

Atlas Mara Limited and Kenya Commercial Bank (KCB) Group Plc has signed an agreement to acquire 62.06% of issued shares in Banque Populaire du Rwanda Plc (BPR).

The Rwf 42.6 billion deal (\$42.4 million) follows the securing the requisite shareholder and regulatory approval earlier in the year.

BPR, which is run by Atlas Mara since 2016 is one of Rwanda's most popular bank with branches reaching all corners of the country.

On the other hand, KCB is East Africa's largest commercial Bank established in 1896, with operations in East and Southern African regional countries like Rwanda, Burundi, Ethiopia, Zambia, South Sudan and Kenya its home country of origin.

The transaction makes KCB the majority shareholder in the bank, which is the second largest in the country.

"Once implemented, the combined bank is expected to double its market share resulting in a robust balance sheet and capital structure that will support growth in the post Covid-19 macroeconomic recovery period thus ensuring the banks' customers benefit from being a part of one of the biggest Banking groups in East Africa," a KCB press statement said in part.

" KCB Group CEO and MD Joshua Oigara said, "We are delighted to complete this acquisition of BPR, a strong retail and SME bank with the largest branch network in the sector and a long history spanning over 45 years in the country. This transaction will see the combined bank becoming the 2nd largest bank in the industry."

"This 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 Rwanda while positioning the bank for sustainable growth in the long-term," Oigara added.

Maurice Toroitich, the CEO of BPR, said this transaction represents an opportunity for BPR to benefit from being part of the largest banking group in East Africa and confidence that BPR will benefit from KCB Rwanda's digital banking capabilities, complementary branch and agents network, innovative product offering across retail, SME, corporate and payments as well as trade finance and international banking offering leveraging the broader KCB regional footprint.

"I want to assure our clients that the safety of their banking operations and high-quality customer service will remain our top priorities during the transition. They can look forward to new products and services as the combined institution pursues sustainable growth," Toroitich said.