

INTENDED ACQUISITION OF 83.4% SHAREHOLDING BY ACCESS BANK PLC IN SIDIAN BANK KENYA

Why is Centum Exiting?

• Centum's approach as a strategic partner to Sidian Bank meant they have taken an active role in not just investing but also enabling the company's growth plans. Through the investment, Sidian Bank has been able to enhance customer experience through revitalization of the channel offering specifically mobile banking, internet banking, Sidian Xpress, debit and credit cards, refurbishment and expansion of the branch network and upgrade of the core banking system. This is aligned to Sidian Bank's strategic objective of becoming a Tier 2 bank and a preferred partner for SMEs.

• The robustness and resilience of Sidian Bank's operations has enabled us to deliver high value services to our customers and build trusted relationships. The Bank's profitability has improved since 2019, with a record profit of over KES 486 million generated in 2021 whilst our NPL Ratio has improved from 20.6% in 2017 to 11.7% as of March 2022, comparing favorably to the current market average of 14%.

- Sidian Bank's robust governance structures and the growth of the balance sheet by over 126% from KES 19 billion in December 2017 to the current KES 43 billion as of March 2022, reflects the trust and confidence of the stakeholders on the brand. You have all played a critical role in driving this transformation within the bank and the various awards you have won are a great testament of your hard work.
- Over the past 10 years, we have seen considerable change not just within Sidian Bank but also in the banking sector in Kenya. To remain competitive, banks are focused on:
 - Accelerated digital penetration to offer convenience to customers
 - Strengthening operational resilience
 - Adapting to the evolving regulatory environment
- We are also seeing the emergence of a core group of strong Pan-African banks that are growing swiftly through mergers and acquisitions. It was therefore necessary for Centum to exit to allow Sidian Bank to become part of a larger Pan-African banking institution.

A New Chapter

- Sidian Bank's exceptional performance and unique culture made it an attractive asset for fast growing Pan-African banks leading to Access Bank will be acquiring Centum's majority stake in Sidian Bank, subject to regulatory approval.
- The board of directors of Sidian Bank have approved the sale and we are all excited about the opportunities and possibilities that lie ahead as a result of the transaction.

Introducing Access Bank Who is Access Bank?

- Access Bank is a leading full-service commercial bank operating through a network of more than 735 branches and service outlets, spanning three continents, 17
 markets and 45+ million customers, 2,921 ATMs and 74,612 POS machines.
- Access Bank employs 28,000 people in Nigeria and has subsidiaries in Sub-Saharan Africa and the United Kingdom (with a branch in Dubai, UAE) and representative
 offices in China, Lebanon and India. The bank is listed on the Nigerian Stock Exchange, since 1998, and has over 900,000 shareholders.

What does this mean for our Customers and Staff?

- Through this transaction, Access Bank will be able to tap into a larger skills and talent base available within Sidian Bank Kenya. Access Bank has been one of the most active recruiters of banking talent in Kenya since it acquired Transnational Bank Kenya and this transaction will provide greater.
- With the acquisition by Access Bank, we will be able to combine and leverage our unique strengths, which will result in our customers receiving better services and will further be supported to grow and expand their businesses locally and cross border with bigger ticket loans.
- The acquisition by Access Bank will increase the branch network, making it:
 - Nationwide growth to over 70 branches.
 - Nairobi: increases branch and distribution network presence to over 20 branches.
- Access Bank group has a combined equity base of \$25 billion. It has access to the world's global markets for capital and funding and recently raised \$1 billion in the
 eurobond markets through the London Stock Exchange. This offers security and stability.
- Sidian customers can expect enhanced services and offerings that make their trade transactions within Kenya and across the world even more seamless.
- Access Bank has the highest standards of ethics and compliance engrained in its business policies and practices assuring customers of highest standards of
 professionalism and ethical practice.

Will the take over affect Sidian Bank's branch network?

We expect to continue expanding and rationalizing the current network of branches.

Next Steps

- It is expected that in the coming months, Sidian will be merged with Access Bank's subsidiary in Kenya to create a stronger banking institution positioned to serve the Kenyan market.
- Access Bank will continue to grow its footprint across the African market and leverage its international networks to be able to connect the East African Community to the global market, presenting bigger and better opportunities for the Kenyan clientele.
- The current transaction is subject to regulatory approvals and fulfilling certain conditions. Until the approvals are granted, Centum continues to be a shareholder and there will be no change in operations or the name of Sidian.