, adding its operational know-how to the project as it moves towards the operational phase.

The Two Rivers Mall is set to be first regional mall in East Africa with 66,000m<sup>2</sup> of retail space and 22,000m<sup>2</sup> of office space. At this size, it will be the largest multi-purpose center in Africa outside South Africa.