

ZENITH LISTS \$850 MILLION SHARES ON THE LONDON STOCK EXCHANGE

- **THE LARGEST LISTING BY ANY NIGERIAN BANK**

Zenith Bank Plc, Nigeria's largest bank by tier-1 capital and shareholders fund was on Thursday listed on the London Stock Exchange (LSE). The listing of \$850 million worth of its shares at \$6.80 each is a major step by the bank at improving liquidity in its stock through Global Depository Receipts.

By its size, Zenith Bank's \$850 million GDR listing is the largest of any Nigerian bank on the LSE to date and is expected to help Zenith Bank, with a market capitalization of \$4.24 billion, access to a wide range of major institutional investors and significantly raise its international profile.

Global Depository Receipts (GDRs) are negotiable certificates issued by depository banks which represent ownership of a given number of a company's shares which can be listed and traded independently from the underlying shares. The instruments are typically used by companies from emerging markets and marketed to professional investors only

At a formal ceremony held at the London Stock Exchange (LSE), the bank admitted 125 million GDRs which will trade on LSE's International Order Book, the world's largest and most liquid GDR market. Each Zenith Bank GDR represents 50 ordinary shares

Speaking at the event, the Group Managing Director/Chief Executive Officer of Zenith Bank, Godwin Emefiele, said listing on the LSE would afford foreign investors and funds managers in Global Emerging Market (GEM) an opportunity to access the bank's shares, particularly those, who, due to internal policies/procedures are prevented from trading, purchasing, selling shares in markets other than through the London Stock Exchange.

He also noted that establishing a liquid London GDR line would help Zenith Bank gain access to international investors, particularly those from the GEM who are increasingly showing interest in Nigeria. Emefiele said, greater interest from global funds can be tapped into through the GDR listing as it would signal best in class disclosure, corporate governance and compliance.

Among other benefits, the listing is also expected to enable the bank, if the need arises, use international debt and equity markets for future capital raises thereby lowering cost of capital. It also gives willing investors additional comfort in the Zenith equity as London corporate governance practices, to which the bank will now have to submit, are considered 'best in class'.

Ibukun Adebayo, Head of Primary Markets, Africa, at London Stock Exchange, said: "Zenith Bank's listing highlights London's leading role in supporting Nigeria's burgeoning financial sector. Three major Nigerian banks have listed in London demonstrating UK and international investors' appetite for exposure to this fast growing and increasingly diverse economy."

By this feat, Zenith joins a vibrant community of 58 emerging market banks listed in London, valued collectively at just under \$75 billion. The listing also gives Zenith access to the deepest international pool of capital in the world, currently holding more than \$1.8 trillion in international equity assets.

The London Stock Exchange is the largest international stock exchange for African companies. Since 2008, Africa-focused companies listed on London Stock Exchange have raised over £4.2 billion in new and further issues.

Zenith Bank, with total assets of \$27bn is the biggest Nigerian bank in terms of Tier 1 capital and shareholders' funds. The bank has subsidiaries in the UK, Ghana, Sierra Leone, The Gambia and representative offices in South Africa and China and a customer base of over two million.

The bank has in 23 years emerged as a financial powerhouse with its excellent performance on all parameters, consistently attracting commendations at home and internationally. Last year, the bank was named the 'Best Bank in Corporate Governance' by World Finance and one of the '20 Global Super Brands' by FTSE Global Markets.