

BUA CEMENT PLC

**₺115 Billion 7.5% Seven-Year Senior Unsecured Fixed Rate Series 1 Bond Due 2027 Under the
₺200 Billion Debt Issuance Programme**

2025 Final Bond Rating Review Report



Research, Credit Ratings, Credit Risk Management

BUA CEMENT PLC'S

₦115 Billion 7.5% Seven-Year Senior Unsecured Fixed Rate Series 1 Bond Due 2027 Under the ₦200 Billion Debt Issuance Programme

Issue Rating:

A+

Good quality debt issue with low to moderate credit risk; strong capacity to pay returns and principal on local currency debt in a timely manner

Outlook: Stable

Issue Date: 22 December 2025

Expiry Date: 31 December 2026

The Issue rating is subject to annual renewals on the anniversary of the Bond.

Sponsor's Rating: A+

Expiry Date: 30 June 2025

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RATING RATIONALE

Agusto & Co. hereby affirms the “A+” rating assigned to BUA Cement PLC’s ₦115 billion 7.5% Seven-Year Senior Unsecured Fixed Rate Bond Due 2027 (“Series 1”, “the Issue” or “the Bond”) under the ₦200 Billion Debt Issuance Programme. The Issue rating mirrors the standalone rating assigned to BUA Cement PLC (“BUA Cement”, “BCP”, “the Issuer” or “the Company”), given that its operating cash flows have been irrevocably and unconditionally pledged as the primary source of repaying the Series 1 Bond obligations. The rating reflects BUA Cement’s good profitability and cash flows, supported by sustained demand for cement from ongoing public infrastructure and real estate developments, as well as its established market position, expanded production capacity and strong pricing power. The rating is also supported by the Issuer’s adequate working capital and liquidity positions, upheld by evergreen spontaneous financing sources arising from its favourable trade terms with customers and suppliers. However, the rating is moderated by the Company’s vulnerability to currency risk stemming from the remaining portion of the \$300 million syndicated loan obtained from the International Finance Corporation, which could constrain funding flexibility in the event of a material local currency depreciation.

In December 2020, BUA Cement issued its maiden ₦115 billion 7.5% Seven-Year Senior Unsecured Fixed Rate Bond Due 2027 under the ₦200 Billion Debt Issuance Programme. The Bond constitutes a senior, direct, unsecured obligation and ranks pari passu with other senior debts of the Issuer. The Bond proceeds were used to repay shareholder loans used in financing the construction of the 3 million metric tonnes (MMT) Kalambaina Cement Plant (commissioned in January 2022) and to meet working capital requirements. The Issue attracts a 7.5% fixed coupon rate payable semi-annually on 30 June and 30 December over the seven-year tenor, while principal is being amortised biannually (starting from June 2024) after the expiration of the three-year moratorium in December 2023.

In line with the Series 1 Trust Deed, the Issuer has opened a Debt Service Reserve Account (DSRA) in the name and under the control of the Joint Trustees. As at 25 November 2025, BCP had paid ₦80.3 billion to the Bondholders (comprising nine coupon payments and three principal repayments). Given the favourable market fundamentals, coupled with its strong position in the Nigerian Cement Industry and demonstrated cash generating capacity, we expect the Issuer to continue to meet the Bond obligations as they fall due. Therefore, we attach a **stable** outlook to BUA Cement PLC’s ₦115 billion 7.5% Seven-Year Senior Unsecured Fixed Rate Bond Due 2027.

This rating report should be read in conjunction with Agusto & Co.’s 2025 Corporate Rating Report for BUA Cement PLC.

TRANSACTION PARTIES

Issuer:

BUA Cement PLC

Lead Issuing House

Stanbic IBTC Capital Limited

Joint Issuing Houses

UCML Capital Limited

Tiddo Securities Limited

Joint Trustees:

Stanbic IBTC Trustees Limited

Custodian Trustees Limited

ARM Trustees Limited

Legal Adviser to the Trustee

Olaniwun Ajayi LP

Solicitors to the Issue:

Udo Udoma & Bello Osagie

Solicitors to the Issuer:

G. Elias & Co.

Reporting Accountants:

KPMG Professional Services.

Auditors:

PricewaterhouseCoopers Nigeria

Registrars:

Africa Prudential PLC

Stockbrokers:

APT Securities and Funds Limited

Stanbic IBTC Stockbrokers Limited

Receiving Banks:

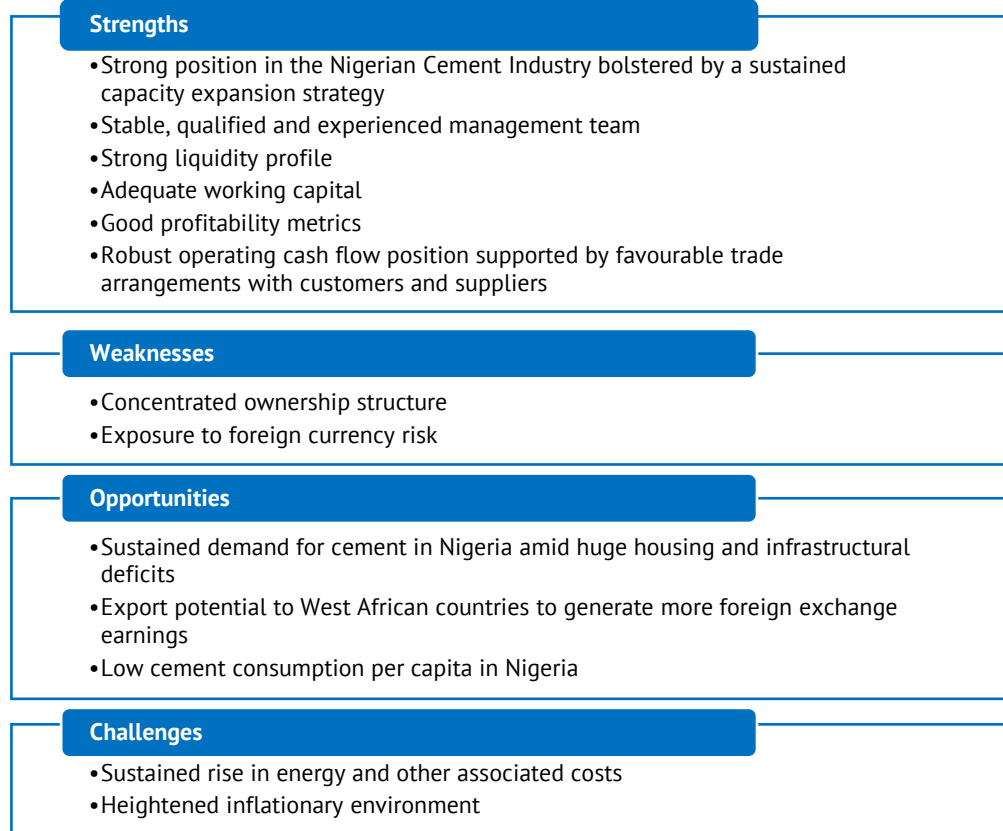
Access Bank PLC

United Bank for Africa PLC

First Bank of Nigeria PLC

Stanbic IBTC Bank PLC

Figure 1: Strengths, Weaknesses, Opportunities and Challenges



BOND STRUCTURE AND ADEQUACY OF PAYMENT ACCOUNT

On 30 December 2020, BUA Cement PLC (“BUA Cement”, “BCP”, “the Issuer” or “the Company”) issued ₦115 Billion 7.5% Seven-Year Senior Unsecured Fixed Rate Series 1 Bond Due 2027 (“Series 1 Bond”, “the Bond” or “the Issue”) under its ₦200 Billion Debt Issuance Programme. The Bond attracts a 7.5% fixed coupon rate, payable semi-annually on 30 June and 30 December every year for seven years. The Bond principal is being redeemed biannually after the expiration of the three-year moratorium that ended on 30 December 2023.

The Series 1 Bond constitutes a direct, unsecured, senior, unsubordinated and irrevocable obligation of BUA Cement PLC and ranks pari passu among themselves and equally with its other existing debt obligations, except for obligations mandatorily preferred by law. As stated in the executed Pricing Supplement and Trust Deed, the Company may exercise an early redemption option (in part or in full) from 48 months after the issue date, subject to giving Bondholders at least 30 days’ and no more than 60 days’ notice. Despite the call option, the Bond’s relatively low coupon rate compared with prevailing high interest rates provides no economic incentive for early redemption. The net proceeds of the Issue were utilised as follows:

Table 1 – Utilisation of the Series 1 Bond Proceeds

Use of Proceeds	Amount (₦Billion)	% of Issue Proceeds	Status
Repayment of shareholder loans to BUA International Limited	91.34	79.4	Completed
Working Capital	17.14	14.9	Completed
Provision for DSRA Funding	4.31	3.8	Completed
Cost of issue	2.19	1.9	Completed
Total	115.0	100	

In line with the Series 1 Bond Trust Deed and for the benefit of the Bondholders, a Payment Account has been opened in the name and under the control of the Joint Trustees – Stanbic IBTC Trustees Limited, Custodian Trustees Limited and ARM Trustees Limited. The obligations of the Bond, including coupon and principal repayments, are being serviced from BUA Cement’s operating cash flow. For as long as the Bond remains outstanding, the Issuer is required to fund the Payment Account with an amount sufficient to meet its payment obligations under the Bond at least three business days before each coupon or principal payment date. As part of the transaction structure, the Issuer has also opened a Debt Service Reserve Account (DSRA) in the name and under the control of the Bond Trustees. In accordance with the executed Pricing Supplement, BUA Cement shall ensure that throughout the life of the Issue, the balance in the DSRA shall not be less than the required balance of ₦4.3 billion.

According to the Joint Trustees’ Report dated 25 November 2025, the Issuer has not breached any of the covenants in the Series 1 Bond Trust Deed. As at the same date, BUA Cement PLC had paid a total of ₦80.3 billion to the Bondholders, which represented nine semi-annual coupons and three principal repayments. The next bi-annual coupon and principal repayment is due on 30 December 2025. Given the Company’s strong cash-generating capacity, underpinned by its expanding operating scale and the sustained demand for cement driven by ongoing public infrastructure projects and increased private sector construction activities, we anticipate that the Issuer will continue to meet the obligations of the Series 1 Bonds as and when due.

REVIEW OF ISSUER'S FINANCIAL CONDITION

Analysts' comments: We have reviewed BUA Cement PLC's three-year audited financial statements for the period ended 31 December 2024 and the unaudited accounts for the nine months ended 30 September 2025.

Good profitability supported by sustained demand for cement, operating scale expansion and FX gains

In the unaudited nine months ended 30 September 2025 (Q3'2025), BUA Cement Plc recorded a 47.2% year-on-year growth in revenue to ₦858.7 billion, primarily driven by higher sales volumes on account of increased public and private sector construction activities, alongside upward pricing adjustments. The Company's revenue expansion was further supported by the increase in its operating scale following the commissioning of Lines 3 and 5 at its Obu and Sokoto plants within the review period, which boosted its cement production capacity to 17 million metric tonnes per annum. Given the ongoing infrastructure projects and growth in residential and commercial real estate fueled by Nigeria's rising population and urbanization, we expect the Issuer's revenue to continue its upward trajectory in the near term.

During the first nine months of 2025, BUA Cement's direct cost-to-revenue ratio improved to 50% (Q3'2024: 69%), reflecting stronger revenue growth and enhanced economies of scale from its expanded operating capacity. Consequently, the Company recorded a higher gross profit margin of 50% in Q3'2025 (Q3'2024: 31%), underscoring improvements in operating efficiency. Similarly, the Issuer's operating profit margin rose to 42.4% in Q3'2025 (Q3'2024: 23.6%), reflecting faster revenue growth relative to operating costs.

In Q3'2025, BUA Cement PLC recognised ₦21.6 billion in unrealised foreign exchange gains, arising primarily from the writeback of foreign exchange losses previously recognised on the outstanding portion of the \$300 million IFC facility used to fund the construction of energy-efficient cement plants in Sokoto. The writeback followed the appreciation of the Naira in 2025, with the USD/NGN exchange rate improving from ₦1,535/\$1 at the beginning of the year to ₦1,478/\$1 by September 2025. Given the unrealised FX gains, which moderated finance costs during the period, the Company's finance costs-to-revenue ratio declined to 4% in Q3'2025 (Q3'2024: 15.3%).

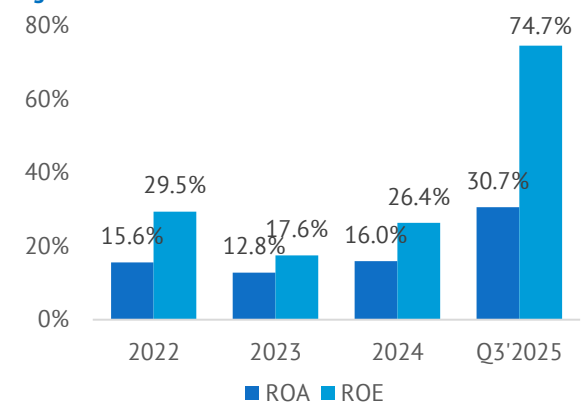
Considering that BUA Cement has renegotiated its operation and maintenance agreements to a flat monthly fee rather than a variable structure linked to clinker volumes, and given the relatively stable exchange rate environment, we do not expect BCP to record any material FX losses in the near term. Notwithstanding, we note that the Issuer remains susceptible to FX risk in the event of further Naira depreciation due to the long tenor of the IFC facility.

Overall, BUA Cement posted a pre-tax profit margin of 39.7% in Q3'2025 (Q3'2024: 10.8%), reflecting the combined impact of stronger revenue growth, improved operational efficiency

and the swing to a net foreign exchange gain during the period. On account of the higher profit performance, the Issuer's annualised pre-tax-pre-interest return on assets (ROA) and pre-tax return on equity (ROE) improved to 30.7% and 74.7%, respectively (2024: 16% and 26.4%). Looking ahead, we expect the Company's capacity-driven volume growth and strong pricing power to continue to support profitability in the near term.

In our opinion, BUA Cement PLC's overall profitability is good.

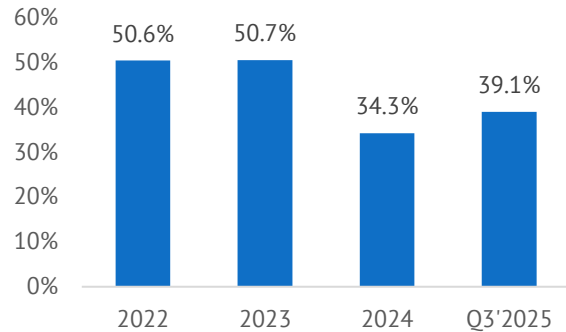
Figure 2: ROA & ROE



Strong cash flow position supported by higher earnings and favourable trade terms

In the nine months ended 30 September 2025, BUA Cement Plc reported an operating cash flow (OCF) of ₦335.4 billion (Q3'2024: ₦282 billion), upheld mainly by the increase in earnings and payables to suppliers. BCP's operating cash flow in Q3'2025 was sufficient to cover the returns to providers of finance (RTPOF) of ₦103.8 billion, comprising dividends to equity holders (67%) and interest payments to debt financiers (33%). In Q3'2025, the Company reported an OCF to sales ratio of 39.1%, which was well above our 20% benchmark and underscores its strong ability to generate cash from core operations.

Figure 3: Operating Cash Flow to Sales Ratio



We note that the favourable operating landscape has historically supported the Company's cash generating capacity, as cement is typically sold on a cash or advance payment basis. This is demonstrated by a collection period of less than 1 day, which contrast sharply with the payment period of 224 days as at Q3'2025, thus indicating favourable trade terms. Given the strong domestic demand for cement, buoyed by sustained public infrastructure development and growth in real estate activity, alongside BUA Cement's enhanced operating scale, we expect the Company to continue generating adequate cash flows to meet maturing obligations. Our view is supported by the Issuer's favourable trade terms, established market position and demonstrated ability to implement cost-reflective price adjustments.

In our view, BUA Cement PLC's overall cash flow position is good and sustainable.

Healthy liquidity profile supported by strong cash-generation from core operations

As at 30 September 2025, BUA Cement PLC's liquidity position comprised cash and equivalent balances of ₦154.8 billion, free cash flows from operations (OCF after RTPOF) of ₦231.5 billion and liquid inventories of ₦82.8 billion¹. These amounts provided 5 times coverage of its maturing short-term obligations, which we consider good. Furthermore, BCP's established relationships with domestic and foreign financial institutions and its demonstrated ability to access the domestic capital market through debt issuances support its capacity to refinance maturing obligations with ease.

Adequate working capital position supported by robust spontaneous financing

As at 30 September 2025 (unaudited), the Company's spontaneous financing (non-interest-bearing liabilities) stood at ₦478.9 billion, comprising trade creditors (55%), deferred tax liabilities (19%), advance payments from customers (8%) and other accruals (18%). The Issuer's spontaneous financing was sufficient to cover its trading assets (mainly inventories, amounts due from related entities and advanced supplier payments) of ₦237.4 billion, resulting in a short-term financing surplus of ₦241.5 billion. Considering that the Company's sales are mostly on a cash or prepayment basis, we expect the financing surplus to be sustained in the near term.

As at Q3'2025, the Issuer's long-term funds stood at ₦1.1 trillion, which were insufficient to cover the long-term assets of ₦1.2 trillion, leaving a long-term financing need (LTFN) of ₦179.6 billion. However, the short-term financing surplus was sufficient to cover the long-term financing need, leaving an overall working capital surplus of ₦61.9 billion. Although the current funding structure indicates a mismatch, most of the Issuer's spontaneous

¹ In arriving at the liquid (inventory) assets, we applied a 10%, 20% and 30% haircuts on the Company's finished goods, work-in-progress and raw materials, respectively.



financing sources, including trade creditors, related party payables and advance payments from customers, are evergreen.

In our opinion, BUA Cement PLC's overall working capital position is adequate.

Moderate leverage amid declining borrowings and exchange rate stability

As at 30 September 2025, BUA Cement PLC's total liabilities moderated by 13% to ₦1 trillion, driven mainly by scheduled debt repayments (mainly the IFC facility, import trade finance facilities and the Series 1 Bond), as well as the decrease in advance deposits from clients. As at the same date, the Company's total liabilities comprised interest-bearing liabilities (53%) and non-interest-bearing debts (47%). The Company's interest-bearing liabilities (IBL) as at 30 September 2025 constituted the outstanding portion of the \$300 million foreign currency-denominated loan obtained from the IFC, the ₦115 billion 7.5% Seven-Year Series 1 Bonds and bank borrowings (including Real Sector Support Funds) obtained from two commercial banks.

As at Q3'2025, BUA Cement's total assets were financed by liabilities (63%) and shareholders' equity (37%), reflecting a low equity cushion. As at 30 September 2025, the Issuer recorded an interest coverage (measured as operating cash flow to interest expense ratio) of 9.7x, which was higher than our 3x benchmark. Following the decline in borrowings, the net debt to average total assets ratio improved to 58.7% as at Q3'2025 (Q3'2024: 85.4%). Furthermore, the Company's interest-bearing liabilities (net of cash and equivalents) to equity ratio of 64.2% as at Q3'2025 (Q3'2024: 144%), remained within our expectation.

Agusto & Co. notes that the Issuer remains vulnerable to FX risk due to the outstanding balance on the \$300 million IFC syndicated facility, which could constrain financial flexibility in the event of significant Naira depreciation. However, considering the relative exchange rate stability in 2025, coupled with the Company's strong earnings and cash generating capacity, we do not anticipate difficulty in meeting maturing obligations in the near term.

In our opinion, BUA Cement PLC's overall leverage position is moderate.

OUTLOOK ON BOND REPAYMENT

BUA Cement Plc's medium-term growth trajectory is anchored on expanding production capacity, improving operating efficiency and strengthening its market presence across Nigeria. In line with this strategy, the Company commissioned Lines 3 and 5 at its Obu and Sokoto plants in 2024, increasing installed capacity to 17 million metric tonnes per annum. In addition, BUA Cement is developing a 3 MMT greenfield facility in Ososo, Edo State, which will raise total capacity to 20 MMT upon completion. Management has also indicated plans to improve capacity utilisation in the near term and deepen market penetration, which should support stronger revenue generation and improved economies of scale.

Looking ahead, we expect the Company's ongoing capacity expansion to underpin earnings growth in the near term. This expectation is reinforced by sustained demand for cement driven by rising urbanisation, increasing private-sector real estate development and ongoing infrastructure projects, such as the Lagos-Calabar Coastal Road, the Sokoto-Badagry Highway and the Abuja-Kano Expressway. However, we note that BUA Cement remains exposed to currency risks, given the sizeable foreign currency-denominated obligations arising from the unhedged US\$300 million IFC facility. Although the Company recorded a net foreign exchange gain in Q3'2025 due to relative Naira stability in 2025, a material depreciation similar to the past two years would exert pressure on finance costs and potentially weaken leverage metrics. While we do not expect such an outcome in the short term, this risk remains an important rating consideration.

Since the issuance of the Series 1 Bond, BUA Cement Plc has consistently met all coupon and principal repayment obligations from its operating cash flows. As at 25 November 2025, the Company had paid ~~¥~~80.3 billion to Bondholders, representing nine coupon payments and three principal redemptions, with no covenant breaches reported by the Joint Trustees. Based on the Company's strengthening earnings outlook, expanding cement capacity, favourable trade terms and resilient cash flow profile, we expect BUA Cement Plc to continue meeting its obligations to Bondholders as and when due.

Based on the foregoing, Agosto & Co has attached a **stable** outlook to BUA Cement PLC's ~~¥~~115 billion 7.5% Seven-Year Senior Unsecured Fixed Rate Bond Due 2027.

This rating report should be read in conjunction with Agosto & Co.'s 2025 Corporate Rating Report for BUA Cement PLC.

FINANCIAL SUMMARY

<u>STATEMENT OF COMPREHENSIVE INCOME</u>	31-DEC-22		31-DEC-23		31-DEC-24		30-SEPT-25 (UNAUDITED)	
	₦'MILLION		₦'MILLION		₦'MILLION		₦'MILLION	
REVENUE	360,989	100%	459,999	100%	876,470	100%	858,734	100%
GROSS PROFIT	163,045	45%	183,956	40%	300,257	34%	429,259	50%
OPERATING PROFIT	132,436	37%	142,591	31%	235,336	27%	364,366	42%
INTEREST EXPENSE	(15,194)	-4%	(88,045)	-19%	(148,212)	-17%	(34,461)	-4%
PROFIT BEFORE TAXATION	121,108	34%	67,643	15%	102,443	12%	341,107	40%
TAX (EXPENSE) BENEFIT	(20,097)	-6%	1,812	0%	(28,534)	-3%	(51,251)	-6%
PROFIT AFTER TAXATION	101,011	28%	69,455	15%	73,910	8%	289,855	34%
DIVIDEND	(88,047)	-24%	(94,820)	-21%	(67,729)	-8%	(69,422)	-8%
PROFIT RETAINED FOR THE YEAR	12,964	4%	(25,365)	-6%	6,181	1%	220,433	26%
OTHER APPROPRIATIONS/ ADJUSTMENTS					-		-	
PROFIT RETAINED B/FWD	181,921		194,885		169,519		175,699	
PROFIT RETAINED C/FWD	194,885		169,519		175,699		396,132	

<u>STATEMENT OF FINANCIAL POSITION</u>	31-DEC-22		31-DEC-23		31-DEC-24		30-SEPT-25 (UNAUDITED)	
	₦'MILLION		₦'MILLION		₦'MILLION		₦'MILLION	
ASSETS								
CASH & EQUIVALENTS	48,047	5%	225,078	19%	84,749	5%	154,817	9%
TOTAL TRADING ASSETS	76,512	9%	100,065	8%	221,585	14%	237,447	15%
TOTAL LONG-TERM ASSETS	749,453	86%	890,543	73%	1,264,017	80%	1,241,288	76%
TOTAL ASSETS	874,011	100%	1,215,686	100%	1,570,352	100%	1,633,552	100%
GROWTH	20.0%		39.1%		29%		4%	
LIABILITIES & EQUITY								
TOTAL INTEREST-BEARING LIABILITIES	239,368	27%	532,282	44%	578,881	37%	545,671	33%
TOTAL NON-INTEREST-BEARING LIABILITIES	223,531	26%	298,181	25%	602,923	30%	478,900	29%
TOTAL LIABILITIES	462,899	53%	830,462	68%	1,181,804	75%	1,024,571	63%
SHAREHOLDERS' EQUITY	411,113	47%	385,224	32%	388,548	25%	608,982	37%
TOTAL LIABILITIES & EQUITY	874,011	100%	1,215,686	100%	1,570,352	100%	1,633,552	100%

<u>CASH FLOW STATEMENT</u>	31-DEC-22		31-DEC-23		31-DEC-24		30-SEPT-25 (UNAUDITED)	
	₦'MILLION		₦'MILLION		₦'MILLION		₦'MILLION	
OPERATING ACTIVITIES								
POTENTIAL OPERATING CASH FLOW	138,373		181,963		254,056		338,915	
WORKING CAPITAL CHANGES:								
CASH FROM (USED BY) SPONTANEOUS FINANCING	90,662		74,650		168,369		12,350	
CASH FROM (USED BY) TRADING ASSETS	(46,484)		(23,553)		(121,520)		(15,862)	
CASH FROM (USED IN) OPERATING ACTIVITIES	182,550		233,059		300,905		335,404	
RETURNS TO PROVIDERS OF FINANCING (RTPOF)								
INTEREST PAID	(15,194)		(88,045)		(148,212)		(34,461)	
DIVIDEND PAID	(88,522)		(94,820)		(67,729)		(69,422)	
OPERATING CASH FLOW AFTER RTPOF	78,835		50,194		84,964		231,520	
CASH FROM (USED IN) INVESTING ACTIVITIES	(135,447)		(166,076)		(408,265)		(13,497)	
CASH FROM (USED IN) FINANCING ACTIVITIES	42,321		292,913		46,599		(33,210)	
CHANGE IN CASH INC/(DEC)	(14,291)		177,031		(140,328)		70,068	
OPENING CASH & MARKETABLE SECURITIES	62,338		48,047		225,078		84,749	
CLOSING CASH & MARKETABLE SECURITIES	48,047		225,078		84,749		154,817	

BUA Cement PLC's ₦115 Billion Series 1 Seven-Year 7.5% Fixed Rate Bond Due 2027

KEY RATIOS	31-DEC-22	31-DEC-23	31-DEC-24	30-SEPT-25 (UNAUDITED)
-				
PROFITABILITY				
SALES GROWTH	40%	27%	91%	47%
OPERATING PROFIT MARGIN	37%	31%	27%	42%
RETURN ON ASSETS (PRE-INTEREST PRE-TAX)	16%	13%	16%	31%*
RETURN ON EQUITY (PRE-TAX)	29%	18%	26%	75%*
CASH FLOW				
OCF AS % OF RETURNS TO PROVIDER OF FINANCING	176%	127%	139%	323%
OCF AS % OF SALES	51%	51%	34%	39%
WORKING CAPITAL				
WORKING CAPITAL NEED (DAYS)	-	-	-	-
OVERALL WORKING CAPITAL DEFICIENCY (DAYS)	-	-	-	-
LEVERAGE				
NET DEBT AS % OF AVERAGE TOTAL ASSETS	56%	67%	89%	59%
TOTAL LIABILITIES TO EQUITY	113%	138%	149%	90%
OTHER ADDITIONAL INFORMATION				
STAFF COSTS (₦' MILLION)	8,608	10,762	19,975	
AVERAGE NUMBER OF STAFF	1,169	1,257	1,618	
STAFF COSTS PER EMPLOYEE (₦' MILLION)	7	9	12	
CAPITAL EXPENDITURE (₦' MILLION)	112,717	159,516	424,253	25,710
DEPRECIATION AND AMORTISATION (₦' MILLION)	22,135	24,986	34,791	36,226
AUDITORS	PWC	PWC	PWC	UNAUDITED
OPINION	CLEAN	CLEAN	CLEAN	N/A

*ANNUALISED GROWTH RATE

RATING DEFINITIONS

Aaa	Highest quality debt issue with minimal credit risk; strongest capacity to pay returns and principal on local currency debt in a timely manner.
Aa	High-quality debt issue with very low credit risk; very strong capacity to pay returns and principal on local currency debt in a timely manner.
A	Good quality debt issue with low to moderate credit risk; strong capacity to pay returns and principal on local currency debt in a timely manner.
Bbb	Satisfactory quality debt with moderate credit risk; adequate capacity to pay returns and principal on local currency debt in a timely manner.
Bb	Below average quality debt with moderate to high credit risk; speculative capacity to pay returns and principal on local currency debt in a timely manner.
B	Weak quality debt with high credit risk; speculative capacity to pay returns and principal on local currency debt in a timely manner.
C	Very weak capacity to pay returns and principal. Debt instrument with very high credit risk.
D	In default.

Rating Category Modifiers

A "+" (plus) or "-" (minus) sign may be assigned to ratings from 'Aa' to 'C' to reflect a comparative position within the rating category. Therefore, a rating with + (plus) attached to it is a notch higher than a rating without the + (plus) sign and two notches higher than a rating with the - (minus) sign.

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