

26 September 2022

## **CCC Merger Inquiry Notice No. 36 of 2022**

### **Notice of Inquiry into the Proposed Acquisition of 83.43% of the issued share capital of Sidian Bank Limited by Access Bank Plc**

It is hereby notified in terms of Article 26(6) of the COMESA Competition Regulations (the “**Regulations**”) that the COMESA Competition Commission (the “**Commission**”), after receiving a notification in terms of Article 24 of the Regulations regarding the proposed acquisition of 83.43% of the issued share capital of Sidian Bank Limited (“**Sidian Bank**”) by Access Bank Plc (“**Access Bank**”), intends to embark on an inquiry in terms of Article 26 of the Regulations.

The parties have submitted that Access Bank has entered into an agreement with Centum Investment Company Plc (“**Centum**”) and Centum’s wholly owned subsidiary Bakki Holdco Limited, where Access Bank will acquire 83.43% of the issued share capital of Sidian Bank with a view to acquire the remainder of the minority shares in Sidian Bank and thereafter amalgamate the business of Sidian Bank with that of Access Bank’s existing bank subsidiary in Kenya, namely, Access Bank Kenya Plc.

The parties have submitted that the Proposed Transaction will enable Access Bank to scale up its operations within the East African market and to promote regional trade finance and other cross-border banking services, by leveraging its presence in key global trade corridors in the broader East African and COMESA regions. Further, through the subsequent amalgamation of Sidian Bank with Access Bank Kenya Plc which is proposed to be undertaken within approximately 6 months following completion of the Proposed Transaction, the amalgamated bank will become a Tier 2 bank contender in the Kenyan market with enhanced capacity to play a more impactful role in the growth of the Kenyan economy and deliver increased profitability to the amalgamated bank’s shareholders.

The parties have submitted that Access Bank was incorporated in Nigeria as a private limited liability company on 8 February 1989. It was converted into a public limited liability company on 24 March 1998 and thereafter its shares were listed on the Nigerian Exchange Limited (“**NGX**”) on 18 November 1998 and subsequently delisted on 24 March 2022 followed by the NGX listing of its parent company, Access Holdings Plc on 28 March 2022. Access Bank was issued a universal banking licence by the Central Bank of Nigeria on 5 February 2001 and is a full-service commercial bank. In the Common Market, Access Bank is active in the Democratic Republic of Congo, Kenya, Rwanda and Zambia.

The parties have submitted that Sidian Bank (formerly known as K-Rep Bank Limited) was established in 1984 by K-Rep Group as a project that supported the development of small and micro enterprises through non-governmental organization managed programs. The project was incorporated into a local non-governmental organization which was later converted to a private limited liability company on 18 July 1997. Sidian Bank was licensed as a fully-fledged commercial bank by the Central Bank of Kenya in 1999. In the Common Market, Sidian Bank is active in Kenya only.

The Commission will, in accordance with the provisions of the Regulations, determine, among other things, whether the Proposed Transaction is likely to substantially prevent or lessen competition within the Common Market and whether the Proposed Transaction is or would be contrary to the public interest as provided for under Article 26 of the Regulations.

In view of this, the Commission hereby gives notice to all interested stakeholders, including competitors, suppliers and customers of the parties to the proposed transaction to submit written representations to the Commission with regard to the subject matter of the proposed inquiry by emailing them to: [akamanga@comesa.int](mailto:akamanga@comesa.int). All written representations should be sent to the Commission not later than **10 October 2022**.

If you wish to seek further details and/or clarifications on any aspect of this proposed transaction or need assistance you may get in touch with **Mr. Ali Kamanga, Senior Analyst, Mergers and Acquisitions** on Tel: +265 (0) 1 772 466 or [akamanga@comesa.int](mailto:akamanga@comesa.int).

All written representations submitted to the Commission will be treated with the strictest confidentiality and will only be used for the purpose of this inquiry.