



**orient** BANK LIMITED

## **PRESS RELEASE**

February 25 2015

### **Old Guard back in charge at Orient Bank – but with new partners**

Orient Bank has been bought back by Ketan Morjaria, one of its founders, who had sold his family's control of the leading financial institution in 2009 to Nigeria's Bank PHB. Mr Morjaria heads a consortium of local and international business people who now own all Orient's shares between them.

The group, known as the Founder's Consortium, includes the London-based private equity firm, 8 Miles, Alemayehu Fisseha, the owner of Prime General Supplies, and the Ugandan-based Chinese manufacturer and property developer, Zhong Shuang Quan. The deal was announced in Kampala today, and Bank PHB's owners, Keystone Bank, have already handed over control of Orient to the founder's consortium. Keystone is selling off all of its subsidiaries and focusing on its home market.

Orient Bank was launched more than 20 years ago by two prominent Ugandan business families, the Karias and the Morjarias and started out in Uganda House in Kampala. It moved its operations to Orient Plaza, Kampala Road in 2000 and has since grown to 23 branches throughout Uganda, with a staff of 353. Orient provides a full range of commercial banking, trade finance and money transfer services and is an issuer and acquirer of the VISA chip and pin card.

Ugandan-born Ketan Morjaria, who had his education at Old Kampala Secondary School, will continue as Orient's Vice Chairman. He said: "today Orient starts a new phase of growth, and this will create more opportunities for young Ugandan professionals looking for a career in banking. Our focus, as always, will be on providing world-class banking services to the Ugandan business community. In the coming months, we shall be introducing new delivery channels and new products that will put Orient back in its traditional place as a market leader.

"Although we are bringing in a wide range of new skills and fresh thinking from several parts of the world, the backbone of Orient's operations will always be its Ugandan managers and staff. They are the people best equipped to understand and serve the business community of Uganda."

The Morjaria and Karia families now own 49 per cent of the bank, with 8 Miles holding 42 per cent, and the other investors taking the balance. Hemen Shah, a partner in 8 Miles, and a former country CEO of Standard Chartered Bank in Tanzania and Ghana, said: "We see Uganda, with its stable business environment and growing economy, as an attractive business opportunity. We are positive that this investment will yield results for all stakeholders."

At the end of 2014, Orient Bank had assets of US\$ 173 million and customer deposits of US\$ 139 million. Although the bank had seen regular profits and steady growth from its inception in 1993, turbulence in the Ugandan banking industry over the past two years led to a deterioration in results. The bank is now expected to return to strong profitability in 2015.

This week, bank staff, led by acting Managing Director/CEO Julius Kakeeto and Executive Director Bernard Magulu, have been meeting with the new shareholders and planning new growth strategies. It is understood that, apart from Orient's core products, customers can expect to see an increased emphasis on internet banking, including SMS bank transactions and mobile phone transfers. In the second half of the year, Orient will announce a new international card product that is now in the pipeline.

A series of customer meetings with the Orient's directors and staff is being planned for Kampala, Jinja, and the other centres of the bank's operations throughout Uganda, where the new direction for the bank will be explained and refined. Ketan Morjaria said: "We are going back to basics, getting closer to our customers than ever before."



Mr. Philip Ikeazor (Second Left) the Group Managing Director - Keystone Bank hands over the signed Orient Bank sale agreement to Mr. Ketan Morjaria of the Founder's Consortium. Looking on from the left is Alemayehu Fisseha- a minority shareholder and Doug Agable on the right, a Partner from 8 Miles LLP.

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