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P R E S S R E L E A S E

M- Akiba 2 (Re-Open 1) Lists on NSE with a 79% Subscription Rate

Nairobi, March 18, 2019 - The Capital Markets Authority (CMA) has approved the listing of the **M-Akiba Retail Infrastructure Bond - Issue No. MAB2/2017/3 Re-open 1**, on the Nairobi Securities Exchange (NSE).

This tranche which was on offer from Monday, February 25, 2019 to Sunday, March 10, 2018 raised a total of Kshs. 197 million against a target of Kshs. 250 million reporting a 79% subscription rate. The bond attracted over 82,829 new registrations.

The bond which enjoys a coupon rate of 10% payable every six months will be redeemed on September 7, 2020 and will have three interest payments dates; September 9, 2019, March 9, 2020 and September 7, 2020.

M-Akiba seeks to deepen and enhance financial inclusion through leveraging on increased mobile phone penetration to democratize access to formal financial systems for savings and investments. More Kenyans are now able to participate in Government bonds by investing a minimum Kshs. 3,000.00 which is considerably lower in comparison to the minimum Kshs. 50,000.00 required to invest in other Treasury bills and bonds. Since inception, the bond has attracted over 450,000 new investors onto the bond platform underscoring the bond's potential to revolutionize access to capital market products.

Commenting on the M-Akiba 2 (Re-open 1), the NSE Chief Executive, Mr. Geoffrey Odundo noted, *"The 79% subscription rate is a clear indication of Kenyans investment appetite and an affirmation of the need for more innovative financial products in our market. The NSE will offer a world class trading facility for the bond as it commences trading on the secondary market, enabling any investor who missed an opportunity to purchase the M-Akiba bond to do so and enjoy the myriad of benefits the bond offers."*

Reiterating his remarks, the CDSC CEO, Ms. Rose Mambo, noted, *"The total collected during the two weeks was Kshs.197 million. CDSC now hosts a total of 459,586 M-Akiba bond CDS accounts. The March re-open has seen an additional 82,829 new accounts created in the CDS system. Since the first issue in March 2017, CDSC has paid out, on behalf of the Government, a total of Kshs. 47,282,500.10 in interest, to M-Akiba investors. CDSC paid an additional Kshs.12,387,500.00 on Monday, March 11, 2019 bringing the total amount paid in interest to Kshs. 59.67 million. CDSC will continue to perform its role as the issuing and paying agent for M-Akiba bond. CDSC has put in place robust systems that ensure security of client information and seamless settlement of transactions."*

The trading of the bond on the secondary market will enable Kenyans to participate in the bond and enjoy a high return of 10% interest that is tax exempt, proving to be very competitive against other investment instruments.

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-Ends-

Notes to the editor:

About M-Akiba

M-Akiba bond; is a Government infrastructure retail bond that is issued and traded exclusively via the mobile phone through dialing a USSD code *889#. Among the key features of the bond is the low entry level of Kshs. 3,000 only, and the ability to buy and sell the bond conveniently from anywhere at any time.

About NSE

The Nairobi Securities Exchange (NSE) is the principal securities exchange of Kenya. Besides equity securities, the NSE offers a platform for the issuance and trading of debt securities. The NSE is a member of the African Securities Exchanges Association (ASEA) and the East African Securities Exchanges Association (EASEA). It is a full member of the Association of Futures Markets (AFM) and the World Federation of Exchanges (WFE), and a partner Exchange in the United Nations Sustainable Stock Exchanges Initiative (SSE).

About CDSC

The Central Depository & Settlement Corporation Limited (CDSC) is a limited liability Company approved by the Capital Markets Authority to provide automated clearing, delivery and settlement facilities in respect of transactions carried out at the NSE as well as holding of listed and non-listed securities including other documents of title on behalf of investors.

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