Kenya Commercial Bank (KCB) and Atlas Mara (ATMA) have signed a definitive agreement which will see the former acquire 62.06% stake in Banque Populaire du Rwanda Plc (BPR). The final acquisition will wait for shareholder and obtaining regulatory approvals in the respective countries.

The acquisition of BPR by KCB Group, East Africa's biggest Bank by assets will see KCB double its market share to become the second largest bank in the country and solidify KCB Group's leadership position, it said in a statement.

KCB also announced its acquiring 100% stake in the African Banking Corporation Tanzania Limited (BancABC).

Joshua Oigara, KCB Group CEO said the transaction was part of KCB's ongoing strategy to explore opportunities for new growth while investing in and maximizing returns from the Group's existing businesses. The acquisition, he added, will buttress the Group's leadership position and give it a stronger edge to play a bigger role in driving the financial inclusion agenda in the East African region while building a robust and financially sustainable organization.

"The transaction fits within the Group's expansion strategy and will see us increase our market share and distribution network across Rwanda and Tanzania and improve our operating leverage by enabling us to deliver our existing product offerings to a wider base of customers while positioning the bank for sustainable growth in the long-term, " said Mr. Oigara. "Once the transaction is completed, the Group's Rwanda and Tanzania businesses are expected to have stronger financial credentials to support business growth in the post covid-19 macroeconomic recovery" he added.