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Common Market for Eastern
and Southern Africa

8 September 2022

CCC Merger Inquiry Notice No. 33 of 2022

Notice of Inquiry into the Proposed Acquisition of Control by KCB Group Plc of Trust Merchant Bank S.A.

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 control by KCB Group Plc (“**KCB**” or the “**Acquiring Undertaking**”) of Trust Merchant Bank S.A. (“**TMB**” or the “**Target Undertaking**”), intends to embark on an inquiry in terms of Article 26 of the Regulations.

Pursuant to a share purchase agreement dated 2 August 2022, KCB will initially acquire 85% of the issued share capital in TMB. The remaining shareholders of TMB will continue to hold the balance of the shares for a period of not less than two years, after which KCB may acquire their shares. The parties submitted that KCB is looking to expand its reach within the region with a view to enabling it to achieve and maintain sustainable long-term success. KCB anticipates that, in addition to creating long term value for its shareholders, the transaction will help to enhance financial inclusivity and diversification in the region as well as increase competition through efficient offerings and the availability of various banking products and opportunities to its customers. The transaction will enable TMB to benefit from the experience of the Acquiring Undertaking, which is expected to enhance its ability to provide banking services to a wider section of the population in the DRC.

KCB is a listed non-operating holding company incorporated under the laws of Kenya which is listed on the Nairobi Securities Exchange and cross listed on the Dar es Salaam Stock Exchange, Uganda Securities Exchange, and Rwanda Stock Exchange. It has commercial banking operations as well as other financial services subsidiaries in a number of COMESA Member States namely Burundi, Kenya (which has a representative office in Ethiopia), Rwanda and Uganda.

TMB is a commercial bank incorporated under the laws of the Democratic Republic of Congo (“**DRC**”) with its business address at 1223, avenue Lumumba- Centreville, Lubumbashi, DRC. TMB controls Afrissur S.A (“**Afrissur**”), a public company incorporated under the laws of the DRC with its business address at 10, Boulevard du 30 juin, Gombe, Kinshasa, the DRC. Within COMESA, TMB offers commercial banking services while Afrissur offers life insurance services in the DRC.

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. All written representations should be sent to the Commission not later than **28 September 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.

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.