

UNITY BANK PLC

Lagos, March 29, 2018

RE: PURPORTED INVESTMENT IN UNITY BANK PLC BY MILOST GLOBAL INC.

This is to notify shareholders of Unity Bank Plc and other stakeholders of the Bank that Unity Bank Plc has reviewed the various publications in some media touching the purported investment of \$1,000,000,000.00 in Unity Bank Plc by Milost Global Inc. and wish to elaborate as follows.

Pursuant to various Regulators' advice to the Bank in recent times on the need to shore up its capital base, the Bank with the mandate of its shareholders had engaged in series of discussions and engagement with prospective "value-plus investors". All through these engagements, the Bank has been properly guided by the extant regulations concerning capital raising and equally made the process open to all prospective investors.

1. Milost Global Inc. is one of the prospective investors introduced to the Bank by a local entity called Mayo BV. It is not unusual that this introduction and expression of interests would involve some level of preliminary discussions and exchange of non-binding documentary communications between the intending parties towards establishing mutual foundation on which the transaction contemplated will be initiated. The "Term Sheet" dated September 4, 2017 said to have been executed was a "proposal" submitted by Milost Global Inc. "for discussion purposes only and NOT a commitment" by the parties. No definitive documentation governing the proposed financing was executed.
2. It is in relation to the preliminary discussions that courtesy visits were exchanged between representatives of Milost and the Bank in 2017 and early 2018. The Bank's Managing Director/CEO was in New York in October 2017 for other engagements and decided to visit Milost and verify the firm's address as well as put a face to the officers of Milost that have been engaging the Bank via telephone and emails. A brief meeting was held and discussions were around the dynamics of Milost proposal to Unity Bank Plc, and socialization of the policies and regulations around equity investment in Nigeria. The Bank did not at any time suggest or agree to move its listing from the NSE to the USA as falsely reported in the media.

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Aminu Babangida (Chairman), Tomi Somefun (Managing Director/CEO), Temisan Tuedor (Executive Director), Oluwafunsho Obasanjo (Director), Sam N. Okagbue (Independent Director), Yabawa Lawan Wabi (Director), Hafiz Mohammed Bashir (Director)

3. There was no agreement whatsoever with Milost Global alluding to the acquisition of 60% Unity Bank Plc shareholding.
4. Also, there is no iota of truth in the allegation that the Bank had executed a “binding commitment agreement”. The Bank’s position is on the premise that a document prepared by Milost and which the Bank acknowledged merely contained the suggested terms and conditions on which Milost was planning to consider its possible participation in the Capital funding of the Bank. As stated in our previous correspondence, the Bank through the mandate of its Board and shareholders has been involved in series of preliminary engagements with several prospective investors including Milost, **but the Bank did not execute a binding definitive agreement with Milost Global Inc.** It is therefore a misnomer for anyone to claim that the Bank issued a false statement relative to the nature of the communication between Milost and the Bank. The nomenclature “Commitment Letter” was apparently adopted by Milost in its communication to buttress its seriousness to proceed with the transactions subject to relevant compliance requirements.
5. As regards threat mails allegedly received by Milost Global, the Bank reaffirms its position that such mails did not emanate from it. The Bank therefore is unable to verify such allegation.
6. Furthermore, considering that Milost and the Bank were only still engaged in preliminary discussions, which must necessarily be subjected to relevant regulatory, statutory and corporate governance compliance parameters before such discussions could become elevated to the level of a “binding commitment agreement” properly so called, the issue of “Termination” of the “Transaction” does not arise.

In conclusion, Unity Bank Plc did not lie on the facts presented and consequently enjoin the general public especially our esteemed shareholders and other stakeholders to be cautious of the news circulating in the local news media.

The Bank is fully aware of all regulatory steps and requirements on such investment proposition and the imperative to comply with them, and will continue to engage all stakeholders on achievements made in this regard.

For: **Unity Bank Plc**



Mohammed Shehu
Company Secretary