



/ Tender Offer Document

16 May 2018

STANBIC AFRICA HOLDINGS LIMITED (“SAHL”) a wholly owned subsidiary of Standard Bank Group Limited (“SBG”)

TENDER OFFER

to purchase up to 59,000,000 additional ordinary shares in the issued share capital of Stanbic Holdings Plc (“Stanbic Holdings”)

1. THE TENDER OFFER

Further to the announcement published on 16 March 2018, SAHL hereby offers to acquire up to 59,000,000 additional ordinary shares in the issued share capital of Stanbic Holdings (“**Ordinary Shares**”), which represents just under 15% of the issued share capital of Stanbic Holdings, by means of a tender offer (the “**Tender Offer**”) made to all the other shareholders of Stanbic Holdings.

The Tender Offer will be on a “**willing buyer, willing seller**” basis, with no element of compulsory acquisition from shareholders who do not wish to sell.

Subject to the conditions outlined below, the Tender Offer will open at 9:00 a.m. on 21 May 2018 and will be open to holders of Ordinary Shares (other than SAHL) (“**Shareholders**”) on the register of Stanbic Holdings on the relevant closing dates of the Tender Offer (see below).

The Tender Offer will close in two phases:

First Closing: the first phase of the offer will close at 5:00 p.m. on 11 June 2018, following which the Initial Entitlements of Shareholders whose Tender Form has been received by an Agent prior to 5:00 p.m. on 11 June 2018 (“**Early Acceptance Shareholders**”) will be calculated, as described in paragraph 7.2.2 below, and settled, as described in paragraph 7.4.1 below (the “**First Closing**”); and

Second Closing: the second and final phase of the offer will close at 5:00 p.m. on 2 July 2018, following which the Final Entitlements of Early Acceptance Shareholders (if any) and the Final Entitlements of Shareholders whose Tender Form has been received at or after 5:00 p.m. on 11 June 2018 but prior to 5:00 p.m. on 2 July 2018 (“**Final Acceptance Shareholders**”) will be calculated, as described in paragraph 7.2.3 below, and settled, as described in paragraph 7.4.2 below (the “**Second Closing**”).

These dates are subject to change by SAHL, which reserves the right to extend the period of the Tender Offer (subject to obtaining the necessary regulatory consents). Any change in the timetable will be published via a securities exchange announcement and in two national newspapers.

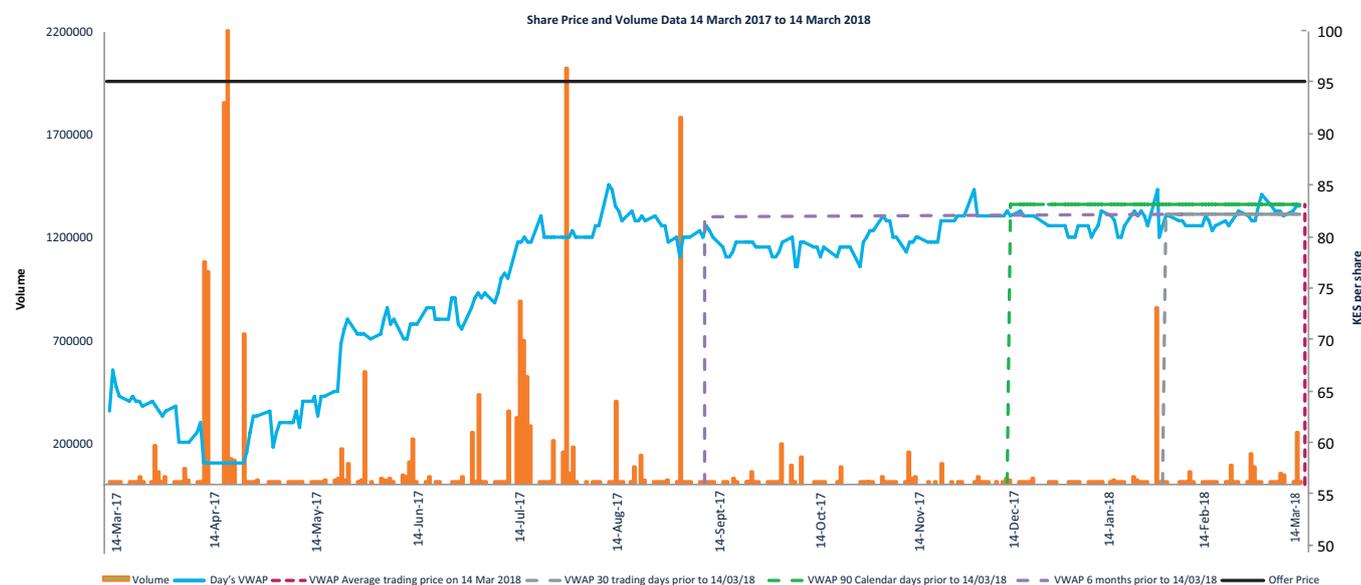
2. THE TENDER OFFER PRICE

The price payable for each Ordinary Share tendered in the Tender Offer is Kenya Shillings 95.00 (“**Tender Price**”), which price is inclusive of the right for SAHL to receive the final dividend of up to Kenya Shillings 4.00 per Ordinary Share in respect of the 2017 financial year proposed by the Board of Directors of Stanbic Holdings on 2 March 2018 for approval by shareholders of Stanbic Holdings at the Annual General Meeting to be held on 12 June 2018 and to be paid to shareholders thereafter (the “**Final Dividend**”).

On 14 March 2018, being the last trading day prior to submission of the Notice of Intention, an aggregate of 900 Ordinary Shares of Stanbic Holdings traded at an average price of Kenya Shillings 83.00 per Ordinary Share on the Nairobi Securities Exchange (“**NSE**”) on a cum-dividend basis (i.e. shares were traded inclusive of the right to receive the proposed Final Dividend).

Historical trading and volume data shows that, over the 12 month period to 14 March 2018, Stanbic Holdings shares have traded on the NSE at prices of between Kenya Shillings 58.00 and 85.00 per Ordinary Share as shown in the graph below.

Figure 1: Stanbic Holdings share trading prices and volumes on the NSE for the 12 months prior to the announcement of the Tender Offer



Source: Capital IQ

Table 1: Summary historical volume weighted average prices at which Stanbic Holdings' shares have traded

	Period	Average trading price on 14-Mar-18	30 trading days prior to 14-Mar-18	90 calendar days prior to 14-Mar-18	6 months prior to 14-Mar-18
Period start date		14-Mar-18	01-Feb-18	15-Dec-18	13-Sep-18
Period end date		14-Mar-18	14-Mar-18	14-Mar-18	14-Mar-18
Number of trading days in the period		1	30	62	127
Sum of number of shares traded in the period		900	786,900	1,811,100	2,886,600
Sum of value of shares traded in the period (KES)		74,700	64,590,600	150,671,300	236,618,050
Volume weighted average price (VWAP) for period (KES/Share)		83.00	82.08	83.19	81.97

Source: SBG Securities computations

Consequently, as set out in the table below, the Tender Price represents:

- (i) a premium of 14.5 per cent to the daily average (cum-dividend) trading price at which Ordinary Shares traded on 14 March 2018; and
- (ii) a premium of 15.7 per cent to the VWAP at which Ordinary Shares traded on the NSE for the 30 trading days up to 14 March 2018 (the last day on which Stanbic Holdings shares traded before SAHL submitted its Notice of Intention to launch the Tender Offer).

Table 2: Implied premium over historical trading prices

Period	Average trading price on 14-Mar-18	30 trading days prior to 14-Mar-18	90 calendar days prior to 14-Mar-18	6 months prior to 14-Mar-18
Tender Price of Kenya Shillings 95.00 per Ordinary Share represents an implied premium to VWAP for the stated period of:	14.5%	15.7%	15.9%	14.2%

Source: SBG Securities computations

In its published audited annual financial results, Stanbic Holdings reported consolidated group Shareholders' Funds attributable to its shareholders of Kenya Shillings 42,955,687,000 as at 31 December 2017. Further, Stanbic Holdings reported software intangible assets of Kenya Shillings 1,356,050,000 and goodwill of Kenya Shillings 9,349,759,000 as at 31 December 2017. This implies that the accounting book value of the tangible assets attributable to Stanbic Holdings' ordinary shareholders as at 31 December 2017 amounted to Kenya Shillings 32,249,878,000.

Given that Stanbic Holdings had 395,321,638 Ordinary Shares in issue as at 31 December 2017, this implies that the Tangible Book Net Asset Value attributable to each Ordinary Share amounted to Kenya Shillings 81.58 per Ordinary Share as at that date.

Stanbic Holdings also reported earnings per share of Kenya Shillings 10.90 per Ordinary Share for the financial year ended 31 December 2017.

The Tender Price therefore reflects:

- (i) a premium of 16.5 per cent over the tangible accounting book net asset value per Ordinary Share (as at 31 December 2017);
- (ii) a Tender Price to tangible accounting book net asset value multiple of 1.16 times (as at 31 December 2017); and
- (iii) a Price to Earnings per Share multiple of 8.72 times (for the financial year ended 31 December 2017).

Neither SAHL nor its broker or advisors will acquire shares tendered at prices higher than the tender price during the period in which the Tender Offer is open, and none of them has any current intention to do so after the Tender Offer closes.

3. IMPACT OF THE TENDER OFFER ON STANBIC HOLDINGS

At the date of this document, SAHL (through Stanbic Nominees Limited, on its behalf) holds 237,192,981 Ordinary Shares, which represents 60% (sixty per cent) of the issued share capital of Stanbic Holdings.

If the Tender Offer is accepted in full, SAHL will hold 296,192,981 Ordinary Shares, which would represent slightly less than 75% (seventy five per cent) of the issued share capital of Stanbic Holdings.

SAHL (and its parent company, SBG) regards Kenya as one of its strategic growth markets that will help SBG to fulfil its mission to be the leading financial services organisation in, for and across Africa, delivering exceptional client experience and superior value. The proposed acquisition by SAHL of additional Ordinary Shares is part of SBG's commitment to focus on growing the business in the African continent and is a demonstration of SBG's long-term confidence in Stanbic Holdings and in the Kenyan banking market and economy generally.

SBG intends to maintain Stanbic Holdings' listing on the NSE following completion of the Tender Offer.

In addition, SAHL confirms that it has no intention, pursuant to the Tender Offer, to:

- (i) change the directors of Stanbic Holdings, other than pursuant to existing retirement and succession plans;
- (ii) materially change the executive management team of Stanbic Holdings; or
- (iii) materially change the current business strategy of Stanbic Holdings.

4. ACTION TO BE TAKEN

If any Shareholder does not wish to accept the Tender Offer, then such Shareholder need not take any further action.

If any Shareholder wishes to tender all or some of its Ordinary Shares in the Tender Offer, then such Shareholder should complete the Tender Form in accordance with the instructions set out therein and return it, together with identification documents for such Shareholder (a copy of ID/passport for individuals or of the certificate of incorporation/registration for companies/groups/societies, in each case certified by an Agent or an attorney) (and, where the shares are not immobilized, together with share certificate(s) and CDS account opening forms) to any of the Authorized Acceptance Agents listed in paragraph 10 of this document and the Tender Form (the "Agents") so as to reach them by no later than 2 July 2018.

If you have sold or otherwise transferred all of your Ordinary Shares, please send the copy of the Tender Form provided to you, at once to the stockbroker, bank or other agent through whom the sale or transfer was effected, for delivery to the purchaser or transferee. If you have sold or otherwise transferred only part of your holding of Ordinary Shares, you should retain the copy of the Tender Form provided to you and return such form in accordance with the terms of this document if you wish to tender all or some of your Ordinary Shares in the Tender Offer.

If the sole registered Shareholder is deceased and probate or letters of administration has/have been registered with Stanbic Holdings' registrars, the Tender Form should be signed by the personal representative(s) of the deceased and returned to an Agent, together with a certified true copy of the death certificate (or a notarised copy), the relevant certified true copies of probate or letters of administration and evidence of the authority to sign of the personal representative(s).

If only one of the registered Shareholders in a joint account is deceased, the surviving registered Shareholder(s) should complete the Tender Form and return it to an Agent, together with a certified true copy of the death certificate (or a notarised copy), and the relevant certified true copy of the probate or letters of administration (or a notarised copy) of the deceased Shareholder.

IF YOU ARE IN ANY DOUBT AS TO THE CONTENTS OF THIS NOTICE OR THE ACTION YOU SHOULD TAKE REGARDING THIS TENDER OFFER, YOU SHOULD CONSULT YOUR STOCKBROKER, INVESTMENT BANK OR OTHER PROFESSIONAL INVESTMENT ADVISER.

5. TIMETABLE OF KEY EVENTS

5:00 p.m. on 15 March 2018	Record Date for purposes of eligibility for preferred allocation
4 May 2018	Stanbic Bank Kenya Limited quarterly results release
9:00 a.m. on 21 May 2018	Tender Offer opens
5:00 p.m. on 11 June 2018	First Closing
2 July 2018	Announcement of the results of the First Closing
5:00 p.m. on 2 July 2018	Second Closing
9:00 am. on 3 July 2018	Trading in Stanbic Holdings Ordinary Shares is suspended until 3:00 p.m. on 16 July 2018
11 July 2018	Announcement of the results of the Second Closing

6. REGULATORY APPROVALS

Pursuant to Rule 5(1) of the Capital Markets (Take-Overs and Mergers) Regulations, 2002, SAHL has applied for and has received from the Capital Markets Authority, an exemption

from the requirement to make a mandatory offer to acquire all of the issued shares in Stanbic Holdings that it does not hold.

The Central Bank of Kenya has confirmed that it has no objection to the acquisition of up to 59,000,000 additional Ordinary Shares by SAHL and the South African Reserve Bank has provided the necessary clearances.

The Competition Authority of Kenya has been notified as a matter of procedure under Regulation 3 of the Capital Markets (Take-Overs and Mergers) Regulations, 2002.

7. TERMS AND CONDITIONS OF THE TENDER OFFER

7.1 General Terms and Conditions

All tenders must be made on the prescribed Tender Form, duly completed in accordance with the instructions thereon, which constitute part of the terms of the Tender Offer. A tender will only be valid where the procedures contained herein and in the Tender Form are complied with. The Tender Offer and all tenders will be governed by and construed in accordance with Kenyan law. Delivery or posting of a Tender Form will constitute irrevocable submission to the jurisdiction of the Kenyan courts.

All tenders will be irrevocable. A holder of Ordinary Shares shall only be permitted to tender their Ordinary Shares in the Tender Offer if at the First Closing Date or the Second Closing Date, as applicable, such shares are free from all pledges, liens and other encumbrances. Ordinary Shares successfully tendered will be acquired by SAHL fully paid and free from all liens, charges, equitable interests and encumbrances and together with all rights attaching thereto, including the right to all dividends and other distributions declared, made or paid in respect of such Ordinary Shares, including the Final Dividend.

Ordinary Shares tendered during the Tender Offer period and acquired by SAHL as part of the Tender Offer will be acquired by SAHL together with the right to attend and vote at any general meeting of Stanbic Holdings after 2 July 2018.

Shareholders may tender all or part of their holding as of the Record Date. Shareholders that acquire additional Ordinary Shares after the Record Date should note that while they may tender such shares into the Tender Offer, they will not enjoy preference in respect of any shares that are acquired after the Record Date. For further detail in this regard, please see section 7.2.1 below.

No tenders received by the Agents before 9:00 a.m. on 21 May 2018 will be accepted. No tenders received by the Agents after 5:00 p.m. on 2 July 2018 will be accepted.

All questions as to the number of Ordinary Shares tendered and/or the validity, eligibility (including the time of receipt) and acceptance of any tender of Ordinary Shares will be determined by SAHL, acting through the Agents and the Data Processing Agent appointed in connection with the Tender Offer (the "DPA"), which determination will be final and binding on all of the parties (except as otherwise required under applicable law). SAHL, acting through the Agents and the DPA, reserves the absolute right to reject any or all tenders it determines not to be in proper form or the acceptance or payment for which may, in the opinion of SAHL, acting through the Agents and the DPA, be unlawful or may violate applicable legal or regulatory requirements. SAHL acting through the Agents and the DPA, also reserves the absolute right to waive any of the terms of the Tender Offer and any defect or irregularity in the tender of any particular Ordinary Shares or any particular Shareholder. No tender of Ordinary Shares will be deemed to be validly made until all defects or irregularities have been cured or waived. In the event of a waiver, the consideration under the Tender Offer will not be dispatched until after the Tender Form is complete in all respects and

the share certificates and/or other document(s) of title, and identification documents (a copy of ID/passport for individuals (together with a copy of the relevant death certificate and probate or letters of administration, as described in section 4 above in respect of any deceased Shareholder) or of the certificate of incorporation/registration for companies/groups/societies, in each case certified by an Agent or an attorney), satisfactory to SAHL, acting through the Agents and the DPA, have been received by the DPA.

Neither SAHL, the Agents, the DPA nor the Lead Sponsoring Broker nor any other person is or will be obliged to give notice of any defects or irregularities in tenders, and none of them will incur any liability for failure to give any such notice. Neither SAHL, the Agents, the DPA nor the Lead Sponsoring Broker or their respective agents, or any person acting on behalf of any of them, will have any liability to any person for any loss or alleged loss arising from any decision as to the treatment of Tender Forms or otherwise in connection therewith.

The failure of any person to receive a copy of this document or the Tender Form will not invalidate any aspect of the Tender Offer. Each Shareholder shall be responsible for all communications, notices, certificates, documents of title and other documents and remittances to be delivered by or to, or sent to or from, him/her or it or his/her or its designated agent.

The Tender Offer is not conditional on a minimum level of Ordinary Shares being tendered in the Tender Offer. There is no minimum level of acceptances. All references to time in this document are to Nairobi time.

7.2 Calculation of Entitlements and Pro Rata Scale-Back

The entitlement of each Shareholder as a result of their participation in the Tender Offer will be calculated following the First Closing and the Second Closing, as set out below.

This two stage closing process is intended to ensure that Shareholders who have accepted the Tender Offer early in the offer process are able to realise their investment and receive their purchase consideration at an earlier date than would otherwise be available under a single offer window.

If more than 59,000,000 Ordinary Shares are tendered by Shareholders in the Tender Offer, each Shareholder's tender may be subject to pro rata scale-back as set out below.

7.2.1 Preferred Allocation Pool

Each Shareholder on the register of members as at 5.00 pm on 15 March 2018 (the "**Record Date**") will have a preferential right to tender up to the lower of:

- (i) the number of shares owned by the Shareholder as recorded in the register at the Record Date, and
- (ii) 10,000 Ordinary Shares, (such Shareholder's "**Preferred Allocation Limit**") in the Tender Offer, such that each Shareholder will not be subject to any pro rata scale-back in respect of Ordinary Shares tendered in the Tender Offer up to the Shareholders' Preferred Allocation Limit, whether or not such Shareholder is an Early Acceptance Shareholder or a Final Acceptance Shareholder.

Accordingly, of the 59,000,000 Ordinary Shares that are the subject of the Tender Offer, 13,000,000 Ordinary Shares will be designated the "**Preferred Allocation Pool**" to be allocated to satisfy the tender of up to a maximum of 10,000 Ordinary Shares, held by the eligible Shareholder as at the Record Date, tendered by each Shareholder eligible for the preferred allocation mechanism.

Of the remaining 46,000,000 Ordinary Shares that are the subject of the Tender Offer, 23,000,000 Ordinary Shares will be designated the "**Early Acceptance Pool**" to be allocated in priority to Early Acceptance Shareholders, as described in paragraph 7.2.2 below.

The number of Ordinary Shares up to a maximum of 10,000, held by the eligible Shareholder as at the Record Date, tendered by each Shareholder in the Tender Offer eligible for the preferred allocation mechanism will constitute such Shareholder's "**Preferred Allocation Take-up**". The number of Ordinary Shares in excess of the Preferred Allocation Take-up tendered by each Shareholder will constitute that Shareholder's "**Excess Tender**".

For the avoidance of doubt:

- (i) Shareholders who did not appear on the register of members as at the Record Date but who subsequently purchase Ordinary Shares in Stanbic Holdings and, consequently are entered in the register as Shareholders before the Tender Offer closes are eligible to tender their Ordinary Shares in the Tender Offer but are not eligible for the preferred allocation mechanism. Consequently, all the shares that such Shareholders may tender will be considered as that Shareholder's Excess Tender and potentially be subject to scale-back as described in 7.2.2 and 7.2.3; and
- (ii) Shareholders who own up to a maximum of 10,000 shares as at the Record Date and subsequently increase their shareholding before the Tender Offer closes will only be entitled to a preferred allocation in respect of the number of shares that such Shareholders owned as at the Record Date. If such Shareholder tenders more shares than are eligible for the preferred allocation mechanism, the excess will constitute that Shareholder's Excess Tender and potentially be subject to scale-back as described in 7.2.2 and 7.2.3.

7.2.2 First Closing

Each Early Acceptance Shareholder's Preferred Allocation Take-up will be satisfied in full in the First Closing.

In addition, the DPA will calculate the extent to which the Excess Tender of each Early Acceptance Shareholder will be satisfied in the First Closing as follows:

- (i) if the sum of the Excess Tenders of all Early Acceptance Shareholders (in aggregate) is equal to or less than the Early Acceptance Pool, then Early Acceptance Shareholders will not be subject to any pro rata scale-back and each Early Acceptance Shareholder's Excess Tender will be satisfied in full in the First Closing (together with their Preferred Allocation Take-up, each Early Acceptance Shareholder's "**Initial Entitlement**"); or
- (ii) if the sum of the Excess Tenders of all Early Acceptance Shareholders (in aggregate) is greater than the Early Acceptance Pool, then:
 - a. the Early Acceptance Pool will be allocated to the Early Acceptance Shareholders pro rata to the size of each Early Acceptance Shareholder's Excess Tender (or as near thereto as the DPA in its absolute discretion considers practicable) and each Early Acceptance Shareholder's Excess Tender will be satisfied to the extent of such allocation in the First Closing (together with their Preferred Allocation Take-up, each Early Acceptance Shareholder's "**Initial Entitlement**"); and
 - b. the amount of each Early Acceptance Shareholder's Excess Tender that is not satisfied by such allocation (the "**Early Acceptance Tender Balance**") will be taken into account in the calculation of Final Entitlements following the Second Closing, as described below.

SAHL will publish the results of the calculation of the Initial Entitlements of the Early Acceptance Shareholders following the First Closing by 2 July 2018 via a securities exchange announcement and in two national newspapers.

Each Early Acceptance Shareholder will receive the settlement of its Initial Entitlement, calculated as described above, in the First Closing, in accordance with paragraph 7.4.1 below.

7.2.3 Second Closing

Each Final Acceptance Shareholder's Preferred Allocation Take-up will be satisfied in full in the Second Closing.

In addition, the DPA will calculate the extent to which the Excess Tender of each Final Acceptance Shareholder and the Early Acceptance Tender Balance of each Early Acceptance Shareholder will be satisfied in the Second Closing, as follows:

- (i) The number of Ordinary Shares that will be allocated to satisfy the Excess Tender of each Final Acceptance Shareholder and to satisfy the Early Acceptance Tender Balances of each Early Acceptance Shareholder (the "**Final Allocation Pool**") will be equal to 59,000,000 Ordinary Shares minus: (i) the number of Ordinary Shares allocated to Early Acceptance Shareholders in the First Closing; and (ii) the aggregate sum of the Preferred Allocation Take-up of all Final Acceptance Shareholders.
- (ii) If the sum of: (i) the Excess Tenders of all Final Acceptance Shareholders (in aggregate); and (ii) the Early Acceptance Tender Balances of the Early Acceptance Shareholders (in aggregate), is equal to or less than the Final Allocation Pool, then no Shareholder will be subject to a pro rata scale-back and each Early Acceptance Shareholder's Early Acceptance Tender Balance and each Final Acceptance Shareholder's Excess Tender will be satisfied in full in the Second Closing (each Early Acceptance Shareholder's, and, together with their Preferred Allocation Take-Up, each Final Acceptance Shareholder's, "**Final Entitlement**").
- (iii) If the sum of: (i) the Excess Tenders of all Final Acceptance Shareholders (in aggregate); and (ii) the Early Acceptance Tender Balances of the Early Acceptance Shareholders (in aggregate), is greater than the Final Allocation Pool, then the Final Allocation Pool will be allocated to satisfy each Final Acceptance Shareholder's Excess Tender and to satisfy each Early Acceptance Shareholder's Early Acceptance Tender Balance pro rata to the size of each Final Acceptance Shareholder's Excess Tender and each Early Acceptance Shareholder's Early Acceptance Tender Balance (or as near thereto as the DPA in its absolute discretion considers practicable and treating for these purposes each Final Acceptance Shareholder's Excess Tender and each Early Acceptance Shareholder's Early Acceptance Tender Balance equivalently), each Final Acceptance Shareholder's Excess Tender and each Early Acceptance Shareholder's Early Acceptance Tender Balance will be satisfied in the Second Closing only to the extent of such allocation (each Early Acceptance Shareholder's, and, together with their Preferred Allocation Take-Up, each Final Acceptance Shareholder's, "**Final Entitlement**") and the tenders made by each Early Acceptance Shareholder and each Final Acceptance Shareholder will be scaled back accordingly.

7.2.4 General

Fractional entitlements will not be taken into account as part of the calculation of any Initial Entitlements or Final Entitlements. The number of Ordinary Shares that Shareholders who tender their shares in the Tender Offer and are subject to a pro rata scale-back are deemed to have tendered will be rounded down to the nearest 100 Ordinary Shares. As a result, and taking into account the calculation mechanism described above, Shareholders who tender some or all of their Ordinary Shares in the Tender Offer may not know the precise number of Ordinary Shares that they will be deemed to have tendered (and, therefore, the exact amount of cash they will receive pursuant to the Tender Offer) until final settlement of the Second Closing.

For the avoidance of doubt, where Nominee Shareholders have

completed Tender Forms on behalf of underlying beneficial shareholders, any pro rata scale back will be applied at the level of each entry of the Nominee Shareholder on the register of members of Stanbic Holdings, and will not take account of the underlying holdings or instructions of underlying beneficial shareholders.

All questions as to calculation of any pro rata scale-back will be determined by SAHL, acting through the DPA, in its sole discretion. Neither SAHL, the Agents, the DPA nor the Lead Sponsoring Broker nor any person acting on behalf of any of them, will have any liability to any person for any loss or alleged loss arising from the calculation of any pro rata scale-back.

7.3 Updates on level of acceptances

As noted above, SAHL will publish the results of the calculation of the Initial Entitlements of the Early Acceptance Shareholders following the First Closing on/around 2 July 2018 via a securities exchange announcement and in two national newspapers.

SAHL will publish the final results of the Tender Offer and the calculation of the Final Entitlements of Early Acceptance Shareholders and Final Acceptance Shareholders on/around 11 July 2018, via a securities exchange announcement and in two national newspapers.

7.4 Settlement

7.4.1 First Closing

Following the calculation of the Initial Entitlements of the Early Acceptance Shareholders in accordance with paragraph 7.2.2 above and on receipt of relevant regulatory approvals, each Early Acceptance Shareholder's Initial Entitlement will be settled as follows:

- (i) Ordinary Shares will be transferred within 10 days; and
- (ii) Payments will be processed by the Paying Bank within 14 days for every Shareholder in accordance with the preferred method of payment indicated in the applicable Tender Form.

7.4.2 Second Closing

Following the calculation of the Final Entitlements of the Early Acceptance Shareholders (if any) and Final Acceptance Shareholders in accordance with paragraph 7.2.3 above and on receipt of relevant regulatory approvals, each Early Acceptance Shareholder's and Final Acceptance Shareholder's Final Entitlement will be settled as follows:

- (i) Ordinary Shares will be transferred within 10 days; and
- (ii) Payments will be processed by the Paying Bank within 14 days for every Shareholder in accordance with the preferred method of payment indicated in the applicable Tender Form.

7.4.3 Suspension of Trading

In order to facilitate the settlement process above and to ensure that Ordinary Shares tendered in the Tender Offer can be transferred, an application will be made for trading in Stanbic Holdings Ordinary Shares to be suspended for ten business days post Second Closing, expected to be from 9:00 a.m. on 3 July 2018 until 3:00 p.m. on 16 July 2018.

7.5 Tendering Shareholder Confirmations

Each Shareholder that tenders Ordinary Shares into the Tender Offer irrevocably undertakes, represents, and warrants to SAHL and its agents (so as to bind such Shareholder, its representatives and its heirs, successors and assigns) that:

- (i) the execution of the Tender Form constitutes the irrevocable appointment by such Shareholder of any director of SAHL as such Shareholder's attorney and/or agent, and an irrevocable instruction to the attorney and/or agent to complete and execute all or any form(s) of transfer and/or other document(s) at the discretion

of the attorney and/or agent in relation to the relevant Ordinary Shares in favour of SAHL or such other person or persons as SAHL may direct and to deliver such form(s) of transfer and/or other document(s) at the discretion of the attorney and/or agent, together with the share certificate(s) and/or other document(s) relating to the Ordinary Shares, for registration within six months of the Tender Offer opening and to do all other acts and things as may in the opinion of such attorney and/or agent be necessary or expedient for the purpose of, or in connection with, the acceptance of the tender offer and to vest in SAHL or its nominee(s) or such other person(s) as SAHL may direct the Ordinary Shares;

- (ii) such Shareholder will do all such acts and things as may be necessary or expedient to vest in SAHL or its nominee(s) or such other person(s) as SAHL may direct the Ordinary Shares;
- (iii) such Shareholder agrees to ratify each and every act or thing which may be done or affected by SAHL or by any director of SAHL or its agents, as the case may be, in the proper exercise of any of its or their powers and/or authorities conferred by or referred to in this document;
- (iv) the Tender Offer may lawfully be made to such Shareholder and the acceptance of the Tender Offer may lawfully be made by such Shareholder and that such Shareholder has taken appropriate steps to satisfy themselves of such legality and has complied with the laws of any relevant jurisdiction in connection with the Tender Offer;
- (v) such Shareholder's Ordinary Shares are sold free from all liens, charges, equitable interests and encumbrances and together with all rights attaching thereto, including the right to all dividends and other distributions declared, made or paid in respect of such Ordinary Shares, including the Final Dividend, and, for Ordinary Shares acquired by SAHL as part of the First Closing, with the right to attend and vote at any general meeting of Stanbic Holdings after 2 July 2018, and for Ordinary Shares acquired by SAHL as part of the Second Closing, with the right to attend and vote at any general meeting of Stanbic Holdings after 11 July 2018.

7.6 Nominee Shareholders

Nominee Shareholders will be responsible for ensuring that Tender Forms submitted by them are consistent with the instructions they have received from the relevant underlying beneficial shareholders and are validly completed (including as regards the giving of the representations, warranties and undertakings described in this document). None of SAHL, Stanbic Holdings, the agents, the DPA, the Lead Sponsoring Broker or the Paying Bank will (i) have any obligation to verify that a Tender Form submitted by a Nominee Shareholder is consistent with the instructions given by its underlying beneficial shareholders or is validly completed by the Nominee Shareholder, or (ii) have any liability to Nominee Shareholders or relevant underlying beneficial shareholders in the event that a Tender Form submitted by a Nominee Shareholder is rejected or treated as invalid.

For the avoidance of doubt, cash due to Shareholders under the terms of the Tender Offer will be paid to Nominee Shareholders and will not be paid directly to relevant underlying beneficial shareholders. Payment to Nominee Shareholders in accordance with the terms of the Tender Offer will be a complete discharge of SAHL's payment obligations, and none of SAHL, Stanbic Holdings, the agents, the DPA, the Lead Sponsoring Broker or the Paying Bank will have any obligation in relation to the application of the monies so paid to the Nominee Shareholder under the terms of the Tender Offer.

7.7 Shareholders from other countries

The Tender Offer is for securities of a company incorporated under the laws of Kenya and is subject to the procedural and disclosure requirements of Kenyan law. Since this document has been prepared in accordance with Kenyan law, the information disclosed may not be the same as that which would have been provided in accordance with the laws of any other jurisdiction. No person outside of Kenya receiving a copy of this document or any Tender Form may treat the same as constituting an invitation or offer to him unless the Tender Offer is lawfully made in the relevant territory. It is the responsibility of any such person to satisfy themselves as to full observance of the laws of that territory, including obtaining any requisite governmental or other consents, observing any other requisite formalities and paying any issue, transfer or other taxes due in such territory.

7.8 Further Tender Offers

SAHL reserves the right, subject to obtaining any necessary approvals from the Capital Markets Authority or any other relevant regulatory authorities, and in compliance with applicable law, to launch one or more additional tender offers in relation to Stanbic Holdings, or otherwise to acquire additional shares in Stanbic Holdings, following the close of the Tender Offer.

8. GENERAL DISCLOSURES AND INFORMATION

8.1 SAHL (incorporated in the United Kingdom with its registered office at 20 Gresham Street, London, EC2V 7JE, London, United Kingdom) is a wholly owned subsidiary of Standard Bank Group Limited ("**SBG**") and serves as the holding company for the majority by number of SBG's African banking operations. SBG is headquartered in Johannesburg and has a primary listing on the Johannesburg Stock Exchange and a secondary listing on the Namibian Stock Exchange. Through its subsidiaries, SBG operates in 20 African countries offering various banking, investment, and lending products and services to individuals, businesses, and corporate clients. Subsidiary banks or their respective holding companies are listed on exchanges in Kenya, Malawi, Nigeria and Uganda. Further details on SBG, including its annual financial reports, details of directors, core activities, management and major shareholders can be found on its website at <http://www.standardbank.com>. Additional reporting information is available at: <http://reporting.standardbank.com>.

8.2 Stanbic Holdings is the holding company for Stanbic Bank Kenya Limited and SBG Securities Limited (Kenya) (together with their respective subsidiaries). Further information on Stanbic Holdings, including its annual financial reports, details of directors, core activities, management and major shareholders can be found on its website at <https://www.stanbicbank.co.ke/kenya/About-Us/Investor-relations>.

8.3 SAHL is not acting in concert with any person (whether pursuant to a formal or informal agreement or understanding) in relation to the acquisition of Ordinary Shares or the consolidation of control of Stanbic Holdings.

Various subsidiaries of the Standard Bank Group other than SAHL do own or hold shares in Stanbic Holdings from time to time in the course of providing financial services to their clients; however, these entities are not acting in concert with SAHL and, to the extent relevant and necessary, will consider the Tender Offer strictly under the provisions of their respective client mandates (or fiduciary duties).

8.4 SAHL has sufficient cash resources and facilities at its disposal to satisfy full acceptance of the Tender Offer. Every shareholder who wishes to tender their Shares will, subject to the allocation policy set out in paragraph 7.2 above, be paid in full.

8.5 To SAHL's knowledge, there has not been any material change in the financial position or prospects of Stanbic Holdings since

the date of the latest results released by Stanbic Holdings on 5 March 2018.

- 8.6** There is no agreement, arrangement or understanding in existence between SAHL and any of the directors, past directors, holders of voting shares or past holders of voting shares of Stanbic Holdings in connection with the Tender Offer.
- 8.7** No agreement or arrangement has been made by which shares acquired by SAHL in pursuance of the Tender Offer will or may be transferred to any other person.
- 8.8** SAHL has not acquired nor disposed of any voting shares in Stanbic Holdings at any time during the period commencing six (6) months prior to the date of this document.
- 8.9** As the Ordinary Shares are listed on the NSE, no capital gains tax will be payable in Kenya in connection with the gain accruing on the transfer of such Ordinary Shares in accordance with current legislation. Similarly, no stamp, registration or similar duties or taxes will be payable in Kenya in connection with the transfer of the Ordinary Shares in accordance with current legislation.
- 8.10** Any settlement of the consideration to which any Shareholder is entitled under Tender Offer will be implemented in full in accordance with the terms of the Tender Offer without regard to lien, right of set off, counter claim or other analogous rights to which SAHL may otherwise be or claim to be entitled as against the Shareholder.

9. PARTIES AND ADVISERS

- Offeror:** Stanbic Africa Holdings Limited
20 Gresham Street,
London, EC2V 7JE, United Kingdom
- Offeree:** Stanbic Holdings Plc
Stanbic Centre, 58 Westlands Road
P. O. Box 72833-00200, Nairobi, Kenya
- Sponsoring Broker:** SBG Securities Limited
Stanbic Centre, 58 Westlands Road
P. O. Box 47198-00100, Nairobi, Kenya
- Legal Adviser to SAHL:** Bowmans-Kenya
(Coulson Harney LLP)
5th Floor, West Wing, ICEA Lion Centre
Riverside Park, Chiromo Road
P. O. Box 10643-00100, Nairobi, Kenya
- Data Processing Agent:** Image Registrars Limited
5th Floor, Barclays Plaza, Loita Street
P. O. Box 9287 - 00100 GPO
Nairobi, Kenya
- Paying Bank:** Stanbic Bank Kenya Limited
Stanbic Centre, 58 Westlands Road
P. O. Box 72833-00200, Nairobi, Kenya

10. AUTHORISED ACCEPTANCE AGENTS (“AGENT(S)”)

(Please contact your Agent for details of the branch nearest to you)

Lead Sponsoring Agent

SBG Securities Ltd.

Stanbic Centre, Chiromo Road
P. O. Box 47198-00100, Nairobi.
Tel: +254-20-3638900
Email: sbgs@stanbic.com
Web: www.sbgsecurities.co.ke

Acceptance Agents

ABC Capital Ltd.

IPS Building, 5th Floor,
P.O. Box 34137-00100
Tel: 2246036/2245971
Fax: 2245971
Email: headoffice@abccapital.co.ke
Web : www.abccapital.co.ke

African Alliance Securities Ltd.

Transnational Plaza, 1st Floor, Wing B,
P.O. Box 27639-00506
Tel: +254 20 276 2000/276 2600
Fax: +254 20 221 6070
Email: info@africanalliance.com
Web: www.africanalliance.com

AIB Capital Ltd.

Finance House, 9th Floor,
P.O. Box 11019-00100
Tel: 220178 / 2212206
Fax: 2210500
Email: info@aibcapital.com
Web: www.aibcapital.com

ApexAfrica Capital Ltd.

The Riverfront, 1st Floor, Prof. David
Wasawo Drive, Off Riverside Drive ,
P.O. Box 43676-00100
Tel: +254 020 7602525/020 2226440
Email: invest@apexafrica.com
Web: www.apexafrica.com

Barclays Financial Services Ltd.

Waiyaki Way,
West End Building, 5th Floor
Tel: + 254 (0)20 4254000 / + 254 (0)20
4254501 / +254 711 097000
Email: Barclays.kenya@barclays.com

CBA Capital Ltd.

CBA Centre Mara Ragati Road Junction,
Upper Hill,
P.O. Box 30437-00100
Tel: 0202884000/+254 20 2884000 /
365, 0711056365
Fax: 0202734616
Web: www.cbagroup.com/investment-
banking/

Dyer & Blair Investment Bank Ltd.

Goodman Tower, 7th Floor,
P.O. Box 45396-00100
Tel: 3240000/2227803/4/5
Fax: 2218633
Email: shares@dyerandblair.com
Web: www.dyerandblair.com

EFG Hermes Kenya Ltd.

Orbit Place, 8th Floor, Westlands Road,
P.O. Box 349, 00623
Tel: +254 (020) 3743040
Email: kenyaoperations@EFG-HERMES.com
Web: www.EFG-HERMES.com

Equity Investment Bank Ltd.

Equity Centre, Hospital Road, Upper Hill,
P.O. Box 75104-00200
Tel: +254-20-2262477 Mobile: +254 732
112477/+254 711 026477
Fax: +254 20 2711439
Web: www.equitybankgroup.com

Faida Investment Bank Ltd.

Crawford Business Park, Ground Floor,
State House Road,
P.O. Box 45236-00100
Tel: +254 20 7606026 35
Fax: 2243814
Email: info@fib.co.ke
Web: www.fib.co.ke

Francis Drummond & Company Ltd.

Hughes Building, 2nd Floor,
P.O. Box 45465-00100
Tel: 318690/318689
Fax: 2223061
Email: info@drummond.co.ke
Web: www.drummond.co.ke

Genghis Capital Ltd.

Prudential Building, 5th Floor,
P.O. Box 1670-00100
Tel: 8008561, 2337535/36,
2373984/968/969
Fax: 246334
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Web: www.genghis-capital.com

KCB Capital Ltd.

Kencom House, 2nd Floor,
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Tel: +254 711 012 000 / 734 108 200,
+254 20 3270000 / 2851000 / 2852000
Email: investmentbanking@kcb.co.ke
Web: www.kcb.co.ke

Kestrel Capital (EA) Ltd.

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Tel: 251758/2251893,2251815,2250082
Fax: 2243264
Email: info@kestrelcapital.com
Web: www.kestrelcapital.com

Kingdom Securities Ltd.

Co-operative Bank House, 5th Floor,
P.O. Box 48231-00100
Tel: 3276940/3276256/3276154
Fax: 3276156
Email: info@kingdomsecurities.co.ke
Web : www.kingdomsecurities.co.ke

NIC Securities Ltd.

Ground Floor, NIC House, Masaba Road,
P.O. Box 44599-00100
Tel: 2888 444 / 0711 041 444
Fax: 2888 505
Email: info@nic-securities.com
Web: www.nic-securities.com

Old Mutual Securities Ltd.

IPS Building, 6th Floor,
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Fax: 2241392
Email: info.oms@oldmutualkenya.com
Web: www.oldmutual.co.ke

Renaissance Capital (Kenya) Ltd.

Purshottam Place ,6th Floor, Westlands,
Chiromo Road,
P.O. BOX 40560-00100
Tel: 3682000
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Web: www.rencap.com

Securities Africa Kenya Ltd.

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Web: www.securitiesafrica.com

Standard Investment Bank Ltd.

ICEA Building, 16th Floor,
P. O. Box 13714-00800
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Fax: 240297
Email: info@sib.co.ke
Web: www.sib.co.ke

Sterling Capital Ltd.

Barclays Plaza, 11th Floor, Loita Street,
P.O. Box 45080-00100
Tel: 2213914/244077/
0723153219/0734219146
Fax: 2218261
Email: info@sterlingib.com
Web: www.sterlingib.com

Suntra Investment Bank Ltd.

Nation Centre, 7th Floor,
P.O. Box 74016-00200
Tel: 2870000/247530/2223330/2211846
0724257024, 0733-222216
Fax: 2224327
Email: info@suntra.co.ke
Web: www.suntra.co.ke

DISCLAIMERS

This document is not intended to constitute, and may not be construed as, a public offering.

Copies of this Tender Offer Document and the Tender Form will be available at:

<http://reporting.standardbank.com/stanbicoffer.php> from the opening of the Tender Offer.

