



## CAUTIONARY NOTICE

**NIC Group PLC (a public limited liability company incorporated in Kenya under number C.11/71)**  
**NIC Bank Kenya PLC (a public limited liability company incorporated in Kenya under number PLC/2016/030363)**

---

**The Capital Markets Act (Chapter 485A of the Laws of Kenya)**  
**The Capital Markets (Securities) (Public Offers, Listing and Disclosures) Regulations, 2002 (as amended)**

---

**MERGER OF NIC GROUP PLC ("NIC Group") AND NIC BANK KENYA PLC ("NIC Bank")**  
**AND COMMERCIAL BANK OF AFRICA LIMITED ("CBA")**

Further to the cautionary announcement issued by NIC Group on 6th December 2018, the Directors of NIC Group and, its wholly owned subsidiary, NIC Bank are pleased to announce that NIC Group and NIC Bank have agreed to enter into a merger with CBA.

The merger of NIC Group, NIC Bank and CBA will be completed upon fulfilment of a certain set of conditions precedent, customary to transactions of this nature, including but not limited to, the parties obtaining applicable shareholder and regulatory approvals, and the parties entering into and completing various transactional agreements to complete the merger.

Should such approvals be obtained, and the requisite conditions precedent be satisfied, the merger will be consummated through share exchange, business and asset transfer and share acquisitions in relation to various constituent group companies of NIC Group and CBA. Ultimately, the shareholders of CBA will exchange their shares in CBA for new shares in NIC Group, which will be the holding company of the merged businesses. NIC Group will remain listed on the Nairobi Securities Exchange. After such share exchange, the 34 shareholders of CBA will in aggregate own 53% of the then issued shares in NIC Group, whilst existing NIC Group shareholders will own 47% of the then issued shares in NIC Group.

This transaction, if successfully concluded, may have a material effect on the price of NIC Group's and NIC Bank's securities. Accordingly, shareholders, bondholders and the investing public are advised to exercise caution when dealing in NIC Group and NIC Bank securities.

Further announcements will be made in accordance with regulatory requirements as and when there are any material developments.

**BY ORDER OF THE BOARD OF DIRECTORS OF**  
**NIC GROUP PLC AND NIC BANK KENYA PLC**

**1st February, 2019**

**Nairobi, Kenya**

**DISCLAIMER:**

This announcement is for information purposes only. It has been issued with the approval of the Capital Markets Authority pursuant to The Capital Markets (Securities) (Public Offers, Listing and Disclosures) Regulations, 2002 (as amended). As a matter of policy, the Capital Markets Authority assumes no responsibility for the correctness of the statements appearing in this announcement.