

# Defining Frontiers

FBN HOLDINGS PLC 2022  
ANNUAL GENERAL MEETING INFORMATION PACK



DEAR SHAREHOLDERS,

We welcome you to the 11th Annual General Meeting (AGM) of our esteemed Company. The following resolutions will be presented for your consideration at our AGM holding virtually via <https://www.fbnholdings.com/agm-2023-live/>. The proposed resolutions along with its rationale are hereinafter detailed. At the meeting, you will be asked to vote in favour of the following resolutions:

## 1. RESOLUTION ON REPORTS AND ACCOUNTS

### Prayer

"That the Audited Accounts for the financial year ended 31 December 2022 together with the reports of the Directors, Auditors, Board Appraisers and Audit Committee thereon submitted to the meeting be received."

#### Explanation

This resolution is pursuant to the requirements of Section 377 of the Companies and Allied Matters Act 2020 ('CAMA'), which makes it mandatory for the Directors of FBN Holdings Plc ('FBNH' or 'FBNHoldings' or 'the Company') to prepare Financial Statements for each year. In line with this provision, the 2022 Audited Financial Statements have been prepared and included in the 2022 Annual Report and Accounts circulated to you. The Report also contains the Auditor's Report, the Audit Committee's Report, the Director's Report and the Report of the External Consultants on the 2022 Board Appraisal and Governance Evaluation.

The 2022 Audited Financial Statements provide an overview of the financial performance of the Company and its subsidiaries for the year ended 31 December 2022. The Auditor's Report included in the Annual Report and Accounts will be read at this meeting.

Similarly, the Audit Committee, on which you have your representatives, is required by CAMA to make recommendations to the General Meeting on the Company's performance and will be presenting its report accordingly.

The Director's Report, which will also be presented to you at the meeting, is required under Section 385 of CAMA to contain the following issues in respect of the Company:

- A fair view of the development of the business of the Company and its subsidiaries during the year and of their position at the end of it;

- The amount (if any) which they recommend should be paid as dividend and the amount (if any) which they propose to carry to reserves;
- The names of the persons who, at any time during the year, were Directors of the Company and the financial activities of the Company and its subsidiaries in the course of the year and any significant change in those activities in the year;
- Director's interest in the shares of the Company;
- Donations given by the Group within the financial year;
- Information relative to the employment, training and advancement of disabled persons;
- Information relative to the health, safety and welfare at work of the employees of the Company; and
- Information on Committees of the Board and its membership.

Finally, the External Consultant's Board Appraisal and Governance Evaluation report will be presented to you to give you an overview of the Board's stewardship and governance practices for the year under review.

In addition to the aforementioned reports being statutorily required, the Annual Report seeks to provide a detailed report on the Company's performance for the outgoing financial year.

We urge you to vote in support of the motion to receive these reports and the audited financial statements.

## 2. RESOLUTION ON DIVIDEND PAYABLE

### Prayer

"That a dividend payment in the total sum of ₦17,947,646,398, which translates to ₦0.50k per 50 kobo ordinary share of the Company, subject to withholding tax, be and is hereby approved."

#### Explanation

According to the provisions of Section 426 of CAMA, the Company may, in general meeting, declare dividends in respect of any year or other period only on the recommendation of the Directors. Section 426 (3) further provides that the general meeting shall have the power to decrease the amount of dividend recommended by the Directors but shall have

no power to increase the recommended amount. The Board of Directors has recommended the payment of the sum of ₦17,947,646,398 only out of the distributable reserve of the Company as dividend in respect of the financial year ended 31 December 2022. This translates to ₦0.50k per 50 kobo share of the Company held, subject to withholding tax.

We therefore urge you to vote in support of the motion to approve the payment of the proposed dividend.

## 3. RESOLUTION ON ELECTION OF DIRECTORS

### 3a. Prayer

"That the appointment of Samson Oyewale Ariyibi as an Executive Director of FBN Holdings Plc is hereby approved."

#### Explanation

Samson Oyewale Ariyibi was appointed as Executive Director, Finance, Investment Management and Oversight of the Company on 16 August 2022. His appointment was approved by the CBN on 21 October 2022.

The instant resolution, therefore, is for your approval to elect Samson Oyewale Ariyibi to the Board of the Company.

His profile is detailed below:

#### **Samson Oyewale Ariyibi** **Executive Director**

Oyewale (Wale) Ariyibi was appointed to the Board of FBN Holdings Plc as Executive Director, Finance, Investment Management and Oversight in August 2022. Wale joined FBN Holdings in September 2013 as the pioneer Head of the Finance Department. He brought on board his core competencies in controls, strategy and corporate planning, capital management, financial accounting and regulatory reporting, operational risk management, compliance and business assurance. He was promoted to General Manager (GM) and appointed Chief Financial Officer (CFO) in 2016.

Wale is an award-winning professional with over 32 years of experience spanning banking and allied financial services, business assurance, tax management and consulting, having served in senior management roles at various global organisations and Nigerian companies, including Ernst & Young (EY), Price Waterhouse/PricewaterhouseCoopers, Standard Chartered Bank and Transnational Corporation of Nigeria Plc (Transcorp), where he was the Chief Financial Officer prior to joining FBN Holdings Plc. He holds a Bachelor's degree, Second Class Honours Upper Division in Microbiology from the University of Ilorin and a Master of Business Administration (MBA) – Marketing from the University of Lagos. He is a Fellow (FCA) of the Institute of Chartered Accountants of Nigeria (ICAN), Associate of the Chartered Institute of Taxation of Nigeria (CITN), Certified Pension Institute of Nigeria (CPIN) and the Institute of Directors (IoD) of Nigeria. He is an alumnus of the Northwestern University Kellogg Business School Advanced Management Programme. He has attended several local and international workshops, conferences and executive training programmes at Harvard, Wharton and London Business School, among others. Wale is happily married with children and enjoys reading and watching soccer.

### 3b. Prayer

"That the appointment of Olufemi Otedola, CON as a Non-Executive Director of FBN Holdings Plc is hereby approved."

#### Explanation

Olufemi Otedola was appointed as a Non-Executive Director on 9 July 2023, subject to the approval of the CBN. The instant resolution is for your approval to elect Olufemi Otedola, CON to the Board of the Company.

His profile is detailed below:

#### **Olufemi Otedola, CON** **Non-Executive Director**

#### **Femi Otedola, CON**

Femi Otedola is a dyed-in-wool and visionary entrepreneur whose energy is directed at transforming enterprises and putting them on the path of growth. A strong leader with a track record of achievements in business and always aiming to make things better and adding value in areas where pioneers have trod.

He was thrust into the public's consciousness with his foray into the downstream sector of the oil industry when he started Zenon Petroleum and Gas Limited. Zenon disrupted and redefined the standards in the sector and to ensure that his very high standards are met, he also invested in storage, shipping, insurance brokerage and port agency and petroleum retail outlets building a formidable, value-driven presence along the downstream value chain.

In his quest to grow his foothold in the sector, he initiated the purchase of majority shareholding in the then African Petroleum Plc in May 2007 and joined the Board as Chairman of the Board on 25 May 2007.

His vision transformed African Petroleum Plc into Forte Oil Plc. The Company grew in leaps and bounds to become a model of the possibilities inherent in Nigeria, winning numerous accolades in recognition of the successful business turnaround, diversified portfolio, prompt financial reporting, strong corporate governance and investment of choice within the Oil Industry and the Nigerian Stock Exchange.

He divested from the Company when he accepted the offer of the Ignite Consortium led by Prudent Energy Services Limited for his entire shareholding in December 2018 and handed over control upon completion of the transaction in June 2019.

The divestment from Forte Oil Plc and his acquisition of FO Plc shares in Amperion Power Distribution Company Limited, the SPV for the acquisition of controlling shares in Geregu Power Plc led to him facing the Power Sector squarely as the Company's Executive Chairman. This is in continuation

of his long term interest in the Power sector dating back to 2007, when he made the very strategic decision to participate in the Privatization Programme of the Nigerian Government and his doggedness culminated in the acquisition of a majority stake in the 414MW Geregu Power Plant by Amperion Power Distribution Company Limited in August 2013 (a plant which has since been overhauled and improved to a 435MW installed capacity) contributing approximately 9% of the generating capacity available to the National Grid.

He has held several board memberships, including President of the Nigerian Chamber of Shipping and as past Chairman of Transcorp Hilton Hotel, Abuja. He was appointed Member of the Governing Council of the Nigerian Investment Promotion Council (NIPC) in January 2004 and in December of the same year, he was appointed as a Member of the Committee saddled with the task of fostering business relationships between the Nigerian and the South African Private sectors.

He was a member of the National Economic Management Team under the Chairmanship of Former President Goodluck Jonathan from September 2011 to May, 2015 and The Honorary International Investors Council under the leadership of Baroness Lynda Chalker. He is currently a member of the revered National Peace Committee.

Femi was further recognised for his immense contributions to the growth of the Nigerian economy with the conferment of the prestigious National Honour of "Commander of the Order of the Niger - CON" by Former President Goodluck Jonathan in May 2010.

A philanthropist with deep involvement in educational causes at all levels via the Sir Michael Otedola Scholarship Awards Foundation, he has continued to demonstrate his passion for his Epe community in particular and Nigeria in general, committing huge financial resources to the sponsorship of promising but financially disadvantaged students.

Femi is the current Chancellor of Augustine University in Ilara, Epe, Lagos State.

He is a Vice President of the Save the Children, a UK based charity. His invitation to the Group is a testament to his philanthropy evidenced in the ₦5billion donated to Save the Children's course in Nigeria.

An accomplished family man, his children are charting varied endeavours and making a name for themselves in arts, entertainment, fashion and business. Indeed, the fruits are not falling far from the tree.

He has distinguished himself in business, leadership and philanthropy.

#### 4. RESOLUTION ON REMUNERATION AND EXPENSES OF THE COMPANY'S AUDITOR

##### Prayer

"That the remuneration and expenses of the Company's Auditor, Messrs. KPMG Professional Services, be fixed by the Directors in respect of the period ending at the end of the next Annual General Meeting."

##### Explanation

Section 408(b) of CAMA provides that the remuneration of Auditors may be fixed by the Company in General Meeting or in such manner as the Company in General Meeting may determine. In line with the foregoing, we request the General Meeting to authorise the Board to negotiate and fix the remuneration of the External Auditor.

We urge you to vote in support of the motion to authorise the Directors to fix the remuneration and expenses of the Company's Auditors, Messrs. KPMG Professional Services, in respect of the period ending at the end of the next Annual General Meeting.

#### 5. DISCLOSURE OF REMUNERATION OF MANAGERS OF THE COMPANY

Section 257 of CAMA provides that the compensation of Managers of a company shall be disclosed to members of the Company at the annual general meeting.

In addition, Section 238 included the disclosure of the remuneration of managers in the ordinary business of the AGM.

In line with these sections, 'Manager' includes Executive Directors and members of the Management Committee of FBNHoldings. The compensation paid to Managers for employee services for the year ended 31 December 2022 was stated in Note 44.2 of the Annual Report. This is for the information of the Shareholders.

#### 6. RESOLUTION ON APPOINTMENT OF AUDIT COMMITTEE MEMBERS

##### Prayer

"Shareholders are requested to vote to elect the following nominees to serve on the Audit Committee for the current financial year":

1. \_\_\_\_\_  
(Shareholder Representative)

2. \_\_\_\_\_  
(Shareholder Representative)

3. \_\_\_\_\_  
(Shareholder Representative)



## Explanation

According to the provisions of Section 404 of CAMA, all public companies are mandated to have Statutory Audit Committees (SAC) to ascertain whether the accounting and reporting policies of the Company are in accordance with legal requirements and agreed ethical practices. The Committee shall have a maximum of five members, including three shareholder representatives and two Non-Executive Directors.

In accordance with Section 404(6) of the Companies and Allied Matters Act (CAMA), any shareholder may nominate another shareholder for appointment to the Audit Committee. Such nomination should be in writing and must reach the Company Secretary not less than 21 days before the AGM.

The Code of Corporate Governance of the Financial Reporting Council of Nigeria (FRCN), Securities and Exchange Commission and Central Bank of Nigeria (CBN), respectively, indicates that some of the members of the Audit Committee should have basic financial literacy and be knowledgeable in internal control processes. The statutory duties and role of the SAC are enumerated in Section 404 (7) of CAMA to include the following:

- Ascertain whether the accounting and reporting policies of the Company are in accordance with legal requirements and agreed ethical practices;
- Review the scope and planning of audit requirements;
- Review the findings on Management matters in conjunction with the external auditor and departmental responses thereon (Management Letter);
- Keep under review the effectiveness of the Company's system of accounting and internal control;
- Make recommendations to the Board on the appointment, removal and remuneration of the external auditors of the Company, ensuring the independence and objectivity of the external auditors and that there is no conflict of interest which could impair the independent judgement of the external auditors;
- Authorise the Internal Auditor to carry out investigations into any activity of the Company which may be of interest or concern to the Committee; and
- Assist in the oversight of the integrity of the Company's financial statements and establish and develop the internal audit function.

At the meeting, there will be an election to elect three shareholder representatives to serve on the Audit Committee for the 2023 financial year. The curriculum vitae (CVs) of the nominees have been collated in line with the requirements of the code of corporate governance of the Financial Reporting Council of Nigeria (FRCN), Securities and Exchange Commission and Central Bank of Nigeria (CBN), respectively. The collated CVs may be viewed on the Company's website.

In addition to the three representatives of the shareholders to be elected at the meeting, the following two members of the Board, who are not subject to elections for the Statutory Audit Committee, are being proposed as the two designated Board members of the SAC for the 2023 financial year;

1. Dr (Sir) Peter Aliogo
2. Khalifa Imam

The profiles of the nominated Directors to serve on the Statutory Audit are outlined below:

### **Dr (Sir) Peter Aliogo** **Independent Non-Executive Director**

Dr (Sir) Peter Aliogo was appointed to the Board of Directors of FBN Holdings Plc on 30 April 2021. He brings to the Board his vast experience and expertise spanning over three decades in banking, finance management, hospitality, manufacturing, real estate and insurance. Before joining the Board of FBN Holdings Plc, he served as Regional Executive South East Bank, Deputy General Manager at Union Bank of Nigeria Plc and Executive Director and Acting Managing Director at Manny Bank Plc.

Dr (Sir) Aliogo has also served as a lecturer to MBA students at ESUT Business School, Enugu. He is an Associate Member of the Chartered Insurance Institutes of London and Nigeria (ACII & ACIIN). He is also an Associate Member of the Nigerian Council of Registered Insurance Brokers (ANCRIB).

He holds a PhD in Business Administration from the International School of Management, Paris, France. He also holds an HND in Business Administration (Marketing) and a Masters in Business Administration (Banking & Finance) from Auchi Polytechnic and Rivers State University of Science and Technology, respectively. He has attended many professional programmes at Lagos Business School, Nigeria, Harvard Business School, Boston, USA, Wharton Business School, Philadelphia, USA and Fudan University, Shanghai, China.

Dr (Sir) Aliogo is the Vice Chairman/CEO of Dorchester International Insurance Brokers Limited and Ban Kapital Plc, a Banking and Finance relationship management consultancy Company.

**Khalifa Imam**  
**Independent Non-Executive Director**

Khalifa Imam was appointed to the Board of FBN Holdings Plc on 30 April 2021. He has almost two decades of experience in Information Technology, Telecommunications and Fintech, working on projects in multiple segments. He is currently the CEO of ICX Solutions Limited and is a consultant with the World Bank and National Identity Management Commission (NIMC). Khalifa sits on the Board of Axelerate Consulting Services Limited and is an advisory Board member of the Massachusetts Institute of Technology programme (MIT/REAP) in partnership with NITDA. A thoroughbred project management and ICT consultant with engagement in the public and private sectors of the Nigerian economy, he has

implemented several impactful ICT projects across Nigeria in partnership with key multinational technology companies, such as IBM, Microsoft, Cisco and Intel Corporation, to deliver Internet technologies, e-government solutions and Enterprise Management Systems.

Khalifa attended the Ahmadu Bello University, Zaria, Nigeria and the SMU University of Switzerland virtual programme. He has also participated in several foreign and local training programmes. Khalifa is a member of various professional bodies, including the Royal United Services Institute (Defense and Security) in London, UK, the Information Systems Audit and Control Association and the Information Technology Governance Institute, Illinois, USA. He is married and enjoys horse riding, community development and reading.

## SPECIAL BUSINESS

### 7. RESOLUTION ON DIRECTORS' REMUNERATION

#### Prayer

"That the Directors' fees for the financial year ending 31 December 2023, and for succeeding years, until reviewed by the Annual General Meeting, be and is hereby fixed at ₦50,000,000 (Fifty Million Naira Only) for each Director and ₦63,700,000 (Sixty-Three Million, Seven Hundred Thousand Naira Only) for the Board Chairman."

#### Explanation

Section 293 (1) of CAMA 2020 provides that the remuneration of the Directors is determined by the Company in general meeting, and such remuneration is deemed to accrue from day to day.

In line with the foregoing and the Financial Reporting Council of Nigeria (FRCN) and CBN Code of Corporate Governance, Non-Executive Directors receive fixed annual fees and sitting allowances for their services to the Board and Board Committees. In addition, expenses incurred in the course of their services are also reimbursed. The Directors' remuneration is in alignment with the Group's quest to attract

and retain highly skilled individuals who will keep the Group ahead of the competition. We request the General Meeting to approve the Directors' remuneration as stated. The stated all encompassing figures are in line with industry rates and have been in existence since 2017.

We urge you to vote in support of the motion to fix the Directors' fees for the financial year ending 31 December 2023 and for succeeding years until reviewed by the Annual General Meeting at ₦50,000,000 (Fifty Million Naira Only) for each Director and ₦63,700,000 (Sixty-Three Million, Seven Hundred Thousand Naira Only) for the Board Chairman.

## 8. RESOLUTION TO INCREASE THE ISSUED SHARE CAPITAL

### Prayer

- a. That the Company's Issued Share Capital be and is hereby increased from ₦17,947,646,396 (Seventeen Billion, Nine Hundred and Forty-Seven Million, Six Hundred and Forty-Six Thousand, Three Hundred and Ninety-Six Naira) made up of 35,895,292,792 (Thirty-Five Billion, Eight Hundred and Ninety-Five Million, Two Hundred and Ninety-Two Thousand, Seven Hundred and Ninety-Two) Ordinary shares of 50 (Fifty) Kobo each to ₦22,434,557,995 (Twenty-Two Billion, Four Hundred and Thirty-Four Million, Five Hundred and Fifty-Seven Thousand, Nine Hundred and Ninety-Five Naira) by the creation and addition of up to 8,973,823,198 (Eight Billion, Nine Hundred and Seventy-Three Million, Eight Hundred and Twenty-Three Thousand, One Hundred and Ninety-Eight) Ordinary shares of 50 (Fifty) Kobo each.
- b. That there shall be a capital raise of up to ₦150,000,000,000 (One Hundred and Fifty Billion Naira). The capital raise transaction shall be by way of a Rights Issue, on such terms and conditions and on such dates as may be determined by the Directors, subject to obtaining the approvals of the relevant regulatory authorities.
- c. That the Rights Issue referred to in Resolution (b) above may be underwritten on such terms as may be determined by the Directors, subject to obtaining the approvals of the relevant regulatory authorities.
- d. That any shares not taken up by existing shareholders within the period stipulated under the Rights Issue may be offered for sale to interested shareholders of the Company on such terms and conditions as may be determined by the Directors, subject to obtaining the approvals of relevant regulatory authorities.
- e. That the Directors be and are hereby authorised to appoint such professional parties and advisers and to perform all such other acts and do all such other things as may be necessary to give effect to the above resolutions, including, without limitation, complying with the directives of any regulatory authority.

### Explanation

Sec 127 (1) of CAMA 2020 provides that a Company having a share capital may, in general meeting and not otherwise increase its issued share capital by the allotment of new shares of such amount as it considers expedient.

FBNH's flagship business and its precursor, First Bank of Nigeria Limited (FirstBank or the Bank) established in 1894, is the oldest and the most expansive banking business in Nigeria. The Bank is also regulated by the CBN. For almost a decade, the Bank's Capital, as measured by Capital Adequacy Ratio (CAR), has been tightly managed thereby constraining effective competition and stifling business and inhibiting the Bank from delivering the expected returns commensurate with its vast inherent potential. In view of this, in addition to the volatile and complex business environment, the wave

of increased regulatory expectations to ensure enhanced capacity of financial institutions to absorb shocks as encoded in the proposed BASEL III Capital Accord, which is expected to increase the required regulatory minimum Capital Adequacy Ratio, it has become expedient and imperative to inject additional Share Capital into FirstBank by FBNH. This is the reason for the proposed Capital raise by your Company.

The Capital raise shall be via Rights Issue of shares to existing shareholders. The proceeds shall be used mainly to recapitalise FirstBank to ensure that the Bank remains competitive and continues to adequately meet and surpass the regulatory CAR requirements even when BASEL III becomes operational. The plan is to conclude the Capital raise as quickly as possible to ensure that the Bank derives the benefit of the use of the additional Capital before the end of 2023.

## 9. RESOLUTION ON AMENDMENT OF THE MEMORANDUM OF ASSOCIATION

### Prayer

"That Clause 6 of the Memorandum of Association of the Company be and is hereby amended to reflect the new issued share capital of ₦22,434,557,995 (Twenty-Two Billion, Four Hundred and Thirty-Four Million, Five Hundred and Fifty-Seven Thousand, Nine Hundred and Ninety-Five Naira) by the creation and addition of up to 8,973,823,198 (Eight Billion, Nine Hundred and Seventy-Three Million, Eight Hundred and Twenty-Three Thousand, One Hundred and Ninety-Eight) Ordinary shares of 50 (Fifty) Kobo each."



### Explanation

Sec 127(8) provides that:

"Where a Company increases its share capital, it shall be by an ordinary resolution and shall amend its memorandum and articles of association to reflect the new issued share capital."

Following the Resolution to increase the issued share capital of the Company, there is a consequential need to amend the Company's Memorandum of Association in line with the provisions of CAMA.

We urge you to vote in support of the motion to amend the Memorandum of Association to reflect the new share capital consequent upon the Rights Issue.

## NOTES

### Proxy

A member entitled to attend and vote at the AGM is entitled to appoint a proxy to attend and vote in his stead. A proxy need not also be a member. A proxy form is attached to the Annual Report. All instruments of proxy must be duly stamped at the Stamp Duties Office and deposited at the Registered Office of the Company or the office of the Registrars, Meristem Registrars & Probate Services Limited, 213, Herbert Macaulay Way, Adekunle, Yaba, Lagos, Nigeria, not later than 48 hours before the time for holding the meeting.

NOTE: All instruments of proxy shall be at the Company's expense.

A Proxy Form has been attached to this Information Pack.

### Virtual Meeting Link

Further to the signing into law of the Business Facilitation (Miscellaneous Provisions) Act, which allows public companies to hold meetings electronically, this AGM would be held virtually. The virtual meeting link for the AGM is <https://www.fbnholdings.com/agm-2023-live/>. The virtual meeting link will also be available on the Company's website at [www.fbnholdings.com](http://www.fbnholdings.com) and the Registrar's website at [www.meristemng.com](http://www.meristemng.com).

## RIGHT OF SHAREHOLDERS TO ASK QUESTIONS

Pursuant to Rule 19.12 (c) of the Nigerian Exchange's Rulebook 2015, please note that it is the right of every shareholder to ask questions not only at the meeting but also in writing prior to the meeting. We urge that such questions be submitted to the Company Secretariat not later than two weeks before the date of the meeting.

Thank you.



**Alhaji Ahmad Abdullahi**  
Group Chairman



### Shareholder Enquiries

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