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You are advised to read and understand the contents of this Right Circular. If you are in doubt about the actions to be taken, you should consult your Stockbroker, Accountant, Banker, Solicitor or any other professional adviser for guidance immediately. Investors are advised to note that liability for false or misleading statements or acts made in connection with the Rights Circular is provided in sections 85 and 86 of the Investments and Securities Act No. 29, 2007 (the "ISA")

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A copy of this Rights Circular will be available on Sterling Financial Holdings Company PLC's website: [www.sterling.ng](http://www.sterling.ng), for the duration of the Rights Issue. For information concerning certain risk factors which should be considered by shareholders and prospective investors, see Risk Factors on pages 27 to 29.



## STERLING FINANCIAL HOLDINGS COMPANY PLC

RC 1851010

### Rights Issue of

**7,197,604,531 Ordinary Shares of 50 kobo each at**

**₦4.00 per Share**

on the basis of **1** new Ordinary Share

for every **4** Ordinary Shares held as at the close of business on **Tuesday, 06 August 2024**

**The rights being offered in this Rights Circular are tradable on the floor of the Nigerian Exchange Limited for the duration of the Acceptance Period of the Issue (as defined below) of the Issue**

### Payable in full on Acceptance

ACCEPTANCE LIST OPENS: WEDNESDAY, 18 SEPTEMBER 2024

ACCEPTANCE LIST CLOSES: MONDAY, 28 OCTOBER 2024

### Issuing House:



**SCM CAPITAL**

RC 499243

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This Rights Circular and the securities which it offers have been cleared and registered by the Securities and Exchange Commission. The ISA provides for civil and criminal liabilities for the issue of a Rights Circular which contains false or misleading information. The clearance and registration of this Rights Circular and the securities which it offers do not relieve the parties of any liability arising under the ISA for false and misleading statements or for any omission of a material fact in this Rights Circular. Shareholders may confirm the clearance of this Rights Circular and the registration of the securities it offers with the Securities and Exchange Commission by contacting the Commission on [sec@sec.gov.ng](mailto:sec@sec.gov.ng) or +234 (0)9 462 1100; +234 (0)9 462 1168.

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This Rights Circular is dated Tuesday, 10 September 2024

## IMPORTANT NOTICE

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This Rights Circular contains information about Sterling Financial Holdings Company PLC (the "Company", the "Issuer" or "Sterling HoldCo") in connection with the Issue for the purpose of giving information to shareholders and prospective investors in respect of the Rights Issue described therein. The Rights Issue shall be further described as "Sterling Financial Holdings Company Rights". The Rights Circular and the securities to be issued have been cleared and registered with the Securities and Exchange Commission (the "Commission"). An application was also made to the Nigerian Exchange Limited ("NGX") for the admission of the shares being issued by way of this Rights Circular. The Ordinary Shares of the Company being issued will rank pari-passu in all respects with all other existing Ordinary Shares issued by the Company, including the right to receive dividends or other distributions declared, made or paid on the shares after allotment by the Company. No person has been authorised to give any information or make any representations other than those contained in this Rights Circular and if given or made, such information or representations must not be relied on as having been authorised by the Company and / or the Issuing House. The Company accepts responsibility for the information contained in this Rights Circular. To the best of the knowledge and belief of the Company (which has taken all reasonable care to ensure that such is the case) the information contained in this Rights Circular is in accordance with the Investments and Securities Act, No. 29 of 2007 (the "ISA") and the Securities and Exchange Commission Rules and Regulations 2013 (as amended from time to time) (the "SEC Rules") and contains no omission to affect its import. The Issuing House is registered with the SEC in Nigeria, is acting exclusively for the Company in connection with the Rights Issue. Additional information may be obtained through the Issuing House on any Business Day during the Acceptance period, provided the Issuing House possesses such information or can acquire it without unreasonable effort or expense, as necessary.

### Third-Party Information

The Company has obtained certain statistical and market information that is presented in this Rights Circular from certain government and other third-party sources described herein. The Company has accurately reproduced such information and, so far as the Company is aware and is able to ascertain from information published by such third parties, no facts have been omitted that would render the reproduced information inaccurate or misleading. Nevertheless, shareholders and prospective investors are advised to consider this data with caution. Shareholders and prospective investors should note that some of the Company's estimates are based on such third-party information. Neither the Company nor the Issuing House have independently verified the figures, market data or other information on which third parties have based their studies.

Certain statistical information reported herein have been derived from official publications of, and information supplied by a number of government agencies and ministries, including the Central Bank of Nigeria ("CBN") and the National Bureau of Statistics ("NBS"). Official data published by the Nigerian government may be substantially less complete or researched than those of more developed countries. Nigeria has attempted to address some inadequacies in its national statistics through the adoption of the Statistics Act of 2007, which established the National Statistical System and created the NBS (which came into existence because of the merger of the Federal Office of Statistics and the National Data Bank) as its coordinator.

### Forward-looking statements

Certain statements in this Rights Circular constitute "forward-looking statements". When used in this Rights Circular, the words "project", "anticipate", "believe", "estimate", "expect" and similar expressions are generally intended to identify forward-looking statements. Such forward-looking statements, including the intended actions and performance objectives of the Rights Issue; involve known and unknown risks, uncertainties, and other important factors that could cause the actual results, performance, or achievements of the Rights Issue to differ materially from any future results, performance or achievements expressed or implied by such forward-looking statements. Investors should determine for themselves what reliance, if any, to place on such forward-looking statements.

In addition to other analytical tools, the Company will employ the use of financial models to evaluate investment opportunities. The accuracy and effectiveness of such models cannot be guaranteed. In all cases, projections are only estimates of future results which are based upon assumptions made at the time that the projections are developed. Projections are inherently uncertain and subject to factors beyond the control of the Company. The inaccuracy of certain assumptions, the failure to satisfy certain financial

## IMPORTANT NOTICE

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requirements, and the occurrence of unforeseen events could impair the ability of the Company to realize projected values and / or cash flow in respect of the Rights Issue. Therefore, there can be no assurance that the projected results will be achieved, and actual results may vary significantly from the projections. General economic and industry-specific conditions, which are not predictable, can also impact the reliability of projections.

### Rounding

Certain figures included in this Rights Circular have been subject to rounding adjustments. Accordingly, figures shown for the same category presented in different tables may vary slightly and figures shown as totals in certain tables may not be an arithmetic aggregation of the figures which precede them.

### Notice to Shareholders outside Nigeria

The distribution of this Rights Circular and the offer of the shares in certain jurisdictions may be restricted by law. No action has been taken by Sterling Financial Holdings or the Issuing House that would permit a public offer of shares or possession, publication or distribution of this Rights Circular (or any other offer or publicity material or application form relating to the Issue) in any jurisdiction where action for the purpose is required, other than in Nigeria. Persons into whose possession this Rights Circular comes should inform themselves about and observe such restrictions. Any failure to comply with these restrictions may constitute a violation of the securities laws of any such jurisdiction. This Rights Circular does not constitute an offer of, or an invitation to subscribe or purchase, any shares being offered in any jurisdiction in which such an offer would be unlawful.

### Information not contained in this Rights Circular

No person is authorised to provide any information or make any representations other than those that are included in this Rights Circular, and even if they are provided or made, they should not be taken to indicate that they have the authority to do so. Under no circumstances may the delivery of this Rights Circular, any acceptance or subscription made under it, or any sale made under it imply that the Company's affairs have not changed since the date of this Rights Circular, or that the information contained in it is accurate.

### Electronic Rights Circular

This Rights Circular can be viewed or downloaded from the Company's website: [www.sterling.ng](http://www.sterling.ng) in accordance with the terms and conditions on the website. The contents of the electronic Rights Circular and the printed Rights Circular are the same.

You are advised that the internet is not a fully secured medium. Your electronic Participation Form may be subject to risks of data transmission, computer security threats such as viruses, hackers and crackers, faults with computer software and other events beyond the control of the Issuer, the Issuer's affiliates, the Issuing House and the eligible service provider registered with the SEC (the "**Electronic Offering Participating Institutions**"). These risks cannot be borne by the Electronic Offering Participating Institutions. If you are in doubt of the validity or integrity of the electronic Rights Circular, you should immediately request a paper/printed copy of this Rights Circular from the Company or the Issuing House.

If there is any discrepancy between the contents of the electronic Rights Circular and the paper/printed copy of this Rights Circular for any reason whatsoever, the contents of the paper/printed copy of this Rights Circular will prevail.

In relation to any reference in this Rights Circular to third party websites (referred to as **Third-Party Websites**) whether by way of hyperlinks or by way of description of the Third-Party Websites, you acknowledge and agree that:

the Electronic Offering Participating Institutions do not endorse and are not affiliated in any way with the Third-Party Websites. Accordingly, the Electronic Offering Participating Institutions are not responsible for the availability of, or the content or any data, files, information or other material provided on the Third-Party Websites. You shall bear all risks associated with the access to or use of the Third-Party Websites;

the Electronic Participating Institutions are not responsible for the quality of products or services on the Third-Party Websites, particularly in fulfilling any of the terms of any agreement(s) with the Third-Party Websites. The Electronic Offering Participating Institutions are also not responsible for any loss or damage or cost that any

## IMPORTANT NOTICE

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person may suffer or incur in connection with or as a result of dealing with the Third-Party Websites or the use of or reliance on any data, files, information or other material provided on Third-Party Websites; and

any downloading of data, files, information or other materials from the Third-Party Websites is done at your own discretion and risk. The Electronic Offering Participating Institutions are not responsible, liable or under obligation for any damage to your computer system or loss of data resulting from the downloading of any such data, files, information or other materials.

Where the electronic Rights Circular is hosted on the websites of the Electronic Offering Participating Institutions, you are advised that:

- the Electronic Offering Participating Institutions are only liable in respect of the integrity of the contents of the electronic Rights Circular, i.e. to the extent that the content of the electronic Rights Circular on the web servers of the Electronic Offering Participating Institutions may be viewed via web browser or other relevant software. The Electronic Offering Participating Institutions are not responsible for the integrity of the contents of the electronic Rights Circular, which has been obtained from the web servers of the Electronic Offering Participating Institutions and subsequently communicated or disseminated in any manner to you or other parties;
- while all reasonable measures have been taken to ensure the accuracy and reliability of the information provided in the electronic Rights Circular, the accuracy and reliability of the electronic Rights Circular cannot be guaranteed because the internet is not a fully secured medium; and
- the Electronic Offering Participating Institutions shall not be liable (whether in tort or contract or otherwise) for any loss, damage or costs that you or any other person may suffer or incur due to, as a consequence of or in connection with any inaccuracies, changes, alterations, deletions or omissions in respect of the information provided in the electronic Rights Circular which may arise in connection with or as a result of any fault with web browsers or other relevant software, any fault on your or any third party's personal computer, operating system or other software, viruses or other security threats, unauthorized access to information or systems in relation to the websites of the Electronic Offering Participating Institutions, and/or problems occurring during data transmission which may result in inaccurate or incomplete copies of information being downloaded or displayed on your personal computer.

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## DEFINITIONS

The following definitions apply throughout this document except where otherwise stated:

<b>“Acceptance List”</b>	The list of shareholders who subscribe to the Issue
<b>“Acceptance Period”</b>	Period between the Acceptance List Opening Date and Acceptance List Closing Date
<b>“Allotment Date”</b>	The date when the allotment of the shares is approved and cleared by the Commission
<b>“AGM”</b>	Annual General Meeting
<b>“Auditors”</b>	Deloitte & Touche (Chartered Accountants)
<b>“Board”</b>	The Board of Directors of Sterling Financial Holdings Company Plc
<b>“BOFIA”</b>	Banks and Other Financial Institutions Act 2020
<b>“Brokerage Commission”</b>	Fees payable to Receiving Agents in respect of returns bearing their stamps and duly allotted
<b>“Business Day”</b>	Any day, other than a Saturday, Sunday or Public Holiday declared by the Federal Government of Nigeria, on which banks are open for business in Nigeria
<b>“CAC”</b>	Corporate Affairs Commission
<b>“CAMA”</b>	Companies and Allied Matters Act 2020 (as amended)
<b>“CBN”</b>	Central Bank of Nigeria
<b>“CET 1”</b>	Common Equity Tier 1
<b>“CHN”</b>	Clearing House Number
<b>“CSCS”</b>	Central Securities Clearing System, the securities depository operated by Central Securities Clearing System Plc
<b>“Daily Official List”</b>	Daily Official List of NGX
<b>“Existing Shareholders” or “Shareholders”</b>	Shareholders of the Company whose names appear on the Register of Members as of the Qualification Date (as defined in the Rights Circular)
<b>“FGN” or the “Government”</b>	Federal Government of Nigeria
<b>“GDP”</b>	Gross Domestic Product
<b>“Group”</b>	The Holdings Company and its consolidated subsidiaries
<b>“ISA”</b>	Investments and Securities Act (No. 29 of 2007) or its amended version where applicable
<b>“Issue” or “Rights Issue”</b>	The Rights Issue by way of provisionally allotted rights to shareholders whose names appear on the Register of Members of the Company as at the close of business on Tuesday, 06 August 2024, of 7,197,604,531 ordinary shares of 50 kobo each in the Company, on the basis of 1 new Ordinary Share for every 4 Ordinary Shares held by them on that date
<b>“Issuing House”</b>	SCM Capital Limited
<b>“Issue Share”</b>	The ordinary shares to be issued pursuant to the Rights Issue
<b>“Ltd”</b>	Limited
<b>“MPR”</b>	Monetary Policy Rate
<b>“Listing”</b>	Admission of securities to the Daily List of the NGX

## DEFINITIONS

“NAFEM”	Nigerian Autonomous Foreign Exchange Market
“Naira” or “₦”	The Nigerian Naira, the official currency of the Federal Republic of Nigeria
“NBS”	National Bureau of Statistics
“NEFT”	Nigeria Electronic Funds Transfer
“NGX” or the “Exchange”	Nigerian Exchange Limited
“Nigeria” or “the Country”	The Federal Republic of Nigeria
“Ordinary Shares”	Ordinary shares of ₦0.50K each in the share capital of the Holding Company
“Pari Passu”	Equally
“Person”	Includes (a) an individual (b) a legal entity, including a partnership (whether or not a legal entity), a joint venture, a corporation, a trust, a limited liability company, or a limited liability partnership
“PLC”	Public Limited Company
“Professional Parties”	The Issuing House, the Auditors, the Solicitors to the Issue, the Stockbrokers, the Registrars, and the Receiving Bank engaged by the Issuer to facilitate the rights issue and its registration
“Qualification Date”	Tuesday, 06 August 2024, being the date of filing the application with the NGX
“Receiving Agent(s)”	Institutions listed on Page 50
“Receiving Bank”	Access Bank Plc
“Register of Members”	The register maintained by the Registrars that details the names and addresses of the shareholders of the Company
“Registrar”	Pace Registrars Limited
“Rights Circular”	This document which is issued in accordance with the SEC Rules to provide information on Sterling Financial Holdings Company Plc's Rights Issue of 7,197,604,531 Ordinary Shares of 50k each
“RTGS”	Real Time Gross Settlement
“SEC” or the “Commission”	Securities and Exchange Commission
“SEC Rules”	The rules and regulations of the SEC made pursuant to the ISA, as may be amended from time to time
“Shares”	7,197,604,531 new Ordinary Shares being offered in this Rights Issue
“Solicitors”	Aluko & Oyeboade and Banwo & Ighodalo
“Stockbrokers”	Associated Asset Managers Ltd
“Sterling Bank” or the “Bank”	Sterling Bank Limited
“Sterling HoldCo”, the “Group”, the “Company”, or the “Issuer”	Sterling Financial Holdings Company Plc

## INDICATIVE TIMETABLE

DATE	ACTIVITY	RESPONSIBILITY
18 September 2024	Acceptance List opens / Trading in Rights commences	Issuing House / Stockbrokers
28 October 2024	Acceptance List closes / Trading in Rights closes	Issuing House / Stockbrokers
04 November 2024	Receiving Agents Render Returns	Receiving Agents/ Registrars
18 November 2024	File allotment proposal with CBN for capital verification process and obtain "no-objection"	Issuer
20 November 2024	Submit allotment proposal and draft newspaper announcement to SEC	Issuing House
04 December 2024	Receive SEC clearance of allotment proposal and newspaper announcement	Issuing House
05 December 2024	Remit net proceeds of the Rights Issue to Sterling Financial Holdings Company Plc	Issuing House/Receiving Bank
05 December 2024	Publish Allotment Announcement	Issuing House
05 December 2024	Credit CSCS accounts	Registrars
05 December 2024	Forward declaration of compliance to NGX	Stockbrokers
05 December 2024	Listing of new Shares/trading commences	Issuing House/ Stockbrokers
11 December 2024	Forward return monies (rejected applications / excess monies)	Issuing Houses/ Registrars/Receiving Banks
18 December 2024	Forward Post Completion Report to SEC	Issuing House

**Important Notice:** The dates given above are indicative only and are subject to possible changes without prior notice. If any changes occur, the dates of key events in the timetable may be subject to corresponding adjustments.



**1. Head Office and Registered Address**

Sterling Towers  
 20, Marina, Lagos, Nigeria  
 +234 0700-822-0000,  
 0201-888-8822  
<https://sterling.ng/>

**2. Subsidiaries**

Sterling Bank Limited

Sterling Bank Limited serves its customers through 160 branches across the country. The regional offices that represent these branches are listed below:

<b>Region</b>	<b>Address</b>
<b>Head Office Branch</b>	20 Marina, Lagos
<b>Lagos -Eko</b>	198, Igbosere Road, Obalende, Lagos Island, Lagos State
<b>Lagos - Victoria</b>	114, Awolowo Road, Ikoyi, Lagos State
<b>Apapa &amp; beyond</b>	26B, Creek Road, Apapa, Lagos State.
<b>Ikeja &amp; beyond</b>	Ak239/241, Ikorodu Road, Ilupeju, Lagos State
<b>Yaba &amp; beyond</b>	141, Ogunlana Drive, Surulere, Lagos State
<b>Ikorodu &amp; beyond</b>	43, Lagos-Ikorodu Road, Benson Bus-stop, Ikorodu, Lagos State
<b>Ipaja</b>	32, Shasha Road, Dopemu, Lagos State
<b>South-West 1</b>	49A, Iwo Road Ibadan, Oyo State
<b>South-West 2</b>	Plot 240, Ibrahim Taiwo Road, Ilorin, Kwara State
<b>Mid-West</b>	11, Adesuwa Grammar School Road, GRA, Benin City, Edo State
<b>South-South</b>	13 Trans Amadi Layout, Port Harcourt, Rivers State
<b>South-East 1</b>	Plot 24, Ikenegbu, Off Wetheral road, Owerri, Imo
<b>South-East 2</b>	2A, Market Road, Enugu, Enugu state.
<b>Abuja</b>	Plot 1083 Muhammad Buhari Way, Central Business District, Abuja, FCT
<b>North-Central</b>	9, Ali Akilu Road Kaduna, Kaduna State
<b>North- East</b>	Yakubun Bauchi Way, Bauchi State
<b>North - West</b>	110 Murtala Muhammad Way, Kano, Kano state

The Alternative Bank

The AltBank serves its customers through four broad channels – AltPlaces, which are self- owned locations, Co-locations with its sister Bank (Sterling Bank), AltBoxes which are kiosks that allow for quick banking transactions and Wakeel (Agent) locations. The AltBank currently has a total of 42(Forty-two) channels, however the AltPlaces are listed below:

<b>State</b>	<b>AltPlaces</b>
<b>Head Office</b>	239 Ikorodu Road, Lagos
<b>Lagos</b>	AltPlace Yaba - 320, Herbert Macaulay Way, Sabo, Yaba, Lagos State
<b>Lagos</b>	Convel Plaza, Opposite Beechwood Estate, Ibeju Lekki Expressway, Lagos State
<b>Kaduna</b>	1-3, Park Road, Sabon Gari, Zaria, Kaduna State
<b>Kano</b>	8, France Road, Sabon-Gari, Kano State
<b>Kano</b>	2, Block No. C1, Civic Center Ultra-Modern Market, Railway Premises, Civic Center Road, Kano State
<b>Kano</b>	20, Unity Road (Kwari Market), Kano State
<b>Katsina</b>	34, General Hassan Usman Way, Katsina State
<b>Abuja</b>	AltHaven - 27, Libreville Crescent, Wuse 2, Abuja
<b>Nasarawa</b>	Cadastral Zone A22, Plot 11340, Millionaire Quarters, Lafia, Nasarawa State

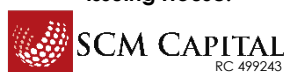
## THE RIGHTS ISSUE

A Copy of this Rights Circular and the documents specified herein have been delivered to the Securities and Exchange Commission for clearance and registration.

This Rights Circular is being issued in compliance with the provisions of ISA, the SEC Rules and the listing requirements of the NGX and contains particulars in compliance with the requirements of the Commission and the Exchange, for the purpose of giving information to Shareholders and the public with regard to the Rights Issue of 7,197,604,531 Ordinary Shares of 50 kobo each in Sterling Financial Holdings Company Plc by the Issuing House. An application has been made to The Board of the NGX for the admission to the Daily Official List of the 7,197,604,531 Ordinary Shares of 50 kobo each being issued via the Rights Issue.

The Directors individually and collectively accept full responsibility for the accuracy of the information contained in this Rights Circular. The Directors have taken reasonable care to ensure that the facts contained herein are true and accurate in all respects and confirm, having made all reasonable enquiries that to the best of their knowledge and belief there are no material facts, the omission of which make any statement herein misleading or untrue.

Issuing House:



On behalf of



Sterling Financial Holdings Company PLC  
RC 1851010

Is authorised to receive acceptances for the

**Rights Issue of 7,197,604,531 Ordinary Shares of 50 kobo Each**

**At ₦4.00 per share**

On the basis of One **(1)** new ordinary share for every Four **(4)** ordinary shares of 50 kobo each held as at the close of business on **Tuesday, 06 August 2024**, for those shareholders whose names appear on the Register of members.

The Acceptance List for the Ordinary Shares now being offered will open on Wednesday, 18 September 2024, and close on Monday, 28 October 2024.

### SHARE CAPITAL AND RESERVE OF THE COMPANY AS AT 31 DECEMBER 2023

(Extract from the 2023 audited accounts)

₦' Millions

Issued and Fully Paid 28,790,418,124 Ordinary Shares of 50 Kobo each	14,395
Equity and Reserves	
Share Capital	14,395
Share Premium	42,759
Retained Earnings	42,506
Fair Value Reserve	19,036
Share Capital Reserves	5,276
Regulatory Risk Reserves	22,926
SMIEIS Reserves	235
AGMEIS Reserves	4,489
Statutory Reserves	31,428
Total other component of equity	69,912
<b>TOTAL EQUITY</b>	<b>183,604</b>

As of the date of this Rights Circular, the issued and fully paid-up share capital of Sterling Financial Holdings Company is ₦14,395,209,062 (Fourteen Billion, Three Hundred and Ninety-Five Million, Two Hundred and Nine Thousand, Sixty-Two Naira) comprising of 28,790,418,124 (Twenty-Eight Billion, Seven Hundred and Ninety Million, Four Hundred and Eighteen Thousand, One Hundred and Twenty-Four) Ordinary Shares of 50 kobo each.

\*A resolution of the Board has been passed authorising an increase in the share capital of the Company from ₦14,395,209,062 to ₦26,327,344,661 by the creation of up to 23,864,271,198 additional Ordinary Shares of 50 kobo each pursuant to a resolution passed at an AGM held on June 24, 2024.

## THE SUMMARY OF THE ISSUE

This summary draws attention to information contained elsewhere in this Rights Circular; it does not contain all of the information you should consider in making your investment decision. You should therefore read this summary together with the more detailed information, including the financial summary elsewhere in this Rights Circular. The following information contains the major highlights of the Rights Circular:

1.	<b>Issuer</b>	Sterling Financial Holdings Company Plc			
2.	<b>Issuing House</b>	SCM Capital Limited			
3.	<b>Share Capital</b>	Issued and fully paid	<p>₦14,395,209,062 divided into 28,790,418,124 Ordinary Shares of 50 kobo each</p> <p>Following the shareholders' approval of the increase in the share capital of the Company, 23,864,271,198 ordinary shares of 50 kobo each ranking pari-passu with the ordinary shares of the Company have been created as of the date of this Rights Circular.</p>		
		Being Issued	7,197,604,531 Ordinary Shares of 50 kobo each at ₦4.00 per share		
4.	<b>Issue Price</b>	₦4.00 per share			
5.	<b>Purpose</b>	The Rights Issue is being undertaken in order to increase the CET 1 capital and capital adequacy ratio of Sterling Bank and The Alternative Bank. Furthermore, it will also ensure that the two banks have adequate capital buffers that are compliant with Basel III regulatory capital requirements; strengthening their asset bases, providing sufficient capital to withstand economic shocks; and supporting the Company's growth objectives.			
6.	<b>Gross Proceeds</b>	₦28,790,418,124.00			
7.	<b>Use of Proceeds</b>	The net Issue proceeds estimated at ₦28,095,137,020.74 (after deducting the Issue costs of ₦695,281,103.26 representing 2.41% of the Issue proceeds) will be applied as shown below:			
		<b>Utilization</b>	<b>₦</b>	<b>%</b>	<b>Period</b>
		Recapitalization of Sterling Bank Limited	23,095,137,020.74	82.23%	36 months
		Recapitalization of The Alternative Bank Limited	5,000,000,000.00	17.77%	36 months
		<b>Total</b>	<b>28,095,137,020.74</b>	<b>100%</b>	
Details on the use of proceeds are provided on page 41					
8.	<b>Method of Issue</b>	By way of Rights Issue to existing shareholders			
9.	<b>Concurrent Transaction</b>	Sterling Financial Holdings Company is also concurrently offering 16,666,666,667 Ordinary Shares of 50 kobo each at ₦4.50 per share by way of a Private Placement to identified strategic investor			

## THE SUMMARY OF THE ISSUE

10.	<b>Provisional Allotment</b>	1 new Ordinary Share for every 4 Ordinary Shares of 50 kobo each held as at the close of business on Tuesday, 06 August 2024 by those shareholders whose names appear on the Register of Members and transfer books of the Company as at that date																																														
11.	<b>Opening Date</b>	18 September 2024																																														
12.	<b>Closing Date</b>	28 October 2024																																														
13.	<b>Qualification Date</b>	Tuesday, 06 August 2024																																														
14.	<b>Payment Terms</b>	In full on acceptance																																														
15.	<b>Market capitalisation at Rights Issue Price (Pre-Issue)</b>	₦115,161,672,496.00																																														
16.	<b>Market capitalisation at Rights Issue Price (Post-Issue)</b>	Upon completion of the Rights Issue, assuming all provisionally allotted Ordinary Shares are fully taken up, the Issuer will have a market capitalisation of ₦143,952,090,620.00																																														
17.	<b>Underwriting</b>	By the Issuer's preference, this Issue will not be underwritten.																																														
18.	<b>Application for Additional Shares</b>	Ordinary Shares which are not taken up by close of the Issue will be allotted on a <i>pro-rata</i> (proportional) basis to existing shareholders who applied and paid for additional shares over and above their provisional allotment. Shareholders, who do not accept their provisional allotment in full, may have their shareholding in the Company diluted																																														
19.	<b>Dilution</b>	Shareholders who renounce their rights or do not accept their allotment in full may have their shareholding in the Company diluted																																														
20.	<b>Trading in Rights</b>	The Rights will be tradable on the NGX between Wednesday, 18 September 2024 and Monday, 28 October 2024 at the price at which the Rights are quoted on the NGX																																														
21.	<b>Quotation</b>	The Company's entire issued and paid-up share capital is listed on the NGX. An application has been made to the NGX for the admission of the 7,197,604,531 Ordinary Shares being offered by way of Rights Issue																																														
22.	<b>Status</b>	The Ordinary Shares to be issued pursuant to the Rights Issue will rank <i>Pari Passu</i> in all respects with the existing issued Ordinary Shares of the Company.																																														
23.	<b>Financial Summary</b>	<table border="1"> <thead> <tr> <th rowspan="3"><i>Figures in ₦'million, except as stated otherwise</i></th> <th colspan="5"><b>Audited</b></th> </tr> <tr> <th><b>31-Dec</b></th> <th><b>31-Dec</b></th> <th><b>31-Dec</b></th> <th><b>31-Dec</b></th> <th><b>31-Dec</b></th> </tr> <tr> <th><b>2023</b></th> <th><b>2022</b></th> <th><b>2021</b></th> <th><b>2020</b></th> <th><b>2019</b></th> </tr> </thead> <tbody> <tr> <td>Gross Earnings</td> <td>221,773</td> <td>175,140</td> <td>150,153</td> <td>135,835</td> <td>150,195</td> </tr> <tr> <td>Profit before income tax</td> <td>22,693</td> <td>20,757</td> <td>16,062</td> <td>12,372</td> <td>10,672</td> </tr> <tr> <td>Profit for the year</td> <td>21,584</td> <td>19,298</td> <td>15,022</td> <td>11,242</td> <td>10,602</td> </tr> <tr> <td>Retained earnings</td> <td>42,506</td> <td>44,922</td> <td>34,341</td> <td>25,278</td> <td>6,187</td> </tr> <tr> <td>Share capital</td> <td>14,395</td> <td>14,395</td> <td>14,395</td> <td>14,395</td> <td>14,395</td> </tr> </tbody> </table>	<i>Figures in ₦'million, except as stated otherwise</i>	<b>Audited</b>					<b>31-Dec</b>	<b>31-Dec</b>	<b>31-Dec</b>	<b>31-Dec</b>	<b>31-Dec</b>	<b>2023</b>	<b>2022</b>	<b>2021</b>	<b>2020</b>	<b>2019</b>	Gross Earnings	221,773	175,140	150,153	135,835	150,195	Profit before income tax	22,693	20,757	16,062	12,372	10,672	Profit for the year	21,584	19,298	15,022	11,242	10,602	Retained earnings	42,506	44,922	34,341	25,278	6,187	Share capital	14,395	14,395	14,395	14,395	14,395
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## THE SUMMARY OF THE ISSUE

	Total equity	183,604	153,998	136,559	129,677	119,558
	Total assets	2,531,092	1,857,992	1,624,278	1,292,999	1,182,685
	Total liabilities	2,347,488	1,703,994	1,487,719	1,163,322	1,063,127
	Earnings per share (kobo)	75	67	52	39	37
24.	<b>Group's Indebtedness</b>	<b>S/N</b>	<b>Debt Issued and other borrowed funds</b>			<b>Total Amount (₦' millions)</b>
		1.	Debt securities issued			33,959
		2.	Other borrowed funds			208,685
			<b>Total</b>			<b>242,644</b>
	As of December 31, 2023, Sterling Financial Holdings Company Plc reported no indebtedness. However, the Group's total indebtedness stood at ₦242.64 billion, as detailed in the accompanying table.					
25.	<b>Claims and Litigation</b>	See the extract from the opinion of the Solicitors to the Issue from pages 42 to 43 of this Circular.				
26.	<b>Settlements</b>	<p>The CSCS accounts of successful applicants will be credited not later than one (1) Business Day from the Allotment Date. Shareholders are hereby advised to state the name of their respective stockbrokers, their CHN and CSCS account numbers in the relevant spaces on the Application Form.</p> <p>In accordance with the SEC's Directive on Dematerialization of Share Certificates, Shareholders / subscribers who do not provide valid CHN and CSCS account numbers will have their shares credited at the CSCS using a Registrar Identification Number. A Registrar Identification Number is a number allocated to shareholders who do not have valid CHN and CSCS account numbers to warehouse their units of shareholding in public companies under Registrars custody at the CSCS. The allotted shares will be transferred to the stockbroking account of the shareholder once valid CHN and CSCS account numbers are provided. Any investor who does not have a valid CHN and CSCS account number, is advised to open a stockbroking account with a stockbroker and obtain a valid CHN and CSCS account number from the stockbroker.</p>				
27.	<b>Group Structure</b>	<pre> graph TD     SFHC[STERLING FINANCIAL HOLDINGS COMPANY PLC] --&gt; SBL[STERLING BANK LIMITED]     SFHC --&gt; TAL[THE ALTERNATIVE BANK LIMITED]         </pre>				

## DIRECTORS AND COMPANY SECRETARY

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<p>Mr. Adeyemi Adeola (<b>Chairman</b>) Sterling Towers 20, Marina Lagos</p> <p>Mr. Olayinka Oni (<b>Executive Director</b>) Sterling Towers 20, Marina Lagos</p> <p>Mr. Adeshola Adekoya <b>(Non-Executive Director)</b> Sterling Towers 20, Marina, Lagos</p> <p>Ms. Eniye Ambakederemo <b>(Independent Non-Executive Director)</b> Sterling Towers 20, Marina Lagos</p>	<p>Mr. Adeyemi Odubiyi (<b>Chief Executive Officer</b>) Sterling Towers 20, Marina Lagos</p> <p>Mr. Abubakar Abdullahi Suleiman <b>(Non-Executive Director)</b> Sterling Towers 20, Marina Lagos</p> <p>Ms. Aisha Bashir <b>(Independent Non-Executive Director)</b> Sterling Towers 20, Marina Lagos</p> <p>Ms. Taslimat Temitayo Adegoke (<b>Company Secretary</b>) Sterling Towers 20, Marina Lagos</p>
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## PROFESSIONAL PARTIES

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**Issuing House:**

SCM Capital Limited  
19<sup>th</sup> Floor, NGX House  
2-4 Custom Street  
Marina  
Lagos

**Solicitors to the Issue:**

Aluko & Oyebode  
1, Murtala Muhammed Drive  
Ikoyi  
Lagos

Banwo & Ighodalo  
48, Awolowo Road  
Southwest Ikoyi  
Lagos

**Receiving Bank:**

Access Bank Plc  
14/15, Prince Alaba Abiodun  
Oniru Road  
Victoria Island  
Lagos

**Registrars:**

Pace Registrars Limited  
8<sup>th</sup> Floor, Knight Frank House  
24, Campbell Street  
Lagos Island  
Lagos

**Stockbrokers:**

Associated Asset Managers Limited  
7, Alfred Rewane Road  
Ikoyi  
Lagos

**Reporting Accountant:**

BBC Professionals  
Charter House  
7, Mcneil Road  
Sabo, Yaba  
Lagos

**Auditors:**

Deloitte & Touche  
Civic Towers  
Plot GA1, Ozumba Mbadiwe Avenue  
Victoria Island,  
Lagos





18 July 2024

Sterling Towers  
20 Marina  
Lagos  
Nigeria  
<https://sterling.ng/>

Dear Shareholders,

**RIGHTS ISSUE OF 7,197,604,531 ORDINARY SHARES OF FIFTY KOBO EACH AT ₦4.00 PER SHARE IN STERLING FINANCIAL HOLDINGS COMPANY PLC**

**Introduction**

On behalf of the Board of Directors of Sterling Financial Holdings Company PLC ("the Company" or "Sterling Holdco"), I am writing to share information on the Company's capital raise.

At the Annual General Meeting ("AGM") of the Company duly convened and held virtually on the 24th of June 2024, the Shareholders of the Company (the "Shareholders") authorised the Board of Directors (the "Board") to raise equity capital of up to ₦200,000,000,000 (Two Hundred Billion Naira Only) by way of rights issues, private placements and/or public offerings on such terms and conditions as may be determined by the Board, subject to obtaining the approvals of the relevant regulatory authorities:

Subsequent to your authorization and after careful deliberation, I am pleased to inform you that the Board, pursuant to a resolution dated 22<sup>nd</sup> of July 2024 has approved the following:

- i. The offer of additional 7,197,604,531 ordinary shares of 50 Kobo each by way of a **Rights Issue** to existing shareholders on the basis of 1 new ordinary share for every 4 ordinary shares held as of close of business on Tuesday, 06 August 2024 at a price of ₦4.00 per share
- ii. The issuance of 16,666,666,667 additional ordinary shares of 50 Kobo each by way of a **Private Placement** at a price of ₦4.50 per share

The Company has also obtained the relevant regulatory approvals from the Central Bank of Nigeria, the Securities and Exchange Commission, and the Nigerian Exchange Group (NGX). The acceptance list for the Rights Issue will open on Wednesday, 18 September 2024, and close on Monday, 28 October 2024 and the instructions for taking up your Rights are contained in the provisional allotment letter contained in page 47 to 49 of this Rights Circular.

**Business Update**

Sterling Holdco is on track to consolidate its position as a preferred destination for capital following the Company's impressive performance in its first year of operations as a Holding Company. With just two banking subsidiaries (Sterling Bank Ltd and The Alternative Bank Ltd) the Company was able to record commendable growth across key financial metrics as of full year 2023.

Our 2023 full year audited financial results showed a remarkable 38.8% growth in customer deposits, 35.2% growth in total assets to ₦2.5 trillion, 26.6% growth in total revenue and a ₦21.6 billion profit after tax. This growth is particularly significant given the challenging economic and

regulatory environment, underscoring the effectiveness of our HEART strategy.

This impressive performance shows our dedication to returning value to our shareholders and confirms our confidence in the strategic direction we have chosen.

### **Purpose of the Offer**

In line with the core objectives for which you approved the restructuring of Sterling Bank into a Holding Company in 2023, I am pleased to inform you that the Management team, led by Mr. Yemi Odubiyi, is committed to taking our Company to the next level through an expansion into other non-banking financial services sectors, which are at various stages of execution. It also gives me great pleasure to inform you that the Company is in the process of executing some audacious projects that will transform our Company in the near term and deliver significant returns to you.

The Company has been a good steward of capital over the years, achieving impressive growth through organic means. Since 2014, when fresh capital was last injected into the business, the Company has grown shareholders' funds by 116.7%.

To support the Group's expansion plans and further consolidate the growth recorded in the banking subsidiaries, the Board has determined it necessary to call for additional capital. This capital raise will enable the Company to capitalize its banking subsidiaries and ensure compliance with the new minimum capital requirements stipulated by the Central Bank of Nigeria in its circular dated 28th March 2024. This will help strengthen the overall balance sheet of the banks, providing a buffer against economic shocks and supporting the Group's long-term growth objectives.

### **Use of Proceeds**

The net proceeds from the Rights Issue will be used to increase the CET 1 capital and capital adequacy ratio of Sterling Bank and The Alternative Bank, ensuring they have adequate capital buffers compliant with Basel III regulatory capital requirements. This will strengthen their asset bases, provide sufficient capital to withstand economic shocks, and support the Company's growth objectives.

### **Principal Terms of the Rights Issue**

Sterling Holdco is offering 7,197,604,531 new ordinary shares by way of a Rights Issue at ₦4.00 per share and at a ratio of 1 new ordinary share for every 4 ordinary shares held on the Qualification Date.

Simultaneously, the Company is also offering 16,666,666,667 new ordinary shares by way of a Private Placement at ₦4.50 per share.

The new shares being offered under the Rights Issue and Strategic Placement will rank Pari Passu with all existing ordinary shares of the Company in all respects, including the right to receive dividends declared after the date of issue, provided that the Qualification Date for the dividend (or any other distribution) declared is after the allotment of the shares issued.

The shares issued will also be tradable on the floor of the Nigerian Exchange during the Offer period. Shareholders who wish to trade their Rights should seek advice from their respective stockbrokers, who will guide the process.

The Rights circular contains general information relating to our Company and history, including a summary of our historical financial information, our strengths, future plans and application/allotment and payment procedure related to the Issue.

## THE CHAIRMAN'S LETTER

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### Conclusion

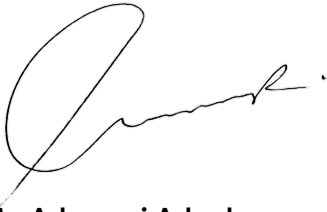
The Rights Issue is a unique opportunity for you to demonstrate your firm commitment to our Company's strategic growth ambitions. The Board and Management are confident that the Company will continue to record significant success and make valuable returns to shareholders over the coming years.

I therefore encourage you to seize this opportunity to be a part of our success story by taking up your rights in full.

Thank you.

Yours faithfully,

**For: Sterling Financial Holdings Company Plc**

A handwritten signature in black ink, appearing to read 'Adeola', with a large, stylized initial 'A'.

**Mr. Adeyemi Adeola**  
**Chairman, Board of Directors**

## ABOUT THE COMPANY

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### History and Business of the Group

Sterling Financial Holdings Company Plc is a non-operating financial holding company incorporated on 13 October 2021 and duly licensed by the Central Bank of Nigeria with its headquarters in Lagos, Nigeria. The Company is listed on the NGX as "STERLINGNG".

Starting in 1960 as NAL Bank, one of the pioneer merchant bank in Nigeria, the Sterling Group has evolved into one of the most prestigious financial services groups in Nigeria. Following the banking consolidation of 2005, NAL Bank merged with four other Banks to become Sterling Bank and in 2011, Sterling Bank completed the acquisition of the erstwhile Equitorial Trust Bank, resulting in the emergence of an enlarged entity.

In 2023, with due approvals from its shareholders and in fulfilment of all regulatory requirements, Sterling Bank restructured into a financial holding company, Sterling Financial Holdings Company Plc (Sterling HoldCo) and spun off its Non-Interest Banking business into a full-fledged Non-Interest Bank, The Alternative Bank Limited. Both the HoldCo and The Alternative Bank commenced full operations in July 2023.

In line with the restructuring, Sterling Bank Limited and The Alternative Bank Limited became subsidiaries of Sterling HoldCo. Beyond its immediate operating companies, Sterling HoldCo is in the process of expanding into other non-banking segments. The vision of the Company is to deliver solutions that enhance stakeholders' value.

### THE STERLING HOLDCO TODAY

The Sterling HoldCo comprises Sterling Bank Limited, the conventional banking business, and The Alternative Bank Limited, the non-interest banking business. With an asset base of N3 trillion, the Group has evolved into a leading financial services provider of conventional and ethical banking products to clients in the corporate, commercial and retail segments. The Company operates a robust portfolio of innovative digital products and services complemented by a branch network spanning all states and regions across the country.

Sterling Bank, the pioneer entity of Sterling HoldCo, has garnered numerous accolades and recognitions. Recently, it was named one of the top 100 fastest growing companies in Nigeria by the prestigious Financial Times, recognized by LinkedIn as one of the Top 25 places to work in Nigeria and honored consistently by The Great Place to Work Institute as the Overall Best Workplace in Nigeria for five consecutive years. Furthermore, an independent survey conducted by Afrinvest acclaimed it as the best bank in Nigeria. Sterling Bank has also received the prestigious title of Africa's Most Valuable Commercial Bank brand for 2023 in a poll conducted by Kantar and GeoPoll for Africa Brand Magazine.

The Company has achieved significant milestones in innovation and sustainability. It successfully launched the very first Electric Vehicle (EV) charging station in Lagos, Nigeria, known as QORAY, and has obtained the EDGE Advanced Certification for its head office building, Sterling Towers. This certification, issued by the International Finance Corporation (IFC) - World Bank Group, recognizes the building's efficient energy, water, and materials management practices. In alignment with the Paris Agreement, the Company has made commendable efforts to reduce its carbon footprint. In 2023, it achieved a 1% emissions reduction year-on-year, demonstrating its commitment to environmental stewardship.

The Group is also renowned for its now famous HEART strategy, which focuses on the Health, Education, Agriculture, Renewable Energy and Transportation sectors of the Nigerian economy and actively seeks to catalyse growth in the economy to continue to deliver value to its stakeholders.

### Strategic Direction

1. **Innovative Growth:** Sterling Financial Holdings Company Plc is strategically positioned for continuous innovation through its product and market expansion grid, adding value in the evolving banking landscape. This is exemplified by the Company's diversification into alternative banking. The Company's innovative solutions for meeting the short, medium, and long-term objectives of its stakeholders are driven by the following strategies and action plans:
  - a) **Disruptive Product Development:** The Company is committed to allocating optimal capital towards research and development to foster innovation in product offerings. By continuously understanding client needs and preferences through comprehensive market research, the

## ABOUT THE COMPANY

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- Company will form efficient cross-functional teams to collaborate on product development, combining expertise from different operating segments.
- b) Strategic Partnerships: The Company will continue to partner with technologically inclined companies to leverage their expertise and innovative solutions while forming alliances with various creative industries to create synergies and expand market reach.
  - c) New market penetration: The Company will continue to conduct detailed analysis of potential new markets and develop tailored solutions to meet the specific needs of these client markets.
2. Customer-Centric Excellence: Elevating customers' experience is the Company's core focus, with personalized services and ethical use of data analytics to gain insights into customers' behavior and preferences. The Company will continue to embark on building tailored financial products and services that cater to individual customer needs, combined with proactive customer engagement using multi-channel communication, customer journey mapping, customer support, and community building. The Company's loyalty programs will reward continuous patronage, organize events and experiences to build stronger connections with the clients.
  3. Agile Workforce: Building on the Company's values, the Company will continue its efforts on the improvement of a flexible and resilient workforce that is fully capable of adapting to the evolving banking industry and ensuring that the drivers of growth align with the Company's strategic vision. This would be achieved by continuous emphasis on learning, mentorship programs, and encouraging employees to pursue relevant certifications to enhance their skills. Management will ensure a work environment that is more flexible and provide necessary tools and technologies to support remote working and work-life integration. The Company will also continue to support initiatives to promote diversity and inclusion in the work force to foster an inclusive and respectful work environment.
  4. Technological Leadership: The Company aims to be the leader in technological development in the financial services industry, leveraging effective "digital" presence and cutting-edge technologies to enhance operations and customer experiences. The Company will use digital platforms, invest in strong security measures to protect customer data and transactions, and regularly update these platforms to stay current with technology. The Company's management acknowledges the importance of utilizing artificial intelligence and machine learning for advanced predictive analytics to anticipate customer needs and trends, implementing AI-driven fraud detection systems to enhance security, and deploying AI-powered chatbots and virtual assistants to provide customer support. The Company's management is well convinced that adopting these technologies would improve the Company's customer rating and brand visibility, allowing it to expand and grow its customer base across several target markets.
  5. Sustainable Impact: Sustainability has become a fundamental pillar in modern business, reflecting a commitment to environmental stewardship, social responsibility, and ethical governance. The Company, while striving to be the financial institution of choice, is dedicated to building a resilient, inclusive, and sustainable business that meets the needs of its clients. The Company's efforts have made significant impacts in the economy, environment, and society leading to several milestones. Notably, the Company obtained EDGE Advanced Certification for the Sterling Towers due to its efficient energy, water and materials measurement, issued by IFC. Additionally, the Company has deployed an ESG reporting & monitoring platform among other initiatives. The Company is focused on continuously integrating sustainable practices that drive long-term value, resilience and disruptive systems in line with best practices. As Hunter Lovins aptly said, "Sustainability is the right thing to do, it's the smart thing to do, it's the profitable thing to do." As a leader in the financial sector, the Company is committed to creating sustainable wealth for its brand, people, communities, and stakeholders. To achieve this, the Company recognizes the importance of focusing on the most critical resources: people and the planet. The Company will continue to invest in community development programs, with a focus on education, healthcare, and infrastructure, building strong community relations and a loyal customer base. The Company prides itself on ethical practices and will continue to adhere to a strict code of conduct and implement anti-corruption measures to maintain integrity and trust.

## ABOUT THE COMPANY

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### PROFILES OF DIRECTORS & COMPANY SECRETARY

#### **Mr. Adeyemi Adeola - Chairman**

Mr. Adeyemi Adeola is a seasoned professional with over 40 years of experience in banking, finance, law, arbitration, and corporate consultancy. He holds a Master of Law (LLM) degree, and the Oxford University/CIArb UK Diploma in International Commercial Arbitration. His banking career started at Citibank Nigeria, where he rose to become an Executive Director, and culminated as the MD of Sterling Bank Plc. Prior to his foray into Banking and Finance, he had a stint as a Consultant at Price Waterhouse Coopers. He also taught law at the University of Benin and Lagos State University. He is presently the Chairman of the following organizations: Nigeria Mortgage Refinance Company (NMRC), Lenox and Blair Group, and the Board of Trustees, Association of Banks' Legal Advisers and Company Secretaries (ABLACS). He is the Founder and Managing Partner of Adeyemi Adeola & Co., a law Firm with a special focus on International Commercial Arbitration, Banking, and Finance.

Yemi is a Fellow of the Chartered Institute of Arbitrators (UK), the Chartered Institute of Bankers of Nigeria, and the Institute of Credit Administration of Nigeria. He is also a Member of the Disciplinary Tribunal, Chartered Institute of Bankers. Yemi is a John F Kennedy Scholar.

#### **Mr. Adeyemi Odubiyi – Group Chief Executive Officer**

Mr. Odubiyi started his banking career with the Nigeria unit of Citibank as an Operations & Technology Generalist serving across all its Operations and Technology functions and was thereafter enrolled in its Management Associate program undertaking stints across all key units of the Bank

He left Citibank to join the turnaround team of the then Trust Bank of Africa as Head of Operations & Technology. Upon the consolidation of Trust Bank into Sterling Bank Plc, Yemi served as pioneer Group Head, Trade Services. He was mandated to build the Structured Finance Group and also assumed oversight for corporate strategy serving as Chief Strategy Officer. Mr. Yemi Odubiyi served as the Executive Director, Corporate and Investment Banking at Sterling Bank Limited.

Mr. Yemi Odubiyi holds a Bachelor's degree in Estate Management and a Master's in International Law from the University of Lagos. He has undertaken senior management/executive education programs in Risk Management, Finance, and General Management at leading international educational institutions including the London and Harvard Business Schools.

#### **Mr. Olayinka Oni – Executive Director**

Prior to his appointment, Yinka was the Chief Digital Officer at Sterling Bank, where he led the execution of the Bank's digital strategy. He has been pivotal in the digital revolution of Sterling, overseeing the development of talent and infrastructure that has birthed the market-defining innovations in digital banking.

With a remarkable professional journey traversing the information technology sector, his significant contributions include leadership of the IT functions of major players in the Nigerian financial services space and Accenture, one of the world's largest and most reputable consulting firms. His expertise spans Solutions Engineering, Program Management, Enterprise Architecture, and IT Governance. As the former Chief Technology Officer for Microsoft Nigeria, he spearheaded significant societal relevance initiatives and engaged with the Federal Government to cultivate sustainable ICT policies. He also held pivotal roles as the CIO/GM of IT & Operations at Wema Bank. He is a co-convener of the CIO Nexus and the current chairman of the CIO Forum of Banks in Nigeria.

An alumnus of the University of Ilorin, Yinka has undertaken senior management/executive education programs in Business Strategy, Financial Acumen, Digital Transformation, and General Management at leading international educational institutions, including Harvard, Said Business School of the University of Oxford, INSEAD, MIT, and a Cycle 24 participant of the globally acclaimed International Master's Program for Managers.

## ABOUT THE COMPANY

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### **Mr. Abubakar Suleiman – Non - Executive Director**

Abubakar Suleiman is an economist and a banker with over 20 years of experience in consulting and financial services. As the Chief Executive Officer of Sterling Bank Ltd, his top priority is to optimise the impact of financial intermediation in critical sectors that can catalyse growth and create a future of shared prosperity for all Nigerians. These sectors are Health, Education, Agriculture, Renewable Energy and Transportation, and are at the H.E.A.R.T of Sterling.

Before his current role, he served as an Executive Director and Chief Financial Officer of the bank and was the executive sponsor of the Bank's non-interest banking business (Sterling Alternative Finance). Abubakar holds a Bachelor's degree in Economics from the University of Abuja, and a Master of Science (M.Sc.) in Major Programme Management from Said Business School, University of Oxford. He is also an Alumnus of IESE Business School. He has attended various executive education programmes at INSEAD, Harvard, Wharton, and Said Business Schools.

His previous work experience includes tax advisory at Arthur Andersen and financial markets with Citibank Nigeria. He is a firm believer in the role of efficient markets, emerging technologies, and small businesses in unlocking productivity, improving national competitiveness, and driving inclusive economic growth. He currently serves on the Advisory Boards of Lagos Business School (LBS) and the Enterprise Development Centre (EDC) of the Pan Atlantic University.

### **Mr. Adeshola Adekoya – Non - Executive Director**

Adeshola Adekoya is the Managing Director of STBFMC Limited and founder of Utterfresh Processing Limited, a thriving business in the Agricultural sector. He was the Chief Executive Officer of Konga Online Shopping, where he delivered the mandate to develop and execute the growth plan of three different entities. He also worked at Etisalat as the Head, Planning & Budget Team. Mr. Shola Adekoya has over 24 years of experience in the Technology, Retail, Transport, Fintech, Telecoms, and Agricultural industries.

Adeshola holds an MBA from Cranfield University (2007). He is a fellow of the Association of Certified Chartered Accountant (FCCA) and holds a bachelor's degree in business studies from London South Bank University.

### **Mrs. Aisha Bashir - Independent Non-Executive Director**

Aisha Bashir is the Founder and Chief Executive Officer, Cam Dairy Foods Limited. Prior to her role in Cam Dairy Foods, she was a consultant with Mountain Hazelnuts, a hazelnut company in Bhutan, where she developed guidelines for deploying mobile payments solutions to farmers for payment for hazelnuts. She was also a Special Assistant to the President/Chief Executive of Dangote Group where she worked on business strategy and supported the Chief operating Officer in corporate finance activities and led financial, operational and strategic due diligence on subsidiaries. She was a co-founder, Head, Product Development and Operations of PAGA, a pioneer Nigerian mobile payments company. She also worked as a business analyst at Accenture.

Ms. Aisha Bashir holds a Master of Business Administration from Stanford University, Graduate School of Business, Master of Science in Environment and Resources – Land Use and Agriculture from Stanford University, School of Earth, Energy and Environmental Sciences and Bachelor of Arts (Honours) in International Relations also from Stanford University.

### **Mrs. Eniye Ambakederemo - Independent Non-Executive Director**

Eniye Ambakederemo has over 29 years' experience in the public and private sectors, banking, asset management, and investment and economic empowerment with practical executive management experience in various sectors including agriculture, production and manufacturing, finance and administration, policy development and execution. She rose to the rank of Director General of the Bayelsa State partnership initiation agency and the state's investment promotion office. She was also a pioneer

## ABOUT THE COMPANY

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board member of Asset Management Company of Nigeria (AMCON).

Prior to her service in the public sector, she was a Branch Manager (Strategic Business Unit) United Bank for Africa (UBA) Plc between 2009 – 2012. She was also the Head of Corporate Banking (South Bank) United Bank for Africa (UBA) between 2008-2009. She is a Fellow of the Nigerian Institute of Management (Chartered), the Institute of Chartered Economists of Nigeria and the Institute of Fraud Examiners. She is also a member of the International Business Innovation Association (INBIA). She is passionately involved in the turnaround of ailing companies and the development and mentoring of Micro, Small and Medium Enterprises.

She holds a BSc and an MBA in Accounting from the University of Port Harcourt. She is a Nigeria alumnus of the United Nations University of Peace. She has attended several management courses at Harvard and other prestigious institutions.

### **Ms. Taslimat Temitayo Adegoke - Company Secretary**

Temitayo Adegoke is the Group Chief Legal Officer and Company Secretary. Temitayo is known for pioneering unique practices, developing agile teams, and enhancing efficiencies to support business growth and continuity. She is a seasoned legal professional with over sixteen years of experience in Legal Advisory, Arbitration, and Compliance. Her dedication to cross-functional initiatives led to her appointment as the Chairperson of the Bank's Operational Risk Management Committee. She provides executive support to the Sterling One Foundation and seats on the Board of The Alternative Bank as a Non-Executive Director.

Before joining Sterling Bank in August 2019, Temitayo had served as General Counsel and Company Secretary at Rand Merchant Bank Nigeria Ltd. She also worked at First Bank of Nigeria for four years as the Unit Head of Corporate and Contracts and as a Senior Associate at Aluko & Oyeboode.

She is a member of the International Bar Association, an Associate Member of the Nigerian Leadership Initiative, an Associate Member of the Chartered Institute of Taxation, a Member of the Nigerian Bar Association, and a Member of the Chartered Institute of Arbitrators (UK).

Temitayo holds an LL.B. (Bachelor of Law) from the University of Lagos (2000), a BL (Barrister at Law) from The Nigerian Law School (2002), an LLM (Master of Law) from King's College London (UK) (2004), and an MBA from Warwick Business School (UK). She also obtained a Diploma in International Commercial Arbitration (2004) from the Chartered Institute of Arbitrators (UK).

## **STRONG AND EXPERIENCED MANAGEMENT TEAM**

The Company's senior management team boasts extensive experience across the financial services and technology sectors, with a combined experience of over one hundred and seventy (170) years in executive management. This seasoned team has a proven track record of driving growth and innovation.

### **Adebimpe Olambiwonnu - Group Chief Financial Officer**

Adebimpe is a fellow of the Institute of Chartered Accountants of Nigeria (ICAN), an associate member of the Chartered Institute of Taxation, a Certified Pension Institute of Nigeria member, and an honorary member of the Chartered Institute of Bankers of Nigeria (CIBN). She holds a B.Sc. (Hons) in Sociology & Anthropology from the Obafemi Awolowo University, Ile-Ife, an alumnus of Wharton Business School, Philadelphia, USA, and several other certifications.

Her banking experience spans Credit & Marketing and most aspects of banking operations. As an integral member of the Finance group, she has been instrumental in developing processes for monitoring Sterling Bank's long-term and short-term financial results. Bimpe's team ensures that the management, process, and monitoring aspects of the strategy execution are in place. She provides direction for the financial planning, reporting, and finance operations teams. Before her role as the Group Chief Finance Officer in July 2023 for Sterling Holdco, she served as the Group Head of Finance & Performance Management of Sterling Bank



## ABOUT THE COMPANY

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Limited from October 2007 to July 2023 and as a Financial Controller from December 1990 to October 2007.

### **Kelechi Nwaoba - Group Chief Compliance Officer**

Kelechi has led the transaction banking corporate solutions team in recent years, overseeing transactional services and spearheading innovative solutions across various industry verticals' value chains.

With over 25 years of experience in the financial services sector, Kelechi has worked with prestigious organizations such as Citibank Nigeria, Bank PHB, and Ecobank Transnational. In 2016, he joined Sterling Bank as the Divisional Head of Wholesale and Transaction Banking. His responsibilities included Trade Finance, Cash Management, Securities, and General Commercial Banking activities. Kelechi is an MBA graduate from Lagos Business School and a fellow of the Chartered Institute of Accountants of Nigeria. He was appointed Chief Compliance Officer for Sterling Bank Limited in June 2016 and has been serving as the Group Chief Compliance Officer at Sterling Financial Holdings Company since July 2023.

Previously, Kelechi held the position of Group Head, Transaction Banking & Corporate Solutions at Eco Bank Group in Accra, Ghana, starting in November 2012. He was the Group Manager, Operational Control at Enterprise Bank Ltd in February 2012, and the Group Head of Control and Compliance at Erika International LLC, Texas, USA, in April 2010.

### **Temi Dalley - Group Chief Human Resource Officer**

Temi is an adept HR leader with extensive experience spanning over two decades, both locally and internationally. She is a seasoned professional, renowned for her strategic leadership, people management, business acumen and drive for transformative change.

Temi adopts a refreshing approach to building a competent and agile workforce, meeting the rapidly changing demands of today's workplace. She leads a team of human capital experts dedicated to creating a humane and enabling work environment in the digital age. Living her lifelong goal, Temi raises leaders who are excellent thought leaders in their respective fields. She currently serves on the governing council of Advantage Health Africa, the advisory board of Nexford University, and other reputable organizations.

Holding a first degree in Political Science from Ahmadu Bello University, Nigeria, and an M.A. in Human Resource Management from Middlesex Business School, UK, Temi is a member of the Chartered Institute of Personnel and Development (CIPD), UK, and the Chartered Institute of Personnel Management, Nigeria (CIPM), among other professional bodies. Recognized among the 101 most influential global HR leaders by the HRD World Congress (2018) and as the 2020 HR Leader of the Year by HR People Magazine Awards, Temi is committed to driving innovation and future-focused best practices that enhance the HR profession and ensure sustainable organizational success.

Her previous roles include HR Resourcing & Talent Manager at the NHS Foundation Trust South End, UK, in June 2008, and Head of HR and Administration at Katchey Limited in January 2010. She is currently the GCHRO/Divisional Head, Human Capital & Corporate Services at Sterling Financial Holdings Company.

### **Olufunmilayo Lewis - Group Chief Risk Officer**

Ayo is a seasoned and versatile finance professional with over 30 years of extensive experience in Retail, Commercial, and Investment banking, focusing on strategy and business development. He is a continuous learner with a passion for innovation, strategic planning, and risk management.

Ayo earned a B.Sc. (Hons) in Actuarial Science from the University of Lagos and has participated in several executive education courses, including Strategy Beyond Markets at Stanford University Graduate School of Business, Digital Marketing Strategies for the Digital Economy at the Wharton School, and various strategic marketing management programs.

He is highly committed and passionate, with a demonstrated ability to achieve set targets. Ayo serves on several committees, including the Technology Steering Committee, the Bank's Staff Disciplinary Committee, and the Enterprise Project Management Committee, the latter two of which he chairs.

Ayo's career trajectory includes roles as Assistant Manager in the Strategic Planning Group in May 2001,

## ABOUT THE COMPANY

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Branch Manager at Omega Bank Plc in January 2006, and Group Head of FMCG, Manufacturing, Power, and Telecommunications in January 2019. He assumed the role of Group Chief Risk Officer in November 2022.

### **Ibidapo Martins - Group Chief Marketing Officer**

Ibidapo serves as the Chief Marketing Officer, with a mandate to enhance the bank's marketing and creative capabilities. He leads a team of professionals dedicated to innovatively engaging and endearing both current and prospective customers through various brand initiatives. With two decades of experience, Ibidapo possesses deep expertise in brand management, public relations, advertising, corporate social investment, and digital marketing.

He holds a Bachelor of Science degree in Management from the University of Winneba, Ghana, a postgraduate diploma in Marketing from the University of Nigeria, Nsukka, a certificate in Digital Communication and Design from the Pan African University, and a professional diploma in Public Relations from the Business Education Examinations Council.

Ibidapo has earned a professional practicing certificate in Public Relations and is an associate member of the Institute of Direct Marketing, London, the Nigerian Institute of Public Relations, and the Advertising Practitioners Council of Nigeria.

In July 2023, he took on the role of Group Chief Marketing Officer at Sterling Financial Holdings Company plc. Prior to this, he was the Chief Marketing Officer for Sterling Bank Limited from April 2018 to July 2023. His career includes previous roles such as Head of Marketing for Wealth, Nigeria at Stanbic IBTC Holdings (August 2014 – March 2018), Head of Public Relations at the Nigerian Stock Exchange (May 2013), and Head of Brand Communications & Corporate Development at Cornerstone PLC (July 2010).

## RISK FACTORS

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The risks highlighted below are considered by Sterling Financial Holdings Company Plc to be the principal risk factors. However, the sequence in which these risks are outlined does not imply the likelihood of their occurrence, their potential impact, the extent of possible damage to the Company's business operations, financial health, or long-term potential. Specifically, the performance of Sterling HoldCo is subject to potential fluctuations due to a variety of factors, such as, but not limited to, shifts in market and economic conditions, as well as alterations in legal, regulatory, or tax frameworks and such changes have the potential to adversely affect its share price. There may be additional risks and uncertainties associated with the Company that are not presently known or that are currently deemed non-material. These could, individually or collectively, lead to a material adverse effect on the Company's business operations, financial condition, and prospects. Should any of these risks materialize, there could be a significant decline in the trading price of the Issue Shares, resulting in a potential loss of investment. Certain events may not seem material individually but can become significant when combined.

Investing in the Company requires careful consideration of multiple risk factors. Given Nigeria's current economic climate, it is crucial to understand these risks thoroughly. Consequently, we present below, key risk factors that prospective investors should evaluate:

### 1. Macroeconomic Risk

The operations of the Company's subsidiaries are primarily conducted within Nigeria, home to most of the Company's customer base. As a developing economy, Nigeria has faced persistent macro-economic headwinds that have significant consequences for the Company's business performance, operational results and financial Stability

In recent years, the Nigerian economy has experienced periods of subdued growth, high inflation, and volatility in the exchange rates, which have led to the current episodes in currency devaluations that started 2023. In 2023, Nigeria's GDP growth rate decelerated to 2.74% year-on-year (YoY) in real terms, down from 3.10% in 2022, as reported by the National Bureau of statistics (NBS). This deceleration underscores the weakness of the economic recovery and provides further insights into the prevailing macro-headwinds that weigh massively in emerging markets

Nigeria's economy is significantly influenced by several external factors that are beyond the control of domestic policy makers. Among these, the price of crude oil stands out as a critical variable. Given that crude oil constitutes over 90% of Nigeria's export earnings, 25% of its GDP, and 80% of its government revenue, even a marginal fluctuation in global oil prices can have significant effects across the economy, influencing the foreign exchange rates, the government revenue, and the overall financial stability of the economy.

The current high-interest rate environment poses a risk of dampening economic growth in 2024. The Apex bank's persistent tightening of monetary policy, reflecting in the Increased MPR has led to a causation effect of material rise in lending rates across the credit sector. This surge in high borrowing costs poses a significant constraint in customers' credit availability, leading to a contraction in customers spending and a diminished aggregate demand. The Company's growth prospects are closely correlated to the extent of monetary policies that the CBN might adopt in the foreseeable years, as well as the overall resilience of the aggregated economy.

### 2. Business Risk

Operations within Nigeria's evolving financial services sector presents inherent business risks that requires effective management. The Nigerian banking and financial services landscape is fiercely competitive, presenting a complex array of challenges. These include navigating uncertainties of financial markets, adapting to shifting consumer demands, and maintaining a competitive advantage against technologically inclined rivals. Recently, the sector has witnessed a surge in foreign direct investments from globally recognized entities and new market entrants. This influx is expected to introduce a wealth of experience and capabilities, potentially reshaping the competitive dynamics of the market. Despite the Company's history of consistent and profitable growth, its ability to enhance its market position may be hindered as the market becomes increasingly saturated.

The Company's risk management strategies and internal controls may not always effectively mitigate

## RISK FACTORS

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risk exposures across all market conditions or against every type of risk, particularly those that are unknown. The Company and its subsidiaries, are governed by a stringent regulatory framework, including the Banks and Other Financial Institutions Act (BOFIA) 2020, the CBN Prudential Guidelines, and various CBN directives. Compliance with the Nigerian Code of Corporate Governance, introduced by the Federal Ministry of Trade and Investment in January 2019, is also mandatory. Failure to adhere to the CBN regulations could result in punitive measures from the CBN or other regulatory bodies.

The Company is poised for growth, potentially through the establishment of additional subsidiaries. This expansion strategy aims to extend the Company's operations to areas of interest. However, such growth will place new demands on the Company's management and systems. Moreover, venturing into new markets may expose the Company to additional regulatory and market risks.

### 3. Currency and Foreign Exchange Risk

This risk arises from the change in the price of one currency against the other. Essentially, it results from the volatility of the exchange rate of the operating environment's currency with other currencies, which has the potential to erode real returns and values of an enterprise.

In 2023, the CBN moved towards unifying the multiple exchange rates that existed in the country. The CBN abolished all segments of the foreign exchange market and collapsed all to NAFEM. Following these operational changes set by the CBN, the Naira depreciated against the dollar by 243.09% since June 9, 2023, to close at US\$1/₦1,621.12 on 30 July 2024.<sup>1</sup> This policy shift aimed to enhance transparency and efficiency in the foreign exchange market but also introduced additional volatility and uncertainty. For the Company, these currency fluctuations impact the cost of servicing foreign-denominated debt and the valuation of foreign assets and liabilities, posing a significant challenge to its financial stability.

### 4. Financial/Credit Risk

The Company's subsidiaries are subject to a spectrum of financial risks through exposure from financial instruments. Credit risk represents the possibility that a party involved with a financial instrument will incur a loss due to another party's failure to fulfill an obligation. Historically, the Nigerian banking sector has contended with elevated levels of Non-Performing Loans (NPLs). The Company's subsidiaries face comparable risks related to their various financial assets, including loans, receivables, finance leases, statutory deposits, and bank balances.

### 5. Liquidity and Interest Rate Risk

The Company's subsidiary, Sterling Bank Ltd predominantly utilizes short-term deposits for funding. This reliance could lead to illiquidity. Banks typically face a 'maturity mismatch'—a divergence between the short-term nature of liabilities and the long-term nature of assets. This mismatch introduces funding liquidity risk.

Adverse market conditions or delays in loan repayments can strain current liquidity, potentially leading to assets earmarked for liquidity becoming illiquid. Such scenarios may compel the Bank to explore alternative funding sources to support its operations and growth plans.

Interest rate risk is another challenge due to the Bank's interest-bearing assets and liabilities. This risk can negatively impact net interest income and arises from the banking industry's inherent structure, where liabilities are typically short-term, and assets are long-term. An increase in short-term interest rates can raise funding costs, squeezing profit margins.

Interest rate fluctuations affect earnings, asset values, liability management, off-balance sheet items, and cash flow. The Bank's trading book is also exposed to interest rate risk, with potential losses from market-driven factors like bond prices, foreign exchange rates, and commodity prices.

### 6. Operational Risk

This risk includes failures in internal processes, systems, and human errors. Nigerian financial institutions'

## RISK FACTORS

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technological infrastructures are increasingly vulnerable to cyber threats. A case in point is the significant cyber-attack on a leading Nigerian bank in 2019, which resulted in financial and reputational damage. Additionally, operational disruptions may stem from infrastructural issues like power outages and insufficient internet connectivity.

### 7. Legal Risk

The Company's contractual obligations carry inherent potential hazards. These include the Company's susceptibility to litigation risks associated with these contracts. Not effectively managing these risks could result in a gradual diminution of the Company's market value. Moreover, the Company is exposed to risks related to its permits, licenses, and approvals, both from regulators and contractual parties, that are essential for its operational activities. Any failure by the subsidiaries to renew, obtain, or comply with these regulatory requirements, or in cases where such permissions are suspended, terminated, or subject to modified conditions, could significantly disrupt the subsidiaries' operations. This, in turn, could adversely affect the Company's overall financial health.

### 8. Environmental Risk

The Company's operations are susceptible to a range of environmental challenges, including pollution, environmental degradation, global warming, severe flooding, and other natural hazards. These risks are characterized by their sudden, unpredictable, and unforeseeable nature. Any such accident could lead to various liabilities and adversely impact the Company's business. It is essential for the Company to remain vigilant and adaptive in addressing environmental risks, as their consequences can be far-reaching and significant.



22 July 2024

The Directors  
**SCM Capital Limited**  
19<sup>th</sup> Floor, Nigerian Exchange Building  
2-4 Customs Street  
Lagos.

Dear Sirs,

**Confirmation of the Going Concern Status of Sterling Financial Holdings Company Plc**

The Directors of Sterling Financial Holdings Company Plc ("Sterling Holdco" or "the Company") are accountable for the performance and operations of the Company. In accordance with the Companies and Allied Matters Act, 2020 (CAMA), the Directors owe the Company a duty of care and must always act in the best interest of the Company's employees and stakeholders.

The Directors are required to prepare financial statements at the end of each financial period, which give a true and fair view of the company's state of affairs, profit or loss for the relevant accounting period and the results of its operations, cash flows and changes in equity in compliance with the International Financial Reporting Standards ("IFRS") and in the manner required by the Companies and Allied Matters Act 2020 (as amended) ("CAMA") and the Financial Reporting Council of Nigeria (Amendment) Act, 2023 ("FRCN Act").

The Directors are also responsible for ensuring that proper and accurate accounting records are kept using appropriate accounting policies, consistently implementing them, making prudent and reasonable decisions and estimates, and taking reasonable action to prevent and detect fraud and other irregularities.

The Directors of Sterling Holdco, having made appropriate inquiries, reviewed budgets, projected cash flows, and other relevant information, hereby conclude that adequate resources exist for the Company to continue as a going concern for the foreseeable future.

Yours faithfully,

Signed for and on behalf of **Sterling Financial Holdings Company Plc**

.....  
Temitayo Adegoke  
**Company Secretary**

.....  
Yemi Odubiyi  
**Group Chief Executive Officer**

**Board of Directors**

Chairman  
Yemi Adeola  
MD/CEO  
Yemi Odubiyi

Executive Director  
Olayinka Oni

Non-Executive Directors  
Abubakar Suleiman  
Adeshola Adekoya

Independent Directors  
Aisha Bashir  
Eniye Ambakederemo

**Sterling Financial Holdings Company Plc.**  
(RC. No. 1851010)

Head Office: 20 Marina, Lagos.  
Tel: 01-7003270  
sterlingholdings.ng



P.O. Box 965  
Marina  
Lagos  
Nigeria

Deloitte & Touche  
Civic Towers  
Plot GA 1, Ozumba Mbadiwe Avenue  
Victoria Island  
Lagos  
Nigeria

Tel: +234 (1) 904 1700  
www.deloitte.com.ng

01 August 2024

The Directors  
Sterling Financial Holdings Company Plc  
Sterling Towers  
20 Marina, Lagos

and

The Directors  
SCM Capital Limited  
19<sup>th</sup> Floor, Nigerian Exchange House  
2-4, Customs Street,  
Marina, Lagos

Dear Sirs,

**CONFIRMATION OF GOING CONCERN STATUS OF STERLING FINANCIAL HOLDINGS COMPANY PLC**

We have audited the consolidated and separate financial statements of Sterling Financial Holdings Company Plc ("the company") and its subsidiaries (together, "the Group") for the year ended 31 December 2023 in accordance with IFRS Accounting Standards as issued by the International Accounting Standards Board and the requirements of the Companies and Allied Matters Act, 2020, Banks and Other Financial Institutions Act, 2020, Financial Reporting Council of Nigeria (Amendment) Act, 2023, Shariah Governance Requirements issued by Central Bank of Nigeria Financial Regulation Advisory Council of Expert and other relevant standards issued by Accounting and Auditing Organization for Islamic Financial Institutions (AAOIFI).

Based on our audit of the consolidated and separate financial statements of the Group and Company for the year ended 31 December 2023 on which we express our opinion on 29 May, 2024 and the representation received from the Directors of the Group and Company in connection with the audit, we confirm that nothing has come to our attention as of the date of the issuance of our audit opinion that causes us to believe that the Group and Company will not continue in operation as a going concern for 12 months from 31 December 2023.

This letter has been agreed only for the purposes of compliance with the rules and regulations of the Securities and Exchange Commission. Therefore, we did not perform additional procedures subsequent to our Auditor's report dated 29 May 2024.

Yours faithfully,

Michael Daudu,  
FRC/2013/PRO/ICAN/004/00000000845  
Engagement Partner  
For: Deloitte & Touche  
Chartered Accountants



List of partners and partner equivalents available on the website  
Associate of Deloitte Africa, a Member of Deloitte Touche Tohmatsu Limited

## INCORPORATION BY REFERENCE

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The following documents which have previously been published, and have been filed with the SEC, shall be incorporated in, and form part of, this Rights Circular:

- a) The unaudited financial statements of Sterling Financial Holdings Company for the half year ended 30 June 2024;
- b) the audited financial statements of Sterling Financial Holdings Company for the year ended 31 December 2023;
- c) the audited financial statements of Sterling Bank for the year ended 31 December 2022;
- d) the audited financial statements of Sterling Bank for the year ended 31 December 2021;
- e) the audited financial statements of Sterling Bank for the year ended 31 December 2020; and
- f) the audited financial statements of Sterling Bank for the year ended 31 December 2019.

Copies of the documents incorporated by reference will be available for inspection during normal business hours on any Business Day, from Wednesday, 18 September 2024 to Monday, 28 October 2024 at the registered office of Sterling Financial Holding Company PLC located at Sterling Towers, 20 Marina, Lagos and its website at <https://sterling.ng/>. The documents would also be available at the office of SCM Capital Limited, 19<sup>th</sup> Floor, NGX House, 2-4 Custom Street, Marina, Lagos.



## HISTORICAL FINANCIAL INFORMATION

### 1. STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

Figures in ₦'million, except as stated otherwise	Audited					
	30-June 2024 (6 months Un-audited)	31-Dec 2023	31-Dec 2022	31-Dec 2021	31-Dec 2020	31-Dec 2019
<b>Gross Earnings</b>	<b>157,264</b>	<b>221,773</b>	<b>175,140</b>	<b>150,153</b>	<b>140,425</b>	<b>154,806</b>
Interest Income	120,878	156,102	128,434	113,000	111,452	127,291
Interest expenses	(63,292)	(72,718)	(52,042)	(45,191)	(49,305)	(62,592)
<b>Net Interest Income</b>	<b>57,586</b>	<b>83,384</b>	<b>76,392</b>	<b>67,809</b>	<b>62,147</b>	<b>64,699</b>
Fee and commission income	20,280	34,956	28,384	25,171	17,677	19,224
Fee and commission expense	(5,062)	(8,850)	(6,009)	(5,812)	(4,590)	(4,611)
Net trading Income	12,383	20,794	7,692	5,798	8,654	5,058
Other operating income	3,723	9,921	10,630	6,184	2,642	3,233
<b>Operating Income</b>	<b>88,910</b>	<b>140,205</b>	<b>117,089</b>	<b>99,150</b>	<b>86,530</b>	<b>87,603</b>
Credit loss expenses	(4,466)	(12,335)	(9,122)	(9,821)	(7,906)	(5,838)
<b>Net Operating income after impairment</b>	<b>84,444</b>	<b>127,870</b>	<b>107,967</b>	<b>89,329</b>	<b>78,624</b>	<b>81,765</b>
Personnel expenses	(13,650)	(22,982)	(16,944)	(14,917)	(14,841)	(14,912)
Operating expenses	(19,292)	(59,474)	(52,502)	(44,689)	(17,939)	(18,075)
Depreciation and amortization	(2,575)	(4,814)	(4,879)	(5,145)	(6,050)	(7,901)
General and administrative expenses	(22,138)	-	-	-	(19,914)	(22,898)
Other property, plant and equipment cost	(9,443)	(17,907)	(12,885)	(8,516)	(7,508)	(7,307)
<b>Total expenses</b>	<b>(67,098)</b>	<b>(105,177)</b>	<b>(87,210)</b>	<b>(73,267)</b>	<b>(66,252)</b>	<b>(71,093)</b>
<b>Profit before Income tax</b>	<b>17,346</b>	<b>22,693</b>	<b>20,757</b>	<b>16,062</b>	<b>12,372</b>	<b>10,672</b>
Income tax expense	(1,084)	(1,109)	(1,459)	(1,040)	(1,130)	(70)
<b>Profit for the year</b>	<b>16,262</b>	<b>21,584</b>	<b>19,298</b>	<b>15,022</b>	<b>11,242</b>	<b>10,602</b>
<b>Other Comprehensive Income</b>						
Items that will not be reclassified subsequently to profit or loss:						
Revaluation gains on equity instruments at fair value through other comprehensive income	2,982	6,956	5,648	4,801	3,468	403
<b>Total items that will not be reclassified to profit or loss in subsequent period</b>	<b>2,982</b>	<b>6,956</b>	<b>5,648</b>	<b>4,801</b>	<b>3,468</b>	<b>403</b>
Items that will be reclassified to profit or loss in subsequent period:						
Debt instruments at fair value through other comprehensive income						
- Net change in fair value	(12,462)	4,598	(4,610)	(11,869)	2,420	10,685
- Changes in allowance for expected credit losses	-	787	(18)	368	(72)	68
Net losses on debt instruments at fair value through other comprehensive income	(12,462)	5,385	(4,628)	(11,501)	2,348	10,753
Reclassification adjustment for (loss)/gain included in the income statement	-	-	-	-	-	-
Total items that will be reclassified to profit or loss in subsequent period	(12,462)	5,385	(4,628)	(11,501)	2,348	10,753
Other comprehensive income for the year, net of tax	(9,480)	12,341	1,020	(6,700)	5,816	11,156
<b>Total Comprehensive income for the year, net of tax</b>	<b>6,782</b>	<b>33,925</b>	<b>20,318</b>	<b>8,322</b>	<b>17,058</b>	<b>21,758</b>
<b>Profit attributable to:</b>						
Equity holders of the Group	<b>16,262</b>	<b>21,584</b>	<b>19,298</b>	<b>15,022</b>	<b>11,242</b>	<b>10,602</b>
<b>Total Comprehensive Income/(loss) attributable to:</b>						
Equity holders of the Group	<b>6,782</b>	<b>33,925</b>	<b>20,318</b>	<b>8,322</b>	<b>17,058</b>	<b>21,758</b>
<b>Basic/diluted earnings per share (In Kobo)</b>	<b>56</b>	<b>75</b>	<b>67</b>	<b>52</b>	<b>39</b>	<b>37</b>

## HISTORICAL FINANCIAL INFORMATION

### 2. STATEMENT OF FINANCIAL POSITION

Figures in ₹ million, except as stated otherwise	Audited					
	30-June 2024 (6 months un-audited)	31-Dec 2023	31-Dec 2022	31-Dec 2021	31-Dec 2020	31-Dec 2019
<b>Assets</b>						
Cash and balances with CBN	611,696	604,599	431,488	370,873	303,314	156,059
Due from banks	230,202	234,953	86,459	94,850	21,084	69,361
Pledged financial assets	66,237	11,272	23,098	10,786	34,860	11,831
Derivatives financial assets	-	276	807	-	-	-
Loans and advances to customer	1,099,148	895,822	737,735	711,900	596,827	618,732
Investment securities:	672,060	485,952	363,673	299,265	258,208	257,003
- Financial assets at fair value through profit or loss	25,684	2,112	921	10,237	1,454	8,317
- Equity instruments at fair value through comprehensive income	42,944	36,906	25,227	17,956	10,745	5,470
- Debt instruments at fair value through other comprehensive income	520,754	316,204	230,636	168,847	135,780	141,272
- Debt instruments at amortised cost	82,678	130,730	106,889	102,225	110,229	101,944
Other assets	268,856	242,110	171,911	96,554	37,874	28,581
Deferred tax assets	9,507	9,507	7,005	6,971	6,971	6,971
Property, plant and equipment	39,070	31,987	17,913	16,939	15,956	18,476
Right-of-use asset	9,019	9,103	8,342	8,141	8,319	8,896
Investment Property	4,101	4,790	5,584	6,918	8,004	4,141
Intangible assets	647	721	950	1,081	1,582	1,933
	<b>3,010,543</b>	<b>2,531,092</b>	<b>1,854,965</b>	<b>1,624,278</b>	<b>1,292,999</b>	<b>1,181,984</b>
Non-current assets held for sale	-	-	3,027	-	-	701
<b>Total assets</b>	<b>3,010,543</b>	<b>2,531,092</b>	<b>1,857,992</b>	<b>1,624,278</b>	<b>1,292,999</b>	<b>1,182,685</b>
<b>Liabilities</b>						
Deposits from banks	56,195	-	37,178	15,568	21,289	-
Deposits from customers	2,162,307	1,842,815	1,327,805	1,208,753	950,835	892,660
Current income tax liabilities	1,374	1,468	1,607	1,074	551	201
Derivative Financial liabilities	2,161					
Other liabilities	323,283	257,910	160,257	102,367	61,552	44,742
Lease liability	117	-	-	-	-	-
Provisions	784	724	1,489	1,180	454	167
Debt securities issued	33,843	33,959	42,388	42,327	42,274	42,655
Other borrowed funds	238,166	208,685	133,270	116,450	86,367	82,702
Deferred tax liabilities	1,927	1,927	-	-	-	-
<b>Total liabilities</b>	<b>2,820,157</b>	<b>2,347,488</b>	<b>1,703,994</b>	<b>1,487,719</b>	<b>1,163,322</b>	<b>1,063,127</b>
<b>Equity</b>						
Share capital	14,395	14,395	14,395	14,395	14,395	14,395
Share premium	42,759	42,759	42,759	42,759	42,759	42,759
Retained earnings	54,878	42,506	44,922	34,341	25,278	6,187
Other components of equity	78,354	83,944	51,922	45,064	47,245	56,217
<b>Total equity</b>	<b>190,386</b>	<b>183,604</b>	<b>153,998</b>	<b>136,559</b>	<b>129,677</b>	<b>119,558</b>
<b>Total liabilities and equity</b>	<b>3,010,543</b>	<b>2,531,092</b>	<b>1,857,992</b>	<b>1,624,278</b>	<b>1,292,999</b>	<b>1,182,685</b>

## HISTORICAL FINANCIAL INFORMATION

### 3. STATEMENT OF CASHFLOWS

Figures in ₹'million, except as stated otherwise	Audited					
	30-June 2024 (6 months Un-audited)	31-Dec 2023	31-Dec 2022	31-Dec 2021	31-Dec 2020	31-Dec 2019
<b>Operating Activities</b>						
Cash generated (used)/from operations	(77,424)	40,174	(10,236)	72,779	(67,191)	49,284
Interest received	120,878	152,844	122,206	107,329	109,030	127,291
Interest paid on deposits from banks and customers	(48,312)	(40,208)	(34,552)	(31,581)	(36,954)	(45,190)
Income tax paid	(1,273)	(1,518)	(699)	(435)	(657)	(172)
VAT Paid	-	-	-	-	-	(681)
<b>Net cash flow generated/(used) from operating activities</b>	<b>(6,131)</b>	<b>151,292</b>	<b>76,719</b>	<b>148,092</b>	<b>4,228</b>	<b>130,532</b>
<b>Investing activities</b>						
Proceeds from sale of property, plant and equipment's	86	175	400	495	238	55
Purchase of property, plant and equipment	(9,126)	(17,809)	(4,948)	(4,701)	(2,020)	(7,852)
Purchase of Investment property	-	-	(560)	(667)	(3,957)	-
Purchase of intangible assets	(103)	(135)	(278)	(188)	(400)	(371)
Proceeds from sale of investment property	-	1,173	1,846	1,651	-	-
Right-of-use-asset	(342)	(1,656)	(613)	(573)	(263)	(520)
Dividend received	368	476	416	323	258	239
Purchase of debt instruments at amortized cost	(16,709)	(69,097)	(34,144)	(2,381)	(8,885)	-
Purchase of debt instruments at FVOCI	(519,226)	1,255,659	(1,018,044)	(705,215)	(60,178)	(47,657)
Proceeds from sale of debt instruments at FVOCI	-	-	(1,623)	(2,410)	(2,855)	(1,056)
Proceeds from sale of debt instruments at FVOCI	302,214	1,211,121	962,554	660,642	69,066	34,690
Redemption of debt instruments at amortised cost	64,761	(44,029)	14,978	10,451	712	21,073
<b>Net cash flows (used in)/from investing activities</b>	<b>(178,077)</b>	<b>(87,382)</b>	<b>(80,016)</b>	<b>(42,573)</b>	<b>(8,284)</b>	<b>(1,399)</b>
<b>Financing activities</b>						
Proceeds from other borrowed funds	24,893	61,615	35,182	39,844	11,526	7,086
Proceeds from debts and securities issued	-	-	-	-	-	-
Lease payment	-	(7,965)	-	(9,761)	-	(45,200)
Repayment of debts and securities issued	(15,098)	(29,329)	(18,049)	(14,004)	(10,339)	(15,900)
Repayment of other borrowed funds	(44,242)	(48,926)	(18,362)	-	(8,118)	(39,268)
Dividend paid to equity holders	-	(4,319)	(2,879)	(1,440)	(864)	-
<b>Net cash flows (used in)/from financing activities</b>	<b>(34,447)</b>	<b>(28,924)</b>	<b>(4,108)</b>	<b>14,639</b>	<b>(7,795)</b>	<b>(93,372)</b>
Net increase in cash and cash equivalents	<b>(218,655)</b>	<b>34,986</b>	<b>(7,403)</b>	<b>120,158</b>	<b>(11,851)</b>	<b>35,761</b>
Effect of exchange rate changes on cash and cash equivalents	<b>89,729</b>	<b>134,237</b>	<b>8,201</b>	<b>6,089</b>	<b>4,164</b>	<b>(241)</b>
Cash and cash equivalents at January 1	391,875	222,652	221,854	95,607	103,294	67,774
<b>Cash and cash equivalents a Dec. 31</b>	<b>262,949</b>	<b>391,875</b>	<b>222,652</b>	<b>221,854</b>	<b>95,607</b>	<b>103,294</b>

## STERLING FINANCIAL HOLDINGS COMPANY'S SHAREHOLDERS AUTHORISATION OF THE RIGHTS ISSUE

The resolution of the Shareholders of Sterling Financial Holdings Company Plc authorising the Rights Issue is as follows:



THE FEDERAL REPUBLIC OF NIGERIA  
COMPANIES AND ALLIED MATTERS ACT 2020

PUBLIC COMPANY LIMITED BY SHARES

EXTRACT OF SHAREHOLDERS' RESOLUTION  
OF  
STERLING FINANCIAL HOLDINGS COMPANY PLC

RC NO. 1851010

At the Annual General Meeting of Sterling Financial Holdings Company Plc (the "**Company**") duly convened and held virtually via [sterlingholdco.ng/agm](http://sterlingholdco.ng/agm) at Sterling Towers, 20, Marina, Lagos by 10:00am on Monday, June 24, 2024 the following special resolutions were considered and duly passed:

- (i) That the Company be and is hereby authorized to raise additional capital of up to ₦200,000,000,000 (Two Hundred Billion Naira) through the issuance of shares in the Nigerian capital market by way of rights issues, private placements, public offerings, and/or other transaction modes, at a price in such tranches, series or proportions and upon such terms and conditions as may be determined by the Board of directors of the Company, subject to obtaining the requisite approvals of the relevant regulatory authorities;
- (ii) In furtherance of the above, the directors be and are hereby unconditionally authorized pursuant to sections 127(1) and 149(I)(a) of the Companies and Allied Matters Act 2020 as amended by the Business Facilitation Act 2022 to increase the share capital of the Company by the allotment of up to 40,000,000,000 (Forty Billion) shares of 50 Kobo each ranking pari-passu with the existing ordinary shares of the Company at any time or times during the period of 2 (two) years from the date hereof;
- (iii) That the Memorandum and Articles of Association (Memart) of the Company be amended to reflect the Company's new share capital after the capital raising exercise in the resolutions above;
- (iv) That the Board of directors be and is hereby authorized to file the amended Memart at the Corporate Affairs Commission ("**CAC**").
- (v) That the directors be and are hereby authorized to appoint such professional parties and advisers and perform all other acts as may be necessary to give effect to the above resolutions, including obtaining relevant regulatory approvals and without limitation complying with the directives of any relevant regulatory authority.
- (vi) That the Company Secretary be and is hereby authorized to register any increase(s) in share capital with the CAC in such incremental proportions or tranches as the Board of directors in its absolute discretion may deem necessary

Board of Directors

Chairman  
Yemi Adeola  
MD/CEO  
Yemi Odubiyi

Executive Director  
Olayinka Oni

Non-Executive Directors  
Abubakar Suleiman  
Adeshola Adekoya

Independent Directors  
Aisha Bashir  
Eniye Ambakederemo

Sterling Financial Holdings Company Plc.  
(RC. No. 1851010)

Head Office: 20 Marina, Lagos.  
Tel: 01-7003270  
[sterlingholdings.ng](http://sterlingholdings.ng)



or desirable; and the Board of directors is hereby authorized to issue on behalf of shareholders such resolutions as may be required by the CAC.

DATED THIS 31st DAY OF July 2024

  
Temitayo Adegoke  
Company Secretary

  
Yemi Odubiyi  
Group Chief Executive Officer

Board of Directors

Chairman  
Yemi Adeola  
MD/CEO  
Yemi Odubiyi

Executive Director  
Olayinka Oti

Non-Executive Directors  
Abubakar Suleiman  
Adeshota Adekoya

Independent Directors  
Aisha Bashir  
Eniye Ambakederemo

Sterling Financial Holdings Company Plc.  
(RC. No. 1851010)

Head Office: 20 Marina, Lagos.  
Tel: 01-7003270  
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The resolution of the Board of Directors of Sterling Financial Holdings Company Plc approving the Rights Issue is as follows:



**THE FEDERAL REPUBLIC OF NIGERIA  
THE COMPANIES AND ALLIED MATTERS ACT NO. 3 OF 2020 (AS AMENDED)**

**PUBLIC COMPANY LIMITED BY SHARES**

**RESOLUTION OF THE BOARD OF DIRECTORS**

**OF**

**STERLING FINANCIAL HOLDINGS COMPANY PLC  
RC 1851010**

At a meeting of the Board of Directors (the "**Board**") of Sterling Financial Holdings Company PLC (the "**Company**"), duly convened and held on the 22<sup>nd</sup> day of July, 2024, at Sterling Towers, 20, Marina, Lagos at 12:00pm, the following resolutions were proposed and duly passed as Resolutions of the Board in furtherance to the resolution of the shareholders of the Company dated June 24, 2024 authorizing the Company to raise additional capital of up to ₦200,000,000,000 (Two Hundred Billion Naira) in such manner as may be determined by the Board:

a.

- (i) That the Company's issued share capital be and is hereby increased from ₦14,395,209,062 made up of 28,790,418,124 ordinary shares of 50 (fifty) Kobo each to ₦26,327,344,661 divided into 52,654,689,322 ordinary shares of 50 kobo each by the creation and addition of 23,864,271,198 ordinary shares of 50 (Fifty) Kobo each ranking in all respects *pari-passu* with the existing shares of the Company;
- (ii) That the Company be and is hereby authorized to raise capital of up to ₦75,000,000,000 (Seventy-five Billion Naira) by the issuance of 16,666,666,667 ordinary shares of 50 kobo each at a price of ₦4.50 per share to by way of a Private Placement (the "**Private Placement**") to identified investors on such dates and time and on such other terms as the management of the Company ("**Management**") may determine in consultation with the professional advisers, subject to obtaining the approval of relevant regulatory authorities;
- (iii) That the Company be and is hereby authorized to raise capital of up to ₦28,790,418,124 (Twenty-Eight Billion, Seven Hundred and Ninety Million, Four Hundred and Eighteen Thousand, One Hundred and Twenty-Four Naira) by way of rights issue of 7,197,604,531 ordinary shares of 50 kobo each at a price of ₦4.00 per share to existing shareholders whose names appear in the Company's Register of Members on the Qualification Date (being the date on which the

**Board of Directors**

Chairman  
Yemi Adeola  
MD/CEO  
Yemi Odubiyi

Executive Directors  
Olayinka Oni

Non-Executive Directors  
Abubakar Suleiman  
Adeshola Adekoya

Independent Directors  
Aisha Bashir  
Eniye Ambakederemo

**Sterling Financial Holdings Company Plc.**  
(RC. No. 1851010)


**Head Office:** 20 Marina, Lagos  
**Tel:** 01-7003270  
[sterlingholdings.ng](http://sterlingholdings.ng)



application for approval of the Rights Issue is submitted to the Nigerian Exchange Limited) on the basis of 1 new ordinary shares for every 4 ordinary shares held by them (the "Rights Issue"), subject to obtaining the approval of relevant regulatory authorities;

- (iv) That any shares not taken up by existing shareholders within the period stipulated under the Rights Issue may be offered for sale to other interested existing shareholders on a pro rata basis;
- b. That any two (2) directors of the Company or a director and the company secretary be and are hereby authorised to consent to, approve, execute all relevant agreements, deeds, or any document and make any statutory or regulatory filings necessary for or incidental to the Rights Issue and Private Placement;
- c. That the Board and/or Management be and are hereby authorized to take all such lawful steps and do all such other lawful acts and/or things including but not limited to ensuring compliance with all regulatory procedures and requirements, obtaining all required approvals as well as performing all such other acts and do all such other things as may be as may be necessary, incidental, supplemental, consequential to giving effect to the above resolutions; and
- d. That all lawful steps taken by the Board and/or Management prior to the date of this resolution in connection with the Rights Issue and Private Placement, be and are hereby ratified."

DATED THIS 22<sup>ND</sup> DAY OF JULY 2024

  
 .....  
 Yemi Odubiyi  
 DIRECTOR

  
 .....  
 Temitayo Adegoke  
 COMPANY SECRETARY

Board of Directors

Chairman  
 Yemi Adeola  
 MD/CEO  
 Yemi Odubiyi

Executive Directors  
 Olayinka Ont

Non-Executive Directors  
 Abubakar Suleiman  
 Adeshola Adekoya

Independent Directors  
 Alsha Bashir  
 Eniye Ambakederemo

Sterling Financial Holdings Company Plc.  
 (RC. No. 1851010)

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**1. INCORPORATION & SHARE CAPITAL HISTORY**

Sterling Financial Holdings Company Plc was incorporated on 13 October 2021, as a private limited liability company and re-registered as a public company on 16 November 2022. It was listed on the NGX on 6 April 2023. As of the date of this Rights Circular, the Company's share capital is ₦ 26,327,344,661 divided into 52,654,689,322 Ordinary shares at ₦0.50 each. Below is a summary of the changes in the Company's share capital since its inception:

Date Issued	No. of Shares	Par Value of each share	Increase/ (decrease)	Cumulative	Consideration/Method of Issue
13 Oct 2021	28,792,000,000	₦0.50	-	14,396,000,000	Capital at incorporation
16 Nov 2022	28,790,418,124	₦0.50	(1,581,876)	14,395,209,062	Reregistration of Sterling HoldCo as a PLC and cancellation of excess shares.
30 Mar 2023	28,790,418,124	₦0.50	-	14,395,209,062	Migration from Sterling Bank Plc via a Scheme of Arrangement and surrendering of the 28,790 million shares of Sterling Bank for shares in Sterling HoldCo
31 Jul 2024	52,654,689,322	₦0.50	23,864,271,198	26,327,344,661	In process of issuance

**2. SHAREHOLDING STRUCTURE**

As of the date of this Rights Circular, the Company's issued and fully paid share capital amounted to ₦14,395,209,062, consisting of 28,790,418,124 Ordinary Shares with a nominal value of ₦0.50 each.

As of the date of this Rights Circular, the Company had approximately 90,116 shareholders with four (4) shareholders owning more than a 5.0% shareholding.

The table below shows the shareholders of Sterling Financial Holdings Company Plc who hold 5% or more of the outstanding Ordinary Shares as recorded in the Register of Members as of the date of this Rights Circular. All holders of the Corporation's Ordinary Shares have equal voting rights. The Company is not aware of any arrangements that could result in a change of control.

Particulars of Shareholders	No. of shares	% holding
Silverlake Investments Limited	7,197,604,531	25.00
State Bank of India	2,549,505,026	8.86
Dr. Mike Adenuga	1,620,376,969	5.63
Ess-Ay Investment Ltd.	1,462,919,568	5.08
Other Shareholders	15,960,012,030	55.44
<b>Grand Total</b>	<b>28,790,418,124</b>	<b>100.00</b>

**3. DIRECTORS BENEFICIAL INTERESTS**

The interests of the Directors in the issued share capital of the Company as recorded in the Register of Directors' Interests or as notified by them for the purpose of sections 301 and 302 of CAMA, as at the date of this Right Circular, are as follows:

Names of Directors	Direct	Indirect	Total	Total No. of Shareholdings as a % of Issued Share Capital
Yemi Adeola	57,600,025	1,443,034,413	1,500,634,438	5.21%
Yemi Odubiyi	366,417,493	-	366,417,493	1.27%



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Olayinka Oni	15,391,539	-	15,391,539	0.05%
Abubakar Suleiman	410,004,809	-	410,004,809	1.42%
Shola Adekoya	-	1,327,031,823	1,327,031,823	4.61%
Aisha Bashir	-	-	-	0.0%
Eniye Ambakedermo	-	-	-	0.0%

#### 4. SUBSIDIARIES AND ASSOCIATED COMPANIES

As at the date of this Rights Circular, the Company has two subsidiaries which are wholly owned.

Subsidiary Name	% equity stake	Address
Sterling Bank Limited	100%	Sterling Towers, 20 Marina, Lagos
The Alternative Bank Limited	100%	239 Ikorodu Road, Lagos

#### 5. INDEBTEDNESS

As of December 31, 2023, Sterling Financial Holdings Company Plc had no indebtedness. However, the Group's total indebtedness amounted to ₦242.64 billion, comprising the following components:

S/N	Debt Issued and other borrowed funds	Total Amount (₦ millions)
1.	Debt securities issued	33,959
2.	Other borrowed funds	208,685
	<b>Total</b>	<b>242,644</b>

#### 6. PURPOSE OF ISSUE AND USE OF PROCEEDS

In line with the new minimum capital requirements stipulated by the Central Bank of Nigeria in its 28 March 2024 circular, the Banking subsidiaries of Sterling HoldCo require an additional ₦153bn to enable them to comply with the new minimum capital requirements.

The net Issue proceeds estimated at ₦28,095,137,020.74 (after deducting the Issue costs of ₦695,281,103.26 representing 2.41% of the Issue proceeds) will be applied as shown below:

S/N	Purpose	Amount (₦)	% of net proceeds	Time to completion
<b>Recapitalization of Sterling Bank Limited</b>				
1.	Expansion of Digital Banking Channels	3,637,484,080.77	12.95%	24 months
2.	Strengthening and Upgrading Technology	4,445,813,876.49	15.82%	18 months
3.	Business Expansion			
a.	Retail & SME Business Segment	3,002,367,812.70	10.69%	36 months
b.	Commercial Business Segment	4,503,551,719.04	16.03%	36 months
c.	Corporate Business Segment	7,505,919,531.74	26.72%	36 months
	Sub - Total	23,095,137,020.74	82.20%	

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Recapitalization of The Alternative Bank Limited				
1.	Branch Expansion	3,000,000,000.00	10.68%	36 months
2.	Business Expansion			
a.	Retail & SME Business Segment	600,000,000.00	2.14%	36 months
b.	Corporate Business Segment	1,400,000,000.00	4.98%	36 months
	Sub - Total	5,000,000,000.0	17.80%	
	<b>Total</b>	<b>28,095,137,020.74</b>	<b>100.00%</b>	

### 7. COST AND EXPENSES

The costs and expenses of the Rights Issue including fees payable to SEC, NGX and professional parties, filing fees, stamp duties, brokerage commission, printing and advertising costs and miscellaneous expenses are estimated at ₦695,281,103.26, representing 2.41% of the total amount to be raised.

### 8. CLAIMS AND LITIGATIONS

The following is the opinion of the Solicitors to the Issue, Banwo & Ighodalo and Aluko & Oyebode, on claims and litigation involving the Issuer, in connection with Issue:

*"In connection with the Rights Issue, Sterling Financial Holdings Company Plc. confirmed by a letter dated July 9, 2024 that: (i) there is no judgment, order, arbitral award or decision against the Company, further to any legal proceedings, and for which the Company has liabilities or obligations; (ii) the Company is not directly involved in any legal action or claim either as claimant, defendant, appellant, respondent, or in any other capacity; (iii) the Company is not directly involved in any on-going third-party claim, administrative or regulatory proceedings, arbitration, or any other alternative dispute resolution proceedings; (iv) there is no claim or dispute contemplated against the Company; and (v) the Company is not directly involved in any on-going or anticipated arbitration or other alternative dispute resolution proceedings.*

*In view of the foregoing and given that Sterling Bank Limited (the "Bank") is the principal subsidiary of the Company, the Solicitors to the transactions reviewed the Bank's litigation portfolio. The Bank, in its ordinary course of business was involved in One Hundred and Nine (109) cases as of July 5, 2024. In the context of the Proposed Transaction, Solicitors to the transaction set a materiality threshold of ₦100,000,000.00 (One Hundred Million Naira) (the "Materiality Threshold") with regards to monetary reliefs claimed in cases against the Bank. The Solicitors to the proposed transaction identified and reviewed eleven (11) case files maintained by the Bank (comprising copies of processes filed in court) in respect of the matters within and above the Materiality Threshold. These cases represent over 90% of the value of all the monetary claims against the Bank.*

*Following the review, of the eleven (11) cases, the Bank is appellant in three (3) cases in which judgment had previously been delivered against its interest, and respondent in one (1) case in which judgment had previously been delivered in its favour. The total judgment sum in the three (3) cases in which judgment was delivered against the Bank is approximately **₦1,574,063,876.45 (One Billion, Five Hundred and Seventy-Four Million, Sixty-Three Thousand, Eight Hundred and Seventy-Six Naira, Forty-Five Kobo)**, excluding interests which may accumulate on the judgment sum until same is finally liquidated, while the judgment sum in the one (1) case in which judgment was delivered in its favour is approximately NGN950,000,000 (Nine Hundred and Fifty Million Naira). The Solicitor noted that the appeals against the above-mentioned judgments are yet to be determined.*

*Of the eleven (11) cases, the Bank is appellant in Three (3) cases in which judgment had previously been delivered against its interest, and respondent in one (1) case in which judgment had previously been delivered in its favour. The total judgment sum in the three (3) cases in which judgment was delivered against the Bank is approximately **₦1,574,063,876.45 (One Billion, Five Hundred and Seventy-Four Million, Sixty-Three Thousand, Eight Hundred and Seventy-Six Naira, Forty-Five Kobo)**, excluding interests which*

## STATUTORY AND GENERAL INFORMATION

may accumulate on the judgment sum until same is finally liquidated, while the judgment sum in the one (1) case in which judgment was delivered in its favour is approximately **₦950,000,000 (Nine Hundred and Fifty Million Naira)**. The Solicitors to the transaction note that the appeals against the above-mentioned judgments are yet to be determined.

The total monetary claim against the Bank in the eleven (11) cases that fall within the Materiality Threshold is approximately **₦103,902,949,175 (One Hundred and Three Billion, Nine Hundred Two Million, Nine Hundred and Forty-Nine Thousand, One Hundred Seventy-Five Naira)** excluding interest, costs and unquantified monetary sums, which may be awarded by the court after the final resolution of each case. Ultimately, the Bank's actual liability, including final award of costs will be established, found and determined by the court upon conclusion of the cases.

Based on the Solicitors to the Transaction's assessment of the information contained in the case files provided for their review, the Solicitors to the Transaction's experience in litigation matters and their understanding of the disposition of Nigerian courts in the award of damages and other claims, the Solicitors to the Transaction believe that the liability that would arise from the cases against the Bank, where same are diligently defended, would not have a material adverse effect on the proposed transaction.

Save for the foregoing, the Solicitors to the Transaction are not aware of any claim or litigation pending or threatened against the Bank which (i) materially or adversely affects the Bank's ability to fulfil its obligations under the Transaction; and/or; (ii) affects the validity of the proposed Transaction or restricts the proceedings or actions of the Bank with respect to the Transaction"

### 9. MATERIAL CONTRACTS

- i. A Vending Agreement was signed on Tuesday, 10 September 2024, in which the Issuing House, on behalf of the Company, agreed to offer 7,197,604,531 Ordinary Shares at ₦4.00 per share to existing shareholders through a Rights Issue. This offer allows shareholders to purchase 1 new Ordinary Share for every 4 shares they currently own.
- ii. A Vending Agreement dated Tuesday, 10 September 2024 by which SCM Capital Limited has agreed to act as Issuing House to Sterling Financial Holdings Company Plc in respect of the Placement of a 16,666,666,667 Ordinary Shares of 50 kobo each at ₦4.50 per Share.

Apart from these agreements, the Company has not entered into any significant contracts outside the ordinary course of business.

### 10. OFF BALANCE SHEET ITEMS

As at 31 December 2023, Sterling Financial Holdings Company Plc had no off-balance sheet item. However, the Group had three (3) off balance sheet items summing up ₦405.64 billion as detailed below:

S/N	Purpose	₦'millions
1	Bonds, Guarantees and Indemnity	168,437
2	Letters of Credit	180,777
3	Performance Bond	56,428
	<b>Total</b>	<b>405,642</b>

### 11. UNCLAIMED DIVIDENDS

The total amount of unclaimed dividends as at 31 December 2023 summed up to ₦1,721,425,510.68. This amount is made up of ₦153,970,206.28 which is held in custody of Pace Registrars and a balance of ₦1,567,455,304.40 held in cash with Sterling Bank Limited, also under the custody of Pace Registrars.

### 12. UNPAID DIVIDENDS

As at the date of this Rights Circular, the Company had no unpaid dividends.

### 13. RELATED PARTY TRANSACTIONS

Transactions between the Company and its related parties are conducted at arm's length and disclosed in accordance with IAS 24 (Related Party Disclosures).

### 14. RESEARCH AND DEVELOPMENT

Leveraging its robust Research and Development (R&D) functions, Sterling HoldCo strives to establish a solid foundation for the creation of market-driven products and services. This commitment to innovation extends across all of the Company's operational subsidiaries, ensuring the delivery of unique offerings tailored to the specific needs of each market.

### 15. MERGERS AND TAKEOVERS

As of the date of this Rights Circular, Sterling Financial Holdings Company Plc is not aware of any attempts by other investors to acquire a majority shareholding in the Company, nor is it aware of any efforts by the Company to acquire a majority stake in any other entity.

### 16. RELATIONSHIP BETWEEN THE COMPANY AND ITS ADVISERS

As at the date of the Right Circular, there was no shareholding relationship between Sterling Financial Holdings Company Plc and its Advisers, their respective directors, major shareholders and principal officers except in the ordinary course of business.

### 17. DECLARATIONS

Except as otherwise disclosed in this Rights Circular:

- i) No share of Sterling Financial Holdings Company PLC is under option or agreed conditionally or unconditionally to be put under option;
- ii) Save for the SEC approved commissions (by way of the brokerage fee payable to Receiving Agents), no commissions, discounts, brokerages or other special terms have been granted by the Company to any person in connection with the Rights Issue;
- iii) Save as disclosed herein, the Directors of the Company have not been informed of any holdings representing 5% or more of the issued share capital of the Company;
- iv) There are no material service agreements between the Company or any of its Directors or employees other than in the ordinary course of business;
- v) No Director of the Company has had any interest, direct or indirect, in any property purchased or proposed to be purchased by the Company in the three years prior to the date of this Rights Circular;
- vi) No Director or key management staff of the Company is or has been involved in any of the following:
  - a) A petition under any bankruptcy or insolvency laws filed (and not struck out) against him / her or any partnership in which he / she is or was a partner or any company of which he / she is or was a Director or key personnel;
  - b) A conviction in a criminal proceeding or is named subject of pending criminal proceedings relating to fraud or dishonesty; or
  - c) The subject of any order, judgment or ruling of any court of competent jurisdiction or regulatory body relating to fraud or dishonesty, restraining him/her from acting as an investment adviser, dealer in securities, Director or employee of a financial institution and engaging in any type of business or activity; and
- vii) There are no amounts or benefits paid or intended to be paid or given to any promoter within the last 2 (two) years preceding the date of this Rights Circular.

**18. CONSENTS**

The following have given and have not withdrawn their written consents to the issue of the Rights Circular:

<b>Directors and Company Secretary</b>	<b>Role</b>
Yemi Adeola	Chairman
Yemi Odubiyi	Group Chief Executive Officer
Olayinka Oni	Executive Director
Abubakar Suleiman	Non-Executive Director
Shola Adekoya	Non-Executive Director
Aisha Bashir	Independent Non-Executive Director
Eniye Ambakederemo	Independent Non-Executive Director
Temitayo Adegoke	Company Secretary
<b>Professional Parties</b>	<b>Role</b>
SCM Capital Limited	Issuing House
Banwo & Ighodalo	Solicitors
Aluko & Oyebode	Solicitors
Associated Asset Managers Limited	Stockbrokers
BBC Professionals	Reporting Accountant
Deloitte & Touche	Auditors
Pace Registrars Limited	Registrars
Access Bank Plc	Receiving Bank

**19. DOCUMENTS AVAILABLE FOR INSPECTION**

The following documents are available for inspection at the office of Sterling Financial Holdings Company, Sterling Tower, 20 Marina, Lagos, and SCM Capital Limited, 19th Floor, NGX House, 2-4 Custom Street, Marina, Lagos, during regular business hours on weekdays (excluding public holidays) for the duration of the Issue:

1. The Rights Circular issued in respect of the Rights Issue;
2. The Shareholders Resolution passed at the AGM, dated June 24, 2024, authorising the Rights Issue;
3. The Board Resolution authorising the Rights Issue, dated July 22, 2024 passed at a meeting of the Board of Directors;
4. The Material Contracts referred to on page 43;
5. Certificate of Incorporation of the Company;
6. Memorandum and Articles of Association of the Company;
7. The certified Status Report dated June 12, 2023, issued by the CAC, which reflects the current directors and shareholding of the Company;
8. Certified True Copy of the Certificate of Increase in Share Capital;

## STATUTORY AND GENERAL INFORMATION

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9. Sterling Financial Holdings Company's unaudited financial statements for the half-year ended June 30, 2024, and audited financial statements for the financial year ended December 31, 2023, and Sterling Bank's Audited Financial Statements for each of the four (4) years ended December 31, 2019 to 2022;
10. Schedule of Claims and Litigations referred on page 42 to 43;
11. Written consents referred to on pages 45;
12. CBN letter of No Objection;
13. SEC Approval letter; and
14. NGX Approval letter.



10 September 2024

**RIGHTS ISSUE OF 7,197,604,531 ORDINARY SHARES OF 50 KOBO EACH AT ₦4.00 PER SHARE IN STERLING FINANCIAL HOLDINGS COMPANY PLC**

Dear Sir/Madam,

**1. Provisional Allotment**

The Chairman's letter dated 18 July 2024, on pages 17 to 19 of this Rights Circular, outlines the Rights Issue of 7,197,604,531 Ordinary Shares of 50 kobo each at ₦4.00 per share now being made. The Directors have provisionally allotted to you the number of new Ordinary Shares specified on the first page of the Acceptance/Renunciation Form, based on the proportion of 1 new Ordinary Share for every 4 Ordinary Shares of 50 kobo each registered in your name as of Tuesday, 06 August 2024.

The new Ordinary Shares will rank Pari Passu with the existing Ordinary Shares of the Company. You may accept all or some of the shares provisionally allotted to you or renounce your rights to all or some of them by completing the Acceptance/Renunciation Form or via a SEC-approved digital platform. The Acceptance List Opens on Wednesday, 18 September 2024 and closes on Monday, 28 October 2024. Please follow the instructions carefully to ensure proper processing of your allotment:

**A. Conventional Paper Acceptance/Renunciation Form**

**I. Full Acceptance**

If you wish to accept this provisional allotment in full, please complete box A of the Acceptance/Renunciation Form. The completed Acceptance/Renunciation Form should be submitted together with payment unless payment is to be made electronically. The Acceptance/Renunciation form with a bank cheque/draft for the full amount payable should be lodged with any of the Receiving Agents listed on page 50 in this document not later than 28 October 2024. **The cheque or draft must be made payable to any of the Receiving Agents, drawn on a bank in the same town or city in which the Receiving Agent is located and crossed "SCM/STERLING FINANCIAL HOLDINGS COMPANY PLC 2024 RIGHTS ISSUE"** with your name, address, mobile number and email address written on the back of the cheque or draft. All cheques and drafts will be presented upon receipt and all Acceptance/Renunciation Forms in respect of which cheques are returned unpaid will be rejected and returned through the registered post.

Shareholders who wish to make payment electronically or with a value exceeding Ten Million Naira (₦10 million) should be made via SWIFT, RTGS or NEFT into the designated Issue Proceeds Account stated on the Acceptance/Renunciation Form. **Such payments must include the following narrative in the transfer instructions: "[FULL NAME OF SHAREHOLDER] - PAYMENT FOR STERLING FINANCIAL HOLDINGS COMPANY PLC RIGHTS"**

**II. Partial Acceptance**

Shareholders who wish to accept the provisional allotment partially, should please complete item (1) of box B of the Acceptance/Renunciation Form and submit the completed form to any of the Receiving Agents listed on page 50 of the Rights Circular, along with the full payment for the number of shares being accepted, or provide proof of the full payment transfer to the Issue Proceeds account as described in paragraph 2(A)(I) above.

**III. Applying for Additional Shares**

## PROVISIONAL ALLOTMENT LETTER

Shareholders may apply for additional shares over and above their provisional allotment by completing item (ii) of box A on the Acceptance/Renunciation Form. Payments should be made as outlined in paragraph II above. Please note that shareholders who request additional shares through the Acceptance/Renunciation Form will be subject to the regulatory allotment process, which may result in being allotted fewer shares than requested.

### B. SEC-Approved Digital Platform / E – Application Channels

- [invest.ngxgroup.com](https://invest.ngxgroup.com)
- I. Acceptance/renunciation in respect of the Rights Issue may be made electronically via the SEC-approved platforms, accessible via the Issuer's and Issuing House's websites or downloadable from Google Play Store (for Android users) and Apple App Store (for iOS users).
  - II. Once on the digital platform, allottees will register and log on with the details sent to his/her email address or telephone number, depending on the platform.
  - III. After logging in, the allottee should select "Sterling Financial Holdings Company Rights Issue" and choose "Buy/Accept Rights Issue".
  - IV. An allottee will have the option to make full or partial acceptance, renounce rights, and apply for additional shares.
  - V. Payment for the shares being applied for can be made online through the following methods:
    - a) Bank debit or credit cards; and
    - b) Bank transfer
  - VI. An acceptance under this Rights is only complete when payment is made and the allottee receives confirmation via phone or email.

### 2. Acceptance and Payment

The receipt of payment with your Acceptance/Renunciation Form will constitute an acceptance of all or part of this allotment on the terms of this letter, subject to the Memorandum and Articles of Association of the Company. If payment and your Acceptance/Renunciation Form is not received by 28 October 2024, the provisional allotment will be deemed to have been declined and will be cancelled.

### 3. Trading in Rights on the NGX

The approval of the NGX has been obtained for trading in the Rights of the Company. The Rights will be tradable between Wednesday, 18 September 2024 and Monday, 28 October 2024 at the price at which the Rights are quoted on the NGX. If you wish to trade your rights, you may do so on the floor of the NGX between 18 September 2024 and 28 October 2024. Shareholders who wish to acquire additional shares over and above their provisional allotment may purchase traded rights, and/or apply for additional shares by completing the e-Acceptance/Renunciation Form as detailed above. If you wish to purchase traded rights, please contact your stockbroker who will guide you regarding the procedure for purchasing Sterling Financial Holdings Company Plc Rights. Shareholders who purchase rights on the floor of the Nigerian Exchange are guaranteed the number of shares purchased and will not go through the allotment process for those shares. However, those applying for additional shares via the e-Acceptance/Renunciation Form may be allotted a smaller number of additional shares than what they applied for.

### 4. Allotment of Shares

Allotment of shares will be made first to shareholders who accepted their rights partially or in full, and to investors who purchased rights on the floor of the NGX. Ordinary Shares which are not taken up by 28 October 2024 will be allotted on a *pro rata* (proportional basis) basis to the existing shareholders who applied and paid for additional shares over and above their provisional allotment.

### 5. Subscription Monies

All completed e-Acceptance Forms must be supported with the full amount due on acceptance. All subscription monies will be retained in an interest-yielding bank account by Access Bank Plc.



**6. Surplus Application Monies**

If any application for additional shares is not accepted or accepted for fewer shares than the number applied for, the Registrar shall remit via RTGS or NEFT the balance of the amount paid together with the applicable interest thereon to the bank detailed in the Acceptance/Renunciation Form not later than 5 (five) Working Days after the date of allotment.

**7. Rounding Principle**

Provisional allotment of shares will be such that shareholders will not be allocated a fraction of a Rights Issue Share and as such any shareholding giving rise to a fraction of less than one Rights Issue Share will be rounded down to the nearest whole number

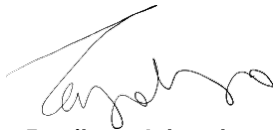
**8. E -Allotment**

The CSCS accounts of shareholders will be credited not later than one (1) Business day from the date of allotment. No share certificate will be issued, and shareholders are hereby advised to provide the details of the name of their respective stockbrokers, their CHN and CSCS account numbers in the relevant spaces on the Acceptance Form.

In accordance with the SEC Directive on Dematerialization of Share Certificates, shareholders who do not provide valid CHN and CSCS account numbers will have their shares credited at the CSCS using a Registrar Identification Number. A Registrar Identification Number is a number allocated to shareholders who do not have valid CHN and CSCS account numbers to warehouse their units of shareholding in public companies under Registrars custody at the CSCS. The allotted shares will be transferred to the stockbroking account of the shareholder once valid CHN and CSCS account numbers are provided. Any shareholder who does not have a valid CHN and CSCS account number, is advised to open a stockbroking account with a stockbroker and obtain a valid CHN and CSCS account number from the stockbroker to access their units of shareholding directly.

Yours Faithfully,

**For: Sterling Financial Holdings Company PLC**



**Temitayo Adegoke**  
**Company Secretary**

## RECEIVING AGENT LIST

A copy of the Rights Circular has been forwarded to each of the Shareholders whose names appeared in the Company's Register of Members as of Tuesday, 06 August 2024. A copy of this circular can also be downloaded from [www.sterling.ng/offerdocuments/](http://www.sterling.ng/offerdocuments/). The completed Acceptance Forms together with a cheque or bank draft or evidence payment if via bank transfer for the full amount payable may be returned to SCM Capital Limited or any of the Receiving Agents listed below, as well as any other institution(s) who are registered as capital market operators by SEC and who have valid SEC clearance to carry out the function of Receiving Agents as at the date of this Rights Circular. A Brokerage Commission at the rate of ₦0.50K per ₦100.00 worth of shares allotted will be paid in respect of acceptance and applications submitted by Receiving Agents. Shareholders who wish to submit their application digitally can also access the e-Offer Portal at [www.invest.ngxgroup.com](http://www.invest.ngxgroup.com) or through Sterling Bank's One App or The Alternative Bank's mobile app.

The Issuer and SCM Capital Limited cannot accept responsibility for the conduct of any of the institutions listed below. Shareholders are therefore advised to conduct their own independent enquiries before choosing an agent to act on their behalf. Payment for shares can be made online via the payment options provided on the e-Offer Portal at [www.invest.ngxgroup.com](http://www.invest.ngxgroup.com) or directly through any of the Issuing Houses or Receiving Agents listed below (See "Procedure for Application and Allotment"). An application under this Offer will be completed only when the applicant makes payment for the shares applied for and a confirmation is received. Evidence of lodgement of funds at any of the Receiving Agents listed below, in the absence of corresponding evidence of receipt by the Issuing House, cannot give rise to a liability on the part of the Issuing House under any circumstances.

### BANKS

Access Bank PLC Citibank Nigeria Limited Ecobank Nigeria Limited Fidelity Bank PLC First Bank of Nigeria Limited First City Monument Bank Limited Globus Bank Limited	Guaranty Trust Bank Limited Keystone Bank Limited Parallex Bank Limited Polaris Bank Limited Premium Trust Bank Providus Bank Limited Stanbic IBTC Bank Limited	Standard Chartered Bank Nigeria Limited Sterling Bank Limited SunTrust Bank Nigeria Limited Titan Trust Bank Limited Union Bank of Nigeria PLC United Bank for Africa PLC	Unity Bank PLC Wema Bank PLC Zenith Bank PLC
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### ISSUING HOUSE, STOCKBROKERS AND OTHERS

<b>Issuing Houses</b> SCM Capital Limited  <b>Stockbrokers and Others</b> Absa Securities Nigeria Limited Afrinvest Securities Limited Alangrange Securities Limited Anchoria Inv & Securities Limited Apel Asset Limited APT Sec. & Funds Limited ARM Securities Limited Arthur Steven Asset Management Ltd Associated Asset Managers Limited Atlas Portfolio Limited AVA Securities Limited Baige Capital Limited Bancorp Securities Limited Bestworth Assets & Trust Limited Calyx Securities Limited Camry Securities Limited Capital Asset Limited Capital Bancorp Limited Capital Express Securities Limited Capital Trust Brokers Limited Cardinal Stone Securities Limited Cashville Inv. & Sec. Limited CDL Capital Markets Limited Centre-Point Inv. Limited Century Securities Limited Chapel Hill Denham Securities Limited Chartwell Securities Limited Citi Investment Capital Limited Compass Inv and Sec Limited Cordros Securities Limited Core Trust & Investment Limited Coronation Securities Limited Covenant Securities & Asset Management Limited Cowry Asset Mgt Limited Crane Securities Limited Crossworld Securities Limited Crown Capital Limited CSL Stockbrokers Limited Deep Trust Investment Limited De-Lords Securities Limited DLM Securities Limited DSU Brokerage Services Limited Dunbell Securities Limited Dynamic Portfolios Limited EDC Securities Limited EFG Hermes Nigeria Limited	Equity Capital Solutions Limited Eurocomm Securities Limited Express Portfolio Services Limited FCSL Asset Management Company Limited Falcon Securities Limited FBC Trust & Securities Limited FBNQuest Securities Limited Fidelity Securities Limited Finmal Finance Company Limited First Integrated Capital Management Limited First Inland Sec. & Asset Mgt. Limited FIS Securities Limited Foresight Sec. & Inv Limited Fortress Capital Limited FSDH Securities Limited FSL Securities Limited Fundvine Capital & Securities Limited Future view Financial Services Limited Future view Securities Limited Gidauniya Inv. & Sec Limited Globalview Capital Limited Greenwich Securities Limited GTI Capital Limited Harmony Securities Limited Heartbeat Investments Limited Hedge Sec. & Inv. Co. Limited Horizon Stockbrokers Limited ICON Stockbroker Limited Imperial Assets Mgt Limited Integrated Trust & Inv. Limited Interstate Securities Limited Investment One Financial Services Limited Investment One Stockbrokers International Limited Kapital Care Trust & Sec. Limited Kedari Securities Limited Kinley Securities Limited Kofana Securities & Inv. Limited Kundlia Finance Services Limited Lead Securities and Inv. Limited Lighthouse Capital Limited Magnartis Fin & Inv Limited Mayfield Investment Limited MBC Securities Limited Mega Equities Limited Meristem Stockbrokers Limited Mission Securities Limited Morgan Capital Sec Limited	Network Capital Limited Newdevco Investments & Securities Co Limited Nigerian Stockbrokers Limited Norrenberger Securities Limited NOVAMBL Securities Limited Nova Finance & Securities Limited Options Securities Limited Osborne Capital Markets Limited PAC Securities Limited Parthian Partners Limited Phronesis Sec Limited Pilot Securities Limited Pinefields Inv Serv Limited PIPC Securities Limited Pivot Capital Limited Planet Capital Limited Prominent Securities Limited Pyramid Securities Limited Qualinvest Capital Limited Quantum Zenith Securities Limited Readings Investment Limited Regency Assets Mgt Limited Rencap Securities (Nig.) Limited Reward Investments and Services Limited RMB Nigeria Stockbrokers Limited Rostrum Inv & Sec Limited Rowet Capital Mgt Limited Securities Africa Financial Limited Securities and Capital Management Company Limited Shalom Investment & Financial Services Limited Sigma Securities Limited Signet Investments & Securities Limited Skyview Capital Limited SMADAC Securities Limited Solid-Rock Securities & Investment Limited Spring Trust & Securities Limited Stanbic IBTC Asset Mgt Limited Stanbic IBTC Stockbrokers Limited Standard Union Securities Limited StoneX Financial Limited The Bridge Securities Limited Tiddo Securities Limited Tomil Trust Limited Topmost Securities Limited Trade Link Securities Limited	Traders Trust & Investment Company Limited Transworld Investment & Securities Limited Trust Yields Securities Limited Trustbanc Capital Management Limited Trust House Investments Limited TRW Stockbrokers Limited Tyndale Securities Limited UCM Capital Limited UIDC Securities Limited UNEX Capital Limited United Capital Securities Limited Valmon Securities Limited Valueine Securities & Investments Limited Vetiva Securities Limited WCM Capital Limited WSTC Financial Services Limited Zenith Securities Limited
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# ACCEPTANCE/RENUNCIATION FORM

Acceptance List Opens  
18 September 2024

Issuing House



on behalf of

Acceptance List Closes  
28 October 2024

Sterling Financial Holdings Company Plc RC 1851010



Rights Issue of

**7,197,604,531 Ordinary Shares of 50 kobo each at ₦ 4.00 per share**

on the basis of 1 new Ordinary Share for every 4 Ordinary Shares held as at the close of business on **Tuesday, 06 August 2024**

PAYABLE IN FULL ON ACCEPTANCE

## INSTRUCTIONS FOR COMPLETING THE ACCEPTANCE/RENUNCIATION FORM

- Acceptance and/or renunciation must be made on this Acceptance/Renunciation Form. Photocopies or scanned copies of the Form will be rejected.
- Allottees should complete only **ONE** of the boxes marked A and B on the reverse of this form. Shareholders accepting the provisional allotment in full should complete box A and submit their Acceptance/Renunciation Forms to any of the Receiving Agents listed on Page 50 of the Rights Circular together with a cheque or bank draft made payable to the Receiving Agent for the full amount payable on acceptance. The cheque or draft must be crossed "**STERLING FINANCIAL HOLDINGS COMPANY PLC RIGHTS**", with the name, address and mobile number of the shareholder written on the back. Any payment made electronically or with a value exceeding ₦ 10 million should be made via SWIFT, RTGS or NEFT into the designated Issue Proceeds Account stated below:

<b>Bank Name:</b>	Access Bank Plc
<b>Account Name:</b>	SCM/STERLING FINANCIAL HOLDINGS COMPANY 2024 RIGHTS ISSUE
<b>Account Number:</b>	1891962530

Evidence of such transfer must be submitted to the Receiving Agents and the Receiving Bank. If payment is not received by 28 October 2024, the provisional allotment will be deemed to have been declined and will be cancelled.

- Shareholders accepting their provisional allotment partially should complete box B and submit their Acceptance/Renunciation Forms to any of the Receiving Agents listed on Page 50 of the Rights Circular together with the evidence of payment transfer for partial acceptance in accordance with 2 above.
- Shareholders renouncing the provisional allotment partially or in full, who also wish to trade their rights partially or in full on the floor of The Exchange should complete item (iii) of box B. They should obtain a Transfer Form from their stockbroker, complete it in accordance with these instructions, and return it to the stockbroker together with the completed Acceptance/Renunciation Form and the amount payable/evidence of transfer for any partial acceptance in accordance with 2 above.
- Shareholders who wish to acquire additional shares over and above their provisional allotment may purchase traded rights by contacting their stockbroker, and/or apply for additional shares by completing items (ii) and (iii) of box A.
- All cheques or bank drafts for amounts below ₦10 million will be presented for payment on receipt and all acceptances in respect of which cheques are returned unpaid for any reason will be rejected or cancelled. Shareholders are advised to obtain an acknowledgement of the amount paid from the Receiving Agent through which this Acceptance/Renunciation is lodged. All amounts above ₦ 10 million must be remitted to the Receiving Bank Account via SWFT or NEFT
- Joint allottees must sign on separate lines in the appropriate section of the Acceptance/Renunciation Form.
- Acceptance/Renunciation Forms of corporate allottees must bear their incorporation numbers and corporate seals and must be completed under the hands of duly authorised officials who should also state their designations.

### FOR REGISTRAR'S USE ONLY

Ordinary Shares Provisionally Allotted	Ordinary Shares Accepted	Additional Ordinary Shares applied for	Ordinary Shares Renounced	Additional Ordinary Shares allotted	Total Ordinary Shares Allotted	Total amount payable	Amount paid	Amount to be returned	Bank draft/ cheque number
						₦	₦	₦	

STAMP OF RECEIVING AGENT

Please Turn Over ↶

