

---

This Programme Memorandum has been prepared in accordance with the Central Bank of Nigeria ("CBN") Guidelines on the Issuance and Treatment of Bankers Acceptances and Commercial Papers issued on September 11, 2019, and the CBN Letter to All Deposit Money Banks and Discount Houses dated July 12, 2016 on the Mandatory Registration and Listing of Commercial Papers (together "the CBN Guidelines") and the Commercial Paper Registration and Quotation Rules ("the Rules") of FMDQ Securities Exchange Limited ("FMDQ Exchange" or the "Exchange") in force from time to time. This document is important and should be read carefully. If you are in doubt about its contents or the actions to take, please consult your banker, stockbroker, accountant, solicitor, or any other professional adviser for guidance immediately. This Programme Memorandum has been seen and approved by the members of the Board of Directors of Lekki Gardens Estate Limited and they individually and jointly accept full responsibility for the accuracy of all information given.



RC 1059825

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

---

## **₦25,000,000,000 Commercial Paper Issuance Programme**

---

Lekki Gardens Estate Limited ("Lekki Gardens" or the "Issuer") a private limited liability company incorporated in Nigeria, has established this ₦25,000,000,000 Commercial Paper Issuance Programme (the "CP Programme"), under which Lekki Gardens may from time to time issue Commercial Paper Notes ("CP Notes" or the "Notes"), denominated in Nigerian Naira ("Naira" or ₦) as may be agreed between the Issuer and 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 and each 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 Notes from time to time outstanding under the CP Programme shall not exceed ₦25,000,000,000 (Twenty-Five Billion Naira) over the 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 (as defined herein), 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 CP 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 papers 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 securities will settle via the Central Securities Clearing System Plc ("CSCS"), FMDQ Depository Limited ("FMDQ Depository") or any other depository recognized by the Securities and Exchange Commission, acting as central securities depository 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 the 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 Notes.

---

### **ARRANGER/DEALER/ISSUING AND PLACING AGENT**



RC: 928966

### **COLLECTING AND PAYING AGENTS**



THIS PROGRAMME MEMORANDUM IS DATED JUNE 16, 2022

## Table of Contents

IMPORTANT NOTICE.....	3
DEFINITION .....	4
INCORPORATION OF DOCUMENTS BY REFERENCE.....	7
SUMMARY OF THE PROGRAMME .....	8
OVERVIEW OF LEKKI GARDENS ESTATE LIMITED .....	10
USE OF PROCEEDS.....	23
REVISED CBN GUIDELINES ON THE ISSUANCE OF CPs .....	24
TERMS AND CONDITIONS OF THE NOTES .....	26
TAX CONSIDERATION.....	32
RISK FACTORS .....	33
SETTLEMENT, CLEARING AND TRANSFER OF NOTES .....	36
PROFORMA APPLICABLE PRICING SUPPLEMENT .....	39
AUDITOR'S COMFORT LETTER .....	42
HISTORICAL FINANCIAL INFORMATION OF LEKKI GARDENS ESTATE LIMITED .....	44
EXTRACT FROM ISSUER'S RATING REPORT .....	49
LEGAL OPINION ON THE NOTES .....	51
STATUTORY AND GENERAL INFORMATION.....	59
PARTIES TO THE PROGRAMME .....	60

## IMPORTANT NOTICE

---

This Programme Memorandum contains information provided by the Issuer in connection with the CP Programme under which the Issuer may issue and Notes up to a maximum aggregate amount of N25,000,000,000 (Twenty-Five Billion Naira) outstanding at any given time within the validity period. 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.

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 or the Arranger that any recipient of this Programme Memorandum should purchase any Notes.

No representation, warranty or undertaking, express or implied is made and no responsibility is accepted by the Arranger 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 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.

**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.**

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.

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.

## DEFINITION

Abbreviation	Name/Explanation
"Agency Agreement"	The Issuing, and Placing Agency Agreement and the Collecting and Paying Agency Agreement dated June 16 <sup>th</sup> , 2022 or about the date of this Programme Memorandum executed by the Issuer, the Issuing and Placing Agent and the Collecting and Paying Agent(s)
"Applicable Pricing Supplement"	The Pricing Supplement applicable to a particular Series or Tranche of Notes issued under the CP Programme.
"Arranger"	Boston Advisory Limited
"Board" or "Board of Directors"	The Board of Directors of Lekki Gardens Estate Limited
"Business Day"	Any day (excluding Saturdays, Sundays and public holidays declared by the Federal Government of Nigeria) on which banks are open for business
"Business Hours"	8.00am to 5.00pm on any Business Day
"CAMA"	The Companies and Allied Matters Act (Cap. C20) 2020 as may be amended from time to time.
"CBN"	The Central Bank of Nigeria
"CBN Guidelines"	The CBN's Guidelines on the Issuance and Treatment of Bankers Acceptances and Commercial Papers, issued on 11 September 2019 and the CBN Circular of 12 July 2016 on Mandatory Registration and Listing of Commercial Papers, as amended or supplemented from time to time
"CGT"	The Capital Gains Tax as provided for under the Capital Gains Tax Act (Cap.C1) LFN 2004
"CITA"	The Companies Income Tax Act (Cap. C21) LFN, 2004 (as amended by the Companies Income Tax (Amendment) Act No. 11 of 2007) and the Finance Acts 2019, 2020 and 2021)
"Collecting and Paying Agent" or "CPA"	Keystone Bank Limited as Collecting and Paying Agents and/or any successor Collecting and Paying Agent(s) appointed from time to time in accordance with the Agency Agreement
"CP"	Commercial Paper
"CP Notes" or "Notes"	Except for guaranteed CPs issued under the Programme, Note constitute Unsecured and unsubordinated commercial paper securities to be issued by the Issuer in the form of short-term zero-coupon Notes under the CP Programme
"Conditions" or "Terms and Conditions"	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 ₦25,000,000,000 or its equivalent in any other specified currency
"Clearing System"	Clearing system approved by the Issuer or as may otherwise be specified in the Applicable Pricing Supplement
"CSCS PLC"	Central Securities Clearing System PLC
"CSCS PLC Rules"	The rules and operating procedure for the time being of CSCS PLC
"Central Securities Depository" or "CSD"	means a specialist financial institution holding commercial papers either in certificated or uncertificated (dematerialised) forms so that ownership can be easily transferred through a book entry rather than the transfer of physical certificates
"Clean CP"	A CP not backed by a guarantee or such other credit enhancement
"Day count Fraction"	Any such method of calculating the interest/discount in respect of a Note as specified in the Applicable Pricing Supplement.
"Dealer"	Boston Advisory Limited, and any other additional Dealer appointed under the Programme from time to time, which appointment may be for a specific issue or on an ongoing basis, subject to the Issuer's right to terminate the appointment of any Dealer
"Deed of Covenant"	The Deed of Covenant dated on or about the date of this Programme Memorandum executed by the Issuer in favour of the Noteholders
"Eligible Investors" or "EI"	An investor that is not a Qualified Institutional Investor as defined by the FMDQ Exchange Rules, that has executed a declaration attesting to his/her/its eligibility in the manner prescribed in the

	FMDQ Exchange Rules. Clean CPs (i.e., CPs not backed by guarantees or such other credit enhancement) shall be sold to QILs and ELs
"Event of Default"	Means an event of default by the Issuer as set out in Condition 7 of the "Terms and Conditions of the Notes"
"Face Value"	The par value of the Notes
"FGN"	Federal Government of Nigeria
"FIRS"	Federal Inland Revenue Service
"FMDQ Depository Limited" or "FMDQ Depository"	a clearing system approved by the Issuer or as may otherwise be specified in the Applicable Pricing Supplement
"FMDQ Securities Exchange Limited" or "FMDQ Exchange"	FMDQ Securities Exchange Limited, a securities exchange and self-regulatory organisation licensed by the SEC, to provide a platform for the listing, quotation, registration, and trading of securities inter alia
"FMDQ Exchange Rules"	The FMDQ Commercial Paper Registration and Quotation Rules, April 2021 (as may be amended, from time to time) and such other regulations with respect to the registration and quotation of commercial papers as may be prescribed by FMDQ Exchange from time to time
"Force Majeure"	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, and industrial unrest
"Government"	Any federal, state, or local government of the Federal Republic of Nigeria
"Guarantor"	Keystone Bank Limited
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
"Issuer", "Lekki Gardens" or the "Company"	Lekki Gardens Estate Limited
"Issue Date"	The date upon 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 and Placing Agent" or "IPA"	Boston Advisory Limited or any successor Issuing 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 on 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 "N"	The Nigerian Naira
"NIBBS"	Nigeria Inter-Bank Settlement System Plc
"NIBOR"	The Nigerian Inter-Bank Offered Rate
"Noteholders" or "Holder"	The several persons, for the time being, whose names are shown in the records of the CSD and/or entered in the Register of Noteholders as holders of the Notes and shall include the legal and personal representatives or successors of the Noteholders and those entered as joint Noteholders
"Notes"	The commercial paper issued by the Issuer from time to time pursuant to the Programme Memorandum and any Applicable Pricing Supplement as promissory notes and held in a dematerialised form by the Noteholders through the CSD
"OTC"	Over the Counter
"Outstanding"	In relation to the Notes, all the Notes issued, other than:

	<ul style="list-style-type: none"> <li>those Notes which have been redeemed pursuant to these Conditions</li> <li>those Notes in respect of which the date (including, where applicable, any deferred date) for its redemption, in accordance with the relevant conditions, has occurred and the redemption moneys have been duly paid in accordance with the provisions of this Deed and those Notes which have become void under the provisions of this Deed</li> </ul>
"PITA"	Personal Income Tax Act Cap P8, LFN 2004 (as amended by the Personal Income Tax (Amendment) Act No 20 of 2011)
"Pricing Supplement" or "Applicable Pricing Supplement"	The Pricing Supplement applicable to a particular Series or Tranche of Notes issued under the CP Programme
"Principal Amount"	The nominal amount of each Note, as specified in the Applicable Pricing Supplement
"Programme"	The N25,000,000,000 (Twenty-Five Billion Naira) Commercial Paper Issuance Programme established by the Issuer which allows for the multiple issuances of Notes from time to time
"Programme Memorandum"	This Programme Memorandum dated <b>June 16<sup>th</sup></b> , 2022 which sets out the aggregate size and broad terms and conditions of the CP Programme
"Qualified Institutional Investors"	This include 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. Clean CPs shall only be sold to QIIs & Els
"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"	Means, in relation to any Tranche, the date on which redemption monies are due and payable in respect of the Notes as specified in these Conditions and 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"	Naira; being the currency in which payments in respect of the Notes of the relevant Tranche or Series are to be made
"Relevant Date"	The payment date of any obligation due on the Notes
"Relevant Last Date"	The date stipulated by CSD and specified in the Applicable Pricing Supplement, after which transfer of the Notes will not be registered
"SEC"	The Securities and Exchange Commission
"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 of their respective Issue Dates, and/or Issue Prices
"Tranche"	Notes which are identical in all respect
"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 and the Finance Act, 2020)
"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.

## **INCORPORATION OF DOCUMENTS BY REFERENCE**

---

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

- a. each Applicable Pricing Supplement relating to any Series or Tranche of Notes issued under the Programme; and
- b. the audited annual financial statements of the Issuer and any audited interim financial statements published subsequent to such annual financial statements of the Issuer for the financial years prior to each issue of Notes under this Programme.

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 supplement to the Programme Memorandum on 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; 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 been substituted for 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 made available by the Issuer 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 the Arranger at its 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 summary of the key features and summarized terms and conditions of the proposed CP Programme:

Issuer	Lekki Gardens Estate Limited
Programme	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.
Arranger & Dealer (Issuing and Placing Agent)	Boston Advisory Limited
Sponsor to the Registration on FMDQ Exchange	
Collecting and Paying Agent:	Keystone Bank Limited
Auditors	SIAO Partners
Registrars/Custodian	FMDQ Depository Limited
Guarantor	CPs issued under the Programme may be backed by a Guarantor, as stated in the applicable Pricing Supplement
Solicitors	TOLG Advisors
Trustees	United Capital Trustees Limited
Programme Size:	₦25,000,000,000 (Twenty-Five Billion Naira) aggregate principal amount of Notes outstanding at any point in time
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 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 and working capital
Interest Payment:	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 CP issuance will be funded from the operating cash flows of the Company
Method of Issue:	The Notes may be offered and sold by way of a fixed price offer for subscription or through a book building process and/or any other methods as described in the Applicable Pricing Supplement within Nigeria or otherwise, in each case as specified in the Applicable Pricing Supplement
Default Rate:	Interest rate equivalent to the daily overnight NIBOR + 5% per annum or issuer rate + 5% per annum (whichever is higher)
Currency of Issue:	Nigerian Naira
Redemption:	As stated in the Applicable Pricing Supplement, subject to the CBN Guidelines and



	FMDQ Exchange Rules		
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. The maturity date of all outstanding CPs shall fall within the validity period of the Issuer/CP Programme rating filed with the Exchange at the commencement of the registration of the CP Programme.		
Rating:	The Issuer has been assigned the following national scale rating:		
		Long-term	Short-term
	GCR	BBB+	A2
	Datapro Limited	BBB+	A1
	Pursuant to the CBN Guidelines and FMDQ Exchange Rules, the Issuer or the specific issue itself shall be rated by a rating agency registered in Nigeria or any international rating agency acceptable to the SEC.  A 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		
Status Of Notes:	Except for guaranteed CPs issued under the Programme each Note constitutes a senior unsecured obligation of the Issuer and save for certain debts mandatorily preferred by law, the Notes rank <i>pari passu</i> 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		
Registration And Quotation:	In compliance with the CBN circular on Mandatory Registration and Quotation of Commercial Papers issued on 12 July 2016, an application has been made to FMDQ Exchange for the Registration of the Programme.  The Issuer may elect at its discretion to have any Series or Tranche of Notes quoted on the FMDQ Exchange platform or any other recognized trading platform. All secondary market trading of the Notes shall be done in accordance with the rules in relation to the quotation of any Series or Tranche of Notes quoted on the relevant 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 Note holders. 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")		

## OVERVIEW OF LEKKI GARDENS ESTATE LIMITED

---

### HISTORY AND OVERVIEW

Lekki Gardens Estate Limited ("Lekki Gardens", the "Company" or the "Issuer") is an indigenous real estate company that is into the acquisition and development of land and property across the residential, commercial and retail sectors. The Company's operations currently span three states (Lagos, Ogun and Rivers) and the Federal Capital Territory, Abuja. Lekki Gardens was incorporated and commenced operations on August 23, 2012 and has its head office at Plot 1a Lekki Gardens Estate, KM 24 Lekki Epe Expressway, Lagos.

Lekki Gardens is one of the fastest growing independent real estate companies in Nigeria providing innovative real estate solutions in the areas of property development, facility management and sales of real estate products and services with special skills in service delivery. In the ten years since its inception, The Issuer has grown steadily and consistently to become one of the leading real estate brands in the Nigerian real estate industry in spite of the unstructured nature of the industry, a tough recessive economy and operating environment that impedes capital intensive businesses like real estate.

Lekki Gardens is a market leader in the provision of the best real estate solutions in Nigeria while consistently delivering iconic masterpieces in the finest locations and offering affordable luxury to its vast client base. With a clear focus, strategic business model and best in class sales force right from inception, The Company rapidly took over the industry dominating key market segments to become a household brand. The continuous and consistent process improvements by the Company have translated to a sustained delivery of A class products across its market spectrum while recording above industry average growth across key operational indices.

The Company's stellar performance and growth are attributable to its strategy of staying ahead of competition by remaining top of mind and strategically relevant to its client base through its customer-centric product offering and cutting edge focus on being the defining force on price point and market expectations on residential property development for the middle and upwardly mobile class around the largest markets, fastest growing and most desirable neighborhoods across key cities in Nigeria.

The Company has successfully delivered over 10,000 housing units including plots and retail outlets to end-buyers in Nigeria with another circa 10,000 units in progress in over 40 project sites in three states and the FCT.

Lekki Gardens currently operates through five special purpose vehicles set up to provide legal form for the acquisition, financing and delivery of specific projects. They include:

- Foreshore Waters Limited
- Meridian Lux Park Limited
- The Horizon Paradise Limited
- The Lifecamp Paradise Limited
- Bridgeport Real Estate Development Company Limited

The Lekki Gardens team consists of professionals with deep knowledge and several years of experience in real estate operations and management with unparalleled understanding and flair for property development cutting across architecture, real estate construction, estate listing, sales, marketing, investment and business development.

Lekki Gardens has an authorized, issued and fully paid up share capital of 2,500,000 ordinary shares of ₦1.00 each as at 31 December 2021.

Shareholders	No of shares held	% Shareholding
Richard Nyong	2,075,000,000	83
Olusola Nyong	325,000,000	13
Christiana Amida	100,000,000	4
<b>Total</b>	<b>2,500,000,000</b>	<b>100%</b>

## **CORPORATE GOVERNANCE AND BOARD OF DIRECTORS OF THE ISSUER**

The affairs of the Company are directed and managed by a strong and vastly experienced Board and Management team consisting of professionals with deep knowledge and several years of experience with unparalleled understanding and flair cutting across real estate operations, architecture, construction, estate management, general management, investment and business development.

Lekki Gardens' board structure is comprised of three executive directors and three non-executive directors. The Board formulates broad policies and takes decisions for the management and operations of the company with a view to attaining the company's objectives. Below are the profile of the Board Members:

### **Profile of Lekki Gardens' Directors**

#### ***Hon. Gbenga Oduwaiye – Chairman***

Hon. Oduwaiye is a financial services professional and consummate real estate investor, with extensive public sector exposure. After a short stint in academics at the Ahmadu Bello University, he joined Nigerian Breweries Plc. in 1991 as a Management Trainee and quickly rose to full Management cadre in the same year, serving as Financial Accountant and later Production Accountant before resigning in 1994 to start his own Accounting/Management Consultancy firm. In private practice, he had the opportunity of advising varied business interests and managing some in principal executive capacities thereby gaining valuable hands-on multidimensional experience. He took time out to participate in active politics in 2001 and served as Special Adviser to a State Governor from 2003 till 2006 when he contested and won the election to the Federal House of Representatives in 2007. At the National Assembly, he served as Chairman of the prestigious Foreign Affairs committee where he had oversight for all the foreign missions and embassies as well as leading many distinguished delegations to represent Nigeria on the world stage. He holds B.Sc. in Accounting and is a Fellow of the Institute of Chartered Accountants of Nigeria.

#### ***Dr Richard Nyong - Managing Director/Chief Executive Officer***

Dr. Richard Nyong is the Founder of the Lekki Gardens brand which he established in 2011. He is an authority on the Nigerian real estate market who has been featured on several occasions in this regard by CNBC Africa, Business Day Nigeria, and other well-known internationally recognized and accepted media: and a winner of several leadership and entrepreneurial awards. He holds a B.Sc. Economics from the University of Port Harcourt and a Ph. D (Honoris Causa) in Real Estate from the European American University, Ghana in recognition of his contributions to the growth and development of the African Real Estate sector. He is also a Fellow of the Institute for Government, Research, Leadership and Technology.

#### ***Mrs. Olusola Nyong – Non-Executive Director***

Mrs. Olusola Nyong has over a decade of experience in the financial services and real estate sectors. She began her career at Guaranty Trust Bank, and worked at Diamond Bank Plc. She holds a B.SC Accounting and an M.SC Finance both from the University of Lagos and is an Associate of the Institute of Chartered Accountants of Nigeria

#### ***Engr. Kemi Adenaike – Independent Non-Executive Director***

Engineer Adenaike is a seasoned engineer with many years of experience in real estate construction, project monitoring and design. He is consistently called upon to proffer qualitative advice and solutions to various engineering projects and engages in construction activities. He holds a B.Sc. Civil engineering and an MBA both from the University of Lagos. He is also a Member of the Nigerian Society of Engineers and Council of Registered Engineers of Nigeria

#### ***Dr Christiana Amida – Executive Director***

Dr Amida is a seasoned business manager with over 15 years' experience in Business Process Coordination, Financial Management, Business Strategy and Relationship Management. She sits on the Boards of several indigenous companies. She holds a B.Sc. Economics from the University of Calabar, a Masters in International law and Diplomacy from the University of Lagos and a Ph.D. in Real Estate Management and Leadership from the European-American University, Ghana. She is responsible for Revenue and Relationship Management.

### ***Mrs. Emily Atebe – Executive Director***

A seasoned CFO with strong experience in strategic financial management and control, Corporate Finance, Strategy and Organizational Transformation. Her experience spans several sectors including Audit, Commercial, Investment and Merchant banking, Aviation and Insurance. She was previously CFO, FBNQuest Merchant Bank, FBN Capital, Custodian & Allied Insurance, Virgin Nigeria Airways and Financial Controller, Ecobank Nigeria. She is responsible for the Corporate Services and Business Support Group. She is a Fellow, Institute of Chartered Accountants of Nigeria (ICAN); Fellow, Institute of Credit Administrators (ICA); MBA (Finance) and B.Sc. Accounting both from the University of Lagos. Alumnus: Lagos Business School Advance Management Programme (AMP) 2011; and the International Institute for Management Development (IMD), Lausanne Orchestrating Winning Performance programme. She has also attended the Harvard Business School Driving Corporate Performance programme and the Effective Execution of Organizational Strategy Programme of The Wharton School, University of Pennsylvania.

### **Lekki Gardens' Management Team**

Lekki Garden's management team, led by Dr Richard Nyong, comprises of seasoned professionals with corresponding competencies and skills working together to achieve the objectives of the Company. Members of the management team are:

***Dr Richard Nyong (Managing Director/ Chief Executive Officer) – See profile above***

***Dr Christiana Amida – Executive Director, Revenue and Relationship Management (See profile above)***

***Mrs. Emily Atebe – Executive Director, Corporate Services and Business Support Group (See profile above)***

### ***Damilola Suara - Technical Special Adviser***

Mr. Damilola Suara is an experienced ARCON Licensed architect with a demonstrated history of working in the field of architectural design, building and construction in real estate for more than a decade. He is also a Licensed PMP Project Management professional with the internationally recognized PMI institute. He also holds a B.Sc. and an M.Arch. (Master of architecture) from Obafemi Awolowo University in Nigeria. He has oversight of the technical aspect of the business including design, awards, housing and infrastructure.

### ***Barr. Steve Agbibo – Company Secretary***

Mr. Agbibo has over 16 years' experience in Commercial/Business and Property Law. Prior to joining Lekki Gardens he had a stint in the banking sector where he worked with BankPHB. He studied Law at Edo State University and the Nigerian Law School in Abuja and holds an LLM in International Commercial and Maritime Law from Swansea University Wales, UK. He is a member of the Society for Corporate Governance in Nigeria

### ***Mr. Wilson Nkemachor - Head Audit, Control and Compliance***

Mr. Wilson Nkemachor started his career in 1992 as a graduate trainee with BBC Professionals (BDO Balogun Badejo & Co.) and moved over to the financial services sector where he worked with several banks over 14 years before he left as a Senior Manager/Regional Head Internal Control to consultancy. He has attended various management courses in Audit, Internal Control, Risk Management, Customer Service Delivery and Business Management. He holds a B.Sc. degree in Business Administration and an MBA, both from the University of Benin and is a Fellow of the Institute of Chartered Accountants of Nigeria. He is also an ISO (International Organization for Standardization) Certified Auditor.

### ***Arch. Azinegbe Ogbeide - HEAD OF DESIGN***

Azinegbe is a seasoned professional with over 10 years' experience in top level building consultancy service provision on a wide range of building typologies including Residential, Commercial, Institutional, Industrial and Hospitality projects for both low and high-rise developments. He is a registered Architect with the Architect's Registration Council of Nigeria and holds a B.Sc. (Hons) degree and M.Sc. (Distinction) in Architecture from Obafemi Awolowo University.

#### **Engr. Akinsanya Adegboyega -TECHNICAL DIRECTOR HOUSING (LOW RISE)**

Engr. Adegboyega is a certified COREN engineer. He holds a B.Eng. in Civil Engineering, from University of Ilorin. He is a member of NICE, NSE, ASCE and certified Health and Safety personnel. He has worked with Julius Berger Nig. Plc from 2002-2015, as a Construction Chief Engineer. His past experiences also include Head, Technical at Quintec Limited and Project Coordinator at Royal Hark International.

#### **Arch. Adewale Adeleke - TECHNICAL DIRECTOR HOUSING (HIGH RISE)**

Arch.. Adewale is an experienced architect with proficiency in design and over 10 years' experience. He has worked with corporate design firms and private clients delivering numerous residential & commercial projects. He is a registered member of the Architects Registration Council of Nigeria (ARCON) and has a BSc & MSc in Architecture from Obafemi Awolowo University, Ile Ife. Adewale was part of the design team that delivered the CHOIS estate, a real estate development firm – First world communities at Abijo, Ibeju Lekki. He also supervised the installation and design of sprinkler systems at Pearlwort Hotel & Suites, Ikeja.

#### **Engr. Princewill Aniekan Ibanga - TECHNICAL DIRECTOR INFRASTRUCTURE**

A highly motivated professional and competent Health, Safety & Environment Advisor with over 13 years cumulative working experience, Aniekan has shown capacity to manage multiple construction sites, manage design, implementation, and delivery of several civil infrastructural projects for large residential estates within budget. He started his career in 2006 as a QHSE engineer working with AIS management consultants in PH. He then became the Lead safety engineer at Flowline energy services Ltd in 2008. Between 2009 and 2012, he worked with 4 engineering service companies as a senior safety engineer, QHSE advisor and QHSE coordinator. In 2012, he became a senior drilling construction HSE supervisor with Shell Nigeria Exploration & production company where he interfaced majorly with BONGA FPSO, Saipem contracting Nig Ltd. In 2013, he moved to Doha, Qatar, where he worked with Gulf Drilling International (GDI) for 8 years as the onshore/offshore Technical HSE supervisor. In 2020, Aniekan became the managing director & technical lead of Kanya Technical & Safety service where he was responsible for overseeing the daily activities of multiple zonal construction sites & driving overall business operations & strategy. A bonafide technical member of the Institution of Occupational Safety & Health (IOSH), Canadian society of Safety Engineers (CSSE), Society of Petroleum Engineers (SPE), Nigerian Society of Engineers (NSE) & Institute of safety professional of Nigeria (ISPON). Aniekan holds a Bachelor of Engineering degree & a master's in environmental technology and management. He is currently, technical director, Infrastructure at Lekki Gardens Estates Limited.

#### **Engineer Salako Samuel – SENIOR PROJECT MANAGER**

Engr. Salako is a COREN certified engineer with 10 years of experience. He has worked as a construction manager at IQAD Group Limited, supervising various construction projects and delivering quality output. He also worked at Stantech Property and Investment Limited as a building construction engineer. Samuel holds a B. Tech in Civil Engineering and M. Eng in Civil engineering, from the prestigious University of Ilorin. He is a certified member of MIWA, GNSE, MNSE. He is currently working as a senior project manager in Lekki Gardens Group.

#### **Engr. Osagie Kenneth Diken – PROJECT DIRECTOR, LAGOS**

Engr. Diken is a highly profiled COREN certified engineer. Kenneth has experienced knowledge of civil/structural and project management application software like; AutoCAD, Microsoft project manager, SAP2000, SAFE, ETABS, TEDDS et al. He holds a B. Engr and M.Sc. Structural Engineering from University of Surrey, United Kingdom. He is a certified member of NSE, NICE, AGEES. He has work at Ace Project Dynamic Resources Limited as a project manager, design engineer and civil engineer/structural analyst, providing expert technical advice. He has also served at, Ministry of Works and Transportation Oyo state, as a structural analyst and design engineer, reviewing and analyzing critical aspect of structural design and effective project solving skills. He is an experienced and highly respected engineer. He is currently serving as Project Director at Lekki Gardens Group.

#### **Engr. Tobias Tokbe – PROJECT DIRECTOR ABUJA**

Engr. Tobias is a COREN certified engineer. He holds a Higher National Diploma (HND), in Civil Engineering from The Federal Polytechnic BIDA. He also possesses a Master's in Business Administration. He is currently serving as a Project Director in Lekki Gardens Group.

#### **QS. Omotilewa Oluwatosin – HEAD PROJECT KICK OFF & CLEAN UP**

QS Oluwatosin is a registered Quantity Surveyor. He is respected for his excellent problem-solving skill and his incurable optimism. He has served at GTRich Investment Reality Ltd and Allview Designs Nigeria Ltd as a project quantity surveyor, preparing, analyzing and negotiating cost for tenders and contracts. He holds a B. Tech in Quantity Surveying and M.Sc. in construction management. Due to his extra ordinary performance in the cause of his educational pursuit, he was acknowledged and received many honors among others are Deans Honors Award, School of Environmental Technology, (FUTA) 2007-2010, Ekiti State Government Scholarship Award 2007-2010, Federal Government of Nigeria Scholarship Award 2009-2010, second best graduating student (department of Quantity Surveying, FUTA) 2010. He is currently the Head, Project Kick off & Clean Up at Lekki Gardens group.



#### **QS. Ogundari Ayodeji – HEAD AWARDS**

QS Ayodeji is a certified Quantity Surveyor. He has a history of taking position that requires individual responsibility. He has 9 years' experience as a Quantity Surveyor. He holds a B. Tech in Quantity Surveying and M. Sc in Construction Management. He has worked at Tons Development Limited, Ibadan as a Quantity Surveyor. He also worked at PMG Nigeria Ltd, Ondo State as a Project Supervisor. He is currently working at Lekki Gardens Group, as Head, Awards.

#### **LEKKI GARDENS'S PRODUCT OFFERING & TARGET MARKET:**

1. *Product Offerings: Lekki Gardens offers quality real estate solutions to its diverse clientele with best in class payment terms.*
  - a) *Affordable residential housing units across the middle, upper mid-market and premium segments*
    - i. *1-3 Bedroom apartments*
    - ii. *3-4 Bedroom Terraces*
    - iii. *3-4 Bedroom Luxury Maisonettes*
    - iv. *Super Luxury Maisonettes*
    - v. *Fully Detached units*
    - vi. *4-5 Bedroom Semi-detached units*
  - b) *Commercial, retail and hospitality real estate development*
  - c) *Property management services*
  - d) *The Issuer also offers its customers various flexible payment options*
2. *The Company's target market segments include:*
  - a) *Residential real estate development for the rapidly emerging middle and upwardly mobile class and the luxury/high end market of real estate investors*
    - i. *Mid-market*
    - ii. *Upper mid-market*
    - iii. *Premium market*
  - b) *Commercial Developments*
    - i. *Retail*
    - ii. *Hospitality*
  - c) *Mixed-use Developments*

### Highlights of Some Completed Projects by Lekki Gardens

Projects	Description
<p>HORIZON II</p> 	<ul style="list-style-type: none"> <li>• The Horizon II project is located in the Lekki area along Meadow Hall road</li> <li>• Near landmarks include Stillwaters Gardens and Meadow Hall School</li> <li>• Built on 6 hectares, it consists of 285 units made up of flats, terraces and semi-detached houses</li> <li>• The project commenced in 2014 and was delivered in 2015.</li> </ul>
<p>HORIZON II EXTENSION</p> 	<ul style="list-style-type: none"> <li>• The Horizon II Extension project is the Scheme 2 of the Horizon II project and located along the same area.</li> <li>• Built on 4.418 hectares and consists of 154 units made up of flats, terraces and semi-detached houses.</li> <li>• The project commenced in 2015 and was delivered in 2016</li> </ul>
<p>NEW HORIZON 1</p> 	<ul style="list-style-type: none"> <li>• The New Horizon 1 estate is comprised of a total of 91 units of artistically designed flats, terraces, semi-detached and fully detached houses.</li> <li>• Located in the heart of one of Lekki's most dynamic and culturally enriched neighbourhoods,</li> <li>• It seats amidst various landmarks, which include Nike Art Gallery, Treasure Gardens and Stillwater Estate.</li> <li>• Built on 17,128sqm, it was commenced in 2014 and completed in 2015.</li> </ul>
<p>NEW HORIZON II</p> 	<ul style="list-style-type: none"> <li>• This project is located off Lekki-Epe Expressway between the former 3rd and 4th roundabouts on Meadow Hall way and offers direct access to the Elegushi beach.</li> <li>• The project which commenced in 2015 was completed in 2016</li> <li>• The projects seats on 5.7 hectares and consists of 220 units made up of flats, terraces and semi-detached houses.</li> </ul>



#### HORIZON HEIGHTS



- This project is located opposite Nicon Town in the Lekki area close to the popular Spar and consists of flats and maisonettes.
- The Scheme 1 which was completed in 2019
- Has 168 units built on a total space of 12,200 sqm

#### THE PARADISE ESTATE LIFECAMP I



- The Paradise Estate project is located at Life Camp Abuja,
- This project of 405 units is built on a land space of 21 hectares
- Commenced in 2016 and delivered in 2018, it consists of flats, terraces, semidetached and fully detached units.

#### INSIGNIA



- The Insignia is a first class hotel style luxury development comprising of 45 luxury apartments and duplexes and is located at Osborne Foreshore Phase II on a 1,499.92 sqm.
- The Insignia project was commenced in 2018 and completed in 2019.



#### RIVERSIDE APARTMENTS



- The tallest building on the highbrow Banana Island Road, this Project consists of stylishly designed high-rises comprising of 93 luxury apartments and maisonette duplexes
- The Scheme 1 which was completed in 2019 is built on 4,809.95 sqm and consists of 93 units.

#### MARIE'S COURT IKEJA GRA



- The Project is located in Rev. Ogunbiyi Street in the serene and upper class G.R.A Ikeja, Mainland Gardens
- It consists of 46 units of 2 & 3 bedrooms apartment on 6,188 sqm. The project was completed in 2016. Project located in Ikeja.

#### PREMIER I & II



- Premier I & II consists of 42 units and 34 units of terraces and semi-detached units. The projects seat on 10,101 sqm and 8,009 sqm and completed in 2016 & 2019 respectively.
- Projects are located off Lekki Epe Express way just after the popular Oando Enyo Station.

#### CHEVRON 2



- Project commenced in 2015 & Located along Chevron Drive alternative route, Lekki behind Eleganza Estate .
- It comprises of 162 units of flats, terraces, semi- and fully-detached units on 52,170 sqm.
- Project was completed in 2016

#### CHEVRON PARADISE PHASE 1



- This was Lekki Gardens' first project along the chevron axis and is Located along Chevron Drive alternative route, Lekki behind Scintilla Event centre.
- It comprises of 38 units of 2-storey Terrace units on 6,386 sqm.
- The project was completed in 2015

#### CHEVRON 3



- This project is located on Chevron Drive, Lekki, neighboring projects include Northern Foreshore estate, Carlton Gate etc.
- It consists of 404 units of flats, terraces semi-detached and fully-detached on 160,000 sqm.
- Project was completed in 2016

#### PORT HARCOURT GARDENS ESTATE



- Port Harcourt Gardens Estate consists of 70 units of luxurious 2 and 3 -bed apartments, duplexes, detached homes and commercial outlets to serve our ever growing clientele in Woji and Eliozu in Port Harcourt, Rivers State.
- The project was built on 11,391 sqm and completed in 2015.

#### MERIDIAN PARKS ESTATE, ISHERI



- This Project is located just 3 minutes' drive from Channels TV at Isheri North.
- Meridian Parks Estate arguably features the best layout in that vicinity.
- It consists of 422 flats, semi-detached and fully detached units.

### **Highlights of Some On-going Projects by Lekki Gardens**

<b>Projects</b>	<b>Locations</b>
The Iconia New Horizon I Extension Scheme II	The Iconia was created as the scheme II project and an extension of the New Horizon I Estate. It comprises solely of high-rises with flats, terraces, semi-detached and maisonette duplexes. The project is less than a 1 minute drive from Haven Homes and Earl's court.
Premier III	Off Lekki Epe Express way - just after the popular Oando Station and consists of terraces and semi-detached units.
Horizon Cyberville Scheme 2	Off Lekki Epe Express way along Nike art gallery road and consists of flats, maisonettes, terraces and semi-detached units.
Horizon Cyberville Scheme 3	Off Lekki Epe Express way along Nike art gallery road and consists of flats, maisonettes, terraces and semi-detached units.
Horizon Cyberville Scheme 4	Off Lekki Epe Express way along Nike art gallery road and consists of flats, maisonettes, terraces and semi-detached units.
Horizon Cyberville Scheme 5	Off Lekki Epe Express way along Nike art gallery road and consists of flats, maisonettes, terraces and semi-detached units.
Iconia	Osborne Foreshore Phase II comprising luxury apartments and maisonette duplexes.
Le Chateau	Osborne Foreshore Phase II comprising luxury apartments and duplexes.
Le Revire	Osborne Foreshore Phase II comprising luxury terraces and maisonette duplexes.
Royal Towers	Osborne Foreshore Phase II comprising luxury apartments and duplexes..
Foreshore Towers	Osborne Foreshore 2 comprising luxury apartments and duplexes.
Osborne Waterfront Terraces	Osborne Foreshore Phase II comprising luxury Maisonette terraces and apartments.
Riverside II, Banana Island	Inside the heart of the Exclusive Banana Island, the Riverside Project is in close proximity to Ocean Parade Towers and Bella Vista. It comprises of Luxury Apartments and Maisonette Duplexes.
The Paradise Ville Idu Sabo	Idu close to the popular fish market in Sabo, Abuja and consists of maisonettes.
The Paradise Estate Lifecamp Scheme II	Life Camp about 3 Minutes' drive from our first estate at Life Camp and consists of flats, maisonettes, terraces, semi- and fully detached units.
The Paradise Estate Lifecamp Scheme III	Life Camp about 3 Minutes' drive from our first estate at Life Camp and consists of flats, maisonettes, terraces, semi- and fully detached units.
The Paradise Boulevard Katampe I	Katampe close to Maitama in Abuja.
The Paradise Boulevard Katampe II	Katampe close to Maitama in Abuja
The Paradise Court Idu Karmo	Idu close to the Turkish hospital, Abuja and consists of flats, maisonettes, semi- and fully detached units.

The Paradise Court Idu Karmo Scheme 2	Idu close to the Turkish hospital, Abuja and consists of flats, maisonettes, semi- and fully detached units
The Paradise Court Idu Karmo Scheme 3	Idu close to the Turkish hospital, Abuja and consists of flats, maisonettes, semi- and fully detached units
Foreshore Terrances	Osborne Foreshore Phase II comprising luxury apartments and duplexes.
Signatoria Heights	Osborne Foreshore Phase II comprising luxury apartments and duplexes.
Aria Heights	Osborne Foreshore Phase II comprising luxury apartments and duplexes.
Meridian Park Awoyaya	A serene family friendly development off Lekki Epe Express way..
Games Village Abuja	Popular Games Village close to City Gate Abuja.
Lekkki Garden Phase 5 Scheme 4	Behind our Lekki Gardens Phase 4, off the Lekki/Epe Expressway and comprises of flats, terraces, bungalows and semi-detached houses.
Lekki Garden Phase 5 Scheme 5	Off the Lekki/Epe Expressway and comprises of flats, terraces, bungalows and semi-detached houses.
New Horizon I Extension	The New Horizon 1 estate is a 3.3-hectare project comprising of artistically designed flats, terraces, semi-detached and fully detached houses.  Located in the heart of one of Lekki's most dynamic and culturally enriched neighborhoods, the new Horizon 1 estate sits amidst various landmarks, which include Nike Art Gallery, Treasure Gardens and Stillwater Estate.
New Horizon I Annex	Located in the heart of one of Lekki's most dynamic and culturally enriched neighborhoods, the new Horizon 1 estate seats amidst various landmarks, which include Nike Art Gallery, Treasure Gardens and Stillwater Estate.
Riverside Apartments Banana Island Road Scheme 2	The toast of the Banana Island Neighborhood. It consists of stylishly designed high-rises comprising of luxury apartments and maisonette duplexes.
Osborne Terrace Duplexes	Located at Osborne Foreshore Phase II comprising solely of flats & Maisonnets.
Meridian Park Awoyaya Scheme 3	Project is located after Sapphire Gardens off Lekki Epe Express way.
Ikeja – Oba Akinjobi II	Located in Oba Akinjobi Street in Ikeja GRA, this project comprises of Luxury Maisonette Terraces.
Ikeja – Rev Ogunbiyi II	Located in Rev. Ogunbiyi in Ikeja GRA, this project comprises of Luxury Maisonette and Apartments.
The Pearl Waterfront	Located at Water Corporation Road, Victoria Island Extension, The Pearl Waterfront Project comprises of luxury villas, terraces and apartments.
Ime Heights By Alexander Road	Located along the Highbrow Alexander Road, The Ime Heights towers at 33 floors and is set to be the most sought after Residence in the Alexander – Bourdillion Road axis.
Signatoria Court Ikeja GRA	Located at the Serene neighborhood of Harold Shodipo Street in Ikeja GRA, The Signatoria Court comprises of Luxury 3 Bed Apartments and 6 Bedroom Maisonette Duplexes

## Strategic Partners of Lekki Gardens

 <p>CONTRACTORS AL-Mansour Contracting Construction Ltd</p>	<p>With over 50 years' experience in construction, the world class Middle eastern Construction Company AL-Mansour works hand-in-hand with Lekki Gardens to craft elegant masterpieces.</p>
	<p>The renowned urban landscape transformers, Mistulifts, has a long history in elevators, escalators and moving systems at large. With over 3 decades of hands on experience lifting both people and standards around the world to the next level, Mistulifts as one of our official partners deliver efficient and excellently designed moving systems</p>
	<p>One of The Middle East's Foremost Consultancy; Pace Consultancy is a management consultancy and project management firm that focuses on turning strategy into successful implementable solutions. With an expertise in managing reform initiatives, cross-functional transformation, and performance excellence. Pace Consultants are on ground to steer the construction boat of our projects to perfection.</p>
	<p>The specialized engineers at CCL USA with a world class reputation of providing the ideal solution for every project undertaken, using specialized engineering techniques, wherever we are in the world. Renowned for their concrete products and engineered solutions for various structures. solutions which include post-tensioning, slab removal, pre-cast concrete, concrete repair, concrete strengthening, and structural bearings for structures such as buildings, bridges, containment, turbines, stadiums, and pavement.</p> <p>All things concrete and engineering is handled by our distinguished partners at CCL USA Inc.</p>

## **EMPLOYEES**

As at April 30, 2022, Lekki Gardens has a total of five hundred and forty-seven (547) employees. The staff comprises professionals in Finance, engineering, human resources administration and office management.

## **No Material Adverse Change**

Since the date of the Issuer's incorporation, there has been no material adverse change, or any development reasonably likely to involve any material adverse change, in the condition (financial or otherwise) of the Issuer.



**Litigation**

Lekki Gardens Estate Limited is currently involved in Seventeen (17) pending cases – Sixteen (16) of which were instituted against the Issuer. A review of these cases was conducted by the Solicitors to the Transaction to confirm their status and ascertain the “Contingent Liability” of the Issuer.

The total amount claimed in the Seventeen (17) cases is N230,509,672.23 (Two Hundred and Thirty Million, Five Hundred and Nine Thousand, Six Hundred and Seventy-Two Naira, Twenty-Three Kobo) only. Please note that these figures do not include interest claims against the Issuer.

As Solicitors to the transaction, we are of the opinion that the claims and litigation are not likely to have any material adverse effect on the Issuer and/or the Issue and we are not aware of any pending or threatened claims or litigation involving the Issuer other than those disclosed above.

## **USE OF PROCEEDS**

---

### **Use of Proceeds**

Unless otherwise stated in the Applicable Pricing Supplement, the net proceeds from each issue of Notes will be used to support the Issuer's general corporate purposes and short-term funding requirements.

The Applicable Pricing Supplement for each Series under the Programme will specify details of the use of proceeds of the particular Series.

### **Sources of Repayment**

The repayment of all obligations under the Programme will be funded from the operating cash flows of the Issuer.

## **REVISED CBN GUIDELINES ON THE ISSUANCE OF CPs**

---

### **BACKGROUND**

In July 2009, CBN suspended the use of Commercial Papers and Bankers Acceptances as off-balance-sheet instruments by banks and discount houses, citing concerns over abuse of their use as financing instruments. The ban was subsequently lifted on 16th November 2009. On 18th November 2009, CBN issued a circular titled "Guidelines on the Issuance and Treatment of Bankers Acceptances and Commercial Papers" (the "Guidelines"), in an attempt to facilitate the effective and efficient functioning of the Nigerian money market and provide a regulatory framework for the issuance of CPs and BAs in Nigeria. An updated circular was subsequently issued on 11th September 2019.

### **REGULATORY FRAMEWORK**

Issuance of CPs in Nigeria is subject to the provisions of the CBN Guidelines and FMDQ Exchange Rules. The provisions applicable to CPs are as highlighted below:

### **QUALIFICATION**

A CP qualifies as a financing vehicle if:

- I. The issuer has three (3) years audited financial statements, the most current not exceeding eighteen (18) months from the last financial year end; and
- II. The issuer has an approved credit line with a Nigerian bank acting as an issuing and paying agent, where the bank guarantees the issue.

### **SIZE AND TENOR**

CPs shall be issued at the primary market for a minimum value of ₦100,000,000 (One Hundred Million Naira) and multiples of ₦25,000,000 (Twenty-Five Million Naira), thereafter.

Furthermore, they shall be issued for maturities of between 15 (Fifteen) days and 270 (Two Hundred and Seventy) days, including rollover, from the date of issue. The discount element on maturing CPs may not be capitalised and rolled over.

### **RATING**

Either the issuer of CP or the specific issue shall have an investment grade rating (minimum of BBB- or similar rating) by a rating agency registered in Nigeria or any international rating agency acceptable to the CBN.

An indicative rating should have been obtained prior to the submission of declarations and information to the CSD.

### **INVESTORS IN BANKERS ACCEPTANCES AND COMMERCIAL PAPERS**

CPs may be issued to and held by individuals, deposit money banks, other corporate bodies registered or incorporated in Nigeria and unincorporated bodies, non-resident Nigerians and foreign institutional investors.

Clean CPs (i.e., CPs not backed by a guarantee or such other credit enhancement shall only be sold to Qualified Institutional Investors, and Eligible Investors. Eligible Investors seeking to invest in clean CPs shall first execute a declaration attesting to his/her/its eligibility in the manner/form prescribed in the FMDQ Exchange Commercial Paper Registration and Quotation Template Guide, or such other regulation as may be prescribed by FMDQ Exchange from time to time.

### **FORMS OF MAINTAINING CPs**

Issuers and investors in CPs may issue or hold CPs in dematerialised or physical form. Issuers and investors are encouraged to issue and hold CPs in a dematerialised form.



## ISSUING, CALCULATING AND PAYING AGENT

Only a deposit money bank or discount house (licensed by the CBN) that is a registered member of the FMDQ Exchange may act as an IPCA for the issuance of a CP.

i

## GENERAL REQUIREMENTS

- I. CPs are only redeemable at maturity and as such cannot be pre-liquidated.
- II. Investors may rediscount the paper with the Issuer before maturity at new market terms if the Issuer is willing to purchase the risk.
- III. Any proposed issue of CPs shall be completed within the period of 2 (two) weeks from the date of opening of the issue for subscription.
- IV. All CPs issued in Nigeria shall be registered with the clearing system, which shall serve as the custodian of all issues and central depository for all dematerialised instruments.

## MANDATORY REGISTRATION & QUOTATION

CBN Circular of 12 July 2016 on Mandatory Registration and Listing of Commercial Papers requires CPs to be registered and quoted on an authorised securities exchange. Accordingly, banks are prohibited from transacting in CPs (that are not quoted or intended for quotation on an authorised securities exchange), in any capacity whatsoever, including to act as issuer, guarantor, issuing, placing, paying and collecting agent, etc.

The CBN having approved the quotation rules of FMDQ Securities Exchange Limited has cleared it for the quotation of CPs in Nigeria.

## COMPLIANCE WITH THE CBN GUIDELINES AND FMDQ EXCHANGE RULES

The Issuer has complied with all applicable provisions as stated in the CBN Guidelines and FMDQ Exchange Rules. A legal opinion confirming adherence to the CBN Guidelines and FMDQ Exchange Rules is incorporated on page 39 of this Programme Memorandum.

## COMPLIANCE WITH SECURITIES REGULATION

There is no obligation for the Issuer to register the Notes with the SEC. This is by virtue of Rule 8 of the SEC Rules, which exempt short-term securities (including notes) with maturity dates not exceeding 9 months from the date of issuance from registration with the SEC.

## TERMS AND CONDITIONS OF THE NOTES

---

*The following is the text of the terms and conditions of the Notes which, subject to amendment and as completed, modified, supplemented, varied or replaced, in whole or in part, by the final terms which are contained in the Applicable Pricing Supplement (the “Final Terms”), will govern the Notes to be issued under the Programme.*

*The provisions of these Terms and Conditions of the Notes (the “Conditions”) which are applicable to the Notes issued under the Programme shall be deemed to be completed by the information contained in the relevant Final Terms. Any provision of the Final Terms modifying, supplementing or replacing, in whole or in part, the provisions of these Conditions shall be deemed to so modify, supplement or replace, in whole or in part, the provisions of these Conditions.*

### 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 the Programme Limit of ₦25,000,000,000.00 (Twenty-Five Billion Naira). Any Series of Notes issued under the Programme shall be constituted by, be subject to, and

benefit from, the Deed of Covenant.

## **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 ₦5,000,000 and integral multiples of ₦1,000 in excess thereof; and will be sold at such discount from their face value amounts as shall be agreed upon by the Issuing and Placing Agent 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.
- 2.1.3 The Notes issued will be in the form of short-term 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 Issuing and Placing Agent in dematerialised (uncertificated, book entry) form; shall be registered by the Issuing, and Placing Agent with the CSD, which shall serve as the custodian and central depository of the Notes; and the Issuing and Placing Agent may deal in the Notes in accordance with the CSD procedures and guidelines.

### **2.2 Title**

- 2.2.1 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 deem and treat the registered holder of any Note as indicated in the records of the CSD and the IPA 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 and unsubordinated obligation of the Issuer, which are guaranteed by the Guarantor and the Notes rank *pari passu* among themselves and, save for certain debt obligations mandatorily preferred by law, *pari passu* with all other present and future secured and unsubordinated obligations of the Issuer outstanding from time to time.

## **4. Guarantee**

CPs issued under the Programme may be backed by a Guarantor, as stated in the applicable Pricing Supplement.

## **5. Redemption**

The Notes are only redeemable at maturity and will be redeemed at the Face Value specified in the Applicable Pricing Supplement.

## **6. 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.

## **6.1 Method of Payments**

- 6.1.1 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.
- 6.1.2 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.
- 6.1.3 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.
- 6.1.4 In the case of Notes held by a nominee, the nominee shall be paid as the registered Noteholder which payee shall in turn transfer such funds to the holders of the beneficial interest
- 6.1.5 Neither the Issuer nor its agents shall be responsible for any loss in transmission of funds paid in respect of each Note.
- 6.1.6 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, protest, curfew, lockout, fire explosion, floods, riot, insurrection, war, accident, any 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. 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.
- 6.1.7 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 shall be deemed to be the agent of the Noteholders for the purposes of all cheques posted in terms of this condition.

## **6.2 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 interest, return or other payment in respect of any delay in payment.

## **6.3 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 7.2 (Action upon Event of Default).

## **7. Event of Default**

### **7.1 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:

- 7.1.1 Non-Payment: default by the Issuer in the payment of the Redemption Amount to the Noteholders in respect of the Notes on the Maturity Date and the continuance of such default.
- 7.1.2 In line with section 9.8 of the FMDQ Exchange Rules, in respect of any Tranche or Series, if the Issuer fails to notify FMDQ Exchange (through the IPA) that the Notes have been liquidated and funds have been transferred to all Noteholders by 4:00pm on the Redemption Date
- 7.1.3 Breach of Other Obligations: the Issuer does not perform or comply with any one or more of its other obligations under the Offer Documents which default will affect the capacity of the Issuer to meet its payment obligations and which default has not been remedied for a period of Ten (10) days, after the date on which written notice of such default requiring the Issuer to remedy the same shall have been given to the Issuer by the Issuing, Collection and Paying Agent (except where such default is not capable of being remedied, in which case no such notice as is mentioned above will be required).
- 7.1.4 Seizure/Compulsory Acquisition of Assets: if any step is taken by any person with a view to the seizure, compulsory acquisition, expropriation or nationalisation of all or a material part of the assets of the Issuer.
- 7.1.5 Inability to Pay Debts: the Issuer stops or suspends payment of a substantial part of its debts due to financial difficulties.
- 7.1.6 Insolvency: The appointment of a liquidator (other than in respect of a solvent liquidation or reorganization), receiver, manager or other similar officer in respect of the Issuer and any of its assets.
- 7.1.7 Obligations Unenforceable: any of the Notes or the Offer Documents is or becomes wholly or partly void, voidable or unenforceable.

### **7.2 Action upon Event of Default**

- 7.2.1 Upon the occurrence of an Event of Default and such Event of Default is continuing, any Noteholder may by written notice to the Issuer and the Guarantor 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 the Issuer or Guarantor 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.
- 7.2.2 Where an Even of Default occurs prior to Maturity Date, the amount payable to the Noteholder shall be the Face Value of the Note discounted at the Issue Rate from the Maturity date to the Default Date. Provided that the amount payable shall bear interest at the Default Rate from the Default date to the date of payment thereof.

- 7.2.3 In addition, each Noteholder shall have the right to exercise all other remedies available to it/him/her under the laws of the Federal Republic of Nigeria.

## **8. Register**

- 8.1 The Register shall be maintained by the Registrar. 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.
- 8.2 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.
- 8.3 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.
- 8.4 The Agent shall alter the Register in respect of any change of name, address or bank account details of any of the registered Noteholders of which it is notified in accordance with these Terms and Conditions.

## **9. Notices**

### **9.1 Notices to the Noteholders**

- 9.1.1 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 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 Registrar. The Issuer shall also ensure that notices are duly given or published in a manner which complies with the rules and regulations of the FMDQ Exchange, the CSD or such other regulatory authority as may be applicable to the Notes.
- 9.1.2 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.

### **9.2 Notices from the Noteholders**

- 9.2.1 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.
- 9.2.2 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.

## **10. Modification**

- 10.1 The Issuing, Collection and Paying Agent 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 Issuing and Paying Agent is not prejudicial to the interest of the Noteholders. Notice of such modification shall be published in at least one daily newspaper of general circulation in Nigeria or delivered in accordance with the provisions of Condition 8 (Notices), and shall be deemed to have been given and received on the date of first publication.

- 10.2 Save as provided in Condition 9.1 above, no amendment of the Terms and Conditions may be effected unless:
- 10.2.1 such amendment is in writing and signed by or on behalf of the Issuer; and
  - 10.2.2 such amendment:
    - 10.2.2.1 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
    - 10.2.2.2 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.
- 10.3 Any such modification shall be binding on all the Noteholders and shall be notified to the Noteholders in accordance with Condition 8 as practicable thereafter.

## **11. Meeting of Noteholders**

- 11.1 The Issuer may at any time convene a meeting of all Noteholders upon at least 21 (twenty- one) days prior written notice to the Noteholders. The notice required to be given shall be in accordance with clause 8 (Notices). Such Notice shall specify the date, agenda, time of the meeting to be held, and the place for holding the meeting, which place shall be in Nigeria.
- 11.2 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.
- 11.3 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.
- 11.4 A Noteholder may by an instrument in writing (a "Form of Proxy") signed by the holder or, in the case of a corporate entity executed under its common seal or signed on its behalf by an attorney or a duly authorised officer of the corporate entity, appoint any person (a "Proxy") to attend and act on his/her or its behalf in connection with any meeting or proposed meeting of the Noteholders.
- 11.5 Any Noteholder which is a corporate entity 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.
- 11.6 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.
- 11.7 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.
- 11.8 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.
- 11.9 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.

- 11.10 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 meeting shall have the number of votes equal to the number of Notes, by denomination held by the Noteholder.
- 11.11 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.
- 11.12 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 the Noteholders.

## **12. Further issues**

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

## **13. Governing Law**

- 13.1 The provisions of this Programme Memorandum and the Notes are governed by, and shall be construed in accordance with the laws of the Federal Republic of Nigeria.
- 13.2 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 CONSIDERATION**

---

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,<sup>1</sup> and the Issuer will not be required to withhold or deduct tax from payments in respect of the Notes to the Note holders. However, the discount on the Notes may be taxed in accordance with applicable Nigerian tax laws. Furthermore, in accordance with the provisions of the Finance Act 2019, any expense incurred in deriving tax-exempt income would not be deductible for the purpose of arriving at taxable profit.

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 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/its tax position should seek professional advice from his/her/its preferred professional advisers as to the tax consequences arising from subscribing to or purchasing the Notes, bearing in mind his/her/its 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.

---

<sup>1</sup> However, in the case of a late payment, interest will accrue on the redemption monies to be paid to the Note holders.



## 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.***

### 1. RISKS FACTORS RELATING TO THE ISSUER

#### a) Reputational Risk

Company's reputation significantly affects its business and profitability. This trend wherein reputation has a significant impact on sales is common in the construction industry wherein the Company operates. As such, any reputational pitfall to the Company from other projects or arising from any issue may significantly affect all the projects of the Company including the projects to be funded by the proceeds of the CP.

To prevent any reputational shortfall arising from sub-optimal performance on its projects, the Company usually requests for milestone payments from the off-takers of its project. As such, there is usually a match between the milestone payments made by the Off-takers of the projects of the Issuer and the level of work done by the Company on its projects.

#### b) The Company's market share could be reduced by the activities of other developers in the industry

The construction sector in Nigeria is highly fragmented though with few developers having established a niche track record of high-quality developments. The barrier to entry is moderate given lax enforcement of standards by regulators and ability to obtain funding through presale arrangements to a vastly undersupplied populace. Although the Company is recognized as one of the market leaders, it could cede market share to competitors which may have an adverse effect on its revenues and profitability. To prevent this, the Issuer will continue to develop property in very strategic and choice locations across key cities in Nigeria.

#### c) Changes in the availability or price of raw materials and packaging materials could have an adverse effect on the Company's results from operations

The Company mainly sources its raw materials from within the country while also importing some. The quality and availability of raw materials, as well as supply chain efficiency remain a risk. The raw materials used for construction are subject to price volatility due to a number of factors that are beyond the Company's control, including but not limited to, strength of suppliers, global supply and demand and other factors including, general economic conditions and price fluctuations.

Lack of availability of materials or a lengthy disruption in their supply, could have an adverse effect on the Company's business, results of operations, cash flows and financial conditions. Imported raw materials could be subject to arbitrary increase in taxes and duties as well as the depreciation of the Naira. Foreign exchange market volatility and sudden increases in input costs due to shortages may not be easily passed on to customers.

To mitigate currency and other related risks related to the project to be financed especially to the sourcing of materials for the project, the Company will embark on bulk purchasing thereby benefiting from low costs arising from economies of scale. The Company will also sign fixed sum contracts with its contractors, and pay upfront for foreign-sourced materials to mitigate the risk of Naira devaluation. As a large purchaser, the Company already benefits from bulk purchase discounts with its suppliers and contractors.

#### d) Legal Risk

This arises from the type and nature of the Company's contractual agreements. There is a risk that the Company's counterparties, such as project contractors may fail to fulfil their obligations. There is also the risk that the Company itself may not meet its own contractual obligations, therefore rendering the Company vulnerable to litigation. The Company may also be exposed to liabilities

with respect to the property units that it sells, including, but not limited to defects, customer complaints around size of assets, layout of schemes, contractual disputes, defective title, etc.

Whilst the Company strives to always obtain proper legal title to assets, any challenges to/weakness in title could result in claims, litigation or obligations with material adverse impact on its performance, operations and prospects. Furthermore, the Company is involved in litigation or claims from time to time, arising from the conduct of its business or title to land. Where proceedings lead to a substantial legal liability, this may impact the Company's operation, reputation and financial performance.

**e) Compliance/Regulatory/Environmental Risk**

The operations of the Issuer are governed by environmental laws and regulations drafted by various regulatory bodies at the federal and state level, and it may be subject to fines and penalties in the event of any violations of the relevant environmental laws and regulations or the occurrence of any adverse environmental effect arising from the Issuer's operations. The Federal Ministry of Environment and relevant State Government agencies are the authorities responsible for the enforcement of environmental laws, and have the authority in certain circumstances to halt the Issuer's activities on a permanent or temporary basis where the Issuer fails to comply with instruction for rectification or suspension of operations that are causing damage to the environment.

The Issuer has competent personnel that will continue to pay keen attention to environment, safety, health and quality issues to ensure that the Issuer is always in compliance with all relevant environmental laws and regulations especially in the light of potential and unpredictable changes to environmental requirements, varying interpretation of environmental laws and regulations by the courts and legislators.

**f) Change in Governing Law**

The Issuer is duly incorporated and established under Nigerian law, which remains in effect as at the date of this Programme Memorandum. No assurance can be given as to the impact of any possible judicial decision or change in Nigerian law or the official application or interpretation of Nigerian law after the date of this Programme Memorandum.

**g) Credit Risk**

Due to adverse business or other conditions, especially the current on-going COVID-19 pandemic, which has had adverse effects on businesses, there would be an obvious credit risk concern. Credit risk is the risk of financial loss to Lekki Gardens if a customer or counterparty fails to meet its contractual obligations. In order to mitigate the credit risk, the Management of the Issuer determines concentrations of credit risk by quarterly monitoring the creditworthiness rating of existing customers and through a monthly review of the trade receivables' ageing analysis. Customers are also categorized according to their credit characteristics. Customers with high credit risk are placed on restriction and future credit services are made only with the approval of Lekki Gardens' Management.

**2. RISKS FACTORS RELATING TO THE NOTES**

**a) Market Price Risk**

The market price of the Notes could be subject to significant fluctuations in response to actual or anticipated variations in the Company's results, adverse business developments, changes in the macroeconomic environment and the actual or expected sale or purchase of a large number of Notes. Each investor needs to assess the market risk prior to trading their Notes.

**b) Interest Rate Risk**

The Notes may vary inversely with changes in prevailing interest rates as the Notes could be offered at a fixed rate benchmarked against treasury bills. In this instance, where the interest rates rise, the prices of fixed rate securities fall and when interest rates drop, the prices increase.

Therefore, the extent of the fall or rise in the prices is a function of the existing interest, days to maturity and the increase or decrease in the level of the prevailing interest rates. Increased interest rates which frequently accompany inflation and/or a growing economy are also likely to have a negative effect on the price of the Notes.

### **c) Liquidity Risk**

Any Series or Tranche issued under the Programme will be new securities for which there may be no active two-way quote trading market, thus, the liquidity of the Notes may be limited. Although an application will be made for CP Notes issued under the Programme to be quoted on FMDQ (subject to the provisions of the applicable Pricing Supplement), there is no assurance that an active trading market will develop or any listing or admission to trading of the Notes will be maintained. Accordingly, there is no assurance of the development or liquidity of any trading market for any particular Series or Tranche.

## **3. RISKS FACTORS RELATING TO NIGERIA**

### **a) Political Risk**

The diverse political, religious and ethnic landscape in Nigeria has led to struggles for power between rival groups, which has consistently hindered the smooth governance of the country. The pastoralist conflict in the North-East and Middle Belt has been escalating and Boko Haram continues to weaken the North-East economy. In the South, Niger Delta pipeline attacks could threaten oil production and the state of the environment.

In addition, frustrations over poor living conditions and economic hardships can potentially fuel further conflict. The risks related to political instability, continued criminal activities including banditry, kidnapping, security challenges as well as political and religious tensions in the country could adversely impact Nigeria's economy and by extension - the operations of Lekki Gardens Estate Limited. The structuring of the CP Notes as a pure private sector transaction substantially mitigates the potential risks arising from political and social instability.

### **b) Economic Risk**

The Nigerian economy is largely dependent on global oil prices and country's level of oil and gas production as the Oil sector remains a major contributor to the GDP. In addition, the Oil sector plays a central role in Nigeria's economy, as it accounts for a substantial portion of its export earnings. This dependence makes the Nigerian economy vulnerable to oil price fluctuations, as many economic sectors and state governments in Nigeria depend upon public spending and private consumption driven by oil revenues.

Oil price witnessed a downward trend caused by the outbreak of the COVID-19 pandemic and decisions from the Organization of the Petroleum Exporting Countries (OPEC) to pump more oil into the market. However, with the implementation of production cuts and rebound of economies around the world, oil price recently inched upwards and remains fairly stable. Relying on past events, a fall in oil prices has caused, and is expected to continue to result in liquidity issues, reduced tax revenues, depreciation of foreign exchange reserves, and increased currency pressures for Nigeria. The Company's prospects may be impacted by an economic recession in Nigeria which could adversely affect the demand of its products.

## 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.*

### Clearing System

The Notes will be issued in dematerialised form and will not be represented by any certificate or written instrument. As stipulated by the CBN Guidelines, each Series or Tranche of Notes will be held in custody by the CSD, either in the name of the beneficial owner or Nominee.

All transactions in the Notes shall be cleared and settled electronically in accordance with the rules and operating procedures of the CSD. Subject as aforesaid, each Tranche of Notes will be issued, cleared and transferred in accordance with the Terms and Conditions and will be settled through authorised participants who will follow the electronic settlement procedures prescribed by the CSD.

### Authorised Participants

The CSD will maintain a central securities account for Collecting & Paying Agents/Issuing & Placing Agent and Dealing Members (the "**Authorised Participants**") and each beneficial owner of the Notes is required to have a sub-account under the Authorised Participants. Noteholders may exercise their rights in respect of the Notes held in the custody of the CSD only through the Authorised Participants.

For purposes of Notes issued under this Programme, the Authorised Participant is Boston Advisory Limited, Keystone bank Limited and any other bank or dealer appointed by the Issuer.

### Registration

- I. The Authorised Participants shall register with the CSD where CP custody and depository services are required. The Authorised Participant shall complete the required registration form or other applicable document(s) and shall be required to submit proof of appropriate FMDQ membership along with the completed form.
- II. Noteholders are required to route their account opening applications and transactions through any of the above-mentioned Authorised Participant, who will officially notify the CSD to create sub-accounts for these Noteholders and attach Noteholders' mandates to this effect.
- III. The CSD will assign a unique identification number (**the "Trade Member Code"**) to the Authorised Participant and also provide an account number (and sub-account numbers for Noteholders) after creation as requested by the Authorised Participant to enable them to trade the CPs.
- IV. FMDQ Exchange shall request for the CP to be registered with the CSD, who in turn shall furnish FMDQ Exchange and the Authorised Participant with the CP Symbol and ISIN Codes for the registered CP, subject to receipt of CP registration fees from the Authorised Participant.
- V. 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

- VI. The Authorised Participants shall provide the schedule of all the subscribers and their expected holdings to the CSD for distribution. The Authorised Participant will electronically lodge CPs with the CSD and advise the CSD after lodgment to transfer the CPs to the sub-accounts, individual accounts or custodians accounts of the beneficial owners of the Notes.

- VII. [Cut-off time for e-lodgement of CPs is 10.00 a.m. on the day before the value date, and] the CSD shall process same within 24 hours of receipt.

### **Redemption**

- I. No transactions or trades may be effected for any CPs two (2) working days prior to its maturity date as the Register closes two (2) working days before the Maturity Date.
- II. The Authorised Participants will submit a letter to the CSD confirming the intention of the Issuer to repay the Noteholders on the Maturity Date by 12.00 noon on the date which is two (2) working days before the Maturity Date.
- III. The CSD shall expunge (knock-off) matured CPs on the Maturity Date or Redemption Date of the CP.
- IV. The Maturity Date shall be on a Business Day, however if the relevant Business Day falls on a public holiday, the following Business Day shall be the Maturity Date of the CP.

### **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 shall be treated or classified as a fresh/separate CP.
- III. Upon granting approval for rollover, FMDQ Exchange shall request for the rollover CP to be registered with the CSD, who in turn shall furnish FMDQ Exchange and the Authorised Participant with the new CP Symbol and ISIN Codes, subject to receipt of CP rollover fees from the Authorised Participant.
- 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 Noteholders and the CP will be in default status, the Authorised Participants shall notify the CSD, FMDQ Exchange, as well as the Noteholders, latest two (2) Business Days before the Maturity Date, latest by 3.00pm.
- II. The CSD shall make public the default status to the market latest by the date which is one (1) Business Day before the Maturity Date.
- III. The ICPA shall notify FMDQ Exchange in writing that the CP has been liquidated and that funds have been transferred to all CP holders by 4:00PM on the Maturity Date, failing which the Issuer shall be deemed to be in default
- IV. In case of (i) above, the CP holdings must remain with the CSD until the CPA pays off the Noteholders and notifies the CSD and the FMDQ Exchange with evidence. Thereafter, the CSD will notify the public and expunge the CP from the CSD depository accordingly. CA pays off the Note holders and notifies the CSD with the evidence

### **Secondary Market Trading (OTC) Guidelines**

- I. Standard settlement cycle is T+2.
- II. FMDQ Exchange shall submit the confirmed CP trade details on trade day in the specified format via the CSD authorised platform, based on the following settlement timelines:
  - a. Same Day Settlement: 12.30 p.m.

b. T+1 or T+2 Settlements: 3.00 p.m.

- III. The CSD shall deliver securities and send confirmation of transfers via the CSD's authorised platform by 2.00p.m. on the settlement date to FMDQ Exchange and the Nigeria Inter-Bank Settlement System ("NIBSS") simultaneously. The Authorised Participant 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 CSD and the Authorised Participant simultaneously.
- V. Transactions for standard settlement (T+2) shall stop five (5) Business Days before the Maturity Date. Therefore, the last applicable settlement shall be before close of business on the date which is five (5) BusinessDays before the Maturity Date.

### **Reporting**

- I. The CSD shall effect the transfer of CPs on the settlement date as advised by the exchange and keep records of consideration for each transaction.
- II. The CSD will advise the exchange of successful and failed transactions on each settlement day for onward communication to Dealing Members.
- III. Dealing Members can visit the CSD's website ([www.fmdqgroup.com/fmdqdepository](http://www.fmdqgroup.com/fmdqdepository)) to ascertain its CP balances after each day's trade.

### **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**

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



**LEKKI GARDENS ESTATE LIMITED**

---

**Issue of Up to ₦ [ . ] Series1 Under its ₦25,000,000,000 Commercial Paper Issuance Programme**

---

This Pricing Supplement must be read in conjunction with the Programme Memorandum dated June 16, 2022 prepared by Boston Advisory Limited on behalf of Lekki Gardens Estate Limited in connection with its ₦25,000,000,000 Commercial Paper Issuance Programme, as amended and/or supplemented from time to time (the "**Programme Memorandum**").

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

This document constitutes the 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 Pricing Supplement and the Programme Memorandum, the provisions of this 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 September 11, 2019 and the CBN circular to all deposit money banks and discount houses dated 12 July 2016 on Mandatory Registration and Listing of Commercial Papers (together the "**CBN Guidelines**") and the FMDQ Exchange Commercial Paper Registration and Quotation Rules (the "**Rules**") in force from time to time. The document is not required to be registered with the Nigerian Stock Exchange ("**NGX**") or the Securities and Exchange Commission ("**SEC**"). 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/ISSUING AND PLACING AGENT**



**COLLECTING AND PAYING AGENT / GUARANTOR**



**THIS PRICING SUPPLEMENT IS DATED JUNE [•], 2022**

PARTIES	
Issuer	Lekki Gardens Estate Limited
Arranger	Boston Advisory Limited
Collecting and Paying Agents	Keystone Bank Limited
Issuing and Placing Agent and Sponsor to the Quotation on FMDQ Exchange	Boston Advisory Limited
Auditors	SIAO Partners
Registrar/Depository	FMDQ Depository Limited
Solicitor	TOLG Advisors
PROVISIONS RELATING TO THE NOTE	
Series Number	1
Programme Size	₦25,000,000,000.00
Issued and Outstanding at the date of this Pricing Supplement	NIL
Face Value	[ ]
Discounted Value	[ ]
Nominal Amount Per Note	₦1000
Tenor	[ ]
Issue Date	[ ]
Maturity Date	[ ]
Final Redemption Amount	[ ]
Minimum Subscription	Minimum of ₦5,000,000.00 and multiples of ₦1,000.00 thereafter
Specified Currency	Nigeria Naira (₦)
Status of Notes	Except for guaranteed CPs issued under the Programme, each Note constitutes a direct, unconditional, unsubordinated and unsecured obligation of the Issuer and the Notes rank pari passu among themselves and, save for certain debts preferred by law, pari passu with all other present and future unsecured and unsubordinated obligations of the Issuer outstanding from time to time
Form of Notes	Uncertificated
Quotation	FMDQ Securities Exchange Limited
Taxation	Please refer to the 'Tax Consideration' section in the Programme Memorandum
Method of Offer	Fixed Price Offer
Use of Proceeds	Working Capital
Source of Repayment	Operating cashflow of the company
Book Closed Period	[ ]
ZERO COUPON NOTES	
Discount Rate	[ ]
Implied Yield	[ ]
Any Other Formula or Basis for Determining Amount(S) Payable	$PV = FV * (1 - (DR * t / \text{actual number of days in a year}))$
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
PROVISION REGARDING REDEMPTION	
Redemption/Payment Basis	Redemption at par
Issuer's Early Redemption	Not Applicable
Issuer's Optional Redemption	Not Applicable



Other Terms Applicable on Redemption	Not Applicable	
Offer Opens	[ ]	
Offer Closes	[ ]	
Allotment Date	[ ]	
Notification of Allotment	[ ]	
Settlement Date	[ ]	
Details of Bank Account to Which Payments Are to be Made in Respect of the Notes	<b>Bank:</b> <b>Account Name:</b> <b>Account Number:</b>	
Settlement Procedure and Settlement Instruction	Purchases will be settled via direct debit, electronic funds transfer (NIBBS, NEFT, RTGS, etc.)	
Issuer Rating		

#### 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 December 31, 2020 audited accounts.

#### RESPONSIBILITY

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

Signed at \_\_\_\_\_ on this \_\_\_\_\_ day of \_\_\_\_\_ 2022

**For and on behalf of Lekki Gardens Estate Limited**

\_\_\_\_\_  
Name: **Emily Atebe**  
Capacity: Director  
Who warrants his/her authority hereto

\_\_\_\_\_  
Name: **Steve Agbiboa**  
Capacity: Company Secretary  
Who warrants his/her authority here



**Lagos:** 18b. Olu Holloway Road, Ikoyi, Lagos.  
Tel: +234 8021810043

**Abuja:** 1st Floor, Bank of Industry Building  
Central District Area, FCT, Abuja.  
Tel: 09-291 2462-3  
Email: [enquiries@siao.ng.com](mailto:enquiries@siao.ng.com)  
Website: [www.siao-ng.com](http://www.siao-ng.com)

**REPORT OF THE INDEPENDENT AUDITORS ON THE SUMMARY FINANCIAL STATEMENTS TO  
THE BOARD OF DIRECTORS OF LEKKI GARDENS ESTATE LIMITED**

**Opinion**

The accompanying summary Financial Statements, which comprise the summary statement of financial position as at 31 December 2020, 31 December 2019 and 31 December 2018, the summary of Statement of Profit or Loss and Other Comprehensive Income for the years ended 31 December 2020, 31 December 2019 and 31 December 2018 and summary statements of cash flows for the years ended, are derived from the audited Financial Statements of Lekki Gardens Estate Limited for the years ended 31 December 2020, 31 December 2019 and 31 December 2018 respectively.

In our opinion, the summary Financial Statements derived from the audited Financial Statements of Lekki Gardens Estate Limited for the years ended 31 December 2020, 31 December 2019 and 31 December 2018 are consistent in all material respects with those Financial Statements in accordance with Companies and Allied Matters Act CAP C20 LFN 2004 as amended to date, the Financial Reporting Council of Nigeria Act, 2011 and International Financial Reporting Standards.

**Summary Financial Statements**

The summary Financial Statements do not contain all the disclosures required by the International Financial Reporting Standards, Companies and Allied Matters Act CAP C20 Laws of the Federal Republic of Nigeria 2004 as amended to date, and the Financial Reporting Council of Nigeria Act No. 6, 2011, applied in the preparation of the audited Financial Statements. Therefore, the summary Financial Statements are not a substitute for the audited Financial Statements of the Company.

**The Audited Financial Statements and our Report Thereon**

In our opinion, the summary Financial Statements derived from the audited Financial Statements of Lekki Gardens Estate Limited for the years ended 31 December 2020, 31 December 2019 and 31 December 2018 are consistent in all material respects with those Financial Statements in accordance with Companies and Allied Matters Act CAP C20 LFN 2004 as amended to date.

**SIAO - Accomplish More**  
Audit & Accounting | Financial Advisory | Taxation | Human Resources



#### **Directors' Responsibilities for the Summary Financial Statements**

The Directors are responsible for the preparation and fair representation of a summary of the audited Financial Statements in accordance with section 355 of the Company Allied Matters Act CAP C20 LFN 2004 as amended to date, the Financial Reporting Council of Nigeria Act 2011, International Financial Reporting Standards, and the FMDQ commercial paper quotation rules.

#### **Auditors' Responsibilities**

Our responsibility is to express an opinion on the summary of Financial Statements based on our procedures, which were conducted with International Standards on Auditing (ISA) 810, "Engagements to report on Summary Financial Statements"

A handwritten signature in blue ink, appearing to read 'Abiodun Ariyibi', is written over a horizontal dashed line.

Abiodun Ariyibi, FCA  
FRC/2013/ICAN/000000001548  
Partner For:  
SIAO (Chartered Accountants)  
Lagos, Nigeria



Date: 5th May 2022

**SIAO - Accomplish More**  
Audit & Accounting | Financial Advisory | Taxation | Human Resources

## HISTORICAL FINANCIAL INFORMATION OF LEKKI GARDENS ESTATE LIMITED

	2018 N'000	2019 N'000	2020 N'000
<b>Statement of Financial Position as at 31st December</b>			
<b>Assets</b>			
Property, plant and equipment	653,370	530,302	505,331
Investment property		-	18,787,165
Intangible assets	20,863	17,953	23,605
<b>Total Non-current assets</b>	<b>674,223</b>	<b>548,255</b>	<b>19,316,101</b>
<b>Current assets</b>			
Inventories(land & buildings)	-	18,453,609	6,016,318
Construction contracts: work-in-progress	111,999,036	108,231,024	117,118,582
Trade and other receivables	454,224	-	4,644,694
Prepayments & advances	5,924	18,578	440,175
Other financial assets	-	-	2,114,747
Cash and bank equivalents	907,664	3,122,270	6,765,578
<b>Total current assets</b>	<b>113,366,848</b>	<b>129,825,481</b>	<b>137,100,094</b>
<b>Total assets</b>	<b>114,041,071</b>	<b>130,373,736</b>	<b>156,416,195</b>
<b>Financed By</b>			
<b>Equity and Liabilities</b>			
Share Capital	600,000	1,000,000	2,500,000
Share premium	-	-	13,500,000
Revaluation Reserves	-	-	9,855,156
Retained earnings	1,826,744	3,246,956	4,728,592
<b>Shareholders fund</b>	<b>2,426,744</b>	<b>4,246,956</b>	<b>30,583,748</b>
<b>Non-current liabilities</b>			
Deposit for shares	851,592	21,229,987	6,229,987
Deferred tax	338,231	304,872	280,375
<b>Total non-current liabilities</b>	<b>1,189,823</b>	<b>21,534,859</b>	<b>6,510,362</b>
<b>Current Liabilities</b>			
Trade and other payables	1,077,835	2,038,975	2,389,304
Borrowings	-	-	3,000,000
Current tax payable	414,724	492,404	542,892
Customers' deposits	108,931,945	102,060,542	113,389,889
<b>Total Current Liabilities</b>	<b>110,424,504</b>	<b>104,591,921</b>	<b>119,322,085</b>
<b>Total Liabilities</b>	<b>111,514,327</b>	<b>126,126,780</b>	<b>125,832,447</b>
<b>Total Equity and Liabilities</b>	<b>114,041,071</b>	<b>130,373,736</b>	<b>156,416,195</b>

Statement of Profit and Loss for the Year Ended 31 December	2018 N'000	2019 N'000	2020 N'000
Revenue	17,051,960	19,578,832	20,900,305
Cost of sales	(13,582,435)	(15,528,926)	(15,757,350)
<b>Gross profit</b>	<b>3,469,525</b>	<b>4,049,906</b>	<b>5,142,955</b>
Other operating income	189,764	79,974	542,231
Other operating gains (losses)	-	-	29,903
Other operating expenses	(1,947,708)	(2,134,163)	(3,621,725)
<b>Operating profit</b>	<b>1,711,581</b>	<b>1,995,717</b>	<b>2,093,364</b>
Finance income	15,146	99,111	26,177
Other non-operating gains (losses)		-	(22,571)
<b>Profit before taxation</b>	<b>1,176,727</b>	<b>2,094,828</b>	<b>2,096,970</b>
Taxation	(638,805)	(674,616)	(615,334)
<b>Profit for the year</b>	<b>1,087,922</b>	<b>1,420,212</b>	<b>1,481,636</b>
<b>Other comprehensive income:</b>			
<b>Items that will not be reclassified to profit or loss:</b>			
Gains on property revaluation		-	9,855,156
<b>Total comprehensive income for the year</b>	<b>1,087,922</b>	<b>1,420,212</b>	<b>11,336,792</b>
Basic earnings per share	1.81	1.42	0.59

<b>Statement of Cash flows</b>	<b>2018</b>	<b>2019</b>	<b>2020</b>
	<b>N'000</b>	<b>N'000</b>	<b>N'000</b>
<b>Cash Flow From operating activities:</b>			
Profit before taxation	1,726,727	2,094,828	2,096,970
<b>Adjustment for non-cash items:</b>			
Depreciation of property, plant and equipment	224,070	193,141	83,162
Losses on disposals, scrapings and settlements of assets and liabilities	-	-	22,571
Gains on foreign exchange	-	-	(29,903)
Interest received	(15,146)	(99,111)	(26,177)
	<b>1,935,651</b>	<b>2,188,858</b>	<b>2,146,623</b>
<b>Changes in working capital:</b>			
Inventories	(2,138,679)	(18,453,609)	12,437,291
Trade and other receivables	(451,224)	2,910	(4,644,694)
Prepayments	4,451	(12,654)	(421,597)
Construction contracts: Work-in-progress	1,773,810	3,768,012	(8,887,558)
Trade and other payables	(435,953)	961,615	350,328
<b>Cash generated from operations</b>	<b>888,056</b>	<b>(11,544,868)</b>	<b>980,393</b>
Interest income	15,146	99,111	26,177
Tax paid	(43,743)	(630,295)	(589,343)
<b>Net cash flow from operating activities</b>	<b>659,459</b>	<b>(12,076,052)</b>	<b>417,227</b>
<b>Cash flow from investing activities</b>			
Purchase of property, plant and equipment	(74,000)	(66,173)	(213,435)
Sale of property, plant and equipment	-	-	168,696
Purchase of investment property	-	-	(8,932,009)
Purchase of other intangible assets	(10,500)	(1,000)	(10,390)
Sale of financial assets	-	95,000	(2,114,747)
<b>Net cash flow from investing activities</b>	<b>(84,500)</b>	<b>27,827</b>	<b>(11,101,885)</b>
<b>Cash flow from financing activities</b>			
Proceeds on share issue	-	400,000	15,000,000
Repayment of borrowings	-	-	3,000,000
Movement in deposit share	2,100	20,378,395	(15,000,000)
Movement in customers deposit	-	(6,871,878)	11,329,347
<b>Net cash flow from financing activities</b>	<b>2,100</b>	<b>13,906,517</b>	<b>14,329,347</b>
<b>Total cash movement for the year</b>	<b>577,059</b>	<b>1,858,292</b>	<b>3,644,689</b>
Cash at the beginning of the year	330,605	1,263,978	3,122,270
Effect of exchange rate movement on cash balances	-	-	(1,380)
<b>Total cash end of the year</b>	<b>907,664</b>	<b>3,122,270</b>	<b>6,765,578</b>

**Credit Rating Announcement**

GCR upgrades Lekki Gardens Estate Limited's national scale issuer ratings and accords an issue rating to its Senior Secured Bonds.

**Rating Action**

Lagos, Nigeria, 27 September 2021 – GCR Ratings ("GCR") has upgraded Lekki Gardens Estate Limited's national scale long-term and short-term Issuer ratings to BBB+(NG) and A2(NG) respectively. Concurrently, GCR has accorded a national scale long term issue rating of A(NG) to Lekki Gardens Estate Limited's N3.5bn Senior Secured Fixed Rate Bond Issue. The Outlook on the ratings is Stable.

Rated Entity / Issue	Rating class	Rating scale	Rating	Outlook
Lekki Gardens Estate Limited	Long Term Issuer	National	BBB+(NG)	Stable
	Short Term Issuer	National	A2(NG)	
N3.5bn Senior Secured Bonds Issuance	Long Term Issue	National	A(NG)	Stable

**Rating Rationale**

The ratings reflect Lekki Gardens Estate Limited's ("LGE" or "the Company") strong competitive position within the Nigerian real estate sector, evidenced by its strong track record of project delivery, which has supported rising earnings, stable cash flows, and moderate gearing metrics.

LGE is one of the leading real estate development companies in Nigeria, with a relatively strong track record, having delivered over 10,000 projects, across the residential, commercial, and retail property segments. The Company's good cost management has enabled pricing flexibility and thus a strong reputation amongst potential customers, strengthening its competitive position. Furthermore, the entrenched relationships with major industry players have enabled it to secure a substantial project pipeline. Although the uncertainties within the operating environment have increased downside risk for the sector, the longer-term prospects of the residential property market and LGE's strong presence across key markets should continue to support its competitive positioning.

Management and governance factors are currently considered to be neutral to the ratings.

Despite the COVID-19 crisis and the attendant impact on the already challenged operating climate in Nigeria, the Company remained resilient, with revenue increasing by 6.7% to N20.9bn in FY20, underpinned by rising off-take and sale volumes. EBITDA margin remained firmer and well above peers at 10%, supported by delivery of higher-margin projects and cost rigour. As of 1H FY21, LGE has achieved a 29% annualised growth in revenue, with EBITDA margin registering at 18%. GCR expects the latent housing demand to continue to drive growth prospects, but the deferral of key discretionary spend, such as home purchases will likely impact demand and pricing. Furthermore, rising inflationary pressures will impact on construction costs (largely cement prices), will continue to constrain earnings margins to around 10x-14x over the rating horizon.

Operations have historically been funded by customer deposits from the presale of units, which represent more than 90% of funding sources. While this has reduced the need for debt through to 3Q FY20, the rising capex needed for business expansion has necessitated debt funding. Accordingly, LGE obtained N3bn loan facility from Providus Bank

Nigerian Corporate Analysis | Public Credit Rating



Limited towards end-FY20 and raised N3.5bn through a senior secured bond issuance in March 2021. Following part repayment, gross debt declined to N3.8bn at 1H FY21. The Company is planning to raise additional debt before year-end 2021 through the capital market to finance its expansion strategy. Notwithstanding the new amount to be raised, GCR expects the Company to continue to demonstrate moderate financial flexibility, with net debt to EBITDA expected to remain below 1x over the outlook period. However, the ratio of operating cash flow of debt is expected to remain below low level of 30% due to higher debt, while net interest coverage will remain around 5x.

LGE's uses vs. sources liquidity coverage is estimated to register at 1.4x over the next 18-month period. This is predicated on strong cash holdings of around N6.8bn and the expected increase in cash flows, which will be utilised for short-term debt redemption and to finance timely project delivery. Any new debt raised will also be directed to project development. GCR also takes cognisance of the established relationships with domestic financial institutions and the improved access to the debt capital market.

The N3.5bn senior secured bonds are secured by mortgaged properties. The bonds constitute direct, unconditional, senior and secured obligations of LGE and shall at all times rank *pari passu* and without any preference or priority among themselves. The coupon rate on the bonds is 12%, with a tenor of three (3) years, and expected maturity in 2024. The rating of the bonds follows the receipt of final and executed transaction documents and is derived by applying a notching up approach, starting from the long term unsecured corporate rating of the Company. The notching approach involves an assessment of the stressed estimated recovery rate expected from the market values of the mortgaged properties that serve as security for the Issuer's outstanding bond obligation, under the assumption that the Issuer is in default.

Based on GCR's computation, the stressed estimated recovery rate is 76%. As such, a two-notch uplift is deemed appropriate based on GCR's Criteria for Rating Secured Bonds.

---

#### Outlook Statement

The Stable Outlook reflects GCR's view that LGE will sustain its strong earning progression, while maintaining a modest funding profile. This will help mitigate the increased risks within the Nigerian operating environment.

---

#### Rating Triggers

The ability to develop and successfully deliver large scale projects on a consistent basis will support improved earnings. This should lead to strong internal cash generation and thereby reduce the need for external funding to meet development requirements. Conversely, project delays driving material cost overruns, subdued uptake of large developments or poor delivery could place pressure on earnings and impair credit protection metrics.

A downgrade in the rating of the Company and/or an adverse change in the recovery prospects could trigger a negative rating action on the secured bond rating.

---

#### Analytical Contacts

<b>Primary analyst</b> Lagos, Nigeria	Femi Atere Femi@GCRratings.com	Senior Analyst +234 1 9049462
<b>Committee chair</b> Johannesburg, ZA	Eyal Shevel Shevel@GCRratings.com	Sector Head: Corporate and Public Sector +27 11 784 1771

Nigerian Corporate Analysis | Public Credit Rating



# LEKKI GARDENS ESTATE LTD

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

## CORPORATE RATING REPORT

### References

Abiodun Adeseyoju, FCA.  
Abimbola Adeseyoju  
Oladele Adeoye

### EVALUATION

**VALID TILL: October, 2022**

Long-term Rating: **BBB+**

Short term Rating **A1**

Previous Rating: **N/A**

Rating Outlook: **Stable**

Trend: **UP**

Currency: **Naira**

### EXECUTIVE SUMMARY

	2020 N'000	2019 N'000	2018 N'000	2017 N'000	2016 N'000
Turnover	20,900,305	19,578,832	17,051,960	17,989,315	16,118,404
Pre Tax Profit	2,096,970	2,094,828	1,726,727	824,755	(280,848)
Equity	30,583,749	4,246,956	2,426,743	1,338,823	(24,651)
Fixed Asset	19,316,101	548,255	674,223	813,793	1,110,750
Total Asset	156,416,195	130,373,737	114,041,070	114,930,619	119,555,661
Short-term Debt	119,322,084	104,591,922	110,424,504	112,670,848	118,052,089

### 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.

*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.*

DataPro @ 2021

**RATING SYNOPSIS****SUMMARY**• **Rating****BBB+**• **Report Type:**  
Corporate  
Rating• **Client:**  
Lekki Gardens  
Estate Ltd• **Date Compiled**  
11-Oct-2021

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

The qualitative information used was 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:**

- Experienced Management Team
- Strong Brand Presence
- Good Profitability
- Good Liquidity

**Weakness:**

**MEMORANDUM**

**FROM: TOLG ADVISORS**

**TO: THE MANAGING DIRECTOR, FMDQ SECURITIES EXCHANGE LIMITED**

**DATE: JUNE 14, 2022**

**RE: ESTABLISHMENT OF A ₦25,000,000,000.00 (TWENTY-FIVE BILLION NAIRA)  
COMMERCIAL PAPER ISSUANCE PROGRAMME BY LEKKI GARDENS ESTATE  
LIMITED**

**TRANSACTION DYNAMICS**

We act as Solicitors to Lekki Gardens Estate Limited (the “**Issuer**”) in connection with the ₦25,000,000,000.00 (Twenty-Five Billion Naira) Commercial Paper Issuance Programme (the “**Transaction**”) under which the Issuer, a private limited liability company incorporated under the laws of Federal Republic of Nigeria, may from time to time issue Commercial Paper (“**CP**” 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 the applicable Pricing Supplement.

This Legal Opinion (this “**Opinion**”) is rendered pursuant to the Dealer Agreement (the “**Dealer Agreement**”) between the Issuer and Boston Advisory Limited (the “**Dealer**”).

The Notes issued will be constituted by, subject to, and have the benefit of, a Deed of Covenant, which shall take effect as a deed poll (the “**Deed of Covenant**”), the Programme Trust Deed and the Series 1 trust Deed or any Series Trust Deed made pursuant to any series or tranches of the Notes (the “**Trust Deeds**”) between the Issuer and United Capital Trustees Limited (the “**Trustee**”) for the benefit of the holders of the Notes.

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.

This Opinion is rendered in relation to the Transaction and at the request of the Issuer, Global Credit Rating Co and DataPro Limited (the “**Rating Agencies**”).

**1. DOCUMENTS REVIEWED**

- 1.1** In rendering this 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):
- (a) an executed copy of the Deed of Covenant;
  - (b) the executed Dealer Agreement;

  
info@tolegalgroup.com  
www.tolegalgroup.com

- (c) an executed copy of the Issuing and Placing Agency Agreement;
- (d) an executed copy of the Collecting and Paying Agency Agreement;
- (e) the Programme Memorandum;
- (f) the Programme Trust Deed;
- (g) the Series 1 Trust Deed;
- (h) a copy of the Certificate of Incorporation of the Issuer;
- (i) a copy of the Memorandum and Articles of Association of the Issuer certified by the Corporate Affairs Commission;
- (j) a copy of the resolution of the meeting of the Board of Directors of the Issuer passed on ; authorising the establishment of the Programme;
- (k) 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 ; and
- (l) a copy of the Form CAC 2A Return of Allotment (Post Incorporation) certified by the Corporate Affairs Commission on.

The documents specified in paragraphs (a) – (h) are collectively referred to as the **“Transaction Documents”**, the documents specified in paragraphs (i) – (m) are referred to as the **“Constitutional Documents”**, while the documents referred to in paragraphs (a) – (m) are collectively referred to as the **“Documents”**.

## 1.2 Assumptions

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

- (a) the authenticity of all signatures on all Transaction Documents and the completeness and conformity to original documents, of all copies made available to us by courier or e-mail and that any document so submitted to us continues to be in full force and effect;
- (b) the absence of fraud, coercion, duress, undue influence or other vitiating factor on the part of any party to the Transaction Documents, including their respective representatives, directors, employees, agents and advisers;
- (c) the Transaction Documents referred to in paragraph 1.1 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;
- (d) 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

- (d) 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;
- (e) 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
- (f) 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.

## 2. **OUR 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:

### 2.1 **Status, Power and Authority, Legal Validity**

- 2.1.1 the Issuer (i) is a private 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;
- 2.1.2 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 Constitutional Documents of the Issuer;
- 2.1.3 the Transaction Documents constitute valid, legal, binding and enforceable obligations of the Issuer and are enforceable against it in accordance with their terms;

- 2.1.4 the holders of the Notes shall be entitled, severally, to enforce the Deed of Covenant, the Programme Trust Deed and the applicable Series Trust Deed against the Issuer;
- 2.1.5 the Notes, when issued, would constitute valid, legal, binding and enforceable obligations of the Issuer; and
- 2.1.6 the issuance of the Notes in dematerialised form is valid and legal under Nigerian law.

## **2.2 Foreign Exchange Control**

- 2.2.1 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) Act<sup>1</sup> and the Foreign Exchange Guidelines issued by the Central Bank of Nigeria.

## **2.3 Consents, Filings and Form**

- 2.3.1 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.
- 2.3.2 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.
- 2.3.3 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 2.8 below) against the Issuer in the courts of the Federal Republic of Nigeria.

## **2.4 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

---

<sup>1</sup> Cap F34 Laws of the Federation of Nigeria 2004



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 Constitutional Documents of the Issuer.

## **2.5 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.

## **2.6 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.

## **2.7 Licensing and Qualifications etc.**

2.7.1 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.

2.7.2 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.

## **2.8 Taxes and Stamp Duty/Registration**

2.8.1 The provisions of the Stamp Duties Act<sup>2</sup> 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.

---

<sup>2</sup> Cap S8 Laws of the Federation of Nigeria 2004

- 2.8.2 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 Note is 0.1% levied on an ad valorem basis on the value of the underlying transaction.
- 2.8.3 Prior to the amendment of the Stamp Duties Act by the Finance Act 2019, 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.
- 2.8.4 The Finance Act amends the definition of “instruments” in the Stamp Duties Act to include electronic instruments, 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.
- 2.8.5 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 2.8.2 above.
- 2.8.6 It is unclear whether the Deed of Covenant, the Trust Deeds, the Dealer Agreement the Collecting and Paying Agency Agreement and the Issuing and Placing Agency Agreement will be assessed for stamp duties at a flat rate or an ad valorem rate. Historically, the Deed of Covenant, the Collecting and Paying Agency Agreement the Dealer Agreement and the Issuing and Placing Agency Agreement have each attracted a nominal stamp duty of N500.00 (Five Hundred Naira) for an original copy and N50.00 (Fifty Naira) for each counterpart. The Deed of Covenant, Trust Deeds, the Issuing and Placing Agency Agreement the Dealer Agreement and the Collecting and Paying 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.
- 2.8.7 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 40 (forty) 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).
- 2.8.8 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.
- 2.8.9 The Issuer is not required to make any withholding or deduction from any payment due to the Noteholders on the Notes. However, the discount on any of the Notes may be taxed in accordance with applicable Nigerian tax laws.



- 2.8.2 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 Note is 0.1% levied on an ad valorem basis on the value of the underlying transaction.
- 2.8.3 Prior to the amendment of the Stamp Duties Act by the Finance Act 2019, 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.
- 2.8.4 The Finance Act amends the definition of “instruments” in the Stamp Duties Act to include electronic instruments, 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.
- 2.8.5 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 2.8.2 above.
- 2.8.6 It is unclear whether the Deed of Covenant, the Trust Deeds, the Dealer Agreement the Collecting and Paying Agency Agreement and the Issuing and Placing Agency Agreement will be assessed for stamp duties at a flat rate or an ad valorem rate. Historically, the Deed of Covenant, the Collecting and Paying Agency Agreement the Dealer Agreement and the Issuing and Placing Agency Agreement have each attracted a nominal stamp duty of N500.00 (Five Hundred Naira) for an original copy and N50.00 (Fifty Naira) for each counterpart. The Deed of Covenant, Trust Deeds, the Issuing and Placing Agency Agreement the Dealer Agreement and the Collecting and Paying 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.
- 2.8.7 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 40 (forty) 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).
- 2.8.8 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.
- 2.8.9 The Issuer is not required to make any withholding or deduction from any payment due to the Noteholders on the Notes. However, the discount on any of the Notes may be taxed in accordance with applicable Nigerian tax laws.

- 3.4 save for paragraph 2.8 above, we express no opinion as to the tax treatment or consequences of the Transaction Documents or the transactions contemplated therein; and
- 3.5 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.

#### 4. **RELIANCE**

This Opinion is issued at the request of the Issuer and Rating Agencies for the purpose of the Programme and any Note issuances thereunder. This Opinion may be relied upon only by the Issuer and Rating Agencies 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.

*Signed –*



**TOLG Advisors**

## STATUTORY AND GENERAL INFORMATION

---

### Authorisation

This CP Programme and Notes issued hereunder were approved by the resolution of the Board of Directors of Lekki Gardens Estate Limited dated 29<sup>th</sup> April 2022.

### Auditors

SIAO Partners acted as auditors of the annual financial statements of the Issuer for the financial years ended December 31, 2018, December 31, 2019 and December 31, 2020 and issued unqualified reports.

### Commercial Paper Outstanding

The Issuer has no commercial paper outstanding as at the date of this Programme Memorandum.

### 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.

### Material Contracts

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

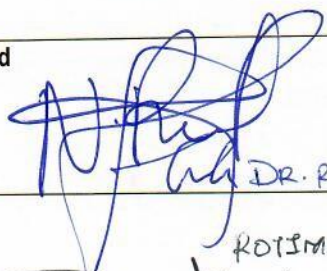




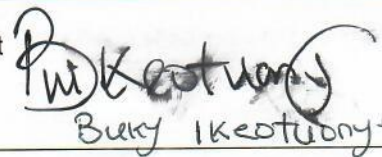
- I. the Deed of Covenant dated June 16, 2022 executed by the Issuer as a deed poll in favour of the Noteholders;
- II. the Dealer Agreement dated June 16, 2022 executed by the Dealer and the Issuer;
- III. the Issuing and Placing Agency Agreement dated June 16, 2022 executed by the Issuer and Issuing and Placing Agent;
- IV. Collecting and Paying Agency Agreement dated June 16, 2022 executed by the Issuer and the Collecting and Paying Agent;
- V. Programme Trust Deed between Lekki Gardens Estate Limited and United Capital Trustee Limited dated June 16, 2022

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 PROGRAMME

Issuer	<b>Lekki Gardens Estate Limited</b> Plot 1 Lekki Gardens Estate, KM24 Lekki-Epe Expressway Lagos	 DR. Richard Nyong
Arranger, Dealer, Issuing and Placing Agent	<b>Boston Advisory Limited</b> 28B Awori Road Dolphin Estate Lagos	 ROTIMI BALOGUN
Collecting & Paying Agent	<b>Keystone Bank Limited</b> 1, Keystone Bank Crescent Off Adeyemo Alakija Street Victoria Island Lagos	 Olaniran Olayinka
Auditor to the Issuer	<b>SIAO Partners</b> 18 Olu Holloway Road Ikoyi Lagos	 Abiodun Anuobi
Solicitors	<b>TOLG Advisors</b> The Bolajoko 15A Remi Olowude Street, Lekki Phase 1 Lagos	 Michael Ofimobi
Trustees	<b>United Capital Trustees Limited</b> Afriland Towers, 97/105 Broad Street Lagos Island Lagos	 Bury Ikeotunoye