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**THIS DOCUMENT IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION**

If you are in any doubt about the contents of this document or any action to be taken, it is recommended that you consult your stockbroker, banker, solicitor, accountant or any other independent professional adviser duly registered under the Investment and Securities Act of 2025 (as amended) immediately.

If you have sold or otherwise transferred all your shares in Sterling Financial Holdings Plc, please give this document and the accompanying proxy forms to the purchaser or transferee or other agent through whom the sale or transfer was effected, for transmission to the purchaser or transferee. In the alternative, kindly return this document to the PACE Registrars Limited (the "Registrar").

The distribution of this document in jurisdictions other than Nigeria may be restricted by law and therefore persons to whom possession of this document 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 such jurisdiction.

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## **SHARE RECONSTRUCTION**

### **BY WAY OF A REDUCTION OF SHARE CAPITAL**

(Under Sections 130-133 of the Companies and Allied Matters Act ("CAMA") 2020 (as amended))



**RC 1851010**

## **STERLING FINANCIAL HOLDINGS COMPANY PLC**

### **INCORPORATING AN EXPLANATORY STATEMENT ON THE PROPOSED SHARE RECONSTRUCTION BY WAY OF SHARE CAPITAL REDUCTION (THE "RECONSTRUCTION")**

(In compliance with Sections –130 - 133 of the CAMA)

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SCM Capital Limited ("SCM Capital") (the "Financial Adviser") is acting as Financial Adviser to Sterling Financial Holdings Company Plc ("SFHC" or the "Company") in connection with the Reconstruction. The Financial Adviser will not be responsible to any person, individual or corporate body other than the Company and its shareholders for providing advice in relation to the contents of this explanatory note (the "Explanatory Note") or any transactions or arrangements referred to herein.

The notice convening the Annual General Meeting of the shareholders of the Company is attached to this Explanatory Note. To be valid, the proxy form submitted by the relevant shareholders must be completed, signed and duly stamped by the Commissioner of Stamp Duties, Nigeria Revenue Services, where applicable (together with the powers of attorney or other authority, if any, under which it is signed and in accordance with the instructions printed thereon) and must be returned to the Company's Registrar, not later than 24 hours before the time set for the meeting.

The Company has received the "No Objection" of the Central Bank of Nigeria ("CBN"), the Financial Reporting Council of Nigeria ("FRCN"), and the Securities and Exchange Commission ("SEC") with respect to the Reconstruction. Upon receipt of the shareholders' approval and confirmation by the Federal High Court, an application would be made to the SEC for the registration of the Company's reconstructed ordinary shares. Subsequently, the Nigerian Exchange Limited will be notified of the Reconstruction.

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(19th Floor) Nigerian Exchange House  
2-4, Customs Street  
Lagos

June 08, 2026

To the Shareholders of:

**Sterling Financial Holdings Company Plc**

Dear Sir/Madam,

**PROPOSED RECONSTRUCTION OF STERLING FINANCIAL HOLDINGS COMPANY PLC'S ORDINARY SHARES**

**A. INTRODUCTION**

This Explanatory Statement has been prepared to provide shareholders of Sterling Financial Holdings Company Plc ("SFHC" or the "Company") with the material information required to consider the proposed share reconstruction by way of a reduction of share capital (the "Reconstruction"). The Notice of the Annual General Meeting ("AGM") attached to this Explanatory Note contains details of the Company's intention to undertake the Reconstruction, in accordance with Sections 130–133 of the Companies and Allied Matters Act 2020 ("CAMA") (as amended), and under terms and conditions that will be presented to shareholders at the AGM.

In 2024, the Central Bank of Nigeria ("CBN") introduced new minimum capital requirements for banks aimed at strengthening the Nigerian financial system. In response, shareholders of SFHC, at its Annual General Meeting held on 31 July 2024, authorised the Board of Directors (the "Board") to raise up to ₦200 billion in additional equity capital. The shareholders also by a resolution dated 14<sup>th</sup> July, 2025 authorised a capital raise of up to \$400million. Pursuant to these mandates, the Company has successfully executed a series of equity capital raising transactions, collectively raising ₦208.62 billion.

Following the completion of the capital-raising programme and the resulting expansion of the Company's issued share base, the Board has deemed it appropriate to initiate the Reconstruction. This initiative forms part of the Company's broader corporate strategy to optimise its capital structure, enhance key per-share metrics, improve the pricing outlook of its shares, and better align SFHC's market valuation with comparable benchmarks. The Reconstruction is also expected to support the Company's growth plan and maximise shareholder value in the near term.

The Board has recommended the Reconstruction and has appointed SCM Capital Limited ("SCM Capital") as Financial Adviser to assist in the process. SCM Capital has been mandated to provide shareholders with all information considered material to support their decision-making and to explain the provisions, rationale, and expected effects of the Reconstruction as summarised in this Explanatory Statement.

**B. CURRENT STRUCTURE OF STERLING FINANCIAL HOLDINGS COMPANY PLC'S SHARE CAPITAL**

The Company's share capital is ₦34,251,165,854.00 (Thirty-Four Billion, Two Hundred and Fifty-One Million, One Hundred and Sixty-Five Thousand, Eight Hundred and Fifty-Four Naira) comprising 68,502,331,708 (Sixty-Eight Billion, Five Hundred and Two Million, Three Hundred and Thirty-One Thousand, Seven Hundred and Eight) ordinary shares of ₦0.50 (Fifty Kobo) each.

**C. RATIONALE FOR THE RECONSTRUCTION**

The proposed Reconstruction is driven by the Company's objective to realign its capital structure following the successful conclusion of the first phase of its equity-raising programme. The consolidation of the issued shares is

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## EXPLANATORY STATEMENT BY THE FINANCIAL ADVISER

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considered an appropriate step for strengthening the quality and efficiency of the Company's capital base and positioning SFHC for sustainable long-term performance. In particular, the Reconstruction is expected to:

- Realign the Company's share structure with its enlarged equity base following the recapitalization exercise, thereby ensuring a more coherent and balanced capital structure going forward;
- Enhance key per-share performance indicators, including earnings per share, dividend per share, and net asset value per share, as a result of the reduced number of shares in issue;
- Support a more efficient share price formation, enabling the Company's shares to trade within a price range that is more commercially meaningful and consistent with market expectations for financial holding companies;
- Strengthen the Company's capital market positioning, particularly among institutional and professional investors who typically assess issuers based on both fundamental performance and the quality of their share capital structure;
- Enhance the Company's long-term capital management flexibility, providing a more suitable platform for future strategic initiatives, corporate actions, and value-accretive growth opportunities; and
- Align the Company's share capital structure with its post-recapitalisation regulatory capital planning and long-term balance sheet strategy.

### D. DETAILS OF THE RECONSTRUCTION

#### Description of the Reconstruction

The proposed Reconstruction will entail the following:

##### **Consolidation of Issued Ordinary Shares**

The proposed Reconstruction involves a consolidation of the Company's issued share capital of ₦34,251,165,854.00 (Thirty-Four Billion, Two Hundred and Fifty-One Million, One Hundred and Sixty-Five Thousand, Eight Hundred and Fifty-Four Naira) comprising 68,502,331,708 (Sixty-Eight Billion, Five Hundred and Two Million, Three Hundred and Thirty-One Thousand, Seven Hundred and Eight) ordinary shares of ₦0.50 (Fifty Kobo) each at a **ratio of 1 for 10**. Under this structure, the issued ordinary shares of the Company will be merged such that every ten (10) ordinary shares currently in issue will be consolidated into one (1) new ordinary share. Consequently, nine (9) ordinary shares out of every ten (10) will be cancelled.

As a result of this consolidation exercise, 61,652,098,537 (Sixty-One Billion, Six Hundred and Fifty-Two Million, Ninety-Eight Thousand, Five Hundred and Thirty-Seven) ordinary shares of ₦0.50 each will be extinguished, leaving an adjusted issued share capital of ₦3,425,116,585.50 (Three Billion, Four Hundred and Twenty-Five Million, One Hundred and Sixteen Thousand, Five Hundred and Eighty-Five Naira, Fifty Kobo) divided into 6,850,233,171 (Six Billion, Eight Hundred and Fifty Million, Two Hundred and Thirty-Three Thousand, One Hundred and Seventy-One) ordinary shares of ₦0.50 each.

The Company has obtained "No Objection" confirmations from its primary regulator, the Central Bank of Nigeria ("CBN"), the Financial Reporting Council of Nigeria ("FRCN") and the Securities and Exchange Commission ("SEC") for the proposed Reconstruction. Following shareholders' approval, an application will be submitted to the Federal High Court (the "Court") for confirmation of the process. Upon the Court's approval, the reconstructed share capital will be duly registered with the SEC.

It is proposed that the share capital of the Company be reconstructed as follows:

- i. *Reduction in the issued share capital of the Company*
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## **EXPLANATORY STATEMENT BY THE FINANCIAL ADVISER**

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The share capital of the Company would be reduced to ₦3,425,116,585.50 (Three Billion, Four Hundred and Twenty-Five Million, One Hundred and Sixteen Thousand, Five Hundred and Eighty-Five Naira, Fifty Kobo) by reducing the issued shares from 68,502,331,708 (Sixty-Eight Billion, Five Hundred and Two Million, Three Hundred and Thirty-One Thousand, Seven Hundred and Eight) ordinary shares to 6,850,233,171 (Six Billion, Eight Hundred and Fifty Million, Two Hundred and Thirty-Three Thousand, One Hundred and Seventy-One) ordinary shares. This implies a cancellation of 61,652,098,537 (Sixty-One Billion, Six Hundred and Fifty-Two Million, Ninety-Eight Thousand, Five Hundred and Thirty-Seven) ordinary shares of ₦0.50 (Fifty Kobo) each in the Company whilst maintaining the nominal value of the ordinary shares.

Further to the reduction, the balance of ₦30,826,049,268.50 (Thirty Billion, Eight Hundred and Twenty-Six Million, Forty-Nine Thousand, Two Hundred and Sixty-Eight Naira, Fifty Kobo), representing the value of the cancelled shares, will be transferred to a special Reconstruction Reserve, which may be applied toward future corporate actions permissible under applicable laws and subject to regulatory approvals.

Accordingly, please note that the Reconstruction will not alter the relative ownership percentages of the shareholders of the Company. The Central Securities Clearing System (CSCS) accounts of shareholders whose names appear on the Company's register of members as at the registration date of the Reconstruction at the CAC (the "Effective Date"), will be adjusted and updated to reflect the consolidated shareholdings. For holders of shares in certificate form, the existing SFHC share certificates will be voided on the Effective Date and new share certificates will be re-issued to them reflecting the consolidated shareholdings.

To facilitate the adjustment process, the Company, following receipt of the SEC's confirmation of registration of the reconstructed shares, will apply to the Nigerian Exchange Limited ("NGX") for a **temporary full suspension** of trading in the Company's shares. All adjustments to each shareholder account will be carried out during this suspension. Once trading resumes, the share price will be adjusted upward on a proportional basis to reflect the reduced number of shares. This Reconstruction will not affect the Company's market capitalisation (being the number of shares in issue multiplied by the market share price) or the percentage holding in SFHC by each shareholder. This is without prejudice to any subsequent movement in the share price.

### *ii. Treatment of Fractional Shares*

Where a shareholder's post-Reconstruction holding results in a fractional unit, the Company will round the position downward to the nearest whole share. All fractional entitlements arising from the consolidation will be aggregated and sold in the market, and the net proceeds will be distributed on a pro-rata basis to the shareholders to whom the fractional units relate. Payment of such proceeds will be made into the respective bank or CSCS accounts of the affected shareholders, in accordance with the records maintained by the Registrars.

### *iii. Provision for dematerialized and non-dematerialized shareholdings*

Shareholders who have dematerialised their holdings with the CSCS will have their accounts automatically updated on the Effective Date. Where shares are subject to a lien or encumbrance, the adjustment will be effected directly in the relevant CSCS account.

In accordance with SEC directives on dematerialisation, shareholders who do not currently maintain a CSCS account will have their consolidated holdings warehoused under a **non-tradeable Clearing House Number (CHN)** assigned by the Registrar. A non-tradeable CHN is a number allocated to shareholders who do not have CSCS account numbers to warehouse their units of shareholding in public companies under the Registrar's custody at the CSCS.

The allotted shares will remain in safe custody until the shareholder provides a valid CHN and CSCS account number through a licensed stockbroker. 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.

### *iv. Provision for Shareholders who do not have up-to-date particulars lodged with the Company's Registrars*

Any shareholder who wishes to update his/her particulars or mailing address with the Company's Registrars (PACE

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## EXPLANATORY STATEMENT BY THE FINANCIAL ADVISER

Registrars Limited, Knight Frank Building (8th Floor), 24 Campbell Street, Lagos Island), should do so in writing within fourteen (14) days before the AGM. Please note that, for the purposes of this proposed Reconstruction, "written notice" includes any letter of appointment, direction, or authority, and refers to a notice in writing that bears the original wet-ink signature(s) and mandate of the company's shareholder(s), or of their duly appointed agent(s) in the case of corporate shareholders. Evidence of such appointment must accompany the notice and be in a form reasonably satisfactory to SFHC. Telex, facsimile transmission or photocopies will not constitute sufficient written notice. Those shareholders who do not notify the Company's Registrars within the specified period will have their newly issued share certificates warehoused under the Registrar's custody at the CSCS as applicable.

### Pre-Reconstruction and Post- Reconstruction Shareholders' Funds

Share Reconstruction via cancellation of Issued Ordinary Shares

	Pre-Reduction of Shares ₦'000	Movement ₦'000	Post-Reduction of Shares ₦'000
Issued Share Capital	34,251,166	(30,826,049)	3,425,117
Share Premium	231,520,748		231,520,748
Retained Earnings*	12,021,288		12,021,288
Share Reconstruction Reserve	0	30,826,049	30,826,049
Other Reserves*	94,499,305		94,499,305
<b>Shareholders' Funds</b>	<b>372,292,507</b>		<b>372,292,507</b>

\*FY 2025 interim financial statement numbers

## E. ELEMENTS OF THE RECONSTRUCTION

### i. Benefits and Effects of the Reconstruction

The Reconstruction is expected to be in the best interest of shareholders and to deliver significant strategic and financial benefits to SFHC. In particular, the exercise is expected to:

- Improve market perception of SFHC's equity following the success of the first phase of its capital raise;
- Enhance liquidity and pricing efficiency;
- Create a more competitive share price relative to peer institutions;
- Enhance shareholder value by improving the quality of per-share metrics;
- Create a more manageable and efficient capital structure; and
- Strengthen key financial ratios, thereby positioning the Company for future investment opportunities.

### ii. Financial Effects of the Reconstruction

The share reconstruction ratio was determined taking into consideration the Company's prevailing market capitalization, the number and price of its shares, its effect on the post-reconstruction share price sustainability, amongst other factors.

#### i. Capital Value

Upon the Reconstruction becoming effective, the shareholders would hold one (1) ordinary share of ₦0.50 (Fifty Kobo) each in the Company for every ten (10) ordinary shares held in the Company as at the Effective Date. Notwithstanding the foregoing, the percentage holding of the shareholders and the market capitalization of the Company will remain unchanged

#### ii. Capital Gains Tax

Under the current tax regime which became effective as of January 1, 2026, specifically Sections 33 and 35 of the Nigeria Tax Act (NTA) 2025, the implementation of the Share Reconstruction is intended to be

## EXPLANATORY STATEMENT BY THE FINANCIAL ADVISER

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tax neutral. As the Reconstruction primarily involves a consolidation of existing shares without a change in the underlying beneficial ownership, the exchange of original shares for the newly consolidated shares does not constitute a "disposal" of assets for tax purposes. Consequently, the Reconstruction should not give rise to any chargeable capital gains for shareholders in respect of the shares retained.

Shareholders should, however, note that the rounding down of fractional shares and the subsequent sale of such fractions for cash, with the proceeds credited to the affected shareholders' accounts or CSCS, constitutes a "disposal" of those specific fractional interests under Section 34 of the NTA 2025. While this receipt of cash consideration technically triggers a capital gains event, it is our opinion that the majority of individual shareholders will likely be exempted from tax under the NTA 2025 *de minimis* rules, which provide that gains from the disposal of shares are not subject to Capital Gains Tax where the total disposal proceeds are less than ₦150 million and the aggregate chargeable gains do not exceed ₦10 million within a 12-month period. Corporate or high-net-worth shareholders exceeding this threshold may be liable to tax at the prevailing 2026 statutory rates (30% for companies and up to 25% for individuals), subject to any available reinvestment relief.

Please note that this summary is based on the Nigeria Tax Act 2025 as of the date of this Memorandum and is for informational purposes only. Shareholders are advised to consult their professional tax advisors regarding their specific tax positions.

### iii. Conditions Precedent

The Reconstruction will become effective and binding on the Company and its shareholders if:

- a. The resolutions for the consolidation and reduction of share capital are passed by a majority of shareholders representing not less than three-fourths (3/4) or seventy-five (75) percent of those present and voting, either in person or by proxy, at the AGM;
- b. The Federal High Court confirms the Reconstruction, on such conditions as the court may, impose in its discretion; and
- c. The SEC approves, with or without modification, the terms and conditions of the Reconstruction as agreed to by the majority of the shareholders of SFHC at its AGM.

### iii. Settlement of the Reconstruction Consideration

#### *Settlement*

Upon the receipt of the requisite approvals as outlined above, the Reconstruction becomes effective, and the Registrar shall within twenty-one (21) calendar days when the confirmation of the Court has been obtained, credit the relevant CSCS accounts of the shareholders to reflect their respective post-Reconstruction shareholdings in the Company.

#### *Plans for Encumbered Shares of the Company*

Settlement in respect of shares held in the Company which have been pledged as collateral or are subject to a lien or other similar encumbrances, to the knowledge of and with notification to the Company, CSCS and or the Registrar, may be withheld by the Registrar, pending satisfactory discharge of the encumbrance.

### iv. Effectiveness of the Reconstruction

Upon the Court's confirmation, the Reconstruction will become effective and binding on all shareholders of SFHC on the Effective Date, irrespective of whether or not they attended or voted at the AGM. The requirements for registration at the Corporate Affairs Commission are as follows:

- a. A copy of the Federal High Court order confirming the reduction of the Company's shares (in relation to
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## EXPLANATORY STATEMENT BY THE FINANCIAL ADVISER

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- the Share Reconstruction); and
- b. A copy of the minutes of the AGM of the Company showing, with respect to the Company's share capital as altered by the order:
    - i. the amount of the share capital;
    - ii. the number of shares into which it is to be divided, and the amount of each share; and
    - iii. the amount (if any) at the date of the registration deemed to be paid up on each share.

### v. Notification of the SEC, NGX and FRC

The "No Objection" from the CBN, FRC and SEC have been sought and obtained in respect of the proposed Reconstruction. Upon receipt of shareholders' approval and confirmation by the Court, an application would be made to the SEC for re-registration of the Company's ordinary shares and the NGX will be notified of the Reconstruction.

### Action to be taken

The appropriate proxy form for the AGM is enclosed. We recommend that as many votes as possible are recorded at the AGM to enable the Court to be satisfied that shareholders' views are fairly represented. If you are unable to attend the meeting in person, you are encouraged to complete the proxy form in accordance with the instructions provided and ensure that it is delivered to the Registrar not later than twenty-four (24) hours before the scheduled time of the meeting.

Please note that submitting a proxy form, which is only valid when duly stamped, (where applicable) does not preclude you from attending the AGM in person or voting at any adjourned meeting, should you choose to do so. However, if you attend and vote in person, your appointed proxy will not be entitled to attend or vote.

### Conclusion and Recommendation

The Board of the Company has carefully reviewed the terms and conditions of the proposed Reconstruction and has taken into account the anticipated strategic and financial benefits for the Company and its shareholders.

Having undertaken this assessment, the Board is of the considered opinion that the Reconstruction is in the best interest of the Company. Accordingly, your Board recommends that you vote in favour of the resolutions to be presented at the AGM.

Yours faithfully,



**Gaventa Otono**  
Managing Director  
SCM Capital Limited

## **APPENDIX I: NOTICE OF ANNUAL GENERAL MEETING OF STERLING FINANCIAL HOLDINGS COMPANY PLC**

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### **NOTICE OF ANNUAL GENERAL MEETING**

**NOTICE IS HEREBY GIVEN** that the 3<sup>rd</sup> Annual General Meeting of Sterling Financial Holdings Company Plc (the "Company") will be held virtually via [sterlingholdco.ng/agm](http://sterlingholdco.ng/agm); on 9th June 2026 at 10:00 am to transact the following businesses:

### **ORDINARY BUSINESS**

1. To receive the Audited Financial Statements for the year ended 31<sup>st</sup> December 2025, the reports of the Directors and the Statutory Audit Committee thereon.
2. To re-elect the following Directors who are retiring by rotation:
  - (i) Ms. Aisha Bashir
  - (ii) Mr. Abubakar Suleiman
3. To authorize the Directors to fix the remuneration of the Auditors.
4. To disclose the remuneration of Managers of the Company under Sections 238 and 257 of the Companies and Allied Matters Act 2020.
5. To elect the shareholders representatives of the Statutory Audit Committee.

### **SPECIAL BUSINESS**

**To consider and if thought fit, pass the following resolution as an ordinary resolution:**

6. That the Annual Non-Executive Directors' Fees for the year ending 31<sup>st</sup> December 2026, being the aggregate fee for all Non-Executive Directors be fixed at N191,134,000 (One Hundred and Ninety-One Million, One Hundred and Thirty-Four Thousand Naira) until reviewed by the members at an Annual General Meeting.
7. **To consider and if thought fit, pass the following sub-joined resolutions as special resolutions:**
  - i. That:
    - a) subject to applicable laws and obtaining relevant regulatory approvals, the 68,502,331,708 ordinary shares of ₦0.50k each in the share capital of the Company be consolidated into 6,850,233,171 ordinary shares of ₦0.50k each at a ratio of 10 for 1 (the "**Consolidation**"), such shares having the same rights and being subject to the same restrictions as the existing 68,502,331,708 shares of ₦0.50k each in the share capital of the Company;
    - b) the cancellation and extinguishment of the 61,652,098,537 ordinary issued shares of ₦0.50k each in the Company which will result in the reduction of the issued share capital to ₦3,425,116,585.50 comprising 6,850,233,171 ordinary shares of ₦0.50k each, be and is hereby approved subject to the confirmation of the Federal High Court (the "**Capital Reduction**");
    - c) the amount by which the issued share capital of the Company is reduced pursuant to the Capital Reduction above be and is hereby credited to a share reconstruction reserve account in the books of the Company, such reserve to be applied in accordance with applicable law and as Management may determine.
  - ii. where the Consolidation results in any shareholder being entitled to a fraction of a consolidated share, such fractional entitlements shall be rounded down to the nearest whole share/aggregated and sold in the market

## APPENDIX I: NOTICE OF ANNUAL GENERAL MEETING OF STERLING FINANCIAL HOLDINGS COMPANY PLC

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with the proceeds distributed pro rata to the relevant shareholders/dealt with in such other manner as Management may determine to be fair and reasonable, and Management be and is hereby authorised to give effect to such treatment of fractional entitlements.

- iii. following the Consolidation and Capital Reduction effected pursuant to resolution 7(i) above, the share capital of the Company shall be ~~N~~3,425,116,585.50 divided into 6,850,233,171 ordinary shares of ~~N~~0.50k each;
- iv. following the consolidation, reduction and cancellation of the Company's issued share capital pursuant to resolution 7(i) above, paragraph 6 of the Memorandum of Association and the share capital clause of the Articles of Association of the Company be and are hereby amended as necessary to reflect the new share capital of the Company;
- v. the Board be and is hereby authorized to take all necessary steps and do all acts that the Board may deem necessary or reasonably desirable to give effect to the above resolutions, including but not limited to:
  - a) directing the Solicitors of the Company to seek orders of court approving the share capital reduction contained in the foregoing resolutions;
  - b) executing and filing applicable forms, disclosure requirements, documents or applications with the relevant regulatory authorities; and
  - c) appointing professional advisers and/or other relevant parties, negotiating and agreeing fees with such advisers and/or parties as may be appropriate, and paying all such fees and costs as may be due to them.
  - d) generally doing all such other acts and things as may be necessary, incidental, or ancillary to the implementation of these resolutions.

### 8. To consider and if thought fit, pass the following sub-joined resolutions as special resolutions:

- i. That without prejudice to the existing capital raising authorisations obtained at the Annual General Meeting of the Company held on 11 July 2025, the Company be and is hereby authorized to raise up to US\$400,000,000 (Four Hundred Million United States Dollars) or its equivalent in Naira or other currencies. The capital may be raised in tranches or otherwise through the issuance of debt instruments (including, but not limited to, bonds that may be convertible or non-convertible, preference shares, ordinary shares, global depositary receipts, or a combination thereof, in the Nigerian and/or international capital markets, whether by way of public offer, private placement, rights issue, or any other method, at such dates and upon such terms and conditions as may be determined by the Board of Directors of the Company (the "Board"), subject to the procurement of requisite approvals from the relevant regulatory authorities.
  - ii. That in the event the Company raises capital by way of issuance of shares, the Board be and is hereby unconditionally authorized to increase the share capital of the Company by the allotment of shares of the Company.
  - iii. That the Board be and is hereby authorised to amend the Company's Memorandum and Articles of Association to reflect the Company's new share capital structure prior to or following any issuance of shares pursuant to the foregoing resolutions.
  - iv. That the Board be and is hereby authorised to take all such lawful steps, pass all requisite resolutions and do all such other lawful acts and/or things as may be necessary for and/or incidental to giving effect to the resolutions above; and all prior lawful steps taken by the Board in the above regard be and are hereby ratified.
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## APPENDIX I: NOTICE OF ANNUAL GENERAL MEETING OF STERLING FINANCIAL HOLDINGS COMPANY PLC


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- v. That the Company be and is hereby authorised 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.

Dated this 15th day of May 2026

### By Order of the Board

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**SUNNY KANABE**  
Company Secretary  
FRC/2025/PRO/NBA/002/099459  
20 Marina, Lagos

### NOTES

#### 1. Proxy

A member of the Company entitled to attend and vote at the Annual General Meeting is entitled to appoint a proxy to attend and vote in their stead. A proxy need not be a member of the Company. To be valid, a completed proxy form must be deposited at the office of the Registrar, Pace Registrars Limited, Akuro House (8<sup>th</sup> floor), 24 Campbell Street, Lagos not less than 48 hours before the time of the meeting. A blank proxy form is attached to this Notice.

#### 2. Stamping of Proxy

The cost of stamping the instruments of proxy would be borne by the Company.

#### 3. Closure of Register of Members

The Register of Members shall be closed from 29<sup>th</sup> May 2026 to 2<sup>nd</sup> June 2026 (both days inclusive) to enable the Registrars make necessary arrangements for the Annual General Meeting.

#### 4. E-Annual Report

The electronic version of the Annual Report is available at [www.sterlingholdco.ng](http://www.sterlingholdco.ng). Shareholders who have provided their email details to the Registrar will receive the electronic version of the Annual Report via email.

#### 5. Questions from Shareholders

Shareholders reserve the right to ask questions not only at the meeting but also in writing before the meeting on any item contained in the Annual Report and Financial Statements. Please send questions, comments, or observations to [investor.relations@sterling.ng](mailto:investor.relations@sterling.ng) no later than 2<sup>nd</sup> June 2026.

#### 6. Unclaimed Dividend and E- Dividend Mandate

Shareholders are requested to update their records and advise Pace Registrars Limited of their relevant bank accounts for the payment of their dividends. Detachable forms in respect of mandate for e-dividend payment, unclaimed dividend payment, and shareholder data updates are attached to the Annual Report for

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convenience. The forms can also be downloaded from Pace Registrars Limited's website at [www.paceregistrars.com](http://www.paceregistrars.com). The duly completed forms should be returned to Pace Registrars Limited, Akuro House (8<sup>th</sup> Floor), 24, Campbell Street, Lagos, or to the nearest Sterling Bank or Alternative Bank Branch.

The list of unclaimed dividends can be accessed at [www.sterlingholdco.ng/claims](http://www.sterlingholdco.ng/claims).

#### **7. Statutory Audit Committee**

The Statutory Audit Committee consists of (3) three shareholders and 2 (two) Non-Executive Directors in accordance with Section 404 (6) of the Companies and Allied Matters Act 2020. Any member may nominate a shareholder as a member of the Statutory Audit Committee by giving notice in writing of such nomination to the Company Secretary at least 21 (twenty- one) days before the Annual General Meeting. The Companies and Allied Matters Act 2020 and the Securities & Exchange Commission's Corporate Governance Guidelines provide that members of the Statutory Audit Committee should be financially literate and should be able to read financial statements. We therefore request that nominations should be accompanied by a copy of the nominee's curriculum vitae.

#### **8. Re-election of Directors**

By the provisions of the Companies and Allied Matters Act, 2020 the following Directors of the Company are to retire from office at the 3rd Annual General Meeting, Ms. Aisha Bashir and Mr. Abubakar Suleiman. The retiring Directors, being eligible, offer themselves for re-election. The profiles of the Directors are available in the Annual Report and on the Company's website at [www.sterlingholdco.ng](http://www.sterlingholdco.ng).

#### **9. Virtual Meeting Link**

Further to the provisions 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 will be sent to shareholders electronically and will also be made available on the company's website at [www.sterlingholdco.ng](http://www.sterlingholdco.ng) and on the Registrar's website at [www.paceregistrars.com](http://www.paceregistrars.com).

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**APPENDIX II: PROXY FORM FOR STERLING FINANCIAL HOLDINGS COMPANY PLC**

**3<sup>RD</sup> ANNUAL GENERAL MEETING**

I/WE, ..... being a member/members of Sterling Financial Holdings Company Plc hereby appoint..... of ..... or failing him/her, ..... of ..... as my/our proxy, to act and vote for me/us and on my/our behalf at the Annual General Meeting of the Company to be held virtually via sterlingholdco.ng/agm on the 9<sup>th</sup> of June 2026 at 10.00 a.m. or at any adjournment thereof.

Dated this.....day of.....2026

.....  
Shareholder's Signature

S/N	SPECIAL BUSINESS	FOR	AGAINST
1.	<p>To consider and if thought fit, pass the following sub-joined resolutions as special resolutions:</p> <p>i.That</p> <p>a) subject to applicable laws and obtaining relevant regulatory approvals, the 68,502,331,708 ordinary shares of ₦0.50k each in the share capital of the Company be consolidated into 6,850,233,171 ordinary shares of ₦0.50k each at a ratio of 10 for 1 (the "Consolidation"), such shares having the same rights and being subject to the same restrictions as the existing 68,502,331,708 shares of ₦0.50k each in the share capital of the Company;</p> <p>b) the cancellation and extinguishment of the 61,652,098,537 ordinary issued shares of ₦0.50k each in the Company, which will result in the reduction of the issued share capital to ₦3,425,116,585.50 comprising 6,850,233,171 ordinary shares of ₦0.50k each), be and is hereby approved subject to the confirmation of the Federal High Court (the "Capital Reduction");</p> <p>c) the amount by which the issued share capital of the Company is reduced pursuant to the Capital Reduction above be and is hereby credited to a share reconstruction reserve account in the books of the Company, such reserve to be applied in accordance with applicable law and as Management may determine.</p>		
	<p>ii. where the Consolidation results in any shareholder being entitled to a fraction of a consolidated share, such fractional entitlements shall be rounded down to the nearest whole share/aggregated and sold in the market with the proceeds distributed pro rata to the relevant shareholders/dealt with in such other manner as Management may determine to be fair and reasonable, and Management be and is hereby authorised to give effect to such treatment of fractional entitlements.</p> <p>iii. following the Consolidation and Capital Reduction effected pursuant to resolution 7(i) above, the share capital of the Company shall be ₦3,425,116,585.50 divided into 6,850,233,171 ordinary shares of ₦0.50k each;</p> <p>iv. following the consolidation, reduction and cancellation of the Company's issued share capital pursuant to resolution 7(i) above, paragraph 6 of the Memorandum of Association and the share capital clause of the Articles of Association of the Company be and are hereby amended as necessary to reflect the new share capital of the Company;</p> <p>v. the Board be and is hereby authorized to take all necessary steps and do all acts that the Board may deem necessary or reasonably desirable to give effect to the above resolutions, including but not limited to:</p>		

**APPENDIX II: PROXY FORM FOR STERLING FINANCIAL HOLDINGS COMPANY PLC**

<p>a) directing the Solicitors of the Company to seek orders of court approving the share capital reduction contained in the foregoing resolutions;</p> <p>b) executing and filing applicable forms, disclosure requirements, documents or applications with the relevant regulatory authorities; and</p> <p>c) appointing professional advisers and/or other relevant parties, negotiating and agreeing fees with such advisers and/or parties as may be appropriate, and paying all such fees and costs as may be due to them.</p> <p>d) generally doing all such other acts and things as may be necessary, incidental, or ancillary to the implementation of these resolutions.</p>		
<p>Please indicate with an 'X' in the appropriate square how you wish your votes to be cast on the resolutions set out above. Unless otherwise instructed, the proxy will vote or abstain from voting at his/her discretion</p>		

**NOTE:**

- i. A member of the Company entitled to attend and vote at the Annual General Meeting is entitled to appoint a proxy to attend and vote in his/her/its stead. A proxy need not be a member of the Company.
- ii. To be valid, a completed proxy form should be deposited with Pace Registrars Limited, Akuro House, 24 Campbell Street, Lagos or via email at [info@paceregistrars.com](mailto:info@paceregistrars.com), not less than 48 hours before the time fixed for the meeting.
- iii. For the appointment of a proxy to be valid for the purposes of the meeting, the Company has made arrangements, at its cost, for the stamping of the instruments of proxy.