

PRESS STATEMENT

Diamond Bank Plc

Statement regarding scheme to Merge with Access Bank

Lagos 17 December 2018

The Board of Diamond Bank Plc (“Diamond Bank”) today announces that following a strategic review leading to a competitive process, the Board has selected Access Bank Plc (“Access Bank”) as the preferred bidder with respect to a potential merger of the two banks (“the merger”) that will create Nigeria and Africa’s largest retail bank by customers.

The Board of Diamond Bank believes that the merger is in the best interest of all stakeholders including, employees, customers, depositors and shareholders and has agreed to recommend the offer to Diamond Banks’ shareholders. Completion of the merger is subject to certain shareholder and regulatory approvals.

The proposed merger would involve Access Bank acquiring the entire issued share capital of Diamond Bank in exchange for a combination of cash and shares in Access Bank via a Scheme of Merger. Based on the agreement reached by the Boards of the two financial institutions, Diamond Bank shareholders will receive a consideration of N3.13 per share, comprising of N1.00 per share in cash and N2.13 per share equivalent in newly issued shares of Access Bank to be exchanged for the outstanding shares of Diamond Bank. The offer represents a premium of 260% to the closing market price of N0.87 per share of Diamond Bank on the Nigerian Stock Exchange (“NSE”) as of December 13, 2018, the date of the final binding offer.

Immediately following completion of the merger, Diamond Bank would be absorbed into Access Bank and it will cease to exist under Nigerian law without going into liquidation. The current listing of Diamond Bank’s shares on the NSE and the listing of Diamond Bank’s global depositary receipts on the London Stock Exchange will be cancelled, upon the **merger** becoming effective. In addition, Access Bank will assume all of Diamond Bank’s indebtedness following the consummation of the merger and upon obtaining all requisite approvals.

Diamond Bank expects the transaction to complete in the first half of 2019.

Uzoma Dozie, the Chief Executive Officer of Diamond Bank, said: *“The proposed combination with Access Bank will create one of Africa’s leading financial institutions.*

There is clear strategic rationale for the proposed merger and strong complementarities between the two institutions. While Diamond Bank has pioneered Nigeria’s largest technology-led retail banking platform, Access Bank is one of Nigeria’s leading full-service commercial banks. Consolidation in the Nigerian banking industry is an inevitable, natural progression in a sector where the gap between Tier 1 and Tier 2 banks has been widening and scale has become critical; where technology will disrupt the traditional business model while enabling broader financial inclusion.

The board of Diamond Bank believes that the proposed combination of the two operations provides an exciting prospect for all stakeholders in both businesses and will create a financial institution with the scale, strength and expertise to capitalise on the significant opportunities in Nigeria and sub-Saharan Africa more broadly.”

Herbert Wigwe, CEO of Access Bank, said: “Access Bank has a strong track record of acquisition and integration and has a clear growth strategy. Access Bank and Diamond Bank have complementary operations and similar values, and a merger with Diamond Bank, with its leadership in digital and mobile-led retail banking, could accelerate our strategy as a significant corporate and retail bank in Nigeria and a Pan-African financial services champion. Access Bank has a strong financial profile with attractive returns and a robust capital position with 20.1% CAR as at 30 September 2018. We believe that this platform, together with the two banks’ shared focus on innovation, financial inclusion and sustainability, can bring benefits to Access Bank and Diamond Bank customers, staff and shareholders.”

Exotix Capital acted as international financial advisor to Diamond Bank, and Templars acted as Nigerian legal counsel.

This announcement contains inside information for the purposes of Article 7 of the Market Abuse Regulation (EU 596/2014) (“**MAR**”) and is disclosed in accordance with Diamond Bank’s obligations under Article 17 of MAR.

About Diamond Bank Plc

Diamond Bank Plc was incorporated on December 20, 1990 and began operating as a private limited liability company on March 21, 1991. Ten years later, in February 2001, Diamond Bank became a universal bank. In January 2005, Diamond Bank became a public limited company following a highly successful Private Placement share offer which substantially raised the Bank’s equity base. In May 2005, the Bank was listed on The Nigerian Stock Exchange.

Today, Diamond Bank is the fastest growing retail bank in Nigeria with a track record of high quality banking solutions for customers. It is the lead driver of financial inclusion and enhanced customer experience through innovation and technology. Regarded as supporter of lifestyle trends, its mobile banking app, “Diamond Mobile” currently has over 2 million active subscribers on its platform. Diamond Bank has over the years leveraged on its underlying resilience to grow its asset base and to successfully retain its key business relationships.

Diamond Bank has also played a leading role in partnering with domestic and International bodies such as Women’s World Banking, Bill and Melinda Gates Foundation, MTN etc. to create easy access to financial services for the unbanked.

About Access Bank Plc

Access Bank is a full-service commercial bank operating through branches and service outlets located in major centres primarily across Nigeria and sub-Saharan Africa, as well as the United Kingdom (extension to United Arab Emirates (Dubai)), with representative offices in China, Lebanon, and India. The Group provides a wide range of banking and other financial services to over 10 million customers from 397 branches and service centres. Listed on the Nigerian Stock Exchange (1998) with its Bond instrument listed on the Irish Stock Exchange (2016), the Bank

serves its various markets through four business segments: Personal, Business, Commercial and Corporate & Investment Banking.