

## Notice of Annual General Meeting

Notice is hereby given that the Sixteenth Annual General Meeting of Shareholders of FBC Holdings Limited will be held by way of remote voting on Tuesday, 30 June 2020 at 1500 hours.

### Agenda

- To approve the holding of Annual General Meetings through virtual/electronic means and/or by way of remote voting.
- To receive, consider and adopt the financial statements and the reports of the directors and auditors of the Company for the financial year ended 31 December 2019.
- To sanction the dividend paid.
- To elect Directors of the Company.

4.1. In terms of Article 95 of the Company's Articles of Association, Messrs. Gary Collins, Canada Malunga and Rutenhuro Moyo retire by rotation. Being eligible, Messrs. Collins, Malunga and Moyo offer themselves for re-election.

4.2. To confirm the appointment of Messrs. Aeneas Chuma and Charles Msipa to the Board.

4.3. To note the retirement of Mr. Felix Gwandekwande from the Board.

5. To approve the remuneration of the Directors for the past financial year.

### 6. External Auditors

6.1. To approve the remuneration of the auditor, Messrs. Deloitte & Touche Chartered Accountants (Zimbabwe) of Harare for the past audit and to note the retirement of Messrs. Deloitte & Touche Chartered Accountants (Zimbabwe) of Harare as auditor of the Company in compliance with Section 41 (4) of the Banking Amendment Act, 2015.

6.2. To approve the appointment of Messrs. KPMG Chartered Accountants (Zimbabwe) of Harare as auditor of the Company for the ensuing year.

### 7. Special business

#### Share buy-back as ordinary resolutions

To consider, and if deemed fit, to resolve by way of ordinary resolution with or without modification the following:-

#### 7.1. Purchase of own shares

That the Directors be and hereby authorized in terms of section 50 of the Company's Articles of Association and Section 128 (1) of the Companies and Other Business Entities Act (Chapter 24:31) to purchase the Company's own shares subject to the following terms and conditions: The purchase price shall not be lower than the nominal value of the Company's shares and not greater than 5% (five percent) nor 5% (five percent) below the weighted average trading price for such ordinary shares traded over (5) business days immediately preceding the date of purchase of such shares by the Company.

7.2. The shares to be acquired under this resolution shall be ordinary shares in the Company and the maximum number of shares which may be acquired under this resolution shall be 10% (ten percent) of the ordinary shares of the Company in issue prior to the date of this resolution.

7.3. This authority shall expire on the date of the Company's next Annual General Meeting.

7.4. That the shares purchased according to this resolution shall be utilized for treasury purposes.

### Directors' statement

In relation to the aforesaid proposed resolution, the Directors of the Company state that:-

- The Company is in a strong financial position and will, in the ordinary course of business, be able to pay its debts for a period of 12 months after the Annual General Meeting.
- The assets of the Company will be in excess of its liabilities for a period of 12 months after the Annual General Meeting.
- The ordinary capital and reserves of the Company will be adequate for a period of 12 months after the Annual General Meeting.
- The working capital of the Company will be adequate for a period of 12 months after the Annual General Meeting.

8. To transact all such other business as may be transacted at an Annual General Meeting.

### By Order of the Board



**Tichaona Mabeza**  
Company Secretary

6th Floor, FBC Centre  
45 Nelson Mandela Avenue  
HARARE  
8 June 2020

**Directors:** H. Nkala (Chairman), C. Mtasa (Deputy Chairperson), J. Mushayavanhu (Group Chief Executive), K. Chiketsani (Executive), G.S. Chikwava, A. Chuma, G.S. Collins, F. Kennedy, T. Kufazvinei (Executive), C. Malunga, R. Moyo, C. Msipa, W. Rusere (Executive),

### FORMAT OF THE ANNUAL GENERAL MEETING AND SUPPLEMENTARY INFORMATION

#### 1. Welcome Remarks

Ladies and Gentlemen, my name is Herbert Nkala and I am the Chairman of FBC Holdings Limited.

I welcome you all to your Company's Sixteenth Annual General Meeting and hope that you are keeping yourselves protected in line with the World Health Organization's advice which is to be SAFE from corona virus infection, be SMART & inform yourselves about it and be KIND & support one another.

#### 2. Resolution on holding of Shareholder Meetings

2.1. A resolution was passed by the board of directors of FBC Holdings Limited on 1 June 2020 authorising the holding of Annual General Meetings or any other meetings of shareholders through virtual/electronic means and/or by way of remote voting in light of the Covid-19 pandemic and in advancement of the Group's digitalisation thrust.

2.2. The first decision to be made by shareholders for this meeting will therefore be to decide on the holding of Annual General Meetings or any other meetings of shareholders by virtual/electronic means and/or by way of remote voting.

#### 3. Meeting Procedure

Due to the Covid-19 pandemic which has seen the country being placed under lockdown, we have had to modify the way we conduct the Annual General Meeting for the year 2020. As a result of the limited capacity to conduct an online meeting, safety requirements and limited numbers imposed for physical meetings, we felt it necessary to conduct this meeting by way of remote voting. Accordingly, the meeting will be conducted as detailed below.

#### 4. Conduct of the Meeting

4.1. Proposed resolutions for the meeting have been tabled hereunder for your consideration and vote. Your duly completed voting Proxy Forms should be returned either through the post on the address P. O. Box 4282, Harare or hand - delivered for the attention of the Company Secretary, Tichaona Mabeza at 6<sup>th</sup> Floor, FBC Centre, 45 Nelson Mandela Avenue, Harare or to our transfer secretaries at Number 1 Armagh Avenue, Eastlea, Harare. Alternatively the duly completed voting Proxy Forms can be returned electronically to the following e-mail addresses: tichaona.mabeza@fbc.co.zw or info@fts-net.com

4.2. Before I get to the business of the Annual General Meeting, I would like to update you on a few pertinent issues regarding your Company.

4.3. Ladies and gentlemen, the year 2019 proved to be one of the most difficult for the country. The year witnessed the abolition of the multiple currency regime introduced in 2009 and eventually the adoption of the Zimbabwe Dollar as the sole official currency for domestic transactions in June 2019. The local currency however lost value against major currencies of the world, initially commencing trading against the US Dollar at 2.5 in February 2019 and ending at around 16.7734 against the US Dollar in December 2019. Inflation which was in single digits at the beginning of the year ended the year at 521%. These two key economic indicators made planning difficult for organizations operating in the country, including your Company.

4.4. I would also like shareholders to note that results of FBC Holdings Limited for the year ended 31 December 2019 are presented on an inflation adjusted basis, following the categorization of Zimbabwe as a hyperinflationary economy. The historical performance of the Group is presented for your noting.

4.5. Ladies and gentlemen, as we all know, the Covid-19 pandemic has affected our country in a variety of ways, with one of the most significant being the national lockdown which is currently in an indefinite phase. I am pleased to inform you that your Company has taken concrete steps to ensure that the spread of the corona virus is minimized, both for all its stakeholders and the nation at large. In playing its part as a responsible corporate citizen, the Group made donations meant to fight against the pandemic to various institutions. It is also for this reason that the 2020 Annual General Meeting is being held by way of remote voting where we are asking shareholders to vote on resolutions remotely and return the proxy forms for our attention as requested.

4.6. In order to assist shareholders in deciding on the resolutions as presented, I hereby provide the following information.

#### 5. Adoption of Financial Statements

The audited inflation adjusted financial statements of FBC Holdings Limited and its subsidiaries are provided in the 2019 Annual Report and comprise the inflation adjusted consolidated and separate statement of financial position as at 31 December 2019, and the inflation adjusted consolidated and separate profit or loss and other comprehensive income, the inflation adjusted consolidated and separate statement of changes in equity and the inflation adjusted consolidated and separate statement of cash flows for the year then ended, and the notes to the inflation adjusted consolidated and separate financial statements, including a summary of significant accounting policies. The 2019 Annual Report will be availed to members on or before Tuesday, 16 June 2020.

#### 6. Sanctioning of the dividend paid

6.1. The Board of Directors of FBC Holdings declared a first interim dividend of 2.232 ZWL cents per share on 671 949 927 ordinary shares in issue on 28 August 2019. The dividend amounted to ZWL\$ 15 589 238 and was paid in full on or about 16 September 2019 to all shareholders who were registered in the books of the Company on Friday, the 13<sup>th</sup> of September 2019.

6.2. The Board declared a second interim dividend of 2.98 ZWL cents on 671 949 927 ordinary shares in issue on 12 December 2019. The second interim dividend amounted to ZWL\$ 20 024 108 and was paid in full on or about 9 January 2020 to all shareholders registered in the books of the Company as at the close of business on Friday, the

3<sup>rd</sup> of January 2020.

6.3. On 27 March 2020, the Board of Directors resolved to make the second interim dividend declared on 12 December 2019 a final dividend due to the need to meet capitalization requirements of Group subsidiary business units.

6.4. The total dividend for the year 2019 amounted to ZWL\$ 35 613 346.

#### 7. Re-election of retiring Directors

7.1. All directors retiring by rotation and offering themselves for re-election will be appointed by separate resolutions.

7.2. Messrs. Gary Collins, Canada Malunga and Rutenhuro Moyo are retiring by rotation and being eligible, are offering themselves for re-election.

7.3. Mr. Collins is an expert on the nexus between digital innovation, leading edge technologies and core value in banking and diversified financial services. He is founder and Chief Executive Officer of Solveworx (Pty) Limited, Australia.

7.4. Mr. Malunga is a Chartered Accountant who has held senior and executive positions in a number of organizations and is currently the Managing Director of Masimba Holdings Limited.

7.5. Mr. Moyo has wide international experience and has held senior positions with international corporations such as Anglo American Corporation Zimbabwe, Old Mutual and Coca Cola Central Africa.

#### 8. Confirmation of the appointment of new Directors

8.1. All new directors to be confirmed will be appointed by separate resolutions.

8.2. Two new directors were appointed to the Board during the course of the year. The two new members namely, Messrs. Aeneas Chuma and Charles Msipa have to be confirmed at this meeting.

8.3. Mr. Chuma has in excess of 30 years diverse experience in development work with the United Nations in various countries and is a holder of an Msc in Applied Economics.

8.4. Mr. Msipa is a lawyer by profession with years of experience at a senior level in various organizations and is currently Group Managing

Director of Schweppes Holdings Africa Limited.

#### 9. Retirement of a Director

9.1. Mr. Felix Gwandekwande retired from the Board on 30 September 2019 after serving the Group for a period of 22 years in various capacities. I would like to take this opportunity to thank Felix for the valuable service he provided over the years.

#### 10. Remuneration of Directors

10.1. Remuneration and emoluments for the Group's non - executive directors amounted to ZWL\$ 9 417 347. A total of 25 non - executive directors served the Group during the course of the year. All in all non - executive directors attended a total of 28 Main Board Meetings and 116 Board Committee Meetings during the course of the year.

10.2. The FBC Group has six subsidiary companies each with separate boards of directors, comprised of the required ratios between executive and non - executive directors as well as independent and non - independent directors so as to satisfy the compliance and governance requirements of the Group's regulators namely, the Reserve Bank of Zimbabwe, the Insurance and Pensions Commission, the Securities and Exchange Commission of Zimbabwe and the Zimbabwe Stock Exchange.

#### 11. Remuneration of Auditors, Deloitte & Touche

11.1. Audit fees payable to Deloitte & Touche amounted to ZWL\$ 3 292 243. The audit fees relate to the holding company and its six subsidiary companies.

11.2. Deloitte & Touche are retiring as auditors for the Group having served the Group for five years following their appointment on 25 June 2015. Their retirement is in line with Section 41 (4) of the Banking Amendment Act, which requires that an auditor's term of office be limited to 5 years.

#### 11.3 Appointment of KPMG as Auditors for the Company

11.3.1 KPMG are an international accounting firm with firms around the globe and has experienced local partners for the Zimbabwean operation. KPMG has previously served as auditors of FBC for the years 1997 to 2009.

#### 12. Purchase of own shares

12.1. Included in the Notice of the Annual General Meeting, is some special business for a Share Buy

Back as Ordinary Resolutions. To date 64 708 627 shares which equate to 9.62% of the issued share capital of the company have been purchased under the share buy-back arrangement and through the Group's insurance subsidiaries. We believe that it will be beneficial to shareholders for the share buyback arrangement to be put in place as we strongly believe that the FBCH share price still has the potential to significantly go up. Accordingly, the remote voting process is asking shareholders to consider, and if deemed fit, to resolve by way of ordinary resolution with or without modification the following:-

12.2. "THAT the Directors be and are hereby authorized in terms of section 50 of the Company's Articles of Association and Section 128 (1) of the Companies and Other Business Act (Chapter 24 : 31) to purchase the Company's own shares subject to the following terms and conditions:-

12.3. The purchase price shall not be lower than the nominal value of the Company's shares and not greater than 5% (five percent) nor 5% (five percent) below the weighted average trading price for such ordinary shares traded over (5) business days immediately preceding the date of purchase of such shares by the Company.

12.4. The shares to be acquired under this resolution shall be ordinary shares in the Company and the maximum number of shares which may be acquired under this resolution shall be 10% (ten percent) of the ordinary shares of the Company in issue prior to the date of this resolution.

12.5. This authority shall expire on the date of the Company's next Annual General meeting.

12.6. That the shares purchased according to this resolution shall be utilized for treasury purposes."

#### 13. Results of the Annual General Meeting

13.1. Results of the Annual General Meeting will be published in the press on Tuesday, 14 July 2020

#### 14. Dedicated Toll-Free Number

14.1. A dedicated toll - free number 0242 779 369 has been put in place in order to attend to any questions or queries shareholders may need addressed.

14.2. Alternatively, shareholders may send their queries or questions to tichaona.mabeza@fbc.co.zw

## Proxy Form

For the year ended 31 December 2019

I/We .....

Names( in block letters) .....

of.....

(address in block letters) .....

Being (a) member(s) of the Company and entitled to vote, do hereby appoint.....

Or, failing him/her .....

Or, failing him/her, the Chairman of the meeting as my/our proxy to attend and speak and vote for me/us and on my/our behalf at the Annual General Meeting of members of the Company to be held on Tuesday, 30 June 2020 at 1500 hours and at any adjournment thereof, as follows:

		In favour of	Against	Abstain
1.	Resolution to approve the holding of Annual General Meetings or any other meetings of shareholders by virtual or electronic means and/or by way of remote voting.			
2.	Resolution to adopt the company annual financial statements.			
3.	Resolution to sanction payment of dividend.			
4.	4.1. Resolution to re-elect retiring directors.			
	4.1.1 Resolution to elect Gary Collins.			
	4.1.2 Resolution to elect Canada Malunga.			
	4.1.3 Resolution to elect Rutenhuro Moyo.			
	4.2. Resolution to confirm the appointment of new directors to the Board.			
	4.2.1 Resolution to confirm the appointment of Aeneas Chuma.			
	4.2.2 Resolution to confirm the appointment of Charles Msipa.			
5.	Resolution to approve the remuneration of the directors.			
6.	6.1. Resolution to approve the remuneration of auditors, Deloitte & Touche Chartered Accountants.			
	6.2. Resolution to appoint KPMG Chartered Accountants as Auditor of the Company.			
7.	Resolution to purchase the company's own shares.			

Please indicate with an 'X' in the appropriate spaces provided how you wish your vote to be cast. If no indication is given, the proxy may vote or abstain as he/she thinks fit.

A member of the company entitled to attend and vote at the above-mentioned meeting is entitled to appoint a proxy or proxies to attend, speak and vote in his/her stead. A proxy need not be a member of the company.

Signed at .....on.....June 2020

Full name(s) .....

(in block letters) .....

Signature(s) .....

#### Notes:

In order to be effective, proxy forms must be delivered or posted to the Transfer Secretaries, First Transfer Secretaries (Private) Limited, 1 Armagh Avenue, Eastlea, P O Box 11, Harare or to the Company Secretary, 6th Floor, FBC Centre, 45 Nelson Mandela, Harare so as to reach any of these addresses not later than 1200 hours on Sunday, 28 June 2020.

Yours sincerely,



**Herbert Nkala**  
Group Chairman