

PRESS STATEMENT

The logo for Guaranty Trust Bank (Uganda) Ltd, featuring the letters 'GTCO' in white on a red square background.

Guaranty Trust Bank (Uganda) Ltd

Kampala, Uganda - 30 June 2023 - Guaranty Trust Bank (Uganda) Ltd (“GTBank Uganda”) announced its intention to transition from a Tier 1 Commercial Bank to a Tier 2 Credit Institution. This position has become necessary in view of the Bank’s current paid-up share capital position of UGX 41 billion (approx. USD 11.02 million) and the recent increase in the minimum paid-up share capital requirement for Tier 1 Commercial Banks operating in Uganda to UGX 120 billion (approx. USD 32.26 million) effective 31st December 2022, and subsequently to UGX 150 Billion (approx. USD 40.32Million) by 30th June 2024.

In November 2022, the Ministry of Finance, Planning and Economic Development in conjunction with the Bank of Uganda prescribed new thresholds for minimum paid-up share capital unimpaired by losses for Supervised Financial Institutions (SFIs) in Uganda.

Following extensive engagements with all stakeholders including the regulator and our shareholders, we believe that this is the right decision considering global economic realities and it is fully aligned with the objectives of our Holding Company — “to direct resources to opportunities in alignment with our current strategy of evolving the Guaranty Trust Brand to a full-fledged Financial Services Group”. Commenting on this development, Mr. Jubril Adeniji, Managing Director Of Guaranty Trust Bank Kenya and Head of the East African region stated, “Continuing operations as a Tier 2 Credit Institution is within the Bank’s current capital base and will allow us play to our core strengths in Retail and SME Banking. As we make this transition, we will continue to review our positioning within the Ugandan banking sector in line with our objective of maximizing shareholder value.”

He further added; “As a Group, we are confident of Uganda’s trajectory as a country and remain committed to championing growth and expanding innovative financial services across Africa and will continue to explore viable opportunities in both existing and new business verticals that guarantee the best use of available capital.”

Given the foregoing, we have carried out a thorough review of our existing customer base and put adequate measures in place to continue to meet their banking needs pending final regulatory approvals and further directives by the relevant parties.

We expect the transition to be seamless and commit to continuing compliance with all guidelines and best practice throughout the change process.

For further information and enquiries, please contact

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