

RATING ACTION COMMENTARY

Fitch Places NCBA Group on Rating Watch Positive Following Nedbank Acquisition Offer

Thu 05 Feb, 2026 - 12:29 PM ET

Fitch Ratings - London - 05 Feb 2026: Fitch Ratings has placed NCBA Group PLC's and NCBA Bank Kenya Plc's Long-Term Issuer Default Ratings (IDRs) of 'B-' and National Long-Term Ratings of 'AA(ken)' on Rating Watch Positive (RWP). This follows South Africa-based Nedbank Group Limited's (BB-/Stable) offer to acquire a majority shareholding. NCBA Group's and NCBA Bank's other ratings are unaffected by this rating action.

KEY RATING DRIVERS

The RWP reflects our view that, upon the acquisition's completion, the ratings are likely to be upgraded as Nedbank Group will have a high propensity to provide extraordinary support to NCBA Group and its wholly owned core banking subsidiary, NCBA Bank, which Fitch believes will be strategically important to Nedbank Group. Fitch will capture the likelihood of such support by assigning Shareholder Support Ratings to NCBA Group and NCBA Bank and simultaneously withdrawing their Government Support Ratings. Fitch expects to resolve the RWP when the acquisition is completed. The RWP resolution could extend beyond the typical six months if the acquisition is not completed within this period.

The offer is structured as a partial pro rata offer to acquire a 66% shareholding in NCBA Group. Nedbank Group has obtained irrevocable undertakings from NCBA Group shareholders representing 71.2% of the total issued shares to accept the offer in respect of their pro rata entitlements and, where applicable, to participate in excess applications.

The acquisition is subject to Nedbank Group obtaining a regulatory exemption from the Kenyan Capital Markets Authority from the requirement for it to extend a mandatory takeover offer for 100% of NCBA Group's shares. Should the exemption be withheld, Nedbank Group's offer may be converted to an alternative offer to acquire all of NCBA Group's shares, providing that it is satisfied that the resultant shareholding will not exceed its targeted shareholding of 66% by more than 5%.

Fitch last reviewed NCBA Group's and NCBA Bank's ratings 31 October 2025 (see [Fitch Affirms NCBA Group PLC at 'B-', Outlook Stable](#) published on [fitchratings.com](https://www.fitchratings.com) for the Key Rating Drivers and Sensitivities).

RATING SENSITIVITIES

Factors that Could, Individually or Collectively, Lead to Negative Rating Action/Downgrade

NCBA Group's and NCBA Bank's Long-Term IDRs and National Long-Term Ratings would be affirmed and removed from RWP if the acquisition failed to complete.

Factors that Could, Individually or Collectively, Lead to Positive Rating Action/Upgrade

NCBA Group's and NCBA Bank's Long-Term IDRs and National Long-Term Ratings would likely be upgraded and removed from RWP following the completion of the acquisition. The upgrade of the Long-Term IDRs would likely be no more than one notch, while the upgrade of the National Long-Term Ratings could be one or two notches. The ratings would then be based on Fitch's view of the likelihood of extraordinary support from Nedbank Group.

REFERENCES FOR SUBSTANTIALLY MATERIAL SOURCE CITED AS KEY DRIVER OF RATING

The principal sources of information used in the analysis are described in the Applicable Criteria.

ESG CONSIDERATIONS

The highest level of ESG credit relevance is a score of '3'; unless otherwise disclosed in this section. A score of '3' means ESG issues are credit neutral or have only a minimal credit impact on the entity, either due to their nature or the way in which they are being managed by the entity. Fitch's ESG Relevance Scores are not inputs in the rating process; they are an observation on the relevance and materiality of ESG factors in the rating decision. For more information on Fitch's ESG Relevance Scores, visit <https://www.fitchratings.com/topics/esg/products#esg-relevance-scores>.

RATING ACTIONS

ENTITY / DEBT ⇅

RATING ⇅

PRIOR ⇅

NCBA Group PLC	LT IDR	B- Rating Watch Positive	Rating Watch On	B- Rating Outlook Stable
	Natl LT	AA(ken) Rating Watch Positive	Rating Watch On	AA(ken) Rating Outlook Stable
NCBA Bank Kenya Plc	LT IDR	B- Rating Watch Positive	Rating Watch On	B- Rating Outlook Stable
	Natl LT	AA(ken) Rating Watch Positive	Rating Watch On	AA(ken) Rating Outlook Stable

[VIEW ADDITIONAL RATING DETAILS](#)

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APPLICABLE CRITERIA

[National Scale Rating Criteria \(pub. 22 Dec 2020\)](#)

[Bank Rating Criteria \(pub. 21 Mar 2025\) \(including rating assumption sensitivity\)](#)

ADDITIONAL DISCLOSURES

[Solicitation Status](#)

[Endorsement Policy](#)

ENDORSEMENT STATUS

NCBA Bank Kenya Plc

UK Issued, EU Endorsed

NCBA Group PLC

UK Issued, EU Endorsed

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