

**Media Release**

06 August 2020

**Access Bank Zambia and Cavmont Capital Holdings Zambia sign agreement to merge  
Cavmont Bank with Access Bank Zambia***Complementary transaction that combines Access Bank's wholesale finance capabilities with  
Cavmont Bank's retail and commercial banking operations*

Lusaka – Access Bank Zambia Ltd and Cavmont Capital Holdings Zambia Plc (“CCHZ”) announce that they have signed a definitive agreement regarding a proposed merger of Access Bank Zambia and Cavmont Bank, a subsidiary of CCHZ. Once implemented, the combined bank is expected to boast a strong capital base, in excess of ZMW600 million, significantly exceeding the capital requirement for foreign owned banks under the regulations of the Bank of Zambia. This robust capital structure will not only ensure the banks’ customer deposit base benefits from the greater security but also form the foundation for sustainable banking operations and future growth.

The transaction is expected to close during the fourth quarter of 2020 subject to the meeting of various conditions precedent which, amongst others, include CCHZ shareholder approval, relevant regulatory approvals and the local and regional competition commission authorities.

The key highlights of the proposed transaction are as follows:

- A complementary transaction that combines Access Bank Zambia’s wholesale and trade finance capabilities with Cavmont Bank’s retail and commercial banking operations.
- Access Bank Zambia and Cavmont Bank customers to benefit from greater security offered by one of the most capitalised banks in the country, a more sophisticated product and service offering and a broader geographical network.
- Following the legal merger of the two banks, the enlarged entity will be a majority owned subsidiary of Access Bank Plc.
- It is Access Bank Zambia’s intention to retain one or more of Cavmont Bank’s existing directors on the board of the merged entity following the completion of the transaction.

Commenting on the transaction, Access Bank Zambia Managing Director Mrs Joana Bannerman, said: *“I am delighted that we have reached an agreement for a proposed merger with Cavmont Bank, a dynamic retail and commercial bank with a presence across seven provinces in Zambia. This merger, which will see the combined bank becoming a top 10 bank in Zambia, will increase our scale and improve our operating leverage by enabling us to deliver our existing retail and wholesale offerings to a wider base of customers in Zambia while positioning the bank for growth in the long-term trajectory for the country.”*

*This merger would provide Access Bank Zambia's customers with access to a wider branch network across the country, while Cavmont Bank's customers would benefit from Access Bank's best in class digital capability, trade finance expertise and international banking, including products such as AccessAfrica which allows customers to instantaneously send and receive money across Africa and beyond. Through this merger, Access Bank Zambia and Cavmont Bank will play a role in Zambia's economic recovery by building on Cavmont Bank's contributions to develop SMEs and making Access Bank's trade finance, treasury, and corporate lending expertise available to Zambian MNCs and SMEs via the enhanced distribution network."*

Peet van der Walt, Managing Director of Cavmont Bank, said: *"Cavmont Bank's vision is to be a world-class bank, rated amongst the best in Zambia. This proposed merger with Access Bank Zambia accelerates our strategy and positions us as a top 10 bank in the country. As a subsidiary of one of the largest banking groups in Africa, Access Bank Zambia has the scale, capabilities and ambition to enable the combined bank to pursue exciting strategic opportunities in Zambia. Our customers will benefit from greater security offered by one of the most capitalised banks in the country, increased scale in Zambia, access to a broader digital, and retail offering, and a geographic network across the continent. We look forward to working closely with Access Bank to deliver the benefits of the merger to all the stakeholders."*

The proposed merger will see Cavmont Bank's strong retail, commercial and SME loan capability and branch network leverage Access Bank's best in class digital platform and product suite to create a platform for further growth and the facilitation of financial inclusion for the unbanked in the country. Corporate customers benefit from Access Bank's strengths in trade finance, treasury, international payments and loans through the wider distribution network of the enlarged bank and Access Bank's presence in the key trade corridors which connect Africa with Dubai, China, Lebanon and Mumbai and the global hubs of UK, US and Hong Kong.

Access Bank Zambia and Cavmont Bank will draw on Access Bank's strong track record of post-merger integration to ensure a successful combination.

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