

UNITYKAPITAL ASSURANCE PLC: DIRECTORS CIRCULAR ON THE OFFER

November 7, 2016

To all the Qualifying Shareholders of Unity Kapital Assurance PLC

Dear Shareholder,

TAKEOVER BID OF UP TO 693,333,333 ORDINARY SHARES OF 50 KOBO (REPRESENTING 5% EQUITY INTEREST) TO THE MINORITY SHAREHOLDERS OF UNITYKAPITAL ASSURANCE PLC BY VERITAS CAPITAL LIMITED

We refer to the Takeover Bid made by Veritas Capital Limited ("Veritas") which is being despatched to the minority shareholders of Unity Kapital Assurance PLC ("Unity Kapital") for your consideration.

As you may be aware, our previous majority shareholder – Unity Bank PLC ("The Bank"), who had 50.3% of the issued and paid up shares of Unity Kapital, in compliance with the directive from the Central Bank of Nigeria to all deposit money banks to "either divest from all non-banking subsidiaries or form an Holding Company Structure" decided to divest its holding in Unity Kapital to Veritas Capital Limited. On December 31, 2015, the Securities & Exchange Commission gave its approval for the acquisition of 30% of the Bank's holdings in Unity Kapital and subsequently on August 2, 2016 gave its approval for the balance of 20.3% to be acquired. However, this acquisition must be done simultaneously with a Takeover Bid to the other shareholders of Unity Kapital.

In accordance with Section 131 of the Investment and Securities Act, 2007 and Rules 445-448 of the rules of the Securities & Exchange Commission ("SEC"), Veritas is required to make a Takeover Bid to the minority shareholders of Unity Kapital on the same terms and conditions as agreed with Unity Bank PLC

Veritas Capital Limited has offered to acquire additional shares of up to 693,333,333 Ordinary Shares representing 5% Equity Interest in Unity Kapital Assurance PLC for a cash consideration of 77 Kobo Per Share. This offer is the same price as agreed with Unity Bank PLC and represents a 54% premium to Unity Kapital's Share Price on The Floor of The Nigerian Stock Exchange