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If you are in any doubt about the contents of this document or any action to be taken, you should consult your Stockbroker, Solicitor, or any other independent professional adviser duly registered under the Investment and Securities Act (No. 29 of 2007) immediately.

If you have sold or otherwise transferred all your shares in Great Nigeria Insurance Plc, please give this document and the accompanying proxy forms to the purchaser or transferee or to the Stockbroker or other agent through whom the sale or transfer was effected, for transmission to the purchaser or transferee.

The receipt of this document or of any information contained in it or supplied with it or subsequently communicated to any person does not constitute investment advice to a shareholder from Great Nigeria Insurance Plc or to any other person by the Company or its directors and the Company does not commit to providing shareholders with any other information, updates or corrections to this document or the information contained herein.

EXPLANATORY STATEMENT TO SHAREHOLDERS OF



JULY 2018

EXPLANATORY STATEMENT TO SHAREHOLDERS OF GREAT NIGERIA INSURANCE PLC. ON THE PROPOSED VOLUNTARY DE-LISTING OF GREAT NIGERIA INSURANCE PLC FROM THE MAIN BOARD OF THE NIGERIAN STOCK EXCHANGE (“THE VOLUNTARY DE- LISTING”)

This Explanatory Statement has been prepared to provide all the material and required information to *all* the Shareholders of Great Nigeria Insurance Plc. (“GNI Plc” or “the Company”), in respect of the Resolution to consider and approve the voluntary delisting of Great Nigeria Insurance Plc. From the Main Board of The Nigerian Stock Exchange (“NSE”) to be considered at the Extra-Ordinary General Meeting (“EGM”) holding at 10:00am on Wednesday, 25 July 2018 at His Grace Events Centre, Dreamland Africana way, off Orchid Hotel, After 2nd Toll Gate, Lekki- Expressway, Lagos.

1. INTRODUCTION

Over the last 5 years, there is little or no trading activity on the shares held by the minority shareholders. There has also been a considerable fall in trading volumes over the last twelve (12) months with an average daily volume of circa 1,200 units during the period March 2017 to March 2018.

Shareholders are not benefiting from the continued listing as shareholders are not getting any exit opportunity and their investments have been locked up and they find it difficult to dispose of their shareholding. Neither the company has benefitted as the company’s shares continue to trade at a significant discount to the intrinsic value.

Also, GNI’s Free Float currently stands at 16.03%, significantly below the NSE’s minimum Free Float of 20.00%. With this Free Float deficiency, the NSE could take enforcement action even though The Quotations Committee of the National Council of The Exchange (“QCN”) has extended the curing period to May 2020. We do not expect that this deficiency will be cured during that period and we expect the NSE to initiate a Regulatory Delisting.

Through the Voluntary Delisting of GNI, the Directors of the Company will be exercising a regulatory provision that will shield the Company from any enforcement action that the Exchange may effect which may arise as a result of the outstanding Free Float deficiency.

Furthermore, through the Voluntary Delisting process, the Company will be providing an Exit Consideration to minority shareholders who do not wish to remain in an unlisted company.

2. THE PROPOSAL

The Board of GNI Plc. proposes to delist all the ordinary issued shares of GNI Plc. of **3,827,485,380 units** from the Daily Official List and from trading on the Main Board of the Nigerian Stock Exchange (“Voluntary Delisting” or “The Transaction”).

Part of the listing rules of the NSE is that listed Companies must have at least 20% of its listed shares held by the investing public. GNI Plc. is in violation of this Listing Rule and thus liable to be mandatorily delisted by The Nigerian Stock Exchange. Through the Voluntary Delisting of GNI Plc, the Directors of the Company will be shielding the Company from any enforcement action or sanction that the Nigerian Stock Exchange may impose, for example by way of a mandatory Regulatory Delisting and potential reputational damage to the Company.

Also, the delisting will afford the company to carry an imminent Corporate Restructuring exercise to take advantage of emerging opportunities and may consider re-listing the company in the future if the market conditions are favourable.

The Voluntary Delisting will not occasion loss of business opportunities as there are similar unlisted Insurance Companies who are commanding significant share of the Insurance Market. Also, minority shareholders will not lose their shares because of the Voluntary Delisting and such shareholders may retain their membership in the unlisted Company. However, through the Voluntary Delisting process, the minority shareholders - who do not wish to be members of an unlisted company – will have an opportunity to exit the Company.

a. Exit Options and Consideration

As part of the requirements of the NSE for Voluntary Delisting, the Majority Shareholder in GNI Plc, Insurance Resourcery and Consultancy Services Limited (“IRCSL”) is required to provide an exit opportunity to the shareholders of exiting GNI Plc. Shareholders.

Also, the NSE has provided basis for which consideration is given to exiting shareholders preparatory to a delisting process. IRCSL is willing to pay a cash consideration of ~~₦0.50~~ per share (“Exit Consideration”) based on the highest price of ₦0.50 at which GNI Plc. has traded in the last 6 months preceding the date of the AGM/EGM where the resolution to de-list was passed.

Shareholders that intend to a member of an unlisted GNI Plc shall be free to remain and there is no obligation to receive the Exit Consideration.

b. Conditions Precedent

The Voluntary Delisting will be effective upon the following occurrence of events:

- Directors meet and pass resolution to de-list the Company
- Resolution for de-listing proposed for approval of Shareholders at Annual General Meeting (“AGM”)/Extraordinary General Meeting (“EGM”)
 - Draft notice containing proposed resolution to be submitted to The Nigerian Stock Exchange for vetting and approval
 - Publish in at least 2 National Dailies at least 21 days before the AGM/EGM
 - The Nigerian Stock Exchange to be represented at the AGM/EGM to observe proceedings
- IRCSL being the majority shareholder in GNI Plc provision of sufficient funds to exiting shareholders. The Funds must be kept with a Custodian acceptable to The NSE
- Written approval of the NSE is obtained to the Voluntary Delisting.

3. EFFECT OF THE DELISTING

With the Delisting of GNI Plc, the shares of the Company will no longer be available for trading on the Main Board of The Nigerian Stock Exchange. The Company will continue to operate as an unlisted company. The Board of Directors GNI Plc do not envisage a loss of business opportunities for the unlisted GNI Plc and will continue to seek ways of creating value for the Company’s shareholders. The Company may consider creating a trading window for shareholders at the Over the Counter (“OTC”) markets.

4. PLAN FOR EMPLOYEES

The Voluntary Delisting of GNI Plc. will not have any impact on the existing employment contracts of its staff.

5. DIRECTORS COMPOSITION

The Voluntary Delisting of the Company will not have any impact on the Board of Directors of GNI Plc.

6. TAXATION

The taxation consequences of the exercise of an exit option will depend on the jurisdiction in which each shareholder is resident for tax purposes. Under current Nigerian tax legislation, any gains realized by a shareholder from receiving the Exit Consideration should not give rise to any chargeable capital gains tax or stamp duty. However, this statement is not intended to be, and should not be construed to be, legal or tax advice to any particular shareholder.

Shareholders who are in doubt about their taxation position, or who are subject to taxation in a jurisdiction outside Nigeria, are strongly advised to consult their own professional advisers without delay as to the consequences of exercising any of the exit options.

7. MEETING TO APPROVE THE VOLUNTARY DELISTING

At the Extraordinary General Meeting (“EGM”) scheduled to hold on July 25, 2018, the shareholders of GNI Plc will consider and, if thought fit, approve the Voluntary Delisting. At the EGM, each shareholder - entitled to vote - will be entitled to one vote for every ordinary share held.

8. ATTENDANCE AT THE MEETING

Attendance at the meeting, for purposes of voting on the resolution that will be proposed to shareholders. In the alternative, the submission of a Proxy Form for purposes of voting at the meeting should attendance not be possible. The attached form should be duly completed and returned to the Company Registrars, GTL Registrars Limited.

9. CASH CONSIDERATION SETTLEMENT

It is expected that exiting shareholders will be settled by way of electronic transfer to the respective bank accounts as provided in the attached form.

10. GNI PLC GOING FORWARD

The Nigerian Insurance Industry is at its nascent state. To take advantage of the opportunities that would present itself, especially as insurance products become more common place in our society, and significant foreign investments flow into this industry, it is imperative that this business takes proactive steps, and positions itself rightly.

The operational focus of the leadership of Great Nigeria Insurance Plc in the last few years, has been to create a strong foundation upon which the full potential of the firm can be realised, creating significant value to its highly esteemed shareholders, and building a business that is poised to be one of Nigeria's top 10 insurance firms.

To achieve this lofty goal, the firm is committed to putting the right processes in place, deepening the technology of its operations, continuous training and retraining of staff, further strengthening corporate governance, and building a base that would ensure that the legacy of this business would continually be upheld.

The management and board recognize the need to be more operationally efficient, and as such, are committed to pursuing cost cutting measures where necessary, while extracting more value from existing assets. The overall goal is to create more value for shareholders, and finally begin to reward its valued shareholders for sticking with it through thick and thin.

The board and management team deeply appreciate the support of every single shareholder so far and is proud to be associated with them. They further implore the shareholders to continually give them their support as they continue along the journey of value creation.



GREAT NIGERIA PLC - DELISTING FROM THE MAIN BOARD OF THE NIGERIAN STOCK EXCHANGE

CONSIDERATION ELECTION AND ACCEPTANCE FORM

TO BE COMPLETED BY ALL SHAREHOLDERS OF GNI PLC. WHO ACCEPT THE EXIT CONSIDERATION*

GNI Plc shareholders will be able to elect to accept the Exit Consideration from July 25, 2018 to October 23, 2018. GNI Plc anticipates that the Delisting will take effect from October 23, 2018.

1. I/We confirm that I/we have read and understand the terms and conditions of the delisting of GNI Plc. I/We confirm my/our acceptance of the terms under which the Company is to be delisted; including the Exit Consideration.
2. I/We hereby represent and warrant that I/we am/are the sole owner(s) of the shares that we hereby transfer in acceptance of the Exit Consideration and that these shares are free from any mortgage, pledge, equitable interest, claim or any other security interest and I/we have full power and authority to transfer ownership of the shares, under the terms of the delisting.
3. Accordingly,

All my/our holdings in GNI Plc. (whether evidenced by Certificate(s) or lodged in the CSCS Limited) are hereby transferred in accordance with the terms of the delisting.

No. of Ordinary Shares Relinquished															
Units															
<i>Units in Words</i>															
<i>Units in Words</i>															

For corporate shareholders: I/We also attach a duly executed Board Resolution authorizing that the shares specified in Clause 3 above be transferred pursuant to the Delisting.

4. I/We understand that all deposits of shares will be subject to the verification of the signatures and units provided by me/us on this Acceptance of Consideration Form.
5. I/We understand that my/our acceptance of the terms of the Delisting as specified in Clause 1 above is an indication of my/our decision to deposit the Shares in accordance with the terms of the Delisting.

6. I/We understand that by accepting the terms of the Voluntary Delisting and depositing my/our shares, I/we sell, assign and transfer all the rights, benefits, title and interest in and to the shares deposited including any and all dividends and distributions which may be declared on or in respect of any of the shares deposited.

7. I/We hereby request that the shares accruing to me/us pursuant to the Voluntary Delisting be settled by crediting the below CSCS account with the shares due to me:

CSCS Account Name	<input type="text"/>
CSCS Account Number	<input type="text"/>
CHN Number (if Known)	<input type="text"/>
Signature of Broker	<input type="text"/>

8. I/We advise that I/we may be contacted:

- a. By mobile telephone on
- b. By fax on
- c. By email at

9. I/We hereby request that the consideration payable to us/me for the shares deposited pursuant to the terms of the Voluntary Delisting be settled by payment into my/our nominated bank account.

Bank Name:

Branch Address:

Bank Account Number:

Bank Sort Code:

Bank Verification Number (BVN):

*

Offer lapses on October 22, 2018

This Form must be submitted only to the addresses indicated below:

GTL Registrars Limited
247 Muritala Muhammed Way, Yaba
Lagos

MBC Securities Limited
St. Nicholas House
26, Catholic Mission Street, Lagos

The Company Secretary
First Almond Attorneys
Marine View Plaza
4th Floor, 60 Marina
Lagos.

Proxy Form



EXTRA ORDINARY GENERAL MEETING to be held at 10:00am on Wednesday, July 25th, 2018 at His Grace Events Centre, Dreamland Africana Way, Off Orchid Hotel, After 2nd Toll gate, Lekki -Epe Expressway, Lagos
I/We*.....being a member/members of GREAT NIGERIA INSURANCE PLC hereby appoint ** or failing him/her/it, the Chairman as my/our proxy to act and vote for me/us and on my/our behalf at the Extra Ordinary General Meeting of the Company to be held on Wednesday, July 25th, 2018, and at any adjournment thereof.

S/N	RESOLUTIONS	FOR	AGAINST	WITHHELD
	Ordinary Business:			
	a) To consider and approve the delisting of Great Nigeria Insurance Plc. from the Nigerian Stock Exchange with immediate effect			

Dated this.....day of.....2018

Signature.....

*Delete as necessary

Please indicate with an "x" in the appropriate box 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.

NOTE:

- i. This Proxy Form should be completed , duly signed and stamped by the Commissioner of Stamp Duties and should be deposited with the Registrars, GTL Registrars, 247 Muritala Muhammed Way, Yaba, Lagos not later than 48hours before the time for holding the meeting.
- ii. This Proxy Form should NOT be completed and sent to the Registrars if the member will be attending the meeting.
- iii. In the case of joint Shareholders, any of such may complete the form, but the names of all joint Shareholders must be stated.
- iv. If executed by a corporation, this form must be sealed with its common seal.
- v. **Provision has been made on this form for the Chairman of the Meeting to act as your proxy, but if you wish, you may insert in the blank space the name of any person, whether a member of the Company or not, who will attend the Meeting and vote on your behalf instead of the Chairman.

Admission Card

EXTRA ORDINARY GENERAL MEETING to be held at 10.00am on Wednesday, July 25th, 2018 at His Grace Events Centre, Dreamland Africana Way, Off Orchid Hotel, After 2nd Toll gate, Lekki-Epe Expressway, Lagos.

Name of Shareholder.....
(in **BLOCK LETTERS**) (Surname) (Other names)

Shareholder's Account No Number of shares held.....

Name of person attending..... Signature:

IMPORTANT

This admission slip must be produced by the shareholder or his proxy who need not be a member of the company, to gain entrance to the Annual General Meeting.

Shareholders or their Proxies are requested to sign the admission slip before attending the meeting.