



NEVEAH LIMITED

RC1206949

(INCORPORATED WITH LIMITED LIABILITY IN THE FEDERAL REPUBLIC OF NIGERIA)

₦20,000,000,000.00

COMMERCIAL PAPER ISSUANCE PROGRAMME

Neveah Limited ("**Neveah**", the "**Issuer**" or the "**Company**"), a private limited liability company incorporated in Nigeria, has established this ₦20,000,000,000.00 (Twenty Billion Naira) Commercial Paper Issuance Programme (the "CP Programme"), under which Neveah may from time to time issue Commercial Paper notes ("CP" or "Notes"), denominated in Nigerian Naira or in such other currency as may be agreed between the Issuer and each relevant Dealer and/or the Arranger (as defined in the section entitled, "Summary of the Programme", in separate series or tranches subject to the terms and conditions ("Terms and Conditions") contained in this Programme Memorandum.

Each Series or Tranche (as defined herein) will be issued in such amounts, and will have such discounts, period of maturity and other terms and conditions as set out in the Pricing Supplement applicable to such Series or Tranche (the "Applicable Pricing Supplement"). The maximum aggregate nominal amount of all CP Notes from time to time outstanding under the CP Programme shall not exceed ₦20,000,000,000.00 (Twenty Billion Naira) over a three-year period that this Programme Memorandum, including any amendments thereto, shall remain valid.

This Programme Memorandum is to be read and construed in conjunction with any supplement hereto and all documents which are incorporated herein by reference and, in relation to any Series or Tranche, together with the Applicable Pricing Supplement. This Programme Memorandum shall be read and construed on the basis that such documents are incorporated and form part of this Programme Memorandum.

The Notes issued under this Programme shall be issued in dematerialised form, registered, quoted and traded over the counter via the FMDQ Securities Exchange Limited ("FMDQ Exchange" or the "Exchange") platform in accordance with the rules, guidelines and such other regulation with respect to the issuance, registration and quotation of commercial paper as may be prescribed by the Central Bank of Nigeria ("CBN") and FMDQ Exchange from time to time, or any other recognized trading platform as approved by the CBN. The Notes will settle any Central Securities Depository recognised by the Securities and Exchange Commission, acting as Registrars and Clearing Agent for the Notes.

This Programme Memorandum and the Applicable Pricing Supplement shall be the sole concern of the Issuer and the party to whom this Programme Memorandum and the Applicable Pricing Supplement is delivered (the "Recipient") and shall not be capable of distribution and should not be distributed by the Recipient to any other parties nor shall any offer made on behalf of the Issuer to the Recipient be capable of renunciation and assignment by the Recipient in favour of any other party. In the event of any occurrence of a significant factor, material mistake or inaccuracy relating to the information included in this Programme Memorandum, the Issuer will prepare a supplement to this Programme Memorandum or publish a new Programme Memorandum for use in connection with any subsequent issue of CP Notes.

The Issuer is currently assigned a credit rating of BBB by DataPro Limited. Certain Notes may be assigned a credit rating by DataPro Limited under the Programme. A credit rating of any Notes is not a recommendation to buy, sell or hold securities and may be subject to revision, suspension or withdrawal at any time by the assigning rating agency.

ARRANGER/ DEALER



United Capital Plc
RC 444999

ISSUING, CALCULATION AND PAYING AGENT



Coronation Merchant Bank Limited
RC 207138

THIS PROGRAMME MEMORANDUM IS DATED April 28 2023

CONTENTS

GLOSSARY OF DEFINED TERMS	3
IMPORTANT NOTICES.....	8
INCORPORATION OF DOCUMENTS BY REFERENCE	10
SUMMARY OF THE PROGRAMME	11
DESCRIPTION OF NEVEAH LIMITED	13
INDUSTRY OVERVIEW.....	20
TERMS AND CONDITIONS OF THE NOTES.....	32
TAX CONSIDERATIONS.....	40
SETTLEMENT, CLEARING AND TRANSFER OF NOTES.....	46
PRO FORMA APPLICABLE PRICING SUPPLEMENT	49
AUDITOR'S COMFORT LETTER	53
AUDIT REPORT AND SUMMARY FINANCIAL STATEMENTS	54
EXTRACT OF THE ISSUER'S RATING REPORT	58
LEGAL OPINION ON THE NOTES	60
GENERAL INFORMATION.....	67
PARTIES TO THE TRANSACTION	68

GLOSSARY OF DEFINED TERMS

Unless the context otherwise requires, the following expressions shall have the meanings respectively assigned to them:

Terms/Abbreviations	Description
“Agency Agreement”	The issuing, calculation and paying agency agreement dated on or about March 29 2023 and entered into between the Issuer and the Issuing, Calculation and Paying Agent;
“Applicable Supplement” Pricing	The pricing supplement applicable to a particular Series or Tranche issued under the CP Programme;
“Arranger”	United Capital Plc;
“Board” or “Directors”	Board of Directors of Neveah Limited;
“Business Day”	Any day except Saturdays, Sundays and public holidays declared by the Federal Government of Nigeria on which banks are open for general banking business in Nigeria;
“CBN”	Central Bank of Nigeria;
“CBN Guidelines”	CBN's Guidelines on the Issuance and Treatment of Bankers Acceptances and Commercial Papers, issued on 11th September 2019, and the CBN Circular of 12th July 2016 on Mandatory Registration and Listing of Commercial Papers as amended or supplemented from time to time;
“Central Securities Depository” or “CSD”	means Central Securities Clearing System Plc or FMDQ Depository Limited and which expression shall include their respective successors or any additional or alternative clearing system or any clearing system as may otherwise be specified in the Applicable Pricing Supplement;;
“CITA”	Companies Income Tax Act Cap C21, LFN 2004 (as amended by the Companies Income Tax Act No 11 of 2007 and the Finance Act 2019, 2020 and 2021);
“Commercial Paper”, “CP”, “CP Notes” or “Notes”	Quoted unsecured commercial papers to be issued by the Issuer under the CP Programme in form of short-term zero-coupon notes under the CP Programme;
“Conditions” or “Terms and Conditions”	The terms and conditions, in accordance with which the Notes will be issued, set out in the section of this Programme Memorandum headed “Terms and Conditions of the Notes”;
“CP Programme” or “Programme”	The CP Programme described in this Programme Memorandum pursuant to which the Issuer may issue several separate Series or Tranches of Notes from time to time with varying maturities and discount rates provided, however, that the aggregate Face Value of Notes in issue does not exceed ₦20,000,000,000.00 (Twenty Billion Naira);
“Day Count Fraction”	The method of calculating the discount in respect of a Note as specified in the Applicable Pricing Supplement;

“Dealer”	United Capital Plc and any other additional Dealer appointed under the Programme from time to time, which appointment may be for a specific issue or on an on-going basis, subject to the Issuer's right to terminate the appointment of any Dealer;
“Dealing Member”	An FMDQ Exchange licenced member authorized to make market in securities admitted to trade on the FMDQ Exchange Platform;
“Eligible Investor”	means an investor that is not a QII as defined by the Rules, that has executed a declaration attesting to his/her/its eligibility in the manner prescribed in the FMDQ Exchange Rules;
“Event of Default”	An event of default by the Issuer as set out in Condition 6 of the “Terms and Conditions”;
“Face Value”	The par value of the Notes;
“FGN”	Federal Government of Nigeria;
“FIRS”	Federal Inland Revenue Service;
“FMDQ Securities Exchange Limited” or “FMDQ Exchange”	A securities exchange and self-regulatory organisation licensed by the Securities and Exchange Commission to provide a platform for, amongst others, listing, quotation, registration and trading of debt securities;
“FMDQ Rules”	The FMDQ Exchange Commercial Paper Registration and Quotation Rules, April 2021 (as may be amended from time to time) and such other regulations (including but not limited to Market Bulletins) with respect to the issuance, registration and quotation of commercial papers as may be prescribed by FMDQ from time to time;
“Force Majeure”	Means any event or circumstance (or combination of events or circumstances) that is beyond the control of the Issuer which materially and adversely affects its ability to perform its obligations as stated in the Conditions, which could not have been reasonably foreseen, including without limitation, nationwide strikes, national emergency, riot, war, embargo, legislation, acts of God, acts of terrorism, industrial unrest, lockout, plague, epidemic, pandemic and outbreak of infectious disease or any other public health crisis, including quarantine or other restrictions;
“Neveah”, “Issuer”, or the “Company”	Neveah Limited;
“Government”	Any federal, state or local government of the Federal Republic of Nigeria;
“Holder” or “Noteholder”	The holder of a Note as recorded in the Register kept by the CSD in accordance with the Terms and Conditions;
“Implied Yield”	The yield accruing on the Issue Price of a Note, as specified in the Applicable Pricing Supplement;
“ISA”	The Investment and Securities Act, No 29 of 2007, as may be amended from time to time;

"Issue Date"	The date on which the relevant Series/Tranche of the Notes is issued as specified in the Applicable Pricing Supplement;
"Issue Price"	The price at which the relevant Series/Tranche of the Notes is issued, as specified in the Applicable Pricing Supplement;
"Issuing, Calculation and Paying Agent" or "ICPA"	Coronation Merchant Bank Limited or any successor issuing, calculation and paying agent in respect of the Notes, appointed by the Issuer;
"LFN"	Laws of the Federation of Nigeria;
"Maturity Date"	The date as specified in each Applicable Pricing Supplement in which the Principal Amount is due;
"Material Adverse Change"	A material adverse effect on the ability of the Issuer to perform and comply with its payment obligations under the CP Programme;
"Naira", "NGN" or "₦"	The Nigerian Naira;
"NIBOR"	Nigerian Inter-Bank Offered Rate;
"Noteholders"	The several persons for the time being, whose names are shown in the records of the CSD and/or entered in the Register as holders of the Notes and shall include the legal and personal representatives or successors of the Noteholders and those entered as joint Noteholders;

GLOSSARY OF DEFINED TERMS

“OTC”	Over the Counter;
“PITA”	Personal Income Tax Act Cap P8, LFN 2004 (as amended by the Personal Income Tax (Amendment) Act No 20 of 2011, the Finance Act, 2019 and the Finance Act, 2020);
“Principal Amount”	The nominal amount of each Note, as specified in the Applicable Pricing Supplement;
“Pricing Supplement” or “Applicable Pricing Supplement”	The Pricing Supplement applicable to a particular Series or Tranche of Notes issued under the CP Programme;
“Programme”	The ₦20,000,000,000.00 (Twenty Billion Naira) commercial paper issuance programme established by the Issuer which allows for the multiple issuance of Notes from time to time with varying maturities and discount rates provided, however, that the aggregate Face Value of Notes in issue does not exceed ₦20,000,000,000.00 (Twenty Billion Naira);
“Programme Memorandum”	This information memorandum dated April 28 2023 which sets out the aggregate size and broad terms and conditions of the CP Programme;
“Qualified Institutional Investors”	Includes banks, fund managers, pension fund administrators, insurance companies, investment/unit trusts, multilateral and bilateral institutions, registered private equity funds, registered hedge funds, market makers, staff schemes, trustees/custodians, stockbroking firms and any other category of investors as may be determined by the Securities and Exchange Commission from time to time;
“Redemption Amount”	The amount specified in the Applicable Pricing Supplement as the amount payable in respect of each Note on the Redemption Date;
“Redemption Date”	In relation to any Series, the date on which redemption monies are due and payable in respect of the Notes as specified in the Applicable Pricing Supplement;
“Register”	A register or such registers as shall be maintained by the Registrar in which are recorded details of Noteholders;
“Registrar”	The CSD or such other registrar as may be appointed by the Issuer in respect of the Notes issued under the Programme;
“Relevant Currency”	The currency in which payments in respect of the Notes of the relevant Tranche or Series are to be made as indicated in the Applicable Pricing Supplement;
“Relevant Date”	The payment date of any obligation due on the Notes;
“Relevant Last Date”	The date stipulated by the CSD and specified in the Applicable Pricing Supplement, after which transfer of the Notes will not be registered;
“SEC”	The Securities and Exchange Commission;

GLOSSARY OF DEFINED TERMS

“SEC Rules”	The Consolidated Rules and Regulations of the Securities and Exchange Commission 2013 (as amended) made pursuant to the ISA;
“Series”	A Tranche of Notes together with any further Tranche or Tranches of Notes which are (i) expressed to be consolidated and form a single series and (ii) are identical in all respects except for their respective Issue Dates, and/or Issue Prices;
“Solicitors”	Aluko & Oyeboode;
“Tranche”	Notes which are identical in all respects;
“Transaction Parties”	United Capital Trustees Limited - Trustee United Capital Plc – Sole Arranger and Dealer Coronation Merchant Bank Limited – ICPA Aluko & Oyeboode – Solicitors;
“Trustee”	United Capital Trustees Limited;
“VAT”	Value Added Tax as provided for in the Value/Added Tax Act, CAP VI, LFN 2004 (as amended by the Value Added Tax Act No 12 of 2007, the Finance Act, 2019, 2020 and 2021); and
“Zero Coupon Note”	A Note which will be offered and sold at a discount to its Face Value and which will not bear interest, other than in the case of late payment.

IMPORTANT NOTICES

This Programme Memorandum contains information provided by the Issuer in connection with the CP Programme under which the Issuer may issue and have outstanding at any time Notes up to a maximum aggregate amount of ₦20,000,000,000.00 (Twenty Billion Naira). The Notes shall be issued subject to the Terms and Conditions contained in this Programme Memorandum.

The Issuer shall not require the consent of the Noteholders for the issue of Notes under the Programme.

The Issuer accepts responsibility for the information contained in this Programme Memorandum. To the best of the knowledge, information and belief of the Issuer (who has taken all reasonable care to ensure that such is the case), the information contained or incorporated in this Programme Memorandum is correct and does not omit any material fact that is likely to affect the import of such information.

The directors are responsible for the preparation of the summary financial statements in accordance with the FMDQ Rules.

The Issuer, having made all reasonable enquiries, confirms that this Programme Memorandum contains or incorporates all information which is reasonably material in the context of the CP Programme and the offering of the Notes, that the information contained in this Programme Memorandum and the Applicable Pricing Supplement is true and accurate in all material respects and is not misleading and that there are no other facts the omission of which would make this document or any of such information misleading in any material respect.

No person has been authorised by the Issuer to give any information or to make any representation not contained or not consistent with this Programme Memorandum or any information supplied in connection with the CP Programme and if given or made, such information or representation must not be relied upon as having been authorised by the Issuer.

Neither this Programme Memorandum nor any other information supplied in connection with the CP Programme is intended to provide a basis for any credit or other evaluation or should be considered as a recommendation or the rendering of investment advice by the Issuer, the Dealers, or the Arranger that any recipient of this Programme Memorandum should purchase any Notes.

To the fullest extent permitted by law, neither the Arranger, Dealer, nor the other professional advisers accept any responsibility for the contents of this Programme Memorandum or for any other statement, made or purported to be made by the Arranger or on its behalf in connection with the Issuer or the issue and offering of the Notes. The Arranger and other professional advisers accordingly disclaim all and any liability whether arising in tort or contract or otherwise (save to the extent precluded by law) which they might otherwise have in respect of this Programme Memorandum or any such statement.

No representation, warranty or undertaking, express or implied is made and no responsibility is accepted by the Arranger, the Dealer, or other professional advisers as to the accuracy or completeness of the information contained in this Programme Memorandum or any other information provided by the Issuer. The Arranger, the Dealer and other professional advisers do not accept any liability in relation to the information contained in this Programme Memorandum or any other information provided by the Issuer in connection with the Programme.

Each person contemplating purchasing any Commercial Paper should make its own independent investigation of the financial condition and affairs, and its own appraisal of the credit worthiness, of the Issuer. Neither this Programme Memorandum nor any other information supplied in connection with the CP Programme constitutes an offer or invitation by or on behalf of the Issuer to any person to subscribe for or to purchase any Notes.

IMPORTANT NOTICES

The delivery of this Programme Memorandum does not at any time imply that the information contained herein concerning the Issuer is correct at any time subsequent to the date hereof. Investors should review, among other things, the most recent audited annual financial statements of the Issuer prior to taking any investment decision.

Notes issued under the Programme shall be restricted to Qualified Institutional Investors who meet the qualification criteria prescribed by FMDQ Exchange from time to time.

SPECIFICALLY, FMDQ SECURITIES EXCHANGE LIMITED TAKES NO RESPONSIBILITY FOR THE CONTENTS OF THIS PROGRAMME MEMORANDUM, NOR ANY OTHER INFORMATION SUPPLIED IN CONNECTION WITH THIS CP PROGRAMME, MAKES NO REPRESENTATION AS TO ITS ACCURACY OR COMPLETENESS AND EXPRESSLY DISCLAIMS ANY LIABILITY WHATSOEVER FOR ANY LOSS HOWSOEVER ARISING FROM OR IN RELIANCE UPON THE WHOLE OR ANY PART OF THE CONTENTS OF THIS PROGRAMME MEMORANDUM.

INCORPORATION OF DOCUMENTS BY REFERENCE

This Programme Memorandum should be read and construed in conjunction with:

1. Each Applicable Pricing Supplement relating to any Series or Tranche issued under the Programme;
2. The audited annual financial statements of the Issuer for the financial years prior to each issue of Notes under this Programme ; and
3. Any supplements and/or amendments to this Programme Memorandum circulated by the Issuer from time to time in accordance with the Programme Memorandum,

which shall be deemed to be incorporated into, and to form part of, this Programme Memorandum and which shall be deemed to modify and supersede the contents of this Programme Memorandum as appropriate.

The Issuer may for so long as any Note remains outstanding, publish an amended and restated Programme Memorandum or a further supplement to the Programme Memorandum on the occasion of any subsequent issue of Notes, where there has been: -

- (a) a material change in the condition (financial or otherwise) of the Issuer which is not then reflected in the Programme Memorandum or any supplement to the Programme Memorandum; or
- (b) any modification of the terms of the Programme, which would then make the programme materially inaccurate or misleading.

Any such new Programme Memorandum or Programme Memorandum as supplemented and/or modified shall be deemed to have substituted the previous Programme Memorandum or to have modified the previous Programme Memorandum from the date of its issue.

The audited financial statements and documents incorporated by reference shall be available on the website of the Issuer, www.neveah.com.ng, unless such documents have been modified or superseded (and which documents may at the Issuer's option be provided electronically). Requests for such documents shall be directed to the Issuer or Arranger at their specified offices as set out in this Programme Memorandum.

SUMMARY OF THE PROGRAMME

This summary information should be read in conjunction with the full text of this Programme Memorandum, from where it is derived. The information below is a brief summary of the key features and summarized terms and conditions of the proposed CP Programme:

TERMS	DESCRIPTION
Issuer:	Neveah Limited.
Dealer:	United Capital Plc and any other additional Dealer appointed under the Programme from time to time, which appointment may be for a specific issue or on an on-going basis, subject to the Issuer's right to terminate the appointment of any Dealer.
Arranger:	United Capital Plc.
Issuing, Calculation and Paying Agent:	Coronation Merchant Bank Limited.
Auditors	Deloitte & Touche
Registrars/Custodian:	FMDQ Depository Limited
Solicitors:	Aluko & Oyeboode.
Trustees	United Capital Trustees Limited.
Programme:	The Commercial Paper Issuance Programme established by the Issuer which allows for the multiple issuance of Notes from time to time under a standardized documentation framework.
Programme Size:	₦20,000,000,000.00 (Twenty Billion Naira).
Issuance in Series:	The Notes will be issued in Series or Tranches, and each Series may comprise one or more Tranches issued on different dates. The Notes in each Series, each a Tranche, will have the same maturity date and identical terms (except that the Issue Dates and Issue Price may be different). Details applicable to each Series or Tranche will be specified in the Applicable Pricing Supplement.
Issue Price:	The price at which the relevant Series/Tranche of the Notes is issued, as specified in the Applicable Pricing Supplement.
Issue rate:	The Discount Rate at Issuance.
Issue Size:	As specified in the Applicable Pricing Supplement.
Use of Proceeds:	Unless otherwise stated in the Applicable Pricing Supplement, the net proceeds from each issue of the CPs will be applied by the Issuer for its general corporate purposes.
Interest Payments:	Notes shall be issued at a discount and in the form of Zero Coupon Notes. Thus, the Notes will not bear interest, other than in the case of late payment.
Source of Repayment:	The repayment of all obligations under the Programme will be funded from the cash flow of Neveah.
Default Rate:	Interest rate equivalent to the daily overnight NIBOR + 5% per annum or Issue Rate + 5% per annum (whichever is higher).
Currency of Issue:	Nigerian Naira.

SUMMARY OF THE PROGRAMME

TERMS	DESCRIPTION
Redemption:	As stated in the Applicable Pricing Supplement, subject to the CBN Guidelines.
Issuer Rating:	The Issuer has been assigned a ' Bbb+ ' rating from DataPro Limited. (Bbb+ rating is not a recommendation to buy, sell or hold securities and may be subject to suspension, change or withdrawal at any time by the assigning rating agency).
Tenor:	As specified in the Applicable Pricing Supplement, subject to a minimum tenor of 15 days and a maximum of 270 days, including roll-over from the date of issue. As a general principle, the maturity date of all outstanding Notes shall fall within the validity period of the Issuer/CP Programme rating filed with the FMDQ Exchange at the commencement of the registration of the CP Programme.
Status of Notes:	Each Note constitutes a senior unsecured obligation of the Issuer and save for certain debts mandatorily preferred by law, the Notes rank pari passu among themselves, and save for certain debts mandatorily preferred by law, with other present and future senior unsecured obligations of the Issuer outstanding from time to time.
Quotation:	The Notes shall be quoted on the FMDQ Securities Exchange Limited or other securities exchange authorised by the CBN and the Securities and Exchange Commission.
Secondary Market:	All secondary market trading of the Notes shall be done in accordance with the rules in relation to the quotation and trading of any Series or Tranche of Notes quoted on the CBN-authorised trading platform.
Taxation:	The Notes issued under the Programme will be Zero Coupon Notes and as such, will be offered and sold at a discount to Face Value. The Notes will thus not bear interest, and the Issuer will not be required to withhold or deduct tax from payments in respect of the Notes to the Noteholders. However, the discount on the Notes may be taxed in accordance with applicable Nigerian tax laws.
Governing Law:	The Notes issued under the Programme and all related contractual documentation will be governed by, and construed in accordance with Nigerian law.
Settlement Procedures:	Purchases will be settled via direct debit, electronic funds transfers, NIBBS Instant Payment (NIP), NIBBS Electronic Funds Transfer ("NEFT") or Real Time Gross Settlement ("RTGS").

DESCRIPTION OF NEVEAH LIMITED

OVERVIEW OF NEVEAH LIMITED

Neveah Limited or “Neveah” or “the Company” is a registered limited liability company incorporated in 2014 with RC Number 1206949 and registered with Nigerian Export Promotion Council (NEPC) with registration number 6677 to export commodities from Nigeria. The Company is a commodities trading company which deals in export of agricultural commodities and solid minerals to United States, Spain, Germany, Portugal, UAE, India and China.

Neveah Limited specializes in the exporting of solid minerals and agro-commodities. The Company strives to provide highly efficient, professional and reliable services to all clients/customers that it deals with, and it aims to uphold these high standards in all instances.

Neveah is a reputable organization that has established itself as a competent and efficient establishment with inherent core values which are vital elements in the exportation industry. With several years of experience and trained professionals at the helm of affairs, Neveah began operations as an agro-commodities exporting company.

Since incorporation, it has expanded into the mineral-based metals where it has successfully undertaken several projects in production and supply of metals such as Zinc ore, Lead ore, etc. Neveah's understanding of local content mixed with international experience has served as a powerful platform upon which the Company delivers its services to the industries in which it operates. Neveah has worked and partnered with a number of reputable mining companies.

The Company's proven Integrity and reliability has helped foster a good and solid working relationship with its clients because the Company believes that its clients are the backbone to its success and its continual success in business. Accordingly, a large number of local farmers have been empowered by Neveah's operations due to the volume of agro-commodities locally sourced within Nigeria.

Neveah Key Products	
Neveah main Mineral Products	Neveah main Agro-commodities for export
Tin Ore	Dried Hibiscus Flower
Columbite	Hibiscus Siftings
Lead Ore	Dried Split Ginger
Zinc Ore	Peanuts
Tantalite	Gum Arabic
Tungsten Ore	Orange Peels

NEVEAH LIMITED SHAREHOLDING STRUCTURE

S/N	DIRECTOR	DIRECTOR'S SHAREHOLDING	PERCENTAGE OF SHAREHOLDING
1	Lawal Ibidapo Idris	499,900,000	99.98%
2	Lawal Abidemi Idayat	100,000	0.02%

NEVEAH LIMITED MAIN EXPORT PRODUCTS

Agriculture.

1. **Dried Hibiscus Flower** – The Association of Hibiscus Flower Exporters of Nigeria (AHFEN) estimates the value of Nigeria's hibiscus industry to worth about \$100 million. In 2017, Nigeria exported 1,983 containers of hibiscus to Mexico alone, earning \$35 million in nine months. Dry Hibiscus Flower are from the Hibiscus plants. They are known for their large, colourful flowers. The flowers and leaves can be made into teas and liquid extracts that can help treat a variety of conditions. The flower is well known to relieve conditions that include stomach upset, high blood pressure, bacterial infection and fever. In 2019 and 2020, Neveah Exported up to 111,745kg and 130,406kg of Dried Hibiscus Flower respectively to Germany, United State, China, and Peru.
2. **Dried Split Ginger** – Nigeria averages a production volume of over 400,000 Metric tonnes of Ginger across the 36 states. In 2017, Neveah had a production volume of 96,000kg, and 72,000kg in 2016. Dried split ginger is the most exported type of ginger in Nigeria. They are usually dried to boost the shelf life so it can be exported to any country around the world on a long voyage and for further storage. The global ginger market is worth \$3 billion as Nigeria is the third largest exporter of the crop globally after China and India. In 2019 and 2020, Neveah Exported up to 406,382kg and 335,585kg of Dried Split Ginger respectively to Germany, China, Turkey, and Czech Republic.
3. **Orange Peels** – According to reports, the global orange extracts markets is estimated to worth US\$540 million in 2018. This is expected to reach around US\$824 million by 2026, growing at a CAGR of 5.4% between 2019 and 2026, range extract is prepared from orange peel oil along with a sufficient amount of alcohol. It acts as a flavouring agent and is obtained by processing orange peels. These extracts are widely used in food and beverages, cosmetics, and personal care industries. The global orange extract market is expected to show significant growth over the forecast time period, owing to the growing product applications in the food and beverage industry. Moreover, the increasing health-conscious population has led to a rise in the demand for natural fruit-flavoured drinks. However, the production of orange extracts is a labour-intensive process and also requires a substantial number of raw materials, which may limit the orange extract market globally. The dried lemon and orange peels are mainly used as infusions in the production of things like tea.

Metal Products

1. **Tantalite** - This mineral is the primary source of the chemical element tantalum. It is also chemically similar to columbite, and the two are often grouped together as a semi-singular mineral called columbite-tantalite. In 2020, Neveah exported up to 7,591kg of Tantalite to Switzerland.
2. **Columbite** - Columbite is a black material group that is an ore of niobium. Also called Niobite, Niobite-tantalite and columbate. Tantalite has much greater specific gravity than columbite with more than 8.0 compared to columbite's 5.2. In 2019 and 2020, Neveah exported up to 193,033kg and 219,557kg of Columbite respectively to Switzerland.

Other Export Products

1. **Tin Ore** - The global market for Tin ore is projected to grow by US\$2.1 billion and estimated to grow at a CAGR of 3.4%. Tin Ore has since been discovered in Nigeria in 1884. Nigeria was previously well known for the mining of Tin Ore and was the second Tin producing country in the world behind Russia. As at 2019, Nigeria currently ranks 13th globally and in Africa with an estimate of 570 metric tons after DR Congo and Rwanda respectively. Tin Ore is used to prevent rusting or corrosion. It is also used to form many useful alloys such as soft solder, pewter, bronze and phosphor bronze.

DESCRIPTION OF NEVEAH LIMITED

2. **Lead Ore** - The market for Lead Ore is expected to reach a value of nearly \$9.22 billion by 2022 while growing at a CAGR of 1.7%. This growth is due to increase in automotive, construction projects in rapidly developing countries such as India and China owing to rise in population and infrastructure. The market for Lead Ore consists of sales of Lead Ores and concentrates by entities. The industry includes establishment and developing of mine sites, mining and preparing lead ores including smithsonite mining, willemite mining, calamine mining, etc.
3. **Zinc Ore** - Nigeria is estimated to have over 80,000 tonnes of Zinc Ore deposits across states in Kano, Niger, Zamfara, Enugu, Cross River etc. The zinc market consists of sales of zinc ores and concentrates by organisations, traders and partnership that mine zinc ore. The industry includes establishments carrying out activities such as developing mines and preparing zinc ores. The zinc mining market is projected to reach a value of \$9.67 billion by 2022 at a CAGR of 0.7%.
4. **Tungsten Ore** - Tungsten is said to be one of the rare metals in nature. It occurs in nature only in association with many (more than 20) minerals but occur in scheelite and wolframite in high deposits. The mineral material has the lowest vapour pressure, highest melting point and tensile strength when compared with metals in pure form. Tungsten Ore has various uses which include manufacturing of cemented carbides, used in jewellery making, arcwelding electrodes and heating elements in high temperature furnaces. The metal is also useful in metal working, mining and petroleum industries.

BOARD OF DIRECTORS PROFILE

Chairman – Mr Oluwabiyi Ajibade Emmanuel

Mr Oluwabiyi is an entrepreneur and he holds a Bachelor's Degree in Electrical and Electronic Engineering from the University of Lagos, Akoka as well as a Masters in Business Administration – Finance and Strategy from IE Business School, Madrid.

Mr Oluwabiyi previously worked at Telnet Enterprise Systems as an Engineer, and also at Oando Plc as a Network Engineer where he managed the IT and Operational infrastructure for both the downstream and upstream assets (Terminals, Oil rigs and fields). He went on to work at RenewEn Inc., Delaware, USA – a startup company founded by Mr Oluwabiyi and his colleagues at IE Business School.

He worked at Ghana Commodities Ltd, Accra, Ghana and Assar International, Singapore in 2010. Mr Oluwabiyi is the current Chairman of Neveah Limited, a position which he occupied since 2021.

He is also the CEO of BPL Nigeria Ltd – a metal recycling and commodity trading company that exports Lead Plates made from scrap batteries to companies in Europe. With over 15 years' experience in the commodities trading industry, he led the company from a startup capital of ₦1.5 Million to one with an asset base of ₦1.7 Billion.

He has been able to put BPL Nigeria Ltd on the "map" as a leading export company on the Top 100 exporters in Nigeria list published by the Central Bank of Nigeria and has a transformational plan of growing the company into one with an annual turnover of over ₦10 Billion.

Chief Executive Officer - Mr. Ibidapo Lawal

Mr. Ibidapo holds a Bachelor's Degree in Economics from Lead City University, Ibadan and also a Master's in Business Administration at Drexel University, Pennsylvania. Mr. Ibidapo has over 13 years' experience in commodities export business.

He previously founded Activo Global Investment Limited, a start-up company with 10 employees providing consulting, training, contract facilitation and execution of commodities export. While at

DESCRIPTION OF NEVEAH LIMITED

the company, Mr. Ibidapo successfully designed the company's marketing strategy and improved the firm's revenue from \$50,000.00 (Fifty Thousand United States Dollars) to \$3,000,000.00 (Three Million United States Dollars). He also negotiated new contract for the firm's export business with clients in Europe increasing the firm's market share of the charcoal export business in Nigeria.

In 2015, Mr. Ibidapo founded Neveah Limited and he currently sits as the Chief Executive Officer of the firm. Generally, he has been involved in product development, new market development and structuring the firm for optimal efficiency. He leads the team to negotiate all export contracts for solid minerals and Agro commodities. Under his management, Neveah has been able to develop and grow the company's export business from the scratch by over 1000% in 6 years. Under his management and with the help of the team, Neveah Limited has increased the number of commodities exported by sevenfold and has also expanded the firm's sales geographically from initially the United States to Germany, China, Portugal, Hong Kong, etc.

Director - Mrs. Abidemi Lawal

Mrs. Lawal holds a Bachelor's Degree in Guidance and Counselling from the University of Ibadan, Oyo State. She currently sits as a Non-executive director of the firm of Neveah Limited, a position which she has held since inception. She worked in the civil service for 35 years and retired as a Director with the Oyo State government.

Key experience includes training of Teachers within the local government while also supervising alongside with TESCOM team members to ensure compliance to codes and standards of the government. Mrs. Lawal is also an astute businesswoman with several years of experience importing products for sale.

Director – Dr. Akindoyin Akinbiyi Olaposi

Dr Akinbiyi is an experienced Cloud Architect and Data Engineer with over 11 years of experience working in Telecommunications, Academia, Consulting and Financial services. He holds a Bachelor's Degree in Computer Engineering from Obafemi Awolowo University where he finished as the Best Graduating Student with First Class Honours. He also holds a Master's in Broadband Wireless and Optical Communications, University of Leeds (Distinction 86%), and a Ph.D. in Electrical and Electronic Engineering from the prestigious Imperial College London, UK.

He has vast experience from working with different companies like J.P. Morgan Chase, Price Waterhouse Coopers LLP UK, Joseph Hage Aaronson LLP, London, Kainos Software Ltd, London. He has been involved in various Greenfield Cloud Migration Projects and holds various certifications including CKA and CKAD. He is also a member of the CNCF Multi-tenancy Working Group of the upstream Kubernetes SIGs community helping development and standardization of multi-tenancy architectures within Kubernetes. In 2017, he was endorsed by the UK government as an exceptional talent in Digital Technology.

Dr Akinbiyi assumed the position of an Executive Director at Neveah Limited in 2021. He is also a Senior Cloud Architect at HSBC Digital Solutions providing architectural solutions and internal consultancy for project delivery.

Director – Mr. Stephen Okechukwuyem Ojji

Mr. Stephen is an astute business coach with passion for technology and business. He holds a Bachelor's Degree in Physics from Delta State University, Nigeria and a Master's in Safety, Reliability and Risk Management Engineering from the University of Aberdeen, UK. He also holds a certificate in Entrepreneurial Management and a Master's Degree in Business Administration - General Management from the Lagos Business School, Pan Atlantic University, Nigeria. He assumed the position of a Director at Neveah Limited in 2021.

Mr. Stephen has 17 years' experience across various fields. He worked at Oando Plc, Lagos, Nigeria as Senior Safety and Risk Advisor, and also at TSL Support Limited as Head of Commercial Operations and Business Development. He is the Founder and CEO of Brissmass Limited – a

DESCRIPTION OF NEVEAH LIMITED

development, consultancy and training company for MSMEs, and also Kotivu.NG – an eLearning and content development platform. He is also the President and Founder, NoCopyCopy, Lagos, Nigeria.

EXECUTIVE MANAGEMENT PROFILE

Sandra Nwalatu- Head of Admin and Human Resources

Mrs. Sandra is a highly effective Human Resource and Administrative Professional with over 8 years working experience centered on establishing productive business relationships and resolving critical human capital business issues. She holds a bachelor's degree in economics from the University of Jos and is currently enrolled in a master's degree Programme.

Her professional experience spans across Project Management, Human Resource Management, Consulting, Business Operations and Real Estate. She is a Member of the Nigerian Institute of Management (NIM) and Chartered Institute of Personnel Management (CIPM). She has delivered outstanding results in fast paced multicultural environments by combining administrative and leadership skills. Her key areas of competence include Recruitment, people management, Expatriate Management, performance and talent management, Employee relations, Labor laws, policy, and benefits administration. Prior to joining Neveah, Mrs. Sandra worked with Novare Real Estate Africa in various capacities where she spearheaded comprehensive HR functions and Organizational processes including been the Coordinator of the Shared Office, Novare Central Office Park.

Stephen Ude Njoku – Internal Auditor

Mr. Stephen is a Certified Fraud Examiner with over 10years' experience in Audit and Compliance. He holds a Bachelor's Degree in Accounting from the University of Nigeria, Nsukka and also a Masters of Business Administration, Finance & Investments from Ahmadu Bello University, Zaria. He is a member of the Institute of Chartered Accountants of Nigeria (ICAN) and also the Association of Certified Fraud Examiners (ACFE). His experience spans across Technology, Health and the Banking Industry.

Prior to joining Neveah, Mr. Stephen gained vast knowledge from working with different companies like Envio Logistics Limited, Achieving Health Nigeria Initiative (AHNI), INLAKS Limited, FORTIS Microfinance Bank, all of which he served in the audit and compliance capacity, developing and managing internal control systems, conducting risk assessment, fraud investigation, and performance management. He is proficient in the use of Quickbooks, SAP Business One, Oracle ERP (Financial), Orbit, SAGE, Power BI, Audit Command Language, ERP-Next and Microsoft Suite.

At Neveah, Mr. Stephen provides timely and accurate reporting on control gaps, investigate discrepancies discovered during audit, reconcile payments with procurement, and advise management on decisions for performance improvement, risk minimization, and new opportunities within the company and from the external environment.

Faith Ololo – Head of Accounts

Ms. Faith is an Associate Chartered Accountant and holds a bachelor's degree in Accounting from the University of Benin, Edo State. Her previous experience as an Audit Associate has given her requisite knowledge that spans across audit, risk management, financial reporting, financial modelling and tax planning and computation. He is a member of the Institute of Chartered Accountants of Nigeria (ICAN). Prior to working with Neveah Limited, Ms. Faith worked at SIAO Partners with payroll preparation, valuation of business, internal audit, and review.

DESCRIPTION OF NEVEAH LIMITED

Awolola Anuoluwapo Yemisi – Financial Accountant

Mr. Anuoluwapo holds a bachelor's degree in Finance from the University of Ilorin. He is a dedicated Finance and Accounting professional with experience on Public Sector Accounting and Corporate Finance. His experience at the Independent National Electoral Commission (INEC) where he served in the budget office of the commission during the 2019 General Elections contributed to his experience on financial regulations in public sector accounting. Before joining Neveah Limited, He worked as the company Accountant of Geocardinal Engineering Services, a Mining consulting firm, helping to automate the accounting procedures of the firm, developed, and implemented corrective actions to bring business areas in line with standards. He is a member of the Institute of Chartered Accountants of Nigeria (ICAN) and a member of the Chartered Institute of Bankers of Nigeria (CIBN).

Emmanuel Okeleye - Procurement Manager - Minerals

Mr Emmanuel is a Mining Engineer with over 5years working experience in the Mineral and metal industry. He holds a Bachelor and master's degree in mining engineering from the federal university of technology, Akure, Nigeria where he both graduated top of his class.

Prior to joining Neveah Limited, he has worked as a mining engineer in rock and Aggregate quarries where he had a vast experience in the supervision and coordination of Mine developmental and production activities. His experience cut across Production planning and scheduling, Mine surveying, Rock mechanics, Drilling and Blasting, Mine management and economics. He has also worked as a Research assistant at the federal university of technology, Akure where his responsibility includes teaching and supervision of undergraduate and graduate research and thesis. He has over six research papers published in reputable peer reviewed international journals.

He is a member of Nigerian mining and geosciences society (NMGS), Nigerian society of Mining Engineers (NSME) and Council of Nigerian Mining Engineers and Geosciences (COMEG)

Umar Danjuma – Procurement Manager - Agro Commodities

Mr. Danjuma is a trained chemist with over 5 years' experience in the exports industry. Holds a Bachelor's Degree in Industrial Chemistry. His experience spans across Pharmaceuticals and Academia.

Prior to joining Neveah, he worked as an I.T QA/QC Officer at Peace Pharmaceuticals, and Biomedical Limited. He also worked as a Chemist at Tiamin Rice Mill in Kano where he analyzed, weighted and measured collected samples, and performed chemical and physical laboratory field tests on collected samples.

His key roles at Neveah include analyzing samples to ensure compliance with set standards, conducting routine and non-routine evaluation of export products, calibrating laboratory analysis instrument for accurate analysis, advising on minimum quality requirements for exports. His expertise has helped Neveah in shaping the procurement department and achieving the company's goal of delivering quality products to off takers.

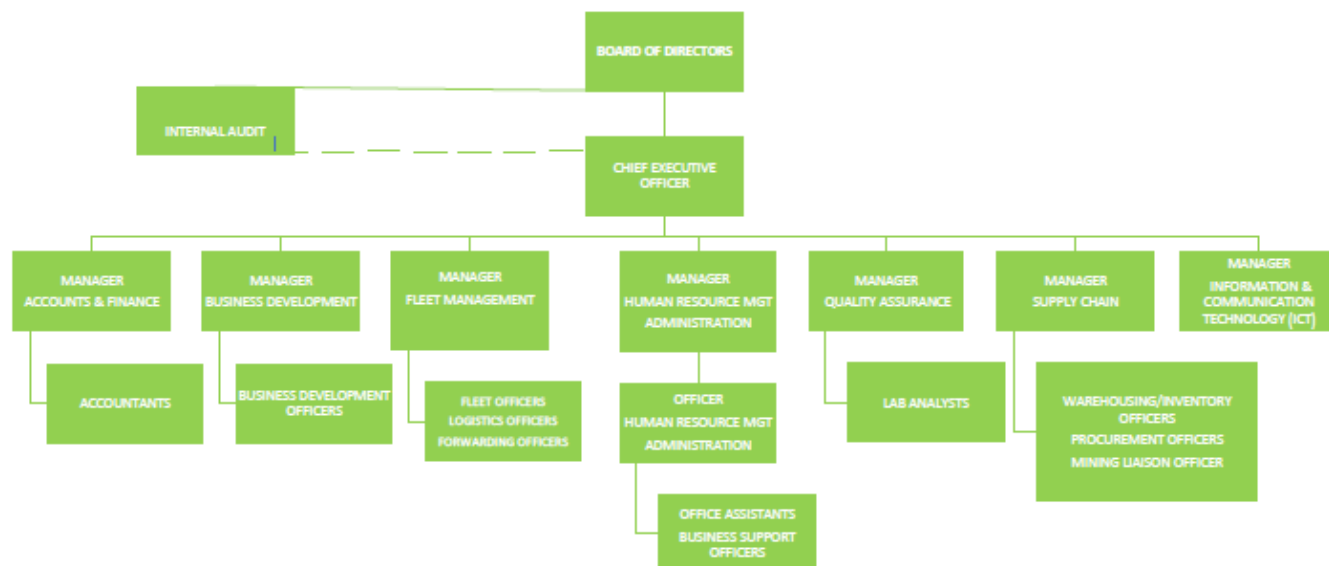
Edima Ekpe – Business Development Manager

Ms. Edima holds a bachelor's degree in Genetics & Biotechnology from the University of Calabar, and an MBA from Ahmadu Bello University, Zaria, Nigeria. She has up to 10 years' experience in Administration & Business Development that spans across Health & Safety, Oil and gas & the Real estate and construction industry. Prior to her current position at Neveah Limited, Ms. Edima

DESCRIPTION OF NEVEAH LIMITED

previously worked with Sahara Group Limited in different capacities starting as an Administrative and customer relationship personnel, Location brand ambassador, Facility operations supervisor & Business development supervisor for Abuja properties.

COMPANY ORGANOGRAM



STRATEGIC PLAN

The Company strategic plan for growth and expansion within the next three (3) to five (5) years are listed below:

Market Expansion: Within the next 3 (three) to 5 (five) years, with the growing demand for agro-commodities and solid-minerals, Neveah seeks to expand its sales into new geographical locations in Europe, North and South America, and Asia. Source: Neveah Limited This expansion into new markets is hinged on Neveah's strategic goal of strengthening the company's economics of scale and reducing concentration risk to a particular export destination.

Product Expansion: Within the next 5 (five) years, Neveah also aims to expand into additional mineral products and agro-commodities such as Manganese Ore, Ilmenite, Fluorite, Raw Cashew nuts and Sesame seeds. Expanding into additional products have the capacity to strengthen Neveah's competitive position, strengthen its business relationship with off-takers, build a chain of suppliers.

Eliminating Chain of distributions: To further maximize profit and expand its gross profit margins, Neveah seeks to expand its current business model into exporting directly to end users of the agricultural commodities and solid minerals. With increased export volume and diverse products, skipping the middle-men in the export of these commodities reduces the amount of logistics and transportation required for delivery.

INDUSTRY OVERVIEW

BACKGROUND

Nigeria is endowed with vast reserves of solid minerals, including, but not limited to, precious and base minerals, industrial minerals, energy minerals and metals. The country was a major exporter of tin, columbite and coal in the 1960s to early 1970s. However, activities in this sector began to nose-dive considerably by the mid-1970s due to a number of political and economic factors, especially the significant focus on crude oil production as a major source of foreign exchange for the country.

Mineral resources are useful earth materials of sufficient quantity and adequate quality to be extracted for human economic benefit. Since time immemorial, minerals have been exploited and used as raw materials for industrial production and to generate revenue for the national economy, through export to other countries. Non-metallic (industrial) minerals and rocks such as barite, halite (salt), gemstones, limestone, marble and granite also occur abundantly in many parts of the country and are being harnessed as raw materials for industrial and infrastructural development, and for import substitution.

Metallic ores of lead-zinc, gold, tin and manganese have been found in substantial quantities in some parts of the country. The mining sector is a critical backbone of the industrialised value chain, being an essential source of input materials for significant sectors, such as construction, electronics, shipbuilding, etc. Like oil and gas, Nigeria is well endowed with metallic minerals, but it has not exploited its potential for industrial development due to poor infrastructure for extracting, processing and transporting exploited minerals.

MACROECONOMIC OVERVIEW/ OPERATING LANDSCAPE

The global economy continues to face geopolitical and economic challenges, still weakened by the lingering effects of the Covid-19 pandemic coupled with the unabating conflict in Eastern Europe, whose knock-on effects have dampened the Global economic outlook. The IMF's most recent global outlook report forecasts global growth to slow from 6.0% in 2021 to 3.2% in 2022 and 2.7% in 2023. While in Nigeria, the IMF forecasts economic growth to slow from 3.6% in 2021 to 3.2% in 2022 and 3.0% in 2023. This has continued to dampen business confidence and investments and weakened medium-term economic prospects. The spillover effects have also resulted in continued inflationary pressures, prompting central banks to maintain quantitative tightening. These hawkish monetary policies globally have led emerging market central banks to continue hiking rates to reduce capital flight amidst debt sustainability concerns.

The IMF estimated that global inflation will rise from 4.7% in 2021 to 8.8% in 2022 but decline to 6.5% in 2023 and 4.1% by 2024. In Nigeria, the Consumer Price Index (CPI) rose to 20.77% y/y in Sep-2022, its highest since the basket revision in 2009, underpinned by higher food prices, increasing energy costs and spillover effects on other prices like transport costs and utilities. The Central Bank of Nigeria (CBN) decided to continue combatting inflation. In the most recent Monetary Policy Committee (MPC) meeting, the committee unanimously voted to increase the Monetary Policy Rate (MPR) to 15.5% (+150bps), bringing the cumulative hikes in 2022 to 400bps, also as a strategy in line with global economic direction amid dominant hawkish tone across other Central Banks. The inflationary environment continues to increase the cost of businesses; however, industries that have exposures to commodities are better hedged and expected to be best positioned for better year-on-year growth.

Source: NBS, United Capital PLC Research

On the exchange rate, The Nigerian economy is facing severe shortages following falling FPI inflows. Rising demand via speculative bids has put pressure on the naira. The CBN has limited its activities in the I&E window as it has been unable to intervene due to weaker external reserves. FX reserves have declined approximately 7.5% YTD (from -3.0% in Q2-2022). From starting the year at N565/\$, a dollar now costs N860/\$- N870.0/\$ at the parallel market.

Source: Bloomberg, United Capital PLC Research

For financial markets, despite companies having solid y/y growth, asset switching to the fixed and money markets has dampened the performance of the NGX thus far in 2022. Investors remain standoffish about Nigerian equities as the yield environment remains elevated. For context, at the last Primary Market Auction (PMA) for October, the 365-day NT bill stop rate climbed to 14.5%.

Source: Bloomberg, United Capital PLC Research

INDUSTRY OVERVIEW: MINING SECTOR

The establishment of the Mineral Survey of the Northern protectorates in 1903 by the British colonial government is a starting point in Nigeria's organised mining history. Following this development, the Mineral Survey of the Southern Protectorates was founded one year after. The next four decades ushered in several British and German foreign mining companies, such as Nigeria's amalgamated Tin Mining company, Exlands, Gold and Base Metals, etc. These companies introduced mechanised mining, which led to higher productivity of the mines and, consequently, land devastation as no law was put in place by the colonial government to guide mineral extraction. By the 1940s, Nigeria was a primary tin, columbite, and coal producer. The increased world demand for petroleum products, coupled with the collapse of the international market for mineral commodities and the indigenisation decree of the early 1970s, compounded the ability of Nigeria to sustain the momentum of mineral development Nigeria which resulted in activities in the sector nose-diving considerably.

Mineral resources are valuable earth materials of sufficient quantity and adequate quality to be extracted for human economic benefit. Since time immemorial, minerals have been exploited and used as raw materials for industrial production and to generate revenue for the national economy through export to other countries. Non-metallic (industrial) minerals and rocks such as barite, halite (salt), gemstones, limestone, marble and granite also occur abundantly in many parts of the country. They are being harnessed as raw materials for industrial and infrastructural development and import substitution.

Metallic ores of lead-zinc, gold, tin and manganese have been found in substantial quantities in some parts of the country. The mining sector is a critical backbone of the industrialised value chain, an essential source of input materials for significant sectors such as construction, electronics, shipbuilding, etc. Like oil and gas, Nigeria is well endowed with metallic minerals. Still, it has yet to exploit its potential for industrial development due to poor infrastructure for extracting, processing and transporting minerals.

The Federal Government (FG) has recently made strides, iterating recommitment to revitalising the mineral mining sector. The approval of the Medium-Term Expenditure Framework and the Fiscal Strategy Paper places emphasis on the importance of solid minerals in catalysing the economic growth strategy in the country. The FG prioritised the Sector in the Economic Sustainability Plan (ESP), which was developed in response to the impacts of the Pandemic on the economy. Specifically, the FG allocated N6 bn in the ESP to support artisanal and small-scale miners to further enhance job and value creation.

In addition, the Central Bank of Nigeria (CBN) also introduced a targeted credit facility of N50.0bn to support households and micro, small and medium enterprises (MSMEs) affected by COVID-19, to enable MSMEs to expand their productive capacity through equipment upgrades, research and development. Also, under the Export Facilitation Initiative (EFI), the apex bank funded several commodity projects in the non-oil export segment for value-addition and production to the tune of N3.2bn, aside from the N50.0bn disbursed through the Nigerian Export-Import Bank (NEXIM).

CONTRIBUTION OF THE NIGERIA MINING AND QUARRY SECTOR TO ECONOMY

According to the National Bureau of Statistics, the Mining and Quarrying sector consists of generally of four sectors: Crude Petroleum and Natural Gas, Coal Mining, Metal ore and Quarrying, and other Minerals activities. In real terms, the Mining and Quarrying sector moderated by –11.1% y/y in Q2-2022. When compared to Q2-2021 and Q1-2022, it was higher by 1.2ppts and higher by 14.2ppts, respectively. Quarter-on-quarter, the growth rate declined by 2.8%.

Source: NBS, United Capital PLC Research

The contribution of Mining and Quarrying to Real GDP in the quarter under review stood at 6.5%, lower than the rate of 7.9% recorded in the corresponding Q2-2021 and lower than the 6.7% recorded in Q1-2022. It is important to note that the Crude Petroleum and Natural Gas sector's contribution to GDP was 6.3% out of the 6.5% recorded in the broader sector. The sector's performance can be compared to contributions in other Sub-Saharan African countries to their GDP as follows: Ghana (10.9%), Kenya (1.2%), Angola (2.2%), and South Africa (5.4%). There has been some progress in Nigeria's solid mineral sector in the past few years due to the implementation of new policies, but the growth attained is still less significant.

Source: NBS, NSI, BOG, United Capital PLC Research

Considering the sub-sector in real terms, the Crude Petroleum and Natural Gas sub-sector continued its downward trajectory contracting 11.8% y/y in Q2-2022 as against a 12.7% y/y contraction in Q2-2021. In the year, the sub-sector remains in decline as it recorded a 5.0% q/q decline. The Coal Mining sub-sector recorded impressive growth, +36.1% y/y in Q2-2022 and a 198.5% q/q growth. The Metal Ores experienced a reversal in its growth trajectory, declining by 25.5% y/y in Q2-2022 and contracting by 74.1% q/q in the period under review. The Quarrying and Other Sub sector saw exponential growth expanding by 22.2% y/y in Q2-2022 from a 5.8% y/y growth recorded in Q2-2021.

Source: NBS, United Capital PLC Research

FOREIGN TRADE OF MINERAL COMMODITIES IN NIGERIA

Over 44 different types of minerals have been identified across over 500 locations around the country, including gold, barite, bentonite, limestone, coal, bitumen, iron ore, tantalite/columbite, lead/zinc, barites, gemstones, granite, marble, gypsum, talc, iron ore, lead, lithium, and silver. However, in 2015, the Federal Government, through the Ministry of Mines and Steel Development, identified 'Seven Strategic Minerals' which comprised coal, bitumen, limestone, iron ore, barites, gold and lead and zinc for priority development in a bid to revive the mining sector, unlock its potential and diversify the economy away from crude oil. Despite the vast abundance of mineral resources, the nation cannot meet its internal mineral demand as perennial challenges remain in the sector. Data from the National Bureau of Statistics (NBS) revealed that the trade deficit for solid minerals rose by 16.4% y/y to N17.7bn in Q2-2022. However, the deficit narrowed by 17.4% q/q from the N21.4bn recorded in Q1-2022. The value of total trade in solid minerals goods in Q2-2022 stood at N59.64bn representing 0.5% of total trade in Q2-2022, of which Solid minerals exports stood at N21.0bn, showing an increase of 6.6% and 41.1% when compared to the value recorded in Q1-2022 (N19.7bn) and the corresponding quarter of 2021 (N14.9bn). The major exported solid mineral goods were 'Others excluding white cement' to Niger, valued at N5.3bn, followed by 'Tin ores and concentrates' worth N2.0bn to China. On the other hand, Solid Mineral imports were dominated by 'Gypsum; anhydrite' imported from Spain worth N7.1bn and Turkey valued at N1.9bn. Other products imported under this category were 'Plasters of calcined gypsum or calcium sulphate whether or not coloured' from Turkey (N4.9bn) and Tunisia (N1.0bn), as well as 'Other salt not specified' (N4.2bn) from Brazil.

Source: NBS, United Capital PLC Research

In addition, in 2022 thus far, Value Added Taxes (VAT) from the mining and quarrying sector had declined significantly from N40.8bn recorded in Q1-2022 to N38.1bn in Q2-2022, accounting for 6.3% of total VAT revenues in Q2-2022.

INDUSTRY OVERVIEW: AGRICULTURAL SECTOR

In Q2-22, the Nigerian Agricultural sector contributed 23.2% to the country's GDP, with over 70.0% of Nigerians engaging in the industry, mainly at a subsistence level. Despite the sector's contribution to the economy, we note a myriad of challenges facing the sector, which impacts its productivity, including the poor land tenure system, low level of irrigation farming, climate change, land degradation, inadequate technology, high production cost, and poor distribution of inputs, limited financing, high post-harvest losses and poor access to markets. The Government has implemented several initiatives and programmes to address the situation, including the Agriculture Promotion Policy (APP), Nigeria-Africa Trade and Investment Promotion Programme,

Presidential Economic Diversification Initiative, Economic and Export Promotion Incentives and the Zero Reject Initiative, Reducing Emission from Deforestation and Forest Degradation (REDD+); Nigeria Erosion and Watershed Management Project (NEWMAP); Action Against Desertification (AAD) Programme, among others.

Nigeria has 70.8 mn hectares of agricultural land, with maize, cassava, guinea corn, yam beans, millet and rice being the major crops. Nigeria's wide range of climate variations allows it to produce various food and cash crops. The staple food crops include cassava, yams, corn, coco-yams, cowpeas, beans, sweet potatoes, millet, plantains, bananas, rice, sorghum, and various fruits and vegetables. The Nigerian Agricultural sector is subdivided into four (4) subsectors, Crop Production, Livestock, Forestry, and Fishing. The Crop Production sub-sector contributed c.90.0% of the entire sector's output in FY-2021.

Food inflation expanded 3.77ppt to print at 23.34% y/y in Sept-22, from 19.57% y/y in Aug-22. On a m/m basis, the food sub-index moderated by 55bps to 1.43% in Sept-22. Notably, m/m food inflation dipped significantly, likely due to an improved food supply caused by early harvests of the crops, which was supported by early rains. That said, legacy inhibitions to the food supply, such as unabating insecurity challenges in food-producing states, increase in the cost of farm inputs (seeds and machinery) & associated logistics costs, and the cost of fertilisers remain pain points for food production and supply. As we advance into the rest of the year, we maintain our expectation of continued pressure on the general prices of goods and services within the Nigerian economy. We expect extended pressure on the food inflation component, owing to a myriad of factors with a perceived direct relationship to the food production output of the Agricultural sector. First, the recent flooding disaster across the middle belt and several other food-producing states in Nigeria, attributable to the release of excess water from the Lagdo Dam in Cameroon, which cascaded into Nigeria through the River Benue and its tributaries, will stand as a significant impediment to harvesting activities expected during the harvest season. We expect crops that should have been otherwise harvested to be damaged by the flood, resulting in a potential shortage in post-harvest food supply vs the increasing demand for food in the country.

Also, without a doubt, legacy insecurity issues and tribal conflicts in the North-Western and North-Central states of the country will remain key pressure points on aggregate food supply. In addition, elevated farm input cost (seeds, fertilisers, machinery etc.) remains a significant bottleneck resulting from the Russia-Ukraine crisis on the fertiliser supply chain. On the other hand, we expect food demand to sustain upward momentum with the likelihood of peak demand as we approach the December festivities. Lastly, data from the Foreign Trade report revealed that in the last four years to 2021, the total value of imported food & live animals grew by a CAGR of 27.0%. Further indicating persistent FX shortages and global food supply chain pressures will continue to support elevated imported inflation.

The continued challenges have resulted in a decline in foreign investors in the sector. Capital Importation in the Agricultural Sector has declined 37.9% y/y to \$59.2mn in H1-2022.

Source: NBS, United Capital PLC Research

CONTRIBUTION OF THE NIGERIAN AGRICULTURAL SECTOR TO ECONOMY

According to the National Bureau of Statistics, the agricultural sector comprises four sectors: crop production, livestock, forestry, and fishing. The agricultural sector in the second quarter of 2022 grew by 1.2% y/y in real terms, a decrease of 0.10% points from the corresponding period of 2021 and a decrease of 2.0% points from the preceding quarter, which recorded a growth rate of 3.2%. It grew on a quarter-on-quarter basis at 3.6%. Although moderate, the growth in the sector reflects the positive impact of sustained CBN intervention in the sector (cumulative disbursements in Q2-2022 amounted to N744.3bn for 678 agro-projects) and increased commercial private sector presence. In addition, under the Real Sector Facility, the apex Bank released the sum of N67.0bn to 12 additional projects in manufacturing and agriculture. Cumulative disbursements under the Real Sector Support Facility (RSSF) currently stood at N2.1tn disbursed to 426 projects and

increased commercial private sector presence. However, insecurity challenges continue to hamper output and discourage farming activities in the sector.

Source: NBS, United Capital PLC Research

However, the sector contributed 23.2% to overall GDP in real terms in Q2-2022, lower than the contribution in the second quarter of 2021 and higher than the first quarter of 2022, which stood at 23.8% and 22.4%, respectively. The sector's performance can be compared to contributions in other Sub-Saharan African countries to their GDP as follows: Ghana (22.9%), Kenya (19.4%), Angola (5.8%), and South Africa (3.2%)

Source: NBS, NSI, BOG, United Capital PLC Research

Crop Production has remained the primary driver of the sector, having an average 1.4% y/y growth for the past three years in the second quarter. The Crop production sub-sector continued supporting development in the Agricultural Sector, accounting for 92.0% of the overall nominal growth of the sector in Q2-2022.

Source: NBS, United Capital PLC Research

Foreign Trade of Agricultural Commodities in Nigeria

The total trade value in agricultural goods in Q2-2022 stood at N606.2bn, of which exports were valued at N141.8bn in Q2-2022. Exports in agricultural goods fell by 29.7% and 14.3% compared to the values in Q1-2022 (N201.6bn) and Q2-2021 (N165.5bn), respectively. During this quarter, most agricultural products were exported to Asia, valued at N98.6bn, followed by Europe with N33.92bn. Agricultural product exports were dominated by 'Cashew nuts In shell' valued at N41.27bn, followed by 'Sesamum seeds, whether or not broken' at N25.04bn and 'Superior quality Cocoa beans' with N22.52bn. By direction of trade, 'Cashew nuts In shell' worth N22.21bn and N18.50bn were exported to Vietnam and India, respectively. Furthermore, 'Sesamum seeds' worth N9.53bn and N6.97bn were exported to Japan and China, respectively, followed by exports of 'Superior quality raw cocoa beans' worth N8.30bn and N6.91bn were exported to The Netherlands and Indonesia respectively.

On the other hand, total agricultural goods imported in Q2-2022 stood at N464.45bn or 8.55% of total imports in Q2-2022. This shows an increase of 4.76% compared to the value recorded in Q1-2022 (N443.36bn) and rose by 13.70% compared to the value recorded in Q2-2021 (N408.49bn). The primary agriculture goods imported in Q2-2022 included 'Durum wheat (not in seeds)' from the United States of America with N70.67bn and Lithuania with N60.87bn. This was followed by 'Blue whittings (Micromesistius poutassou, Micromesistius australis) meat, frozen.' from Russia valued at N13.39bn and from The Netherlands with N7.31bn and 'Crude palm oil)' worth N14.64bn was imported from Cote d'Ivoire.

Source: NBS, United Capital PLC Research

Perennial challenges have stifled agricultural productivity affecting the sector's contribution to the country's GDP and increased food imports due to population rise hence declining levels of food sufficiency. For instance, between 2018 and Q2-2022, Nigeria's cumulative agricultural imports stood at N5.8tn, over five times higher than the agricultural export of N1.7tn within the same period. Data from the National Bureau of Statistics (NBS) revealed that the trade deficit for agricultural produce rose by 32.8% y/y to N322.7bn in Q2-2022. The deficit widened by 33.5% q/q from the N21.4bn recorded in Q1-2022.

Source: NBS, United Capital PLC Research

Source: NBS, United Capital PLC Research

Source: NBS, United Capital PLC Research

In addition, in 2022 thus far, the government has given the agricultural sector several tax breaks; however, Value Added Taxes (VAT) from the Agricultural Sector had risen significantly from N827.6mn recorded in Q1-2022 to N1.0bn in Q2-2022, accounting for less than 1.0% of total VAT revenues in Q2-2022.

CHALLENGES AND KEY SUCCESS FACTORS FOR THE MINING INDUSTRY IN NIGERIA

The relatively low production output of Nigeria's solid minerals constitutes a significant challenge to the national economy, mainly because this key sector offers great potential in the diversification of the Nigerian economy. The current situation was only sometimes the case. Before the 1960s, mining was a leading sector in the economy, contributing up to 50% of the GDP. But this high level of contribution declined precipitously, starting in the 1960s after the discovery of oil and gas, which diverted the interest of both government and investors from mining solid minerals.

Limited geoscience data and information

Most of the available geological/geoscience data are outdated. This affects the credibility of the resource information and has impacted the bankability of mining projects. In solving this, the Federal government, through the Nigerian Geological Survey Agency (NGSA), has conducted a high-resolution airborne geophysical survey of the country and is collating information on the location and quantity of available minerals for easy accessibility.

Infrastructure development

A significant challenge for the development of the sector is the infrastructural imbalance within Nigeria, particularly adequate electricity supply and access roads to sites of mineral deposits. However, the privatisation of the national utility and reform of the power sector are stimuli for private investment. As capacity increases with new investments in electricity generation, transmission and distribution, the shortages experienced will be overcome. Pending the resolution of the power problem on a national scale, mining investors can meet their power needs by engaging independent power producers for captive generation and supply of energy to the mines. Furthermore, access roads will ultimately improve with the ongoing investments by the Federal and State Governments in road infrastructure. The ongoing rehabilitation of the rail lines will also facilitate product evacuation across the country for export.

Security Concerns

A number of the mineral-rich communities in the Northern region of Nigeria have now been liberated from the occupation of the terrorist group – Boko Haram. However, several communal and religious conflicts occur intermittently in the mid-belt region of Nigeria, which is known to be rich in minerals and metals. Security agencies are equipped to respond appropriately to social conflicts as and when they arise. Also, the Federal Ministry of Solid Minerals Development is strengthening the operations of the Mines Surveillance Task Team to tackle the challenges of illegal mining. Security concerns are, therefore, not of the magnitude that should discourage investors in the Nigerian mining sector.

Illegal mining and community challenges:

There are pockets of Illegal mining activities in some regions, with attendant risks and community challenges. However, with the enactment of the Mining Act, foreign investors with the necessary permits and licenses are guaranteed unfettered operation of their legitimate business in the country. Furthermore, the Ministry is implementing a framework for a single engagement point with host communities involving the respective state governments. The Ministry is also working with State Governors to revive the Mineral Resources and Environment Management Committee (MIREMCO), a statutory body provided for in the Nigerian Minerals and Mining Act, to enhance governance of the sector.

Project funding

Due to the long period of inactivity and the slow implementation of the Federal Government's reform agenda in the sector, multinational corporations have been reluctant to fund major mining projects in the country. However, as stated earlier, the Ministry has obtained a N30.0bn intervention fund from the Natural Resources Development Fund (NRDF) and additional funding from International Development Partners through the World Bank. While the funds from the NRDF will be utilised for exploration and research, geosciences data generation, improved mines field security, etc.; the funds from the International Development Partners will be used to promote the development of special mineral exploration projects as part of the Nigeria Mineral Sector Support for Economic Diversification Project. The above steps, and the progress made in the regulatory reform, so far are expected to stimulate activities by new investors in the sector.

Lack of robust fiscal framework

The existing fiscal framework for investors in the mining sector is not friendly enough and does not consider the peculiar nature of the sector, particularly its long gestation period. Therefore, Nigeria will need to revisit the entire fiscal framework for the taxation of a mining operation to attract mining majors and foreign investors.

COMPETITOR ANALYSIS

Neveah Limited majorly exports agricultural produce and solid minerals. Below is a list of companies in the same industry as Neveah.

S/N	COMPETITOR'S NAME	AGRICULTURAL EXPORT	MINING EXPORT
1	Olam Nigeria Limited	✓	
2	Toons Consolidated Company Limited	✓	
3	Western Goldfields Group Limited		✓
4	Kinsfield Energy		✓

5	Loquat Classic Nigeria Limited	✓	
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SWOT ANALYSIS OF THE SECTOR

Strengths

Diverse Revenue Base – Commodities export businesses majorly deal with various commodities in the Agricultural and mineral space. A diverse revenue base from various commodities increases revenue and reduces concentration risk exposure to a particular product. Furthermore, a diverse revenue base improves the company's economics of scale when exporting. In this case, various commodities exported can be merged with other commodities in one shipment.

Foreign Currency Income – The export of agricultural and mineral commodities to Europe, Asia and America attracts income in foreign currency. Export-oriented businesses tend to demonstrate stability and resilience in recessionary periods. In addition, revenue in foreign currency can further contribute to income via exchange gains.

Credible Foreign Off-takers – A critical success factor in the commodities export sector is establishing credible off-takers. Foreign-based corporates use these commodities as inputs to their final product. A supply contract/Offtake agreement would further enhance these relationships, forcing all parties to fulfil each obligation.

Weakness

Low Profitability Margins – Commodities trading business are majorly characterised by low profitability margins since not much value chain is added to the raw materials being exported. Furthermore, low margins have also been bolstered by off-takers having the bargaining power of their suppliers.

Inadequate Funding – The mining and agricultural industry has been inadequately funded since the oil boom in Nigeria. Both the mining and agricultural industry is mainly dependent on manual operations as capital-intensive machines and tools are unavailable.

Huge Manual and Labour Inputs – Mining minerals have been known for using many labour personnel. Due to the lack of capital-intensive machinery, the industry has been reliant.

High operating costs – This is well obtainable in the export commodities businesses, leading to low-profit margins. Sourcing these commodities involves a lot of bulk operational expenses. After that, the process of storing these commodities to packaging and then exporting has a high cost on the business.

Opportunities

Increased Foreign demand – In recent years, there has been an increased demand for specific mineral and agricultural products. Further enhanced research has shown that further enhanced value chain exists for some previously perceived end product.

Availability of Mineral Resources – The mining industry in Nigeria is currently underdeveloped, with many minerals with the commercial quantity remaining untapped.

Threats

- **Security Concerns** – Mining and agricultural activities directly relate to the security climate of the farmlands and mines. In mines locations where security poses risk challenges, this would lead to declining mining activities which would have a ripple effect leading to scarcity of minerals or agricultural produce.
- **Government Regulation:** These include laws and policies that influence the operating and economic environment in the mining and agricultural companies' function. Licensing, environmental, and tax laws are some of the regulations companies that operate in this space must strictly adhere to avoid sanctions, penalty fees and withdrawal of operating licenses.
- **Logistics** – From the sourcing of commodities to export, logistics plays a very significant role in commodities trading businesses in Nigeria.

Sourcing Feedstock – Because raw commodities are sourced from diverse individuals and companies, gathering them in their specified quality and quantity becomes a significant bottleneck in meeting the supply contract from the off-takers

TERMS AND CONDITIONS OF THE NOTES

The following are the Terms and Conditions of the Notes to be issued by the Issuer under the Programme. The provisions of the Applicable Pricing Supplement to be issued in respect of any Note are incorporated by reference herein and will supplement these Terms and Conditions for the purposes of that Note. The Applicable Pricing Supplement in relation to any series of Notes may specify other terms and conditions, which shall, to the extent so specified or to the extent inconsistent with the Terms and Conditions contained herein, replace or modify the following Terms and Conditions for the purpose of such series of Notes.

1. ISSUANCE OF NOTES

The Issuer may from time to time, subject to these Terms and Conditions, issue Notes in one or more Series on a continuous basis under the Programme in an aggregate principal amount not exceeding ₦20,000,000,000.00 (Twenty Billion Naira). Any Series of Notes issued under the Programme shall be constituted by, be subject to, and benefit from, the Deed of Covenant.

The Issuer shall have the right and be entitled to issue any series and tranches under the Programme either with or without the use of a trust structure and/or a trustee.

2. FORM, DENOMINATION AND TITLE

2.1 Form and Denomination

- 2.1.1 Unless otherwise specified in any Applicable Pricing Supplement, the Notes shall be registered electronically, serially numbered and denominated in a minimum amount of ₦100 million and integral multiples of ₦50 million in excess thereof; and will be sold at such discount from their face value amounts as shall be agreed upon by the Dealer and the Issuer; and shall have a maturity not exceeding 270 (two hundred and seventy) days, including the roll over from the Issue Date.
- 2.1.2 The Notes issued under this Programme will be denominated in Naira or in such other currency as may be agreed between the Issuer and each relevant Dealer and or the Arranger.
- 2.1.3 The Notes issued will be in the form of Zero Coupon Notes and will not bear interest, other than in the case of late payment.
- 2.1.4 The Notes will be delivered to the Dealer in dematerialised (uncertificated, book entry) form; shall be registered by the Issuing, Calculating and Paying Agent (the Agent) with the CSD, which shall serve as the custodian and central depository of the Notes; and the Dealer may deal in the Notes in accordance with the CSD procedures and guidelines.

2.2 Title

- 2.2.1 The title to the Notes will pass upon credit to the CSD account of the Noteholder.
- 2.2.2 Transfer of title to the Notes shall be effected in accordance with the rules governing transfer of title in securities held by the CSD.
- 2.2.3 The Issuer and the Agent may, save where there is a manifest error, deem and treat the registered holder of any Note as indicated in the records of the CSD and the Register as the legal and beneficial owner thereof for all purposes, including but not limited to the payment of outstanding obligations in respect of the Notes, and no liability shall attach to any person for such a determination.

3. STATUS OF THE NOTES

The Notes shall constitute a direct, unconditional, unsubordinated and unsecured obligation of the Issuer and the Notes rank *pari passu* among themselves and, save for certain debt obligations mandatorily preferred by law, *pari passu* with all other present

TERMS AND CONDITIONS OF THE NOTES

and future unsecured and unsubordinated obligations of the Issuer outstanding from time to time.

4. REDEMPTION

Subject to Condition 6, the Notes are only redeemable at maturity and will be redeemed at the Face Value specified in the Applicable Pricing Supplement in accordance with the provisions of Condition 5 below.

5. PAYMENTS

The Face Value of the Notes will be paid to the Noteholders whose names are reflected in the Register as at the close of business on the applicable Maturity Date(s). The registered Noteholder shall be the only person entitled to receive payments in respect of a Note and the Issuer will be discharged from any further obligations or liability upon payment to, or to the order of, the registered Holder in respect of each amount so paid.

5.1 Method of Payments

- 5.1.1 Payment of the outstanding obligation in respect of the Notes will be made by electronic funds transfer, in Naira, to the account of the Noteholder specified in the Register.
- 5.1.2 All monies payable in respect of the Notes shall be paid to or to the order of the Noteholders by the Agent. Noteholders shall not be required to present and/or surrender any documents of title to the Agent.
- 5.1.3 In the case of joint Noteholders, payment by electronic transfers or cheque will be made or addressed to, as the case may be, the account of the Noteholder first named in the Register. Payment by electronic transfer to the Noteholder first named in the Register shall discharge the Issuer of its relevant payment obligations under the Notes to such joint Noteholders.
- 5.1.4 In the case of Notes held by a nominee, the nominee shall be paid as the registered Noteholder.
- 5.1.5 Neither the Issuer nor its agents shall be responsible for any loss in transmission of funds paid in respect of each Note.
- 5.1.6 If the Issuer or the Agent is prevented or restricted directly or indirectly from making any payment by electronic funds transfer (whether by reason of strike, lockout, fire explosion, floods, plague, epidemic, outbreak of infectious disease or any other public health crisis, including quarantine or other restrictions, riot, war, accident, act of God, embargo, legislation, shortage of or breakdown in facilities, civil commotion, Government interference or control or any other cause or contingency beyond the control of the Issuer), the Issuer or the Agent shall make such payment by cheque (or by such number of cheques as may be required in accordance with applicable banking law and practice) and the Issuer and the Agent shall not be responsible for any delay arising from making such payment by cheque (or by such number of cheques as may be required in accordance with applicable banking law and practice). Such payments by cheque shall be sent by post through a reputable and registered courier operator to the address of the Noteholder as set out in the Register as soon as practicable to ensure payment is received as close to the Maturity Date as possible.
- 5.1.7 Cheques may be posted by registered mail, provided that neither the Issuer nor the Agent shall be responsible for any loss in transmission and the postal authority

TERMS AND CONDITIONS OF THE NOTES

shall be deemed to be the agent of the Noteholders for the purposes of all cheques posted in terms of this condition.

5.2 Payment Day

Any payment in respect of the Notes shall be made on a Business Day. Where the day on or by which a payment of any amount in respect of the Notes is due to be made is not a Business Day, that payment shall be made on or by the next succeeding Business Day, unless that next succeeding Business Day falls in a different calendar month, in which case that payment shall be made or that event shall occur on or by the immediately preceding Business Day. The Noteholder shall not be entitled to any further interest or other payment in respect of such delay. Provided that where the next Business Day falls in a different calendar month, that payment shall be made on the immediately preceding Business Day.

5.3 Closed Periods

No Noteholder may require the transfer of the Notes (i) during the period of 5 (five) days ending on the due date for redemption in respect of that Note; or (ii) following the issuance of a default notice to the Issuer pursuant to Condition 6.2 (Action upon Event of Default).

6. EVENT OF DEFAULT

6.1 Event of Default

An event of default in relation to the Notes (each an “**Event of Default**”) shall arise if any one or more of the following events shall have occurred and be continuing:

- 6.1.1 Subject to Condition 5.1.6 above, if the Issuer fails to make payment in full by the Relevant Date save for where such failure is as a result of an administrative or technical error and payment is not made within 10 (ten) Business Days of the Relevant Date; or
- 6.1.2 If the Issuer fails to perform or observe any of its other obligations under the Notes and such failure has continued for a period of 15 (fifteen) days following the service on the Issuer of a written notice requiring that breach to be remedied; or
- 6.1.3 Should any representation or warranty made in connection with any documentation supplied by the Issuer in connection with the Programme be materially incorrect or materially misleading in the reasonable opinion of the Arranger; or
- 6.1.4 If the Issuer initiates bankruptcy or insolvency proceedings or becomes insolvent, or is provisionally or finally sequestrated, or is provisionally or finally wound up, or is unable to pay its debts as they become due, or is placed under provisional or final judicial management, or enters into a scheme of arrangement or compromise with its creditors in each case except for the purpose of and followed by a reconstruction, amalgamation, reorganisation, merger or consolidation on terms approved by the Noteholders; or
- 6.1.5 Should an order be made, or the members of the Issuer pass a resolution for the winding up of the Issuer or the Issuer ceases, or through an official action of its Board, to carry on all or a substantial part of its business or operations; or

TERMS AND CONDITIONS OF THE NOTES

- 6.1.7 If an attachment, execution or other legal process is levied, enforced upon, issued on or against a material or substantial part of any assets of the Issuer and is not discharged or stayed within 90 (ninety) days of service by the relevant officer of the court of such attachment, execution or other legal process; or
- 6.1.8 If a writ of execution is issued by any competent court attaching any material or substantial part of assets belonging to the Issuer and such remains unsatisfied for more than 10 (ten) Business Days after the date on which it is issued.

6.2 Action upon Event of Default

- 6.2.1 Upon the occurrence of an Event of Default and such Event of Default is continuing, any Noteholder may by written notice to the Issuer at its specified office(s), effective upon the date of receipt thereof by the Issuer, declare the Notes held by that Noteholder to be forthwith due and payable, provided that no such action shall be taken if it is as a result of Force Majeure or if the Issuer withholds or refuses to make any payment in order to comply with any law or regulation of Nigeria or to comply with any order of a court of competent jurisdiction.
- 6.2.2 Upon the occurrence of an Event of Default which results in the inability of the Issuer to make a payment on the Relevant Date, the Issuer shall pay the Noteholders interest at the Default Rate until the debt obligations to the Noteholders have been settled in full.
- 6.2.3 In addition, each Noteholder shall have the right to exercise all other remedies available to them under the laws of the Federal Republic of Nigeria.

7. REGISTER

- 7.1 The Register shall be maintained by the Agent. The Register shall reflect each Tranche and Series of Notes; the number of Notes issued and shall contain the name, address, and bank account details of the registered Noteholders. The Register shall set out the aggregate Principal Amount of the Notes issued to such Noteholder and the date of issue.
- 7.2 Statements issued by the CSD as to the aggregate number of Notes standing to the CSD account of any person shall be conclusive and binding for all purposes save in the case of manifest error and such person shall be treated by the Issuer and the Agent as the legal and beneficial owner of such aggregate number of Notes for all purposes.
- 7.3 The Register shall be open for inspection from 9.00am to 5.00pm during the normal business hours of the Agent to any Noteholder or any person authorised in writing by the Noteholder.
- 7.4 The Agent shall alter the Register in respect of any change of name, address or bank account number of any of the registered Noteholders of which it is notified in accordance with these Terms and Conditions.

8. NOTICES

8.1 Notices to the Noteholders

- 8.1.1 All notices to the Noteholders will be valid if it is delivered by hand, courier, electronic mail or sent by registered post in a letter duly addressed to the party to whom same is required to be given at the registered address of

TERMS AND CONDITIONS OF THE NOTES

such party or any address given by such party at their respective addresses of record in the relevant register of Notes of a Series maintained by the Agent. The Issuer shall also ensure that notices are duly given or published in a manner which complies with the rules and regulations of the CBN, FMDQ Exchange, the CSD or such other regulatory authority as may be applicable to the Notes.

- 8.1.2 Any notice if delivered by hand or registered post before 5p.m. local time on a given date, shall be deemed to have been delivered on that date. Any notice or communication given by electronic mail shall be deemed to have been delivered when sent, subject to no delivery failure notification being received by the sender within 24 (twenty-four) hours of the time of sending or on the date of publication in national newspapers, or if published more than once or on different dates, on the date of the first publication.

8.2 Notices from the Noteholders

- 8.2.1 Notices to be given by any Noteholder to the Issuer shall be in writing and given by lodging same with the Agent at its registered office.
- 8.2.2 Any change of name or address on the part of the Noteholder shall forthwith be notified to the Issuer and the Agent and subsequently, the Register shall be altered accordingly following notifications to the CSD.

9. MODIFICATION

- 9.1 The Dealer and the Issuer may agree without the consent of the Noteholders, to any modification of the Terms and Conditions which is of a formal, minor or technical nature or is made to correct a manifest error or to comply with the mandatory provisions of any law in Nigeria and which in the opinion of the Dealer is not prejudicial to the interest of the Noteholders. Notice of such modification shall be published in at least 1 (one) daily newspaper of general circulation in Nigeria and shall be deemed to have been given and received on the date of first publication.
- 9.2 Save as provided in Condition 9.1 above, no amendment of the Terms and Conditions may be effected unless:
 - 9.2.1 such amendment is in writing and signed by or on behalf of the Issuer; and
 - 9.2.2 such amendment:
 - 9.2.2.1 if it affects the rights, under the Terms and Conditions, of all the Noteholders, is signed by or on behalf of Noteholders, holding not less than 75% (seventy five percent) of the outstanding Principal Amount of all the Notes; or
 - 9.2.2.2 if it affects only the rights, under the Terms and Conditions, of a particular group (or groups) of Noteholders, is signed by or on behalf of the Noteholders in that group (or groups) holding not less than 75% (seventy five percent) of the outstanding Principal Amount of all the Notes held by that group.
- 9.3 Any such modification shall be binding on the Noteholders and shall be notified to the Noteholders in accordance with Condition 8 as practicable thereafter.

TERMS AND CONDITIONS OF THE NOTES

10. MEETING OF NOTEHOLDERS

- 10.1 The Issuer may at any time convene a meeting of all Noteholders upon at least 21 (twenty-one) days prior written notice to such Noteholders. The notice is required to be given in terms of Condition 8. Such Notice shall specify the date, place, agenda and time of the meeting to be held, which place shall be in Nigeria.
- 10.2 Every director or duly appointed representative of the Issuer may attend and speak at a meeting of the Noteholders but shall not be entitled to vote, other than as a proxy or representative of a Noteholder.
- 10.3 Noteholders holding not less than 10% (ten percent) in Principal Amount of the outstanding Notes shall be able to request the Issuer to convene a meeting of Noteholders. Should the Issuer fail to requisition such a meeting within 10 (ten) Business Days of such a request being received by the Issuer, the Noteholders requesting the meeting may convene such a meeting.
- 10.4 A Noteholder may by an instrument in writing (a "Form of Proxy") signed by the holder or, in the case of a corporation executed under its common seal or signed on its behalf by an attorney or a duly authorised officer of the corporation, appoint any person (a "Proxy") to act on his or its behalf in connection with any meeting or proposed meeting of the Noteholders.
- 10.5 Any Noteholder which is a corporation may by resolution of its directors or other governing body authorise any person to act as its representative (a "Representative") in connection with any meeting or proposed meeting of the Noteholders.
- 10.6 Any Proxy or Representative appointed shall, so long as the appointment remains in force, be deemed for all purposes in connection with any meeting or proposed meeting of the Noteholder specified in the appointment, to be the Holder of the Notes to which the appointment relates and the Holder of the Notes shall be deemed for such purposes not to be the Holder.
- 10.7 The chairman of the meeting shall be appointed by the Issuer. The procedures to be followed at the meeting shall be as determined by the chairman subject to the remaining provisions of this Condition 10. Should the Noteholders requisition a meeting, and the Issuer fail to call such a meeting within 10 (ten) Business Days of the requisition, then the chairman of the meeting held at the instance of the Noteholders, shall be selected by Noteholders, holding not less than 51% (fifty-one percent) of the outstanding Principal Amount of all the Notes present in person, by representative or by proxy.
- 10.8 At any meeting of Noteholders, two or more Noteholders present in person, by representative or by proxy, holding in aggregate not less than one third of the Principal Amount of outstanding Notes shall form a quorum.
- 10.9 At any meeting of Noteholders, any resolution put to the vote shall be first decided on a show of hands, unless a poll is demanded. A poll may be demanded by either the chairman, the Issuer, or one or more Noteholders present in person, by representative or by proxy. In the case of equality of votes, the Chairman shall both on a show of hands and on a poll have a casting vote in addition to the vote or votes (if any) to which he may be entitled as a Noteholder or as a holder of a voting certificate or as a proxy or as a representative.
- 10.10 If a poll is demanded it shall be taken in such manner as the chairman directs and the result of the poll shall be deemed to be the resolution of the meeting at which the poll was demanded. The demand for a poll shall not prevent the continuance of the meeting for the transaction of any business other than the motion on which the poll has been demanded. On a poll, each Noteholder present in person or by proxy at the time of the

TERMS AND CONDITIONS OF THE NOTES

meeting shall have the number of votes equal to the number of Notes, by denomination held by the Noteholder.

- 10.11 If 30 (thirty) minutes after the time appointed for any such meeting a quorum is not formed, the meeting shall, if convened upon the requisition of Noteholders, be dissolved. In any other case, it shall be adjourned to such date and time not being less than 14 (fourteen) days nor more than 21 (twenty-One) days thereafter and at the same time and place. At such adjourned meeting, 2 (two) or more Noteholders present or represented by proxy holding in aggregate not less than one third of the Principal Amount of outstanding Notes shall form a quorum and shall have power to pass any resolution and to decide upon all matters which could properly have been dealt with at the original meeting had the requisite quorum been present.
- 10.12 A resolution in writing duly signed by seventy-five percent (75%) of the Noteholders holding in aggregate not less than seventy-five percent (75%) of the Principal Amount of outstanding Notes, shall be as effective for all purposes as a resolution duly passed at a meeting of the Noteholders, provided that the resolution was sent to all the Noteholders entitled to receive notice of a meeting of Noteholders. Such resolution may be contained in one document or in several documents of identical form duly signed by or on behalf of all of the Noteholders.

11. CHANGING OF AGENT

- 11.1 The Issuer is entitled to vary or terminate the appointment of the Agent and/or appoint additional or other agents and/or approve any change in the office of the agent through which any agent acts, provided that there will at all times during the subsistence of the Programme, be an agent with an office.
- 11.2 The Agent acts solely as agent of the Issuer and does not assume any obligation towards or any relationship of agency or trust for or with any Noteholder.

12. TAXATION

The Notes issued under the Programme are Zero Coupon Notes and as such will be offered and sold at a discount to Face Value. The Issuer will not be required to withhold or deduct tax from payments in respect of the Notes to the Noteholders. However, the discount on the Notes may be taxed in accordance with applicable Nigerian tax laws.

13. FURTHER ISSUES

The Issuer shall be at liberty from time to time without the consent of the Noteholders to issue further Notes under the Programme.

14. GOVERNING LAW

- 14.1 The provisions of the Programme Memorandum and the Notes are governed by and shall be construed in accordance with the laws of the Federal Republic of Nigeria.
- 14.2 The Nigerian courts shall have exclusive jurisdiction to settle any dispute arising out of or in connection with the Programme Memorandum and the Notes.

TAX CONSIDERATIONS

Prior to the suspension by the Central Bank of Nigeria in July 2009, of the use of commercial papers and bankers acceptance as off-balance sheet instruments by banks and discount houses, zero-coupon commercial papers were exempt from withholding tax. This position has been maintained with commercial papers now being issued on the basis that a zero-coupon commercial paper is a "discount" instrument. Applicable taxes shall apply on the CP except otherwise exempt.

Accordingly, the discount on the commercial paper is not caught by the provisions of the law requiring payment of withholding tax on interest. However, there is taxable income made by a company or individual when it purchases such commercial paper at a discount (i.e. the difference between the discounted value and the face value of the commercial paper), which income is taxable under the Companies Income Tax Act and would have been taxable under the Personal Income Tax Act but for the provisions of the Personal Income Tax (Amendment) Act, 2011.

The effect of the Personal Income Tax (Amendment) Act, 2011 is to exempt otherwise taxable income earned by holders of short-term debt securities issued by corporate bodies from the imposition of Personal Income Tax. The Companies Income Tax (Exemption of Bonds and Short-Term Government Securities) Order 2012 ("CIT Exemption Order"), grants exemption to income and interest earned, by corporate bodies for a period of 10 years with effect from the commencement date of 2nd January 2012. The CIT Exemption Order applied to all categories of bonds, but in relation to short term securities, the order only refers to income from FGN short term securities and, therefore, it is not clear whether it extended to those issued by corporates.

The exemption granted under the CIT Exemption Order is for a period of 10 years commencing from January 2, 2012, whilst the exemption under the Personal Income Tax (Amendment) Act, 2011 is for an unstated duration. With the expiration of the CIT Exemption Order on January 2, 2022, companies income tax may now be chargeable on the difference between the discounted value and the face value of the commercial papers.

Further, the proceeds from the disposal of the Notes were exempt from tax chargeable under the Value-Added Tax Act (Cap V1 LFN 2004) (as amended by the Value-Added Tax (Amendment) Act No. 12 of 2007) by virtue of the Value-Added Tax (Exemption of the Proceeds of the Disposal of Government and Corporate Securities) Order 2011, commencing from January 2, 2012 ("VAT Exemption Order"). This exemption is for a period of ten (10) years from the date of the Order, and this lapsed on 01 January 2022. However, the Finance Act, 2020 now excludes securities from the payment of value added tax. As such, the Notes will not be liable to value added tax even after the expiration of the VAT Exemption Order.

The Notes issued under the Programme will be Zero Coupon Notes and as such, will be offered and sold at a discount to Face Value. The Notes will thus not bear interest and the Issuer will not be required to withhold or deduct tax from payments in respect of the Notes to the Noteholders. However, the discount on the Notes may be taxed in accordance with applicable Nigerian tax laws.

The foregoing summary does not purport to be comprehensive and does not constitute advice on tax to any actual or prospective purchaser of Notes issued under the Programme. In particular, it does not constitute a representation by the Issuer or its advisers on the tax consequences attaching to a subscription or purchase of Notes issued under the Programme. Tax considerations that may be relevant to a decision to acquire, hold or dispose of Notes issued under the

TERMS AND CONDITIONS OF THE NOTES

Programme and the tax consequences applicable to each actual or prospective purchaser of the Notes may vary. Any actual or prospective purchaser of the Notes who intends to ascertain his/her tax position should seek professional advice from his/her preferred professional advisers as to the tax consequences arising from subscribing to or purchasing the Notes, bearing in mind his/her peculiarities. Neither the Issuer nor its advisers shall be liable to any subscriber or purchaser of the Notes in any manner for placing reliance upon the contents of this section.

RISK FACTORS

*The following section does not describe all the risks (including those relating to each prospective investor's particular circumstances) with respect to an investment in the Notes. The risks in the following section are provided as general information only. Prospective investors should refer to and carefully consider the risks described below and the information contained elsewhere in this Programme Memorandum, which may describe additional risks associated with the Notes. **Investors should also seek professional advice before making investment decisions in respect of the Notes.***

RISK FACTOR RELATING TO NIGERIA

Political Risk

These are risks related to political instability, security, religious differences and ethnicity in Nigeria. Over the past five years, there has been an increase in the number and frequency of attacks and cases of kidnapping across various parts of Nigeria. Sectarian conflicts in the Middle Belt and Northern Nigeria continue to pose a threat to Nigeria's political stability. The intermittent crisis and insurgence of Boko Haram have been identified as major contributors to the regions' security challenges. In addition, recent developments in the political movement agitating for an independent Biafra Republic may potentially have a material adverse effect on public safety and productivity if not managed.

Lastly, the general election of Nigeria is proposed for next year 2023 and as such, potential changes in government and government policies could have an adverse effect on the economy.

Emerging Markets Risk

Emerging markets such as Nigeria are subject to greater risk than more developed markets and financial turmoil in any emerging market could cause the price of securities to decrease. Generally, investments in emerging markets are only suitable for sophisticated investors who better understand the instruments and fully appreciate the significance of the risks involved in, and are familiar with investing in emerging markets.

Investors should also note that emerging markets, such as Nigeria, are subject to rapid change and that the information set forth in this Shelf Prospectus may become outdated relatively quickly.

Economic Risk

The Nigerian economy is largely dependent on crude oil production and has been severely affected by the fall in global crude oil prices. The global decline in crude oil prices, leading to some foreign exchange restrictions has slowed down economic productivity in Nigeria as a whole. A number of manufacturing/trading companies have been impacted by the difficulty in accessing foreign exchange for the purchase of raw materials or finished goods, leading to a significant decline in output. This has hindered the ability of such companies to service their loan facilities. Instability in key areas across the globe can adversely affect the movement of trade and foreign exchange in Nigeria. Investors are also advised to pay attention to key indicators in the global economy that may have an impact on investments in Nigeria.

Inflation Risk

Inflationary impacts can reduce an investor's cash flow purchasing power. Investors may be exposed to the prospect of diminished purchasing power if the inflation rate increases. Prices of goods and services, which are subject to Value Added Tax ("VAT"), have continued to increase albeit at a slower rate. In June 2022, the inflation rate increased to 18.60% on a year-on-year basis from 17.75% recorded in the corresponding period of 2021. Also, Food inflation stood year-high at

RISK FACTORS

20.60% in June 2022 from 21.83%. The rate changes in food prices compared to the same period last year was higher due to higher food prices caused by COVID 19.

The CBN in its effort to curb inflation in the country has continued to engage in tightening monetary policies to keep inflation at bay.

Foreign Exchange Risks

Nigeria's foreign exchange market has recently been volatile, owing to a surge in demand for foreign currency in the country amid persistent scarcity. While the disparity between the official CBN exchange rate and the I&E window oscillates, capital repatriation remains a challenge for foreign investors in financial markets, and speculative trades in the foreign exchange market have caused the Naira to depreciate sharply. Increased dollar demand for electioneering activities, oil theft and unrest in the Niger Delta region, could exert significant pressures on the Naira.

RISK FACTOR RELATING TO THE ISSUER

The following is a description of the risk factors that are material in respect of the financial situation of the Issuer. The risks described below are not the only risks that affect the Issuer. Additional risks and uncertainties not currently known to the Issuer or that the Issuer considers immaterial may also materially and adversely affect the Issuer. Any of the following risks could result in a material adverse effect on the Issuer's financial condition, results of operations and ability to service debt including the CP notes.

The sequence in which they are listed is not an indication of their likelihood of occurrence or the extent of their commercial consequences. The following statements are complete but not exhaustive, thus prospective investors must consider all the information provided in this Programme Memorandum.

Competitive Risk

Neveah's capacity in terms of introducing new products, from time to time, that are targeted at meeting customers' needs is a critical condition for success. Failure to provide new initiatives that are relevant to the market from time to time could make the Issuer less attractive to clients and could affect its ability to achieve projected growth.

Credit Risks

Credit Risk is the risk of loss arising from counterparty's inability or unwillingness to fulfil contractual obligations to the Issuer. Credit risk, for Neveah's business is the inability of counterparties to honor their obligations as and when due. Based on review, the company's ageing receivables as at October 31st 2022 as depicted below shows that only 10% of its total receivables is beyond 90 days. Therefore, exposure to credit risk is minimal.

RISK FACTORS

12:32 PM
11/19/22

NEVEAH LIMITED
A/R Ageing Summary (Values in Home Currency)
As of October 31, 2022

	Current	1 - 30	31 - 60	61 - 90	> 90	TOTAL
TERKA BAHARAT SIFALI BITKILER ITH. IHR.						
NE/TBS/HBF/2022/01	0.00	47,885,040.00	0.00	0.00	0.00	47,885,040.00
Total TERKA BAHARAT SIFALI BITKILER ITH. IHR.	0.00	47,885,040.00	0.00	0.00	0.00	47,885,040.00
MALAYSIA SMELTING CORPORATION						
NE/MS/C/SN/2022/14	282,729,912.50	0.00	0.00	0.00	0.00	282,729,912.50
NE/MS/C/SN/2022/13	282,729,912.50	0.00	0.00	0.00	0.00	282,729,912.50
NE/MS/C/SN/2022/12	282,729,912.50	0.00	0.00	0.00	0.00	282,729,912.50
NE/MS/C/SN/2022/11	282,729,912.50	0.00	0.00	0.00	0.00	282,729,912.50
NE/MS/C/SN/2022/10	304,047,114.00	0.00	0.00	0.00	0.00	304,047,114.00
NE/MS/C/SN/2022/09	91,880,694.00	0.00	0.00	0.00	0.00	91,880,694.00
NE/MS/C/SN/2022/08	88,831,074.00	0.00	0.00	0.00	0.00	88,831,074.00
NE/MS/C/SN/2022/07	0.00	97,549,007.55	0.00	0.00	0.00	97,549,007.55
NE/MS/C/SN/2022/06	0.00	0.00	0.00	0.00	0.00	0.00
NE/MS/C/SN/2022/05	0.00	0.00	0.00	0.00	0.00	0.00
NE/MS/C/SN/2022/04	0.00	0.00	0.00	0.00	0.00	0.00
NE/MS/C/SN/2022/03	0.00	0.00	0.00	0.00	0.00	0.00
NE/MS/C/SN/2022/02	0.00	0.00	0.00	0.00	0.00	0.00
NE/MS/C/SN/2022/01	0.00	0.00	0.00	0.00	0.00	0.00
Total MALAYSIA SMELTING CORPORATION	1,615,678,532.00	97,549,007.55	0.00	0.00	0.00	1,713,227,539.55
TRAXYS EUROPE SA						
NE/TRX/NB/2022/05	0.00	6,440,133.89	0.00	0.00	0.00	6,440,133.89
NE/TRX/NB/2022/03 & NE/TRX/NB/2022/04	0.00	0.00	0.00	0.00	0.00	0.00
NE/TRX/NB/2022/02	0.00	0.00	0.00	0.00	0.00	0.00
NE/TRX/NB/2022/01	0.00	0.00	0.00	0.00	0.00	0.00
Total TRAXYS EUROPE SA	0.00	6,440,133.89	0.00	0.00	0.00	6,440,133.89
KALON RESOURCES LIMITED						
NE/KLN/NB/2022/05	0.00	0.00	0.00	0.00	0.00	0.00
NE/KLN/SN/2022/11	0.00	0.00	0.00	0.00	0.00	0.00
NE/KLN/SN/2022/09	0.00	0.00	0.00	0.00	0.00	0.00
NE/KLN/SN/2022/08	0.00	0.00	0.00	0.00	0.00	0.00
NE/KLN/SN/2022/06	0.00	0.00	0.00	0.00	0.00	0.00
NE/KLN/SN/2022/05	0.00	0.00	0.00	0.00	0.00	0.00
NE/KLN/SN/2022/04	0.00	0.00	0.00	0.00	0.00	0.00
NE/KLN/SN/2022/03	0.00	0.00	0.00	0.00	0.00	0.00
NE/KLN/NB/2022/04	0.00	0.00	0.00	0.00	0.00	0.00
NE/KLN/SN/2022/02	0.00	0.00	0.00	0.00	0.00	0.00
NE/KLN/SN/2022/01	0.00	0.00	0.00	0.00	0.00	0.00
NE/KLN/NB/2022/03	0.00	0.00	0.00	0.00	0.00	0.00
NE/KLN/NB/2022/02	0.00	0.00	0.00	0.00	0.00	0.00
NE/KLN/NB/2022/01	0.00	0.00	0.00	0.00	0.00	0.00
Total KALON RESOURCES LIMITED	0.00	0.00	0.00	0.00	0.00	0.00

RISK FACTORS

REDCOMET RESOURCES AG - LEAD ORE						
NE/RMR/PB/2022/P21RMR214/03	0.00	0.00	113,147,505.11	0.00	0.00	113,147,505.11
NE/RMR/PB/2022/P21RMR214/02	0.00	0.00	0.00	0.00	0.00	0.00
NE/RMR/PB/2022/P21RMR214/01	0.00	0.00	0.00	0.00	0.00	0.00
NE/RMR/PB/2022/P21RMR134/03	0.00	0.00	0.00	0.00	0.00	0.00
NE/RMR/PB/2022/P21RMR134/02	0.00	0.00	0.00	0.00	0.00	0.00
NE/RMR/PB/2021/P21RMR134/01	0.00	0.00	0.00	0.00	0.00	0.00
Total REDCOMET RESOURCES AG - LEAD ORE	0.00	0.00	113,147,505.11	0.00	0.00	113,147,505.11
WORLEE NATURPRODUKTE GMBH	0.00	0.00	0.00	0.00	0.00	0.00
BRANDX INTERNATIONAL						
NE/BX/2019/01	0.00	0.00	0.00	0.00	0.00	0.00
Total BRANDX INTERNATIONAL	0.00	0.00	0.00	0.00	0.00	0.00
MRI TRADING AG						
NE/MRI/2019/01	0.00	0.00	0.00	0.00	0.00	0.00
MRI TRADING AG - Other	0.00	0.00	0.00	0.00	0.00	0.00
Total MRI TRADING AG	0.00	0.00	0.00	0.00	0.00	0.00
AFRIMET RESOURCES AG						
NE/AFR/NB/2022/P.22.AMR.CNTR00155/02	0.00	0.00	0.00	0.00	0.00	0.00
NE/AFR/NB/2022/P.22.AMR.CNTR00155/01	0.00	0.00	0.00	0.00	0.00	0.00
NE/AFR/HL/2020/35	0.00	0.00	0.00	0.00	0.00	0.00
NE/AFR/HL/2020/34	0.00	0.00	0.00	0.00	0.00	0.00
NE/AFR/HL/2020/33	0.00	0.00	0.00	0.00	0.00	0.00
NE/AFR/HL/2020/32	0.00	0.00	0.00	0.00	0.00	0.00
NE/AFR/NB/2020/P00022/35	0.00	0.00	0.00	0.00	0.00	0.00
NE/AFR/HL/2020/31	0.00	0.00	0.00	0.00	0.00	0.00
NE/AFR/HL/2020/29	0.00	0.00	0.00	0.00	0.00	0.00
NE/AFR/NB/2021/P00022/32	0.00	0.00	0.00	0.00	0.00	0.00
NE/AFR/NB/2021/P00022/31	0.00	0.00	0.00	0.00	0.00	0.00
NE/AFR/HL/2020/25	0.00	0.00	0.00	0.00	0.00	0.00
Total AFRIMET RESOURCES AG	0.00	0.00	0.00	0.00	0.00	0.00
ARI SUSAM SAN.VE TICA.A.S						
NE/AR/VS/G/2021/02	0.00	0.00	0.00	0.00	0.00	0.00
NE/AR/VS/G/2021/01	0.00	0.00	0.00	0.00	0.00	0.00
Total ARI SUSAM SAN.VE TICA.A.S	0.00	0.00	0.00	0.00	0.00	0.00
HALSSEN & LYON GMBH						
NE/HS/LNRHBF/2022/01	0.00	0.00	20,097,000.00	0.00	0.00	20,097,000.00
Total HALSSEN & LYON GMBH	0.00	0.00	20,097,000.00	0.00	0.00	20,097,000.00
KRAUTER MIX GMBH						
NE/KMX/OPL/2021/01	0.00	0.00	0.00	0.00	0.00	0.00
KRAUTER MIX GMBH - Other	0.00	0.00	0.00	0.00	0.00	0.00
Total KRAUTER MIX GMBH	0.00	0.00	0.00	0.00	0.00	0.00
TOTAL	1,515,578,532.00	151,874,181.44	133,244,505.11	0.00	0.00	1,500,797,218.55

Liquidity Risks

Liquidity risk arises when there is a mismatch between the inflows and outflows of the Issuer. This may be due to the inability of the Issuer to liquidate certain assets at short notice due to market illiquidity and inability to access sufficient funds to meet payment obligations in a timely manner. The management of liquidity risk is very critical to the ongoing viability of the Issuer.

Security Risks

This is the risk of loss to income or disruption to operation as a result of security challenges. The Company's operations are located in areas with significant history of security challenges. Therefore, the occurrence of such security challenges may lead to business disruptions.

Market Risks

This is the risk that changes in market prices, such as foreign exchange rates and interest rates will affect cost of supply and ultimately the company's income. The Company is exposed to foreign exchange risks arising from various currency exposures, as a result of its dealings with its foreign customers.

SETTLEMENT, CLEARING AND TRANSFER OF NOTES

Words used in this section shall bear the same meanings as used in the section headed "Definitions and Interpretations", except to the extent that they are separately defined in this section or the meaning if applied, would be clearly inappropriate for the context.

Registration

- i. The under-listed authorized participants shall register with the CSD, where CP custody and depository services are required.
 - a. Issuing, Calculation and Paying Agents ("ICPA") / Dealer and Dealing Members ("Authorized Participants") shall complete the prescribed form. These Authorized Participants shall be required to submit proof of the appropriate FMDQ membership along with the completed form.
 - b. Investors are required to route their account opening applications and transactions through any of the above-mentioned Authorized Participants (of their choice), who will officially notify the CSD to create sub-accounts for these clients and also attach clients' mandates to this effect.
- ii. The CSD will assign a Trade Member Code to the authorized participant and also provide the account number (and sub-accounts numbers for clients) after creation as requested by the Authorized Participant to enable them trade the CPs.
- iii. FMDQ Exchange shall request for the CP to be registered with the CSD, who in turn shall furnish the Exchange and ICPA / Dealer with the CP Symbol and ISIN Codes for the registered CP, subject to receipt of CP registration fees from the ICPA/ Dealer.
- iv. The CSD will re-open the existing ISIN code for all tranches with same maturity dates, however new ISIN codes will be issued for tranches with different maturity dates.

Lodgement

- i. The Authorized Participant will electronically lodge CPs with the CSD and advise the CSD after lodgement to transfer the CPs to the sub-accounts, individual accounts or custodians accounts of the beneficial owners of the Notes.
- ii. The CSD shall process same within 24 hours of receipt.

Redemption

- i. Register closes two (2) working days before maturity date (MD - 2).
- ii. The ICPA/Dealer will submit a letter to the CSD confirming the intention of the Issuer to repay the holders of the CP on the maturity date by 12 noon on MD - 2.
- iii. The ICPA/Dealer will also provide the FMDQ Exchange an acceptance/approval letter for redemption.
- iv. The CSD shall expunge (knock-off) matured CP(s) on the maturity/redemption date of the CP.
- v. Maturity must be on a business day, however if the maturity date of a CP falls on a public holiday, the ensuing working day shall be the maturity date of the CP.
- vi. In the event of default of inability to fulfil its obligation at meeting item (ii) stated above, the ICPA shall notify the CSD no later than two (2) working days before maturity date and make public the default status to the market.

SETTLEMENT, CLEARING AND TRANSFER OF NOTES

- vii. In the event of item (vi) crystallising, the Note holdings must remain with the CSD until the ICPA pays off the holders of the Notes. The ICPA shall notify the CSD of the payments and provide evidence of pay-off. Thereafter, the CSD will expunge the Notes accordingly.

Roll-Over

- i. All CPs, including roll-overs shall not exceed 270 days (tenor) from the date of issue.
- ii. Every roll-over of a CP issue shall be treated or classified as a fresh/separate CP.
- iii. Upon granting approval for rollover, the FMDQ Exchange shall request for the rollover CP to be registered with the CSD, who in turn shall furnish the FMDQ Exchange and ICPA/Dealer with the new CP Symbol and ISIN Codes, subject to receipt of CP rollover fees from the ICPA/Dealer.
- iv. The CSD shall expunge the existing CP Symbol and ISIN Codes from the system and replace with the new codes.

Default

- i. Where the Issuer is unable to repay the CP investors and the CP will be in default status, the ICPA/Dealer shall notify CSD, as well as the investors, latest two (2) working days before the maturity date (MD - 2), latest by 3.00pm.
- ii. The CSD shall make public the default status to the market latest by MD - 1.
- iii. In case of (i) above, the CP holdings must remain with the CSD until the ICPA pays off the CP holders and notifies the CSD and the FMDQ Exchange with evidence.
- iv. Thereafter, the CSD will notify the public and expunge the CP from the Depository accordingly.

Secondary Market Trading (OTC) Guidelines

- i. Standard settlement cycle is T + 2.
- ii. The FMDQ Exchange shall submit Authorized Participants' confirmed CP trade details on trade day in the specified format via the CSD authorized platform, based on the following settlement timelines:
 - Same Day Settlement - 12.30pm
 - T+1 or T+2 Settlements - 3.00pm
- iii. The CSD shall deliver securities and send confirmation of transfers via the CSD authorized platform by 2pm on settlement day to the FMDQ Exchange and Nigeria Inter-Bank Settlement System (NIBSS) simultaneously. Authorized participants shall state the particular account number where the CP(s) will be settled.
- iv. NIBSS shall transfer settlement amounts to respective accounts and send confirmation to the FMDQ Exchange and the CSD simultaneously.
- v. Transactions for standard settlement (T + 2) shall stop five (5) working days before maturity date (MD - 5), therefore the last applicable settlement shall be before close of business on MD - 3.

Reporting

- i. The CSD will effect the transfer of CPs on the settlement date as advised by the FMDQ Exchange and also keep records for each transaction.
- ii. The CSD will advise the FMDQ Exchange of successful and failed transactions on each settlement day for onward communication to Dealing Members.
- iii. Dealing Members can also visit the CSD website (<https://fmdqgroup.com/depository/>) to ascertain their CP balances after each day's trade. This is available to only the institutions that subscribe to the CSD online service.

Transfer of Notes

Title to beneficial interest in the Notes will pass on transfer thereof by electronic book entry in the securities accounts maintained by the CSD and may be transferred only in accordance with rules and operating procedures of the CSD.

Cash Settlement

The Transaction Parties will be responsible for effecting the payment transfers either via Real Time Gross Settlement ("RTGS"), NIBSS Electronic Funds Transfer ("NEFT") or any other transfer mode agreed by the Transaction Parties and recognised by the CBN.



NEVEAH LIMITED

RC1206949

(INCORPORATED WITH LIMITED LIABILITY IN THE FEDERAL REPUBLIC OF NIGERIA)

ISSUE OF ₦[•] (SERIES 1) COMMERCIAL PAPER NOTES UNDER ITS ₦20,000,000,000.00 COMMERCIAL PAPER ISSUANCE PROGRAMME

This Applicable Pricing Supplement must be read in conjunction with the Programme Memorandum, originally dated [•] prepared by United Capital Plc on behalf of Neveah Limited in connection with its ₦20,000,000,000.00 (Twenty Billion Naira) Commercial Paper Issuance Programme, as amended and/or supplemented from time to time (the "Programme Memorandum").

Any capitalised terms not defined in this Applicable Pricing Supplement shall have the meanings ascribed to them in the Programme Memorandum.

This document constitutes the Applicable Pricing Supplement relating to the issue of Commercial Paper Notes ("CP Notes" or "the Notes") described herein. The Notes described herein are issued on and subject to the Terms and Conditions as amended and/or supplemented by the Terms and Conditions contained in this Applicable Pricing Supplement. To the extent that there is any conflict or inconsistency between the contents of this Applicable Pricing Supplement and the Programme Memorandum, the provisions of this Applicable Pricing Supplement shall prevail.

This document has been prepared in accordance with the Central Bank of Nigeria Guidelines on the Issuance and Treatment of Bankers Acceptances and Commercial Paper, issued on 11th September, 2019 and the FMDQ Exchange Rules.

The CP Notes will be issued in dematerialised form, registered, quoted and traded over the counter ("OTC") via the FMDQ Securities Exchange Limited ("FMDQ Exchange" or the "Exchange") Platform in accordance with the rules, guidelines and such other regulation as prescribed by the Central Bank of Nigeria ("CBN") and FMDQ Exchange from time to time, or any other recognized trading platform as approved by the CBN. Securities will be settled via any Central Securities Depository recognised by the Securities and Exchange Commission, acting as Registrars and Clearing Agent for the Notes.

This document is important and should be read carefully. If any recipient is in any doubt about its contents or the actions to be taken, such recipient should consult his/her banker, stockbroker, accountant, solicitor or any other professional adviser for guidance immediately.

ARRANGER/ DEALER



United Capital Plc
RC 444999

ISSUING, CALCULATION AND PAYING AGENT



Coronation Merchant Bank Limited
RC 207138

THIS PROGRAMME MEMORANDUM IS DATED [•]

Terms	Description
Issuer	Neveah Limited
Arranger/ Dealer	United Capital PLC
Issuing, Calculation and Paying Agent	Coronation Merchant Bank Limited
Sponsor to the Quotation on FMDQ Exchange	[•]
Solicitor	Aluko & Oyeboode
Auditor	Deloitte & Touche Nigeria
Trustees	United Capital Trustees Limited
Custodian	Central Securities Clearing Systems Plc
Series Number	[•]
Programme Size	₦20,000,000,000.00
Aggregate Nominal Amount	₦ [•]
Face Value	₦ [•]
Discounted Value	[•]
Nominal Amount Per Note	₦1,000.00
Issue Price	[•]
Tenor	[•]
Maturity Date	[•]
Final Redemption Amount	[•]
Minimum Subscription	₦100,000,000.00 and multiples of ₦50,000,000.00 thereafter
Specified Currency	Nigerian Naira (₦)
Status of Notes	Each Note constitutes a senior unsecured obligation of the Issuer and save for certain debts mandatorily preferred by law, the Notes rank pari passu among themselves, and with other present and future senior unsecured obligations of the Issuer outstanding from time to time
Form of Notes	Uncertificated

PRO FORMA APPLICABLE PRICING SUPPLEMENT

Quotation Notes may be quoted on the FMDQ Exchange platform or any other recognized exchange

Issuer Rating **Bbb** by Data Pro Limited

Terms	Description
Method of Offer	Fixed Price Offer
Taxation	Please refer to the 'Tax Considerations' section in the Programme Memorandum
Book Closed Period	The Register will be closed from [●] to [●] until the Maturity Date
Implied Yield	[●]%
Discount Rate	[●]%
Any Other Formula or basis for Determining Amount(S) Payable	[●]
Day Count Fraction	Actual/Actual (actual number of days in a month and actual number of days in a year)
Business Day Convention	Any day except Saturdays, Sundays and public holidays declared by the Federal Government of Nigeria on which banks are open for business in Nigeria
Redemption/Payment Basis	[Redemption at par] [other (specify)]
Issuer's Early Redemption	[Applicable/Not Applicable]
Issuer's Optional Redemption	[Applicable/Not Applicable]
Other Terms Applicable on Redemption	[●]
Offer Opens	[●]
Offer Closes	[●]
Allotment Date	[●]
Issue Date	[●]
Notification of Allotment	All applicants will be notified through an email and/or telephone of their allotment by no later than [●]
Payment Date	[●]
Details of Bank Account(s) To Which Payments Are to Be Made in Respect of The Notes	<p>Bank: Coronation Merchant Bank Limited</p> <p>Account Name: [●]</p> <p>Account Number: [●]</p>

PRO FORMA APPLICABLE PRICING SUPPLEMENT

Sort Code: [•]

Settlement Procedures and Settlement [•]
Instructions

Delivery Date [•]

MATERIAL ADVERSE CHANGE STATEMENT

Except as disclosed in this document, there has been no material adverse change in the financial position or prospects of the Issuer since the [insert date of last published audited accounts] audited accounts.

RESPONSIBILITY

The Issuer and its Executive Management accept responsibility for the information contained in this Pricing Supplement, which when read together with the Programme Memorandum, contains all information that is material in the context of the issue of the Notes.

Signed at _____ on this [•] day of [•], 2023.

For and on behalf of
Neveah Limited

Name:

Capacity: Director

Who warrants his/her authority hereto

Name:

Capacity: Director

Who warrants his/her authority hereto

23 November 2022

The Directors
Neveah Limited
Plot 2940, Aguiyi Ironsi Street,
Maitama,
Abuja.

Dear Sirs,

INDEPENDENT AUDITOR'S COMFORT LETTER ON THE SUMMARY FINANCIAL INFORMATION

The accompanying summary financial information which comprise the summary of the statement of financial position as at 31 May 2021 and 31 May 2022, the summary statement of profit or loss and summary statement of cash flows for the years then ended as contained in pages 54 to 57 of the Commercial Paper Issuance Programme, are consistent with information in the audited financial statements of **Neveah Limited** for the years ended 31 May 2021 and 31 May 2022 ("the audited financial statements"). We expressed unmodified audit opinion on those financial statements as at 31 May 2021 and 31 May 2022 in our reports dated 29 September 2021 and 16 September 2022.

The summary financial information do not contain all disclosures required by the Companies and Allied Matters Act, the Financial Reporting Council of Nigeria Act, 2011 and the International Financial Reporting Standards applied in the preparation of the financial statements. Reading the summary financial information, therefore, is not a substitute for reading the financial statements. The summary financial information do not reflect the effects of events that occurred subsequent to the date of the report on the financial statements.

Directors' Responsibility for the Financial Statements

The Directors are responsible for the preparation and fair presentation of an appropriate summary of the financial information in accordance with International Financial Reporting Standards, the requirements of the Companies and Allied Matters Act, and the Financial Reporting Council of Nigeria Act.

Auditors' Responsibility

This letter therefore provides a confirmation that the accompanying summary financial information are consistent in all material respects with information in the audited financial statements of Neveah Limited for the years ended 31 May 2021 and 31 May 2022.

Yours faithfully



Ngozika Emeka-Eze
Engagement Partner



STATEMENT OF COMPREHENSIVE INCOME

	2022	2021	2020
	₪	₪	₪
Revenue	6,131,344,000	2,340,330,000	1,245,856,000
Cost of Sales	(7,770,718,000)	(2,555,240,000)	(1,134,091,000)
Gross Profit	(1,639,374,000)	(214,910,000)	111,765,000
Other Income	3,079,298,000	512,008,000	79,893,000
Distribution Expenses	(65,000)	-	-
Administrative Expenses	(487,603,000)	(232,661,000)	(115,127,000)
Operating profit	952,256,000	64,437,000	76,531,000
Finance Costs	(360,354,000)	(21,380,000)	-
Profit before tax	591,902,000	43,057,000	76,531,000
Income tax expense	(40,007,000)	(6,431,000)	(7,137,000)
Profit After Tax	551,895,000	36,626,000	69,394,000
Other comprehensive income:			
Available-for-sale financial assets	-	-	-
Gains on property revaluation	-	-	-
Other comprehensive income for the year, net of tax	-	-	-
Total comprehensive income for the year	551,895,000	36,626,000	69,394,000
Basic EPS	1.10	3.66	13.35

STATEMENT OF FINANCIAL POSITION

	2022	2021	2020
	₩	₩	₩
Non-current assets			
Property, plant and equipment	656,325,000.00	230,561,000.00	22,597,000.00
	656,325,000.00	230,561,000.00	22,597,000.00
Current assets			
Inventories	1,798,398,000.00	102,182,000.00	144,139,000.00
Other assets	478,954,000.00	4,735,000.00	3,471,000.00
Trade and other receivables	1,167,517,000.00	116,364,000.00	80,356,000.00
Cash and cash equivalents	4,059,824,000.00	10,118,000.00	22,349,000.00
Call in arrears	340,000,000.00	-	-
Deferred tax	-	-	154,000.00
	7,844,693,000.00	233,399,000.00	250,469,000.00
Total Assets	8,501,018,000.00	463,960,000.00	273,066,000.00
Equity and Liabilities			
Equity Attributable to Owners			
Share capital	500,000,000.00	10,000,000.00	5,200,000.00
Retained earnings	559,366,000.00	131,471,000.00	94,845,000.00
Total equity	1,059,366,000.00	141,471,000.00	100,045,000.00
Non-current Liabilities			
Long-term borrowings	230,806,000.00	-	-
Current liabilities			
Deferred tax	3,608,000.00	324,000.00	-
Current tax liabilities	34,557,000.00	8,331,000.00	7,291,000.00
Trade and other payables	1,462,774,000.00	120,670,000.00	164,905,000.00
Deposit for Shares	-	150,000,000.00	-
Accrued expenses	8,942,000.00	5,550,000.00	825,000.00
Borrowings	5,700,964,000.00	37,614,000.00	-
Total liabilities	7,441,651,000.00	322,489,000.00	173,021,000.00
Total equity and liabilities	8,501,018,000.00	463,960,000.00	273,066,000.00

STATEMENT OF CASH FLOWS

	2022	2021	2020
CASH FLOW FROM OPERATING ACTIVITIES	₪	₪	₪
Profit before Taxation	551,895,000.00	36,626,000.00	69,394,000.00
Adjustment for:			
Depreciation of PPE	46,505,000.00	14,405,000.00	3,952,000.00
Finance Cost	360,354,000.00	21,380,000.00	-
Deposit for shares	-	150,000,000.00	-
Interest Income	(3,283,000.00)	(50,000.00)	(177,000.00)
Income tax paid	(10,497,000.00)	(4,913,000.00)	(917,000.00)
Adjustment for prior period tax under-provision	2,166,000.00	-	-
Adjustments to Property, plant and equipment	-	-	12,593,000.00
Loss on disposal of property, plant and equipment	3,272,000.00	-	-
Operating cash flows before movements in working capital	950,412,000.00	217,448,000.00	84,845,000.00
(Increase)/decrease in inventories	(1,696,216,000.00)	41,957,000.00	25,886,000.00
(Increase) in trade and other receivables	(1,051,153,000.00)	(36,008,000.00)	(73,540,000.00)
(Increase) in other assets	(474,219,000.00)	(1,264,000.00)	(3,471,000.00)
Increase/(decrease) in trade and other payables	1,342,104,000.00	(44,235,000.00)	(18,333,000.00)
Increase in accrued expense	3,392,000.00	4,725,000.00	825,000.00
Increase/(decrease) in deferred tax liabilities	3,284,000.00	478,000.00	(154,000.00)
Increase in income tax payable	34,557,000.00	5,953,000.00	7,291,000.00
Increase in call in arrears	(340,000,000.00)	-	-
(Decrease) in deposit for shares	(150,000,000.00)	-	-
Net cash generated by operating activities	(1,377,839,000.00)	189,054,000.00	23,349,000.00
Cash flows from investing activities			
Purchase of property, plant, and equipment	(478,715,000.00)	(222,369,000.00)	(25,473,000.00)
Proceeds from disposal of property, plant, and equipment	3,174,000.00	-	-
Interest received	3,283,000.00	50,000.00	177,000.00
Net cash used in investing activities	(472,258,000.00)	(222,319,000.00)	(25,296,000.00)
Cash flows from financing activities			
Loan obtained	8,424,616,000.00	145,000,000.00	-
Loan repayment	(2,760,325,000.00)	(108,333,000.00)	-

AUDIT REPORT AND SUMMARY FINANCIAL STATEMENTS

Dividend paid	(124,000,000.00)	-	-
Non-current borrowings obtained	246,400,000.00	-	-
Loan repayment	(17,823,000.00)	-	-
Loan interest paid	(359,066,000.00)	(20,433,000.00)	-
Share Issue	490,000,000.00	4,800,000.00	4,200,000.00
Net Cash from Financing Activities	5,899,802,000.00	21,034,000.00	4,200,000.00
Net (decrease)/increase in cash and cash equivalents	4,049,705,000.00	(12,231,000.00)	2,253,000.00
Cash at the beginning of the year	10,118,000.00	22,349,000.00	20,096,000.00
Cash and cash equivalents at the end of the year	4,059,823,000.00	10,118,000.00	22,349,000.00

NEVEAH LIMITED

Long-Term Rating:

BBB

Short Term Rating: A1

Previous Rating: BBB

Rating Outlook: Positive

Trend: UP

Currency: Naira

Date issued: 4 May, 2022

Valid Till: 3 May, 2023

Reference:

Abiodun Adeseyoju, FCA.

Abimbola Adeseyoju

Oladele Adeoye

This report is provided by DataPro subject to the Terms & Conditions stipulated in our Terms of Engagement

EXECUTIVE SUMMARY

	2021 ₦'000	2020* ₦'000	2019 ₦'000	2018 ₦'000	2017 ₦'000
Turnover	2,340,330	1,245,856	2,040,011	1,129,305	456,627
Profit Before Tax	43,057	76,531	17,400	4,852	3,612
Equity	141,471	100,045	26,451	9,967	5,954
Non Current Asset	230,561	22,597	13,669	9,554	4,165
Total Asset	463,960	273,066	210,606	197,415	18,019
Non Current Liabs	-	-	183,038	186,409	11,711

*Restated figures for 2020 Audited Accounts.

Rating Explanation

The Short-Term Rating of A1 indicates *Good Credit Quality* and satisfactory capacity for timely payment of financial commitments.

The Long-Term Rating of BBB indicates *Slight Risk*. It shows Fair Financial Strength, Operating Performance and Business Profile when compared to the standard established by DataPro. This Company, in our opinion, has the ability to meet its ongoing obligations, but its financial strength is vulnerable to adverse changes in economic conditions.

RATING SYNOPSIS

The Rating took into consideration all relevant qualitative and quantitative factors to arrive at the assigned risk indicator.

The qualitative information used were based on industry and market intelligence including public information. The quantitative information was obtained from the Company's Audited and Management Accounts.

The risk factors were assessed using the Company's Capitalization, Earnings Profile, Liquidity, Corporate Governance, Regulatory Compliance and Sustainability of subject's current healthy profile in the medium to long term period.

Overall, the following were observed:

Strengths:

- Diversified Earning Profile
- Good Asset Utility

Weaknesses:

- Corporate Governance Risk
- High-Cost of Sales

This report does not represent an offer to trade in securities. It is a reference source and not a substitute for your own judgment. As far as we are aware, this report is based on reliable data and information, but we have not verified this or obtained an independent verification to this effect. We provide no guarantee with respect to accuracy or completeness of the data relied upon, and therefore the conclusions derived from the data. This report has been prepared at the request of, and for the purpose of, our client only and neither we nor any of our employees accept any responsibility on any ground whatsoever, including liability in negligence, to any other person. Finally, DataPro and its employees accept no liability whatsoever for any direct or consequential loss of any kind arising from the use of this document in any way whatsoever.

NEVEAH LIMITED

Rating Assigned:

Bbb-

This refers to companies with satisfactory financial condition and adequate capacity to meet obligations as and when they fall due.

Outlook: Stable

Issue Date: 23 November 2022

Expiry Date: 30 November 2023

Previous Rating: N/A

Industry: Solid Minerals Trading

Outline	Page
Rationale	1
Industry Overview	4
Company Profile	6
Ownership, Mgt & Staff	7
Financial Condition	8
Outlook	13
Financial Summary	14
Rating Definition	18

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Agusto & Co. Limited

UBA House (5th Floor)

57, Marina

Lagos

Nigeria

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RATING RATIONALE

Agusto & Co. hereby assigns a "Bbb-" rating to Neveah Limited ("Neveah" or "the Company"). The assigned rating reflects our opinion on the Company's satisfactory financial condition evidenced by its good profitability metrics and moderate leverage position. The rating is also supported by the Company's stable, qualified and experienced management team, Neveah's minimal exposure to foreign exchange risks given that the bulk of its revenue is denominated in foreign currency as well as the strong governmental support for export-oriented businesses in Nigeria. The assigned rating also takes cognisance of the rising commodity prices at the international markets, which should support the Company's financial performance in the near term. Nonetheless, the rating is tempered by Neveah's inadequate working capital for the current level of operations and an operating cash flow position that requires improvement due to the increased investments in inventories. The rating is further moderated by the Company's highly concentrated ownership profile and a corporate governance structure that needs further strengthening in line with best practices in our opinion.

Neveah Limited was established as a limited liability company in 2014 and commenced operations in 2015 as a commodity trading entity that deals in the exportation and trading of Solid Minerals including Lead, Tin and Zinc and agro-commodities such as Hibiscus Leaves, Hibiscus Siftings, Dried Orange Peels and Gum Arabic. Neveah's major buyers are in Europe, North America and Asia.

The Company generates the bulk of its revenue from the sale of Solid Minerals particularly Tin, Columbite and Lead Ore and to a lesser extent agro-commodities. In the financial year ended (FYE) 31 May 2022, Neveah Limited's revenue grew by 162% to ₦6.6 billion (adjusted for the impact of Export Expansion Grants and inflows from the RT 200 FX Programme) largely due to the increase in the sale of Solid Minerals, which accounted for 97% of the Company's income. The Company's off-takers are located in Europe (including Switzerland and Luxembourg), Singapore and Hong Kong. Neveah posted a direct cost-to-sales ratio of 117% (2021: 109.2%) translating to a gross loss margin of 17% (2021: 9.2%). However, if we adjust for the foreign exchange

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www.aluko-oyebode.com

28 April 2023

United Capital Plc
Afriland Towers
97/105, Broad Street
Lagos, Nigeria

Dear Sir,

Re: Establishment of a ₦20,000,000,000.00 Commercial Paper Issuance Programme by Neveah Limited

We have acted as Counsel to Neveah Limited (the "Issuer") in connection with its establishment of a ₦20,000,000,000.00 (Twenty Billion Naira) Commercial Paper Issuance Programme (the "Programme"), under which the Issuer, a private limited liability company incorporated under the laws of the Federal Republic of Nigeria, may from time to time issue Commercial Paper Notes ("CP Notes" or "Notes"), denominated in Nigerian Naira, in separate series or tranches subject to the terms and conditions (the "Terms and Conditions") contained in the Programme Memorandum (defined below) and applicable Pricing Supplement.

We are giving this opinion pursuant to the Dealer Agreement (the "Dealer Agreement") dated 29 March 2023 between the Issuer, and United Capital Plc (the "Dealer").

The Notes issued will be constituted by, subject to, and have the benefit of, a Deed of Covenant dated 29 March 2023, made by the Issuer, which shall take effect as a deed poll for the benefit of the holders of the Notes (the "Deed of Covenant").

For avoidance of doubt, all capitalised terms used but not defined herein shall have the meanings assigned to such terms in the Programme Memorandum, or any Pricing Supplement, as applicable.

1. THE DOCUMENTS

In rendering our legal opinion (the "Opinion"), we have examined such documents as we have considered necessary for the opinions expressed in this Opinion and principally the following documents provided to us in physical or electronic form (unless otherwise stated):

- 1.1 A copy of the ₦20,000,000,000.00 Commercial Paper Programme Memorandum dated 28 April 2023 including the Terms and Conditions relating to each Series or Tranche of Notes issued under the Programme (the "Programme Memorandum");
- 1.2 An executed copy of the Dealer Agreement dated 29 March 2023;
- 1.3 An executed copy of the Deed of Covenant issued by the Issuer dated 29 March 2023;

1 Murtala Muhammed Drive
Ikoyi, Lagos, Nigeria
P.O. Box 2293, Marina, Lagos

T +234 1 462 8360
E ao@aluko-oyebode.com



- 1.4 An executed copy of the Issuing, Placing, Paying and Collection Agency Agreement dated 29 March 2023 between the Issuer, and the Issuing, Placing, Paying and Collection Agent;
- 1.5 An executed copy of the Trust Deed dated 28 April 2023;
(The documents referred to in paragraphs 1.2 to 1.5 are referred to as the "Transaction Documents")
- 1.6 A copy of a Certificate of Incorporation of the Issuer dated 25 July 2014, issued by the Corporate Affairs Commission;
- 1.7 A copy of the Memorandum and Articles of Association of the Issuer dated 17 July 2014 and certified by the Corporate Affairs Commission on 30 July 2014;
- 1.8 A copy of the resolution of the meeting of the Board of Directors of the Issuer dated 27 April 2021 authorising the establishment of the Programme;
- 1.9 A copy of the resolution of the meeting of the Board of Directors of the issuer dated 20 March 2023 resolving to revise the size of the Programme
- 1.10 A copy of the Form CAC 7A (Notice of Change of Directors, or in the Name, Residential Address or Postal Address of Director) certified by the Corporate Affairs Commission on 22 March 2021;
- 1.11 A copy of the Form CAC 2A Return of Allotment (Post Incorporation) certified by the Corporate Affairs Commission on 22 March 2021;
- 1.12 A copy of the Issuer's Certificate of Mineral Buying Centre (Certificate No. MBC7567) issued by the Ministry of Mines and Steel Development (Artisanal and Small-Scale Mining Department); and
- 1.13 A copy of the Issuer's Licence to Possess (or Purchase Minerals) (Licence No. LPM037) issued by the Ministry of Mines and Steel Development.
(The documents referred to in paragraphs 1.6 to 1.13 are referred to as the "Corporate Documents" while the documents referred to in paragraphs 1.1 to 1.13 are referred to as the "Documents").

2. ASSUMPTIONS

For the purpose of this Opinion, we have assumed, without independent verification, each of the following:

- 2.1 the authenticity of all seals and signatures, the completeness and conformity with original documents of all copies of the Documents submitted to us in physical or in electronic form, and that any Document submitted to us continues in full force and effect;
- 2.2 the Transaction Documents referred to in paragraph 1 above have been validly authorised and duly executed and delivered in such form by each of the parties to them (other than the Issuer), by a person or persons duly authorised to do so;



- 2.3 the Transaction Documents which are governed by the laws of the Federal Republic of Nigeria are, or will be, legal, valid, binding and enforceable against all relevant parties, (other than the Issuer), in accordance with their respective terms under the laws of the Federal Republic of Nigeria;
- 2.4 the due compliance with all matters, (including without limitation, the obtaining of necessary consents, authorisations and approvals, and the making of necessary filings and registrations), required in connection with the Transaction Documents to render them enforceable in all relevant jurisdictions, (other than the Federal Republic of Nigeria), has been effected and such compliance remains in full force and effect and will continue to be effected where required for the validity and enforceability, under such laws as applicable, (other than the laws of the Federal Republic of Nigeria), of the Transaction Documents (or any document in connection therewith); and
- 2.5 the power, authority and legal right of all parties under all the relevant laws and regulations, (other than the laws of the Federal Republic of Nigeria), to enter into, execute and perform their respective obligations under the Transaction Documents.

3. OPINION

Based on the assumptions above and subject to the qualifications below and to any matters not disclosed to us, we are of the opinion that:

3.1 Status, Power and Authority, Legal Validity

- 3.1.1 the Issuer; (i) is a private limited liability company duly incorporated and validly existing under the laws of the Federal Republic of Nigeria; (ii) has perpetual corporate existence and the capacity to sue or be sued in its own name; (iii) has the corporate power and authority to enter into and perform the obligations expressed and assumed by it under the Transaction Documents to which it is a party and any Notes; (iv) has taken all necessary corporate and other action to authorise the entry into, execution of and performance of its obligations under the Transaction Documents to which it is a party and the Notes; and (v) has duly complied with all extant laws, regulations, circulars and guidelines issued by the Central Bank of Nigeria.
- 3.1.2 the Transaction Documents have been duly executed and delivered, and the Transaction Documents and the Notes have been duly authorised by the Issuer in accordance with the laws of the Federal Republic of Nigeria and the Corporate Documents of the Issuer;
- 3.1.3 the Transaction Documents constitute valid, legal, binding and enforceable obligations of the Issuer and are enforceable against it in accordance with their terms;
- 3.1.4 the holders of the Notes shall be entitled, severally, to enforce the Deed of Covenant against the Issuer;
- 3.1.5 the Notes, when issued, would constitute valid, legal, binding and enforceable obligations of the Issuer;
- 3.1.6 the issuance of the Notes in dematerialised form is valid and legal under



Nigerian law;

3.2 Foreign Exchange Control

- 3.2.1 there are no foreign exchange control consents, licences or approvals required, (including without limitation by any governmental authority, including the Central Bank of Nigeria), for the entry into and performance by the Issuer of its obligations under the Transaction Documents or the Notes; save that non-residents of Nigeria who have brought funds into Nigeria for the purchase of the Notes through an approved and lawful channel may upon liquidating their investment in the Notes repatriate the proceeds of their investment upon the submission of all relevant documentation including a Certificate of Capital Importation, which evidences the in-flow of the funds into Nigeria by the non-resident holders of the Notes in accordance with the provisions of the Foreign Exchange (Monitoring and Miscellaneous Provisions) Act¹ and the Foreign Exchange Guidelines issued by the Central Bank of Nigeria;

3.3 Consents, Filings and Form

- 3.3.1 no consent, approval, registration or filing with any court or governmental authority in the Federal Republic of Nigeria, (including the Central Bank of Nigeria and the Securities and Exchange Commission of Nigeria), is required in connection with the execution, delivery and performance of the Transaction Documents, including the issue of the Notes;
- 3.3.2 the Notes, when issued, would be issued in compliance with the Guidelines on the Issuance and Treatment of Bankers Acceptances and Commercial Papers issued by the Central Bank of Nigeria on 11 September 2019 and the Commercial Paper Registration and Quotation Rules issued by FMDQ in April 2021;
- 3.3.3 the Transaction Documents are in the proper form for their admissibility in evidence and their enforcement, (save for payment of stamp duty as described in paragraph 3.8 below), against the Issuer in the courts of the Federal Republic of Nigeria;

3.8 Non conflict with laws

the execution of and the performance by the Issuer of its obligations under the Transaction Documents and the Notes, and the compliance with the provisions of the Transaction Documents to which it is a party and the Notes will not contravene, violate or conflict with any law, statute, rule or regulation of the Federal Republic of Nigeria or the Corporate Documents of the Issuer;

3.8 Insolvency

to the best of our knowledge, no procedure has been commenced in the Federal Republic of Nigeria with a view to the winding up, reorganisation, or dissolution (or similar procedure) of the Issuer or with a view to the appointment of a liquidator, receiver, receiver/manager or similar officer in respect of the Issuer or any of its properties, assets or interest;

¹ Cap F34 Laws of the Federation of Nigeria 2004



3.6 Immunity

the Issuer is not entitled to claim in relation to itself or any of its assets, any form of immunity on the grounds of sovereignty, diplomacy or otherwise from any legal action or proceeding or from execution of a judgement against it, instituted or initiated before a competent jurisdiction or any arbitral panel;

3.7 Licensing and Qualifications etc.

3.7.1 under the laws of the Federal Republic of Nigeria, no party which is not registered in Nigeria will, by reason of its purchase of the Notes, and enforcing its rights thereunder, (i) be required to be registered, qualified, licensed or otherwise entitled to do business in the Federal Republic of Nigeria or be required to comply with any requirement as to foreign registration or qualification in the Federal Republic of Nigeria; or (ii) be required to make any filing with any court or other agency in the Federal Republic of Nigeria prior to any enforcement of the Transaction Documents (including the Notes); or (iii) be deemed to be resident, domiciled or carrying on business in the Federal Republic of Nigeria for tax or any other purpose;

3.7.2 the performance by any party of any of its rights, duties, obligations or representations under the Transaction Documents (including the Notes) will not violate any existing applicable law or regulation in the Federal Republic of Nigeria;

3.8 Stamp Duty

3.8.1 the provisions of the Stamp Duties Act² require any instrument executed in the Federal Republic of Nigeria, or relating, wheresoever executed, to any property situated or any matter or thing done or to be done in the Federal Republic of Nigeria to be stamped and the appropriate stamp duty paid in respect of the said instrument. Unstamped or insufficiently stamped instruments are not admissible in evidence (except in criminal proceedings) in the courts of the Federal Republic of Nigeria;

3.8.2 stamp duty is payable in the Federal Republic of Nigeria either at a *flat* rate or an *ad valorem* rate. Based on the Stamp Duties Act, the rate of stamp duty payable in the Federal Republic of Nigeria in respect of the Notes is 0.1% levied on an *ad valorem* basis on the value of the underlying transaction;

3.8.3 prior to the amendment of the Stamp Duties Act by the Finance Act 2019 (the "Finance Act"), dematerialised Notes were not subject to stamp duty as the Notes being in uncertificated form did not qualify as "instruments" as was previously defined under the Stamp Duties Act;

3.8.4 the Finance Act amends the definition of "instruments" in the Stamp Duties Act to include electronic instruments, but neither defines nor sets out what would qualify as an "electronic document". As such, it is not clear whether the electronic form of the dematerialised Notes would qualify the Notes as an electronic instrument which would be subject to stamp duty;

² Cap S8 Laws of the Federation of Nigeria 2004 (as amended by the Finance Act of 2019, 2020 and 2021)



- 3.8.5 where the Federal Inland Revenue Service takes the view that the dematerialised Notes qualify as "electronic instruments", the Notes would be subject to stamp duty as stated in paragraph 3.8.2 above;
- 3.8.6 It is unclear whether the Deed of Covenant, the Dealer Agreement and the Issuing, Placing, Paying and Collection Agency Agreement will be assessed for stamp duties at a flat rate or an ad valorem rate. Historically, the Deed of Covenant, the Dealer Agreement and the Issuing, Placing, Paying and Collection Agency Agreement have each attracted a nominal stamp duty of ₦500.00 (Five Hundred Naira) for an original copy and ₦50.00 (Fifty Naira) for each counterpart. The Deed of Covenant, the Dealer Agreement and the Issuing, Placing, Paying and Collection Agency Agreement will be assessed and stamped at the prevailing stamp duties rate as of the time of stamping. No other stamp, registration fees or other tax is payable, and no filing or registration is required in connection with the execution, delivery, performance or enforcement of any of the foregoing documents;
- 3.8.7 each of the Transaction Documents are required to be stamped in Nigeria within a period of 30 (thirty) days after their execution (where they are executed in the Federal Republic of Nigeria) or within a period of 30 (thirty) days after they are first brought into the Federal Republic of Nigeria (in the event that they are executed outside the Federal Republic of Nigeria);
- 3.8.8 no other stamp duty is payable, and no filing or registration is required in connection with the execution, delivery, issue, performance and enforcement of the Transaction Documents and the Notes;
- 3.9 **Forum of Dispute Resolution**
- 3.9.1 the submission to arbitration by the parties would be upheld in Nigeria as parties are permitted under Nigerian law to choose arbitration as a means of settling their disputes. Parties are also permitted to choose the seat and governing rules of the arbitration;
- 3.9.2 the courts of the Federal Republic of Nigeria will accept jurisdiction in any suit, action or proceedings against the Issuer arising out of or in connection with the Transaction Documents and the Notes and can give judgement in a currency other than the legal tender/lawful currency of the Federal Republic of Nigeria for the payment of any sum due under the Transaction Documents or the Notes; and
- 3.10 **Pari Passu**
- the obligations of the Issuer under the Transaction Documents and the Notes will rank at least *pari passu* as to priority of payment with the claims of all other unsecured and unsubordinated creditors of the Issuer except for those claims which are mandatorily preferred solely by any bankruptcy, insolvency or liquidation or other similar laws of general application.

4. QUALIFICATIONS

This Opinion is subject to the following qualifications:



- 4.1 This Opinion is limited in all respects to the laws of the Federal Republic of Nigeria, as at the date hereof. We have not made any investigations of, and we do not express any opinion as to the laws of any other jurisdiction;
- 4.2 This Opinion is expressed as of the date hereof and we assume no obligation to update or supplement any opinion contained herein to reflect any fact or circumstance that may hereafter come to our attention or any changes in law that may hereafter occur or become effective;
- 4.3 Our opinion that an obligation or document is enforceable means that the obligation or document is of a type and form which the courts in the Federal Republic of Nigeria will enforce. It does not mean that the obligation or document can necessarily be enforced in all circumstances as the validity, enforceability and/or binding nature of such obligations or documents under the laws of the Federal Republic of Nigeria will be subject to, amongst other things, the laws of bankruptcy, insolvency, receivership, reorganisation, liquidation, moratorium and other like laws. In particular, equitable remedies such as injunctions and specific performance are discretionary and are not generally available in circumstances where damages are considered by the courts in the Federal Republic of Nigeria to be an adequate remedy;
- 4.4 Save for paragraph 3.8 above, we express no opinion as to the tax treatment or consequences of the Transaction Documents or the transactions contemplated therein; and
- 4.5 Where any obligation is to be performed or observed in a jurisdiction outside the Federal Republic of Nigeria, it may not be enforceable under Nigerian law if and to the extent that such performance or observance would be unlawful, unenforceable or contrary to public policy of the Federal Republic of Nigeria or under the laws of such jurisdiction.

5. RELIANCE

This Opinion is issued at the request of the Dealer for the purpose of the Programme and any Note issuances thereunder. The opinion may be relied upon only by the Dealer and persons seeking to invest in the Notes, in connection with the matters dealt with herein and may not without our prior written consent be relied upon by any other person. Neither its contents nor its existence may be disclosed to any other person unless we have given our prior written consent.

This Opinion may be disclosed (a) if required by law or regulation; (b) to the officers, directors, employees, affiliates, professional advisers (including legal advisers), auditors or regulators of the Dealer; and (c) in connection with any actual or potential dispute or claim in respect of the Note issuance provided that such persons may not rely on the Opinion.

Yours faithfully,
ALUKO & OYEBODE

A handwritten signature in dark ink, appearing to read 'Aluko & Oyebode'.

GENERAL INFORMATION

AUTHORISATION

This CP Programme and Notes issued hereunder were approved by the resolution of the Board of Directors of Neveah Limited dated September 28, 2022

AUDITORS

Deloitte & Touche acted as the Auditor of the annual financial statements of the Issuer for the financial years ended May 31, 2022, and was responsible for the audit, and issued unqualified reports.

COMMERCIAL PAPER OUTSTANDING

The Issuer has commercial paper outstanding as at the date of this Programme Memorandum. Within the financial year ending May 31, 2022, the Issuer does not anticipate the amount of CPs to be issued to exceed the Programme Size.

GOING CONCERN

The Issuer is at the date hereof a going concern and can be reasonably expected to meet all of its obligations as and when they fall due. If any event occurs as a result of which the above statement is no longer true and accurate, the Issuer will give notice thereof to the Noteholders in accordance with Condition 8.

LITIGATION

The Issuer is not engaged (whether as defendant or otherwise) in any legal, arbitration, administration or other proceedings, the result of which might have or have had a material effect on the financial position or the operations of the Issuer, nor is the Issuer aware of any such proceedings being threatened or pending.

Consequently, the Solicitors to the Transaction are of the opinion that there are no claims in existence or threatened which could have a material effect on the financial position or operations of the Issuer.

MATERIAL CONTRACTS

The following agreements have been entered into and are considered material to this Programme:

- i. the Deed of Covenant dated March 29, 2023, executed by the Issuer as a deed poll in favour of the Noteholders;
- ii. the Dealer Agreement dated March 29, 2023, executed by the Arranger and the Issuer; and
- iii. the Issuing, Calculation and Paying Agency Agreement dated March 29, 2023, executed by the Issuer and the Issuing, Calculation and Paying Agent
- iv. the Trust Deed dated **April 28, 2023**, executed by the Issuer and the Trustees.

Other material contracts in respect of any issuance of Notes under the Programme will be disclosed in the Applicable Pricing Supplement issued in respect of that Series or Tranche.

ULTIMATE BORROWER

The Issuer is the borrower in respect of the Notes.

PARTIES TO THE TRANSACTION

ISSUER	
NEVEAH LIMITED 1st Floor, Plot 2940 Aguiyi Ironsi Street Maitama Abuja	 IBIDAPO LAWAL
DEALER AND ARRANGER	
United Capital Plc 3rd & 4th Floors Afriland Towers 97/105 Broad Street Lagos	 PETER ASHADE
SOLICITOR TO THE ISSUE	
ALUKO & OYEBODE 1 Murtala Muhammed Drive Ikoyi, Lagos	 AYODEJI OYETUNDE
ISSUING, CALCULATING AND PAYING AGENT	
CORONATION MERCHANT BANK LIMITED 10, Amodu Ojikutu Street Victoria Island Lagos	 FUNKE FEYISITAN LADIMEJI
AUDITOR	
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