



Press Release

For Immediate Release

Genghis Capital enters the Retirement Benefits Industry in the face of worrying statistics on Retirement in Kenya.

Nairobi, 10th March 2020 – Kenyan investment bank, Genghis Capital's Asset Management arm, has today announced its entry into the Retirement Benefits Industry with the launch of two offerings, which include;

1. **Gencap Individual Pension Plan.** This product will allow members of the public, both in the formal and informal sector to save for retirement and enjoy above market average returns, and,
2. **Gencap Income Drawdown Fund.** This product is designed to enable retirees to access their retirement benefits as regular income during their retirement years by investing them into the income drawdown fund and in return draw periodic payments from the fund, depending on their needs, while at the same time enjoying investment income from the professionally managed fund.

"We have seen the Retirement Benefits Authority embark on rigorous training around the country to educate members of the public on the importance of saving for retirement, which is key to reducing old age poverty, with statistics indicating that less than 5.0% of Kenyans are comfortable during their retirement years. The increased urbanization has led to disintegration of the traditional practices that saw the younger generation take care of the old and thus it's imperative to have retirement savings that will sustain you during your retirement years," said Maurice Oduor, Senior Manager at Genghis Capital.

"In Kenya, about 20.0% of the working population have a retirement plan. The situation is worse in the informal sector where the pension coverage is less than 1.0%. The situation is further exacerbated by the low pension adequacy, with the income replacement ratio currently being at about 34.0%, according to a report done by Zamara Actuaries, Administrators & Consultants Ltd. This means that even the Kenyans who are saving for retirement, they are not saving enough to have a comfortable retirement, with the recommended income replacement ratio is 75%" added Mr. Oduor.

Commenting during the internal launch, Alice Kamau, Product Development Officer at Genghis Capital noted that Gencap Individual Pension Plan would seek to leverage on technology to make it efficient and thus reach a wide section of the public. "We are working on automating our products to ensure anyone in any part of the country can join the Gencap Individual Pension Plan at ease from the mobile phones and at the same time enjoy above average income through a professionally managed fund." She commented.

"The 2019 Finance Bill made it mandatory for all schemes to include income drawdown as an option for members to access their retirement benefits, as opposed to just having annuities. The Gencap Income Drawdown Fund will be positioned as an attractive option for retirees who are looking to earn attractive income from their retirement savings and at the same time have an option of leaving inheritance for their beneficiaries, features that are not there in annuities" Added Alice.

Giving closing remarks, Edward Wachira, the Chief Commercial Officer reiterated that Genghis Capital is excited to join the Retirement Benefits space and will work with the Authority to make its contribution towards the growth of Retirement Benefits Industry through continuous retirement benefits products innovation.



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About Genghis Capital

Genghis Capital Ltd is an innovative and customer focused Investment Bank licensed by both the Capital Markets Authority (CMA) and the Retirement Benefits Authority. Founded in 2008, Genghis Capital is one of the leading investment banks in Kenya. Since its establishment, Genghis has achieved tremendous growth to offer a well-diversified portfolio of financial services that includes:

- Stock Brokerage,
- Corporate Finance,
- Investment Research, and,
- Asset Management.

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