

CHRISLAND SCHOOLS LIMITED

(A LIMITED LIABILITY COMPANY INCORPORATED IN NIGERIA WITH REGISTRATION NUMBER: 24121)

₦8,000,000,000 (EIGHT BILLION NAIRA)

COMMERCIAL PAPER ISSUANCE PROGRAMME

Chrisland School Limited (“Chrisland” or the “Issuer” or the “Company” or the “School”), a limited liability company incorporated in Nigeria, established this ₦8,000,000,000 (Eight Billion Naira) Commercial Paper Issuance Programme (the “CP Programme” or “Programme”) on October 11, 2022, under which Chrisland may from time to time issue Commercial Paper Notes (“CP Notes” or “Notes” or “Commercial Paper”), denominated in Nigerian Naira, in separate Series or Tranches subject to the terms and conditions (“Terms and Conditions”) contained in this Programme Memorandum (the “Programme Memorandum”).

Each Series or Tranche (as defined herein) will be issued in such amounts, and will have such discounts, period of maturity and other terms and conditions as set out in the Pricing Supplement (as defined herein) applicable to such series or tranche (the “Applicable Pricing Supplement”). The maximum aggregate nominal amount of all CP Notes from time to time outstanding under the CP Programme shall not exceed ₦8,000,000,000 (Eight Billion Naira) over a three-year period that this Programme Memorandum, including any amendments thereto, shall remain valid.

This Programme Memorandum is to be read and construed in conjunction with any supplement hereto and all documents which are incorporated herein by reference and, in relation to any Series or Tranche (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.

This Programme Memorandum, the Applicable Pricing Supplement and the CP Notes has not been and will not be registered with the Securities and Exchange Commission (the “Commission” or “SEC”), and/or under the Investment and Securities Act, No. 29 of 2007.

The Notes issued under this Programme will be issued in dematerialised form and may be registered, quoted and traded 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 be settled via any Central Securities Depository (“CSD”) recognised by the Commission, acting as clearing agent for the Notes.

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

To the best of their knowledge and belief (having taken all reasonable care to ensure that such is the case), the information contained in this document is in accordance with the facts and does not omit anything likely to affect the import of such information or make any statement herein misleading or untrue.

**Lead Arranger and Issuing &
Placing Agent**



RC: 688014

**Joint Arranger and Issuing &
Placing Agent**



RC: 928966

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IMPORTANT NOTICE

This Programme Memorandum contains information provided by the Issuer in connection with the CP Programme under which the Issuer may issue and have outstanding at any time Notes up to a maximum aggregate amount of ₦8,000,000,000.00 (Eight Billion Naira). The Notes shall be issued subject to the Terms and Conditions contained in this Programme Memorandum.

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

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

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

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

Neither this Programme Memorandum nor any other information supplied in connection with the CP Programme is intended to provide a basis for any credit or other evaluation or should be considered as a recommendation or the rendering of investment advice by the Issuer, the Issuing and Placing Agents 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 Arrangers, the Dealers, 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 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.

FMDQ SECURITIES EXCHANGE LIMITED TAKES NO RESPONSIBILITY FOR THE CONTENTS OF THIS PROGRAMME MEMORANDUM, NOR ANY OTHER INFORMATION SUPPLIED IN CONNECTION WITH THE CP PROGRAMME AND 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 Note 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.

DEFINITIONS AND INTERPRETATIONS

“**Applicable Pricing Supplement**” means the pricing supplement applicable to a particular Series or Tranche issued under the Programme;

“**Business Day**” means any day on which banks are open for business in Nigeria, but shall exclude any Saturday, Sunday or a public holiday declared by the Federal Government of Nigeria;

“**CBN**” means the Central Bank of Nigeria;

“**CBN Guidelines**” means the Central Bank of Nigeria Guidelines on the Issuance and Treatment of Bankers Acceptances and Commercial Papers issued on September 11, 2019, as may be amended or supplemented from time to time;

“**Collecting and Paying Agent**” means Fidelity Bank Plc;

“**Commercial Papers**” or “**Notes**” means the commercial papers issued by the Issuer from time to time pursuant to the Programme Memorandum and any Applicable Pricing Supplement;

“**CSD**” refers to the central securities depository for the Programme or any other specialist financial institution holding the Commercial Papers either in certificated or uncertificated form so that ownership can be easily transferred through a book entry rather than the transfer of physical certificates and recognised by the Exchange and assigned a unique identifier by the CSD;

“**CSCS**” Central Securities Clearing System PLC

“**Entry**” means any entry relating to any Commercial Paper, which is or has been made in the CSD account of any Noteholder;

“**Eligible Investors**” means an investor that is not QII as defined by the Rules, that has executed a declaration attesting to his/her/its eligibility in the manner prescribed in the Rules;

“**Face Value**” means the face value of the Notes, as stipulated in the Applicable Pricing Supplement;

“**FMDQDL**” FMDQ Depository Limited

“**FMDQ Exchange**” or the “Exchange” means FMDQ Securities Exchange Limited;

“**FMDQ Exchange Rules**” means the FMDQ Exchange Commercial Paper Registration and Quotation Rules, April 2021 and as may be amended or supplemented from time to time;

“**IPA**” means DLM Advisory Limited and Boston Advisory Limited appointed as the Issuing and Placing Agents under the Issuing and Placing Agency Agreement and/or any other issuing and placing agent appointed by the Issuer;

“**ISA**” means the Investments and Securities Act No. 29 of 2007 as may be modified or amended from time to time;

“**Issue Date**” in relation to any Series or Tranche, means the date on which the Commercial Papers are issued;

“Issuing and Placing Agency Agreement” means the agreement of the same name between the Issuer, DLM Advisory Limited and Boston Advisory Limited and any other IPA appointed by the Issuer;

“Issue Proceeds Account” means the account into which proceeds of the issue of Commercial Papers under the Programme will be received and paid to the Issuer after the Issue Date;

“Maturity Date” means the date on which the Issuer makes payment towards the redemption of the Commercial Papers. The maturity date of all outstanding CPs shall also not exceed the validity period of the applicable Issuer/CP Programme rating designated at the commencement of the registration of the CP Programme;

“Noteholders” means persons to whom Commercial Papers have been allotted pursuant to the Programme and their respective assignees;

“Payment Account” means the account to be maintained by the CPA into which the CPA shall transfer from the Note Collections Account all payments required to service the Issuer’s payment obligations on a relevant Payment Date in accordance with the Priority of Payments;

“Principal Amount” means with respect to any Entry, the principal which would be due to the holder of the account in which such Entry is credited on the redemption of the Commercial Paper(s) at the Maturity Date;

“Priority of Payments” means the order for disbursement of funds from the Payment Account;

“Programme” means the N8,000,000,000 (Eight Billion Naira) commercial paper programme established by the Issuer;

“Programme Memorandum” means the programme memorandum issued in accordance the FMDQ Exchange Rules and providing detailed provisions of the Programme, as read with any supplementary programme memorandum issued by the Issuer from time to time, and any Applicable Pricing Supplement thereto that may be issued by the Issuer in respect of a Series or Tranche issued under the Programme;

“Qualified Institutional Investors” or **“QII”** 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.

“Register” means the register of Noteholders to be maintained by the CSD;

“Sanctions” means any sanctions administered by the Nigerian government;

“Series” means a tranche of the Commercial Papers which are (i) expressed to be consolidated and form a single series and (ii) identical in all respects except for their respective credit enhancement features, ranking and/or issue prices;

“Terms and Conditions” means, in respect of a Series or Tranche, the terms and conditions in respect of the Commercial Papers set out in the Programme Memorandum, as may be or have been amended by any Applicable Pricing Supplement issued by the Issuer in respect of the Series or Tranche of Commercial Papers;

“Tranche” means in relation to a Series, those Commercial Papers of that Series that are issued on the same date, at the same issue price and have other identical terms;

“Transaction Documents” means the Programme Memorandum, together with this Agreement, the Issuing and Placing Agency Agreement, and all other documents to be issued by the Issuing and Placing Agent, on behalf of the Issuer, inviting subscription to the Commercial Papers; and

“Unique Identifier” means a code specifically designated/assigned to identify a CP

INCORPORATION OF DOCUMENTS BY REFERENCE

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

1. Each Applicable Pricing Supplement relating to any Series or Tranche of Notes issued under the Programme;
2. Relevant Rating Report by the Rating Agency: GCR. dated 8th November 2021
3. Legal Opinion on the Programme by G. Elias & Co.

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.

Requests for such documents shall be directed to the Lead & Joint Issuing and Placing Agents at their offices.

TRANSACTION OVERVIEW

The information contained in this section is a summary of certain aspects of the Programme and the principal features of the CP Notes. This summary does not contain all the information that you should consider before investing in the Notes nor does it purport to be complete. Therefore, it should be read in conjunction with, and is qualified in its entirety by reference to, the detailed information presented in the remainder of this Programme Memorandum and to the detailed provisions of each of the Transaction Documents. Investors should read the entire Programme Memorandum carefully, especially the risks involved in investing in the CP Notes which are discussed under “Risk Factors”.

Issuance of the Notes

The Issuer will issue the Notes from time to time which at any point in time the amount in issue and outstanding will not exceed the maximum amount of ₦8,000,000,000 (Eight Billion Naira) under the CP Programme.

Subject to provisions of the Applicable Pricing Supplement on the use of Proceeds under each Series of the Commercial Papers, the proceeds of the Commercial Papers will be used to support Chrisland’s short-term financing requirements.

A summary of the documentation governing the Commercial Papers to be issued under the Programme are listed below:

1. This Programme Memorandum outlining material information on the Issuer;
2. The Pricing Supplements outlining material information on the Issuer; as well as the final pricing terms relating to each Series of Commercial Papers;
3. The Deed of Covenant constituting the Commercial Papers to be issued under each Series; and
4. Any other supplemental document designated to apply to the Commercial Papers.

Limited Recourse Obligations

Each issuance by Chrisland under a Series will be separate and distinct from any other issuance under another Series under the Programme. Investors in a particular Series or Tranche will not have recourse to amounts raised or payments made in respect of any other Series or Tranche under the Programme.

No other Investor in the Commercial Papers issued by the Issuer under any other Series under the Programme, or any other programme established by the Issuer, shall have any right, interest or recourse to such Commercial Papers.

SUMMARY OF THE PROGRAMME

This summary of the terms should be read in conjunction with the full text of this Programme Memorandum from where it is derived.

Issuer:	Chrisland Schools Limited
Lead Arranger and IPA:	DLM Advisory Limited
Joint Arranger and IPA:	Boston Advisory Limited
Collecting and Paying Agent:	Fidelity Bank Plc
Transaction Counsel:	G. Elias & Co.
Programme:	The commercial paper issuance programme established by the Issuer, on its behalf, which allows for the multiple issuances of Notes from time to time under a standardized documentation framework
Programme Size:	₦8,000,000,000 (Eight Billion Naira)
Currency of Issue:	Nigerian Naira
Default Rate:	Interest rate equivalent to the daily overnight NIBOR + 5% per annum or issue rate + 5% per annum (whichever is higher)
Governing Law:	The Notes issued under the Programme and all related contractual documentation will be governed by, and construed in accordance with Nigerian law
Interest Payments:	Notes shall be issued at a discount and in the form of Zero-Coupon Notes. Thus, the Notes will not bear interest, other than in the case of late payment
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
Maturity Date:	As specified in the Applicable Pricing Supplement

Method of Issue:	The Notes will be offered within Nigeria 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.
Quotation:	The Issuer will Quote Series or Tranche of Notes 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 or listed on the relevant trading platform
Redemption:	As stated in the Applicable Pricing Supplement
Registrars/Custodian:	Central Securities Clearing System Plc or FMDQ Depository Limited
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”)
Transaction Counsel:	G. Elias & Co.
Source of Repayment	The repayment of all obligations under the CP issuance will be funded from the cash flows of the Issuer
Status of Notes:	Except otherwise stated in the Applicable Pricing Supplements, each Series of CPs issued under the Programme constitutes a senior unsecured obligation of the Issuer and save for certain debts mandatorily preferred by law, the Notes rank pari passu among themselves, and with other present and future senior unsecured obligations of the Issuer outstanding from time to time.
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 discount on the Notes may be taxed in accordance with applicable Nigerian tax laws. Please refer to the “Tax Consideration” section for further information.
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.
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 short-term financing requirements.
Transaction Documents:	On or before the Effective Date, the following documents, inter alia, shall be executed: <ul style="list-style-type: none"> a. Programme Memorandum; b. Pricing Supplement; c. Issuing and Placing Agency Agreement d. Collecting and Paying Agency Agreement;

- e. Deed of Covenant;
- f. Any other relevant legal documents/agreement

INFORMATION RELATING TO THE ISSUER

PROFILE

Chrisland is a conglomerate of schools providing education for nursery, primary, secondary, and tertiary schools students from across Nigeria. The school was founded in October 1977 by an educationist, High Chief Dr.(Mrs.) Winifred Adefolahan Awosika OON at its first location in Ikeja. The School has been built on principles of academic excellence, with a strong focus on extra-curricular activities, spiritual upbringing and a strong sense of civic responsibility. The School has received numerous awards over its history; some of which includes African Success Award (2008), All Primary School Pedachess Competition (2009, 2010, 2011), The African Best Quality School (2007), Scrabble Competition (2011), ECOWAS International Gold Award, Top 10 Private School 3 times winner of West African Practice Award for Quality Education – 3rd out of 25,300 Schools in National level of Mathematics Competition.

The School has a portfolio of 13 schools which includes both primary, secondary and tertiary institutions of learning. The School's portfolio are as follows including the date of establishment:

Name/Location of School	Year of Establishment
Chrisland Schools, Ladipo Oluwole	October 1977
Chrisland Schools, Opebi	October 1978
Chrisland College, Idimu	February 1987
Chrisland School, VGC	October 1998
Chrisland High School, VGC	October 2006
Chrisland High School, Ikeja	September 2010
Chrisland School, Abuja	September 2014
Chrisland High School, Abuja	September 2015
Chrisland University, Abeokuta	September 2015
Chrisland School, Lekki	September 2017
Chrisland School, Festac	September 2018
Chrisland High School, Festac Axis	September 2018
Chrisland Pre-Degree College	September 2010

SHAREHOLDING STRUCTURE

As at the date of this Programme Memorandum, the 50,000,000 (Fifty Million) ordinary shares of ₦1.00 (One Naira) each in the issued share capital of the Company are beneficially held as follows:

Name	Units	% holding
High Chief(MRS) Winifred Awosika	27,499,999	54.999998%
Mr Olubankole Ayodeji Awosika	2,500,000	5.000000%
Chief Dr. (Mrs) Olubusola Fasehun	2,500,000	5.000000%
Mrs. Ibrinke Adeyemi	2,500,000	5.000000%
Dr. Femi Awosika	2,500,000	5.000000%

Miss Olukemi Awosika	2,500,000	5.000000%
Mrs. Anike Olufumbi Oye	2,500,000	5.000000%
Miss. Omobolanle Olayinka Awosika	2,500,000	5.000000%
Miss. Oluwatoyin Omowunmi Awosika	2,500,000	5.000000%
Mr. Victor Omotayo Awosika	2,500,000	5.000000%
Chief Dr.Victor Awosika	1	0.000002%
Total	50,000,000	100.00000%

PROFILE OF BOARD OF DIRECTORS

The profiles of the directors of Chrisland Schools Limited are outlined below:

Mrs. Ibiwonke Adeyemi (Managing Director)

Mrs. Ibiwonke Olatokunbo Adeyemi has a Bachelor of Science degree in Economics, a Post- Graduate Diploma, as well as a Master of Science degree in Education, all from the University of Lagos. She is a fellow of the Institute of Chartered Accountants of Nigeria. Mrs Adeyemi also sits on the board of several organisations, including Chemo Pharma Laboratories and City Commercial & Industrial Enterprises Limited. She is the current Managing Director of Chrisland Schools Limited. She has attended several high-profile trainings and seminars both in Nigeria and overseas.

High Chief (Mrs.) W.A. Awosika, (OON) B.A. (LOND) PGDE

High Chief (Mrs) W.A. Awosika is the founder of Chrisland Schools Limited. She holds a Bachelor of Arts degree from the University of London and a Post Graduate Diploma in Education from University of Lagos, Akoka. She is also the founder and Chancellor of Chrisland University, and sits on the board of a diverse host of organisations. She is the founder and Chairman of Victor and Winifred Awosika Foundation; a non-profit organisation geared towards assisting indigent persons in Nigeria and is also a member of Inner Wheel Society of Nigeria. She has had over 20 years' experience in hospitality and strategic management planning systems.

Dr. (Mrs.) Busola Fasehun: (MBBS)

Dr. (Mrs.) Busola Fasehun functions as Executive Director in Chrisland and is the Head of Management Team of Holy Trinity Hospital. She holds first degree (MBBS) in Medicine from the University of Lagos. She has also undergone a course in primary and community health care; she is a director in a wide and diverse list of organisations. She has acquired skills in various management development programs and has handled healthcare projects for various health management boards including those of Taraba and Jos State of Nigeria.

Mr. Bankole Awosika (LLB, BL)

Mr. Awosika holds LLB and BL Degrees in Law from the Lagos State University (LASU) and the Nigerian Law School respectively. He is the managing director of City Commercial Industrial Enterprises Limited, a company specializing in project management. He has successfully handled and completed several turnkeys for building constructions and project development for institutions such as schools and hospitals. Mr. Bankole Awosika also has more than 18 years of experience in corporate and commercial legal practice. He is also a Director in several organisations, including Chrisland Schools Limited, Chrisland University, and Bradfield Consulting Limited, amongst many others.

Mr Victor Omotayo Awosika Jr. (B.Sc. EM, BA)

Mr. Victor Omotayo Awosika Jr. is a graduate of the University of Massachusetts, Amherst with a degree in Accounting and International Business. He also holds an Executive Masters of Business Administration degree with a concentration in management from the University of Miami in Florida. He has over eight years' experience as a senior financial analyst in the communication industry in the United States working with Verizon Communications. He is the owner and founder of Awogem Investments, a consulting and international trading company. He is also the Managing Director of Chemo Pharma Laboratories Limited, and sits on the board of Avowa Holdings, in charge of financial restructuring and special project implementation.

Mrs. Anike Oye (B.Sc, MBA)

Mrs Anike Oye started her education at Chrisland School Opebi Lagos, before proceeding to Federal Government Girls' College, Benin for her secondary school education. She attended The Lagos State University (LASU) and obtained a Bachelor of Science degree in economics. She also holds an MBA in Public Sector Education from the University of Nottingham, UK. A seasoned administrator, she is the Director of Administration, Chrisland Schools Limited. Mrs Anike Oye has attended several courses and seminars, locally and internationally.

PROFILE OF EXECUTIVE MANAGEMENT TEAM

The Board is supported by a team of experienced professionals. This highly competent and skilled team is responsible for some of the success and growth the company has seen since its commenced operations. This team led by the Managing Director is poised to take the Company to the next level of growth and consists of the following professionals;

Mr. Omoniyi Ogunyankin (FCA, ACTI) [Chief Accountant]

Mr. Ogunyankin is a fellow of the Institute of Chartered Accountants of Nigeria and Associate of the Chartered Institute of Taxation of Nigeria. He also obtained a higher national diploma in Accountancy from the prestigious Polytechnic of Ibadan. He has over 20 years' working experience in various sectors of the economy. He has been working with Chrisland Schools Limited since year 2000 and rose to the position of the Chief Accountant. He also worked with Gacol Nig Ltd. as Finance Manager before joining Chrisland.

Mrs. Anike Oye (Director of Administration)

Mrs Anike Oye started her education at Chrisland School Opebi Lagos, before proceeding to Federal Government Girls' College, Benin for her secondary school education. She attended The Lagos State University (LASU) and obtained a Bachelor of Science Degree in Economics. She also holds an MBA in Public Sector Education from the University of Nottingham, UK. A seasoned administrator, she is the Director of Administration, Chrisland Schools Limited. Mrs Anike Oye has attended several courses and seminars, locally and internationally.

Mr. Olusegun Ogunsola (Head, Exams and Administrative Records)

An astute Educational Administrator, Mr. Ogunsola holds a Master's Degree in Educational Administration from the University of Lagos in addition to a Bachelor of Science Education degree in Human Kinetics from University of Nigeria, Nsukka and a Teachers' Grade Two Certificate.

He began his career spanning four decades as a Classroom Educator and rose through the ranks gathering experience, attending several professional development courses and executing inspiring leadership first as School

Principal and later as School Administrator in several top-notch schools. He has received accolades as the Administrator in three different Groups of Schools.

Mr Ogunsola has vast experience as a trainer of educators in best practice in several areas of school leadership, classroom management, academic standard and creative methodologies, performance management, curriculum review, use of technology in teaching/learning, delivery and implementation. He has led many school teams in different schools to achieve highly commendable results in external national and international examination.

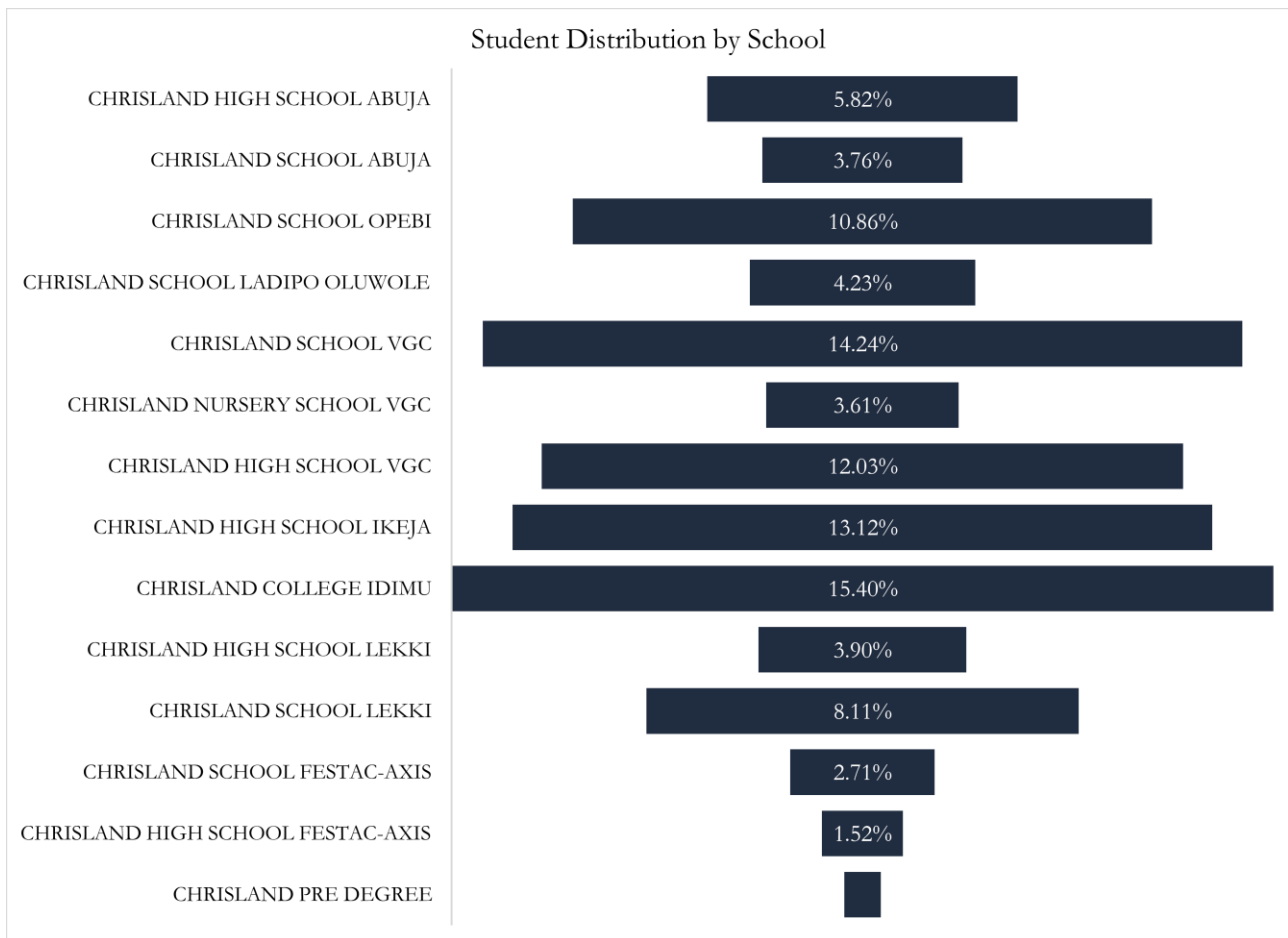
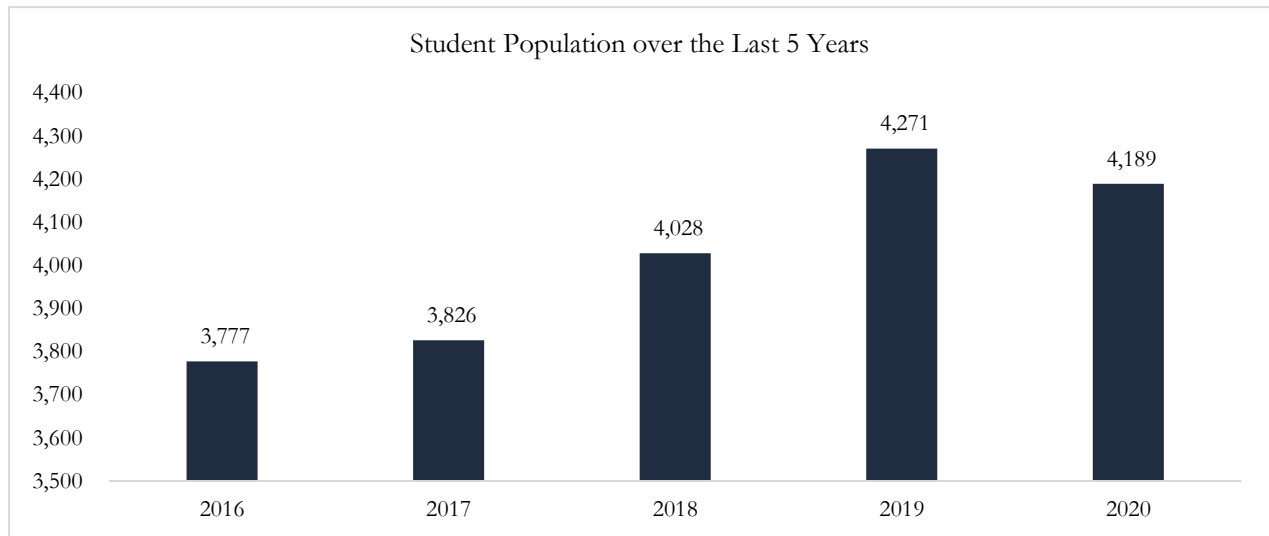
USE OF PROCEEDS

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 short-term financing requirements.

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.

INFORMATION RELATING TO THE CHRISLAND SCHOOL STUDENTS



Student Distubution by Class



FINANCIAL INFORMATION OF THE ISSUER

STATEMENT OF COMPREHENSIVE INCOME AS AT DECEMBER 31

	2019	2020	2021
Revenue	6,579,291,719	5,318,163,823	8,044,799,981
Cost of sales	(999,675,673)	(770,375,412)	(1,196,733,679)
Gross Profit	5,579,616,046	4,547,788,411	6,848,066,302
Other Income	4,333,333	23,582,393	3,000,000
Less: Operating Expenses:			
Depreciation & Amortisation	(629,694,614)	(659,395,226)	(759,465,031)
Personnel Expenses	(1,950,488,227)	(1,691,629,270)	(2,387,734,926)
Other Operating Expenses	(1,677,703,157)	(1,281,042,385)	(1,736,606,521)
Operating Income	1,326,063,381	939,303,923	1,967,259,824
Finance Income	45,252,695	1,580,618	2,145,697
Finance Cost	(517,921,634)	(435,840,978)	(548,111,144)
Profit before Tax income taxes	853,394,442	505,043,563	1,421,294,377
Income Tax Expenses	(240,275,599)	(195,985,462)	(416,185,313)
Profit for the year	613,118,843	309,058,101	1,005,109,064

STATEMENT OF FINANCIAL POSITION FOR THE PERIOD ENDED DECEMBER 31

	2019	2020	2021
Assets:			
Non-Current Assets			
Property, Plant and Equipment	6,041,585,583	6,953,542,726	8,805,645,923
Investment in subsidiary	2,510,547,482	2,784,421,796	3,168,300,081
Investment in Equities Securities			10,140,000
Total Non-Current Asset	8,552,133,065	9,737,964,522	11,984,086,004
Current Assets			
Inventories	49,400,000	52,830,400	83,585,000
Trade and other receivables	83,123,075	58,949,998	66,807,105
Cash & Cash Equivalent	1,268,659,473	497,322,740	1,292,189,144
Total Current Asset	1,401,182,548	609,103,138	1,442,581,249
Total Asset	9,953,315,613	10,347,067,660	13,426,667,253
Equity			
Share Capital	50,000,000	50,000,000	50,000,000
Retained Earnings	5,543,297,421	5,852,355,522	6,857,464,586
Total Equity	5,593,297,421	5,902,355,522	6,907,464,586
Liabilities			
Non-Current Liabilities			
Finance Lease	208,438,604	80,938,442	171,200,390
Bank Loan	2,454,574,719	2,408,121,211	4,067,323,231
Deferred Tax Liabilities	816,512,714	876,329,594	1,000,263,004
Total Non-Current Liabilities	3,479,526,037	3,365,389,247	5,238,786,625
Current Liabilities			
Trade and other payables	130,932,242	216,073,068	187,848,165
Short term liabilities	99,471,873	88,545,055	43,627,670
Current tax Payables	650,088,040	774,704,768	1,048,940,207
Total Current Liabilities	880,492,155	1,079,322,891	1,280,416,042
Total Liabilities	4,360,018,192	4,444,712,138	6,519,202,667
Total Equity and Liabilities	9,953,315,613	10,347,067,660	13,426,667,253

STATEMENT OF CASHFLOW FOR THE PERIOD ENDED DECEMBER 31

	2019	2020	2021
Cashflow from Operating Activities			
Profit before taxation	853,394,442	505,043,563	1,421,294,377
Depreciation	629,694,614	659,395,226	759,465,031
	1,483,089,056	1,164,438,789	2,180,759,408
Changes In Operating Asset & Liabilities			
(Incr.)/Decr. in Inventories	(6,620,000)	(3,430,400)	(30,754,600)
(Incr.)/Decr. in Trade receivables	27,165,399	24,173,077	(7,857,107)
(Incr.)/Decr. in Trade and other payables	(6,397,735)	85,140,826	(28,224,903)
Income tax paid/written back	(20,059,087)	(11,551,854)	(18,016,464)
Net Cashflow from Operating Activities (A)	1,477,177,633	1,258,770,438	2,095,906,334
Cashflows from Investing Activities			
Purchase of Property, Plant & Equipment	(980,953,830)	(1,571,352,369)	(2,611,568,228)
Purchase of Investment in Subsidiary	(439,489,774)	(273,874,314)	(383,878,285)
Purchase of Shares			(10,140,000)
Net Cashflow from Investing Activities (B)	(1,420,443,604.0)	(1,845,226,683)	(3,005,586,513)
Cashflows from Financing Activities			
Bank Long term loan	932,596,942	(46,453,508)	1,659,202,020
Redemption of Finance Lease	(53,147,301)	(127,500,162)	90,261,948
Net Cashflow from Financing Activities (C)	779,449,641	(173,953,670)	1,749,463,968
Net Increase in cash and Cash Equivalent (A+B+C)	836,183,670	(760,409,915)	839,783,789
Cash and cash equivalents beginning	333,003,930	1,169,187,600	408,777,685
Cash and cash equivalents ending	1,169,187,600	408,777,685	1,248,561,474
Represented By	1,268,659,473	497,322,740	1,292,189,144
Cash & Bank	(99,471,873)	(88,545,055)	(43,627,670)
Bank Overdraft	1,169,187,600	408,777,685	1,248,561,474

TERMS AND CONDITIONS OF THE NOTES

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

1. Issuance of Notes

The Issuer may from time to time, subject to these Terms and Conditions, issue Notes in one or more Series on a continuous basis under the Programme in an aggregate principal amount not exceeding the Programme Limit. 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 ₦1,000,000 and integral multiples of ₦1,000 in excess thereof; and will be sold at such discount from their Face Value 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 Agents in dematerialised (uncertificated, book entry) form; shall be registered by the Issuing, and Placing Agents with the CSD, which shall serve as the custodian and central depository of the Notes; and the Issuing and Placing Agents may deal in the Notes in accordance with the CSD procedures and guidelines.

2.2 Title

2.2.1 The title to the Notes will pass upon credit to the CSD account of the Noteholder.

2.2.2 Transfer of title to the Notes shall be effected in accordance with the rules governing transfer of title in securities held by the CSD.

2.2.3 The Issuer and the Collecting and Paying Agent may, save where there is a manifest error, deem and treat the registered holder of any Note as indicated in the records of the CSD and the Registrar 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 and the Notes shall rank *pari passu* among themselves and, save for certain debt obligations mandatorily preferred by law, *pari passu* with all other present and future unsecured and unsubordinated obligations of the Issuer outstanding from time to time.

4. **Redemption**

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

5. **Payments**

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

5.1 **Method of Payments**

- 5.1.1 Payment of the outstanding obligation in respect of the Notes will be made by electronic funds transfer, in Naira, to the account of the Noteholder specified in the Register.
- 5.1.2 All monies payable in respect of the Notes shall be paid to or to the order of the Noteholders by the Collecting and Paying Agent. Noteholders shall not be required to present and/or surrender any documents of title to the Collecting and Paying Agent.
- 5.1.3 In the case of joint Noteholders, payment by electronic transfers or cheque will be made or addressed to, as the case may be, the account of the Noteholder first named in the Register. Payment by electronic transfer to the Noteholder first named in the Register shall discharge the Issuer of its relevant payment obligations under the Notes to such joint Noteholders.
- 5.1.4 In the case of Notes held by a nominee, the nominee shall be paid as the registered Noteholder.
- 5.1.5 Neither the Issuer nor its agents shall be responsible for any loss in transmission of funds paid in respect of each Note.
- 5.1.6 If the Issuer or the Collecting and Paying 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 Collecting and Paying 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 Collecting and Paying 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.

- 5.1.7 Cheques may be posted by registered mail, provided that neither the Issuer nor the Collecting and Paying 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.

5.2 Payment Day

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

5.3 Closed Periods

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

6. Event of Default

6.1 Event of Default

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

- 6.1.1 *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.
- 6.1.2 *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 10 business 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, Collecting 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).
- 6.1.3 *Enforcement Proceedings*: a distress, attachment, execution or other legal process is levied on, or enforced against the whole or a material part of the property, assets or revenues of the Issuer, where the value of such property, assets or revenues is in excess of NGN2billion (Naira) and such distress, attachment, execution or other legal process is not discharged or stayed within 120 (one hundred and twenty) days of service by the relevant officer of the court of such attachment, execution or other legal process,

- 6.1.4 *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.
- 6.1.5 *Inability to Pay Debts*: the Issuer stops or suspends payment of 70% of its debts due to financial difficulties.
- 6.1.6 *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.
- 6.1.7 *Obligations Unenforceable*: any of the Notes or the Offer Documents is or becomes wholly or partly void, voidable or unenforceable.

6.2 Action upon Event of Default

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

7. Register

- 7.1 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.
- 7.2 Statements issued by the CSD as to the aggregate number of Notes standing to the CSD account of any person shall be conclusive and binding for all purposes save in the case of manifest error and such person shall be treated by the Issuer and the Agent as the legal and beneficial owner of such aggregate number of Notes for all purposes.
- 7.3 The Register shall be open for inspection from 9.00am to 5.00pm during the normal business hours of the Agent to any Noteholder or any person authorised in writing by the Noteholder.

- 7.4 The Agent shall alter the Register in respect of any change of name, address or bank account details of any of the registered Noteholders of which it is notified in accordance with these Terms and Conditions.

8. Notices

8.1 Notices to the Noteholders

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

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

8.2 Notices from the Noteholders

8.2.1 Notices to be given by any Noteholder to the Issuer shall be in writing and given by lodging same with the Issuing and Placing Agents at their registered office.

8.2.2 Any change of name or address on the part of the Noteholder shall forthwith be notified to the Issuer and the Issuing and Placing Agents and subsequently, the Register shall be altered accordingly following notifications to the CSD.

9. Modification

9.1 The Issuing and Placing Agents and the Collecting 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 Placing Agents and the Collecting 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.

9.2 Save as provided in Condition 9.1 above, no amendment of the Terms and Conditions may be effected unless:

9.2.1 such amendment is in writing and signed by or on behalf of the Issuer; and

9.2.2 such amendment:

- 9.2.2.1 if it affects the rights, under the Terms and Conditions, of all the Noteholders, is signed by or on behalf of Noteholders, holding not less than 75% (seventy-five percent) of the outstanding Principal Amount of all the Notes; or
 - 9.2.2.2 if it affects only the rights, under the Terms and Conditions, of a particular group (or groups) of Noteholders, is signed by or on behalf of the Noteholders in that group (or groups) holding not less than 75% (seventy five percent) of the outstanding Principal Amount of all the Notes held by that group.
- 9.3 Any such modification shall be binding on all the Noteholders and shall be notified to the Noteholders in accordance with Condition 8 as practicable thereafter.

10. Meeting of Noteholders

- 10.1 The Issuer may at any time convene a meeting of all Noteholders upon at least 21 (twenty-one) days prior written notice to 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.
- 10.2 Every Director or duly appointed representative of the Issuer may attend and speak at a meeting of the Noteholders but shall not be entitled to vote, other than as a proxy or representative of a Noteholder.
- 10.3 Noteholders holding not less than 10% (ten percent) in Principal Amount of the outstanding Notes shall be able to request the Issuer to convene a meeting of Noteholders. Should the Issuer fail to requisition such a meeting within 10 (ten) Business Days of such a request being received by the Issuer, the Noteholders requesting the meeting may convene such a meeting.
- 10.4 A Noteholder may by an instrument in writing (a "Form of Proxy") signed by the holder or, in the case of a 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.
- 10.5 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.
- 10.6 Any Proxy or Representative appointed shall, so long as the appointment remains in force, be deemed for all purposes in connection with any meeting or proposed meeting of the Noteholder specified in the appointment, to be the Holder of the Notes to which the appointment relates and the Holder of the Notes shall be deemed for such purposes not to be the Holder.
- 10.7 The chairman of the meeting shall be appointed by the Issuer. The procedures to be followed at the meeting shall be as determined by the chairman subject to the remaining provisions of this Condition 10. Should the Noteholders requisition a meeting, and the Issuer fail to call such a meeting within 10 (ten) Business Days of the requisition, then the chairman of the meeting held

at the instance of the Noteholders, shall be selected by Noteholders, holding not less than 51% (fifty-one percent) of the outstanding Principal Amount of all the Notes present in person, by representative or by proxy.

- 10.8 At any meeting of Noteholders, two or more Noteholders present in person, by representative or by proxy, holding in aggregate not less than one third of the Principal Amount of outstanding Notes shall form a quorum.
- 10.9 At any meeting of Noteholders, any resolution put to the vote shall be first decided on a show of hands, unless a poll is demanded. A poll may be demanded by either the chairman, the Issuer, or one or more Noteholders present in person, by representative or by proxy. In the case of equality of votes, the Chairman shall both on a show of hands and on a poll have a casting vote in addition to the vote or votes (if any) to which he may be entitled as a Noteholder or as a holder of a voting certificate or as a proxy or as a representative.
- 10.10 If a poll is demanded it shall be taken in such manner as the chairman directs and the result of the poll shall be deemed to be the resolution of the meeting at which the poll was demanded. The demand for a poll shall not prevent the continuance of the meeting for the transaction of any business other than the motion on which the poll has been demanded. On a poll, each Noteholder present in person or by proxy at the time of the meeting shall have the number of votes equal to the number of Notes, by denomination held by the Noteholder.
- 10.11 If 30 (thirty) minutes after the time appointed for any such meeting a quorum is not formed, the meeting shall, if convened upon the requisition of Noteholders, be dissolved. In any other case, it shall be adjourned to such date and time not being less than 14 (fourteen) days nor more than 21 (twenty-one) days thereafter and at the same time and place. At such adjourned meeting, 2 (two) or more Noteholders present or represented by proxy holding in aggregate not less than one third of the Principal Amount of outstanding Notes shall form a quorum and shall have power to pass any resolution and to decide upon all matters which could properly have been dealt with at the original meeting had the requisite quorum been present.
- 10.12 A resolution in writing duly signed by seventy-five percent (75%) of the Noteholders holding in aggregate not less than seventy-five percent (75%) of the Principal Amount of outstanding Notes, shall be as effective for all purposes as a resolution duly passed at a meeting of the Noteholders, provided that the resolution was sent to all the Noteholders entitled to receive notice of a meeting of Noteholders. Such resolution may be contained in one document or in several documents of identical form duly signed by or on behalf of all the Noteholders.

11. Changing of IPA

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

12. Taxation

The Notes issued under the Programme are short-term Zero-Coupon Notes and as such will be offered and sold at a discount to Face Value.

13. 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.

14. Governing Law

14.1 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.

14.2 The Nigerian Courts shall have exclusive jurisdiction to settle any dispute arising out of or in connection with the Programme Memorandum and the Notes.



Credit Rating Announcement

GCR accords initial national scale long- and short-term Issuer ratings of A_(NG) / A2_(NG) to Chrisland Schools Limited, Outlook Stable.

Rating Action

Lagos, 8 November 2021 - GCR Ratings ("GCR") has assigned initial national scale long and short-term Issuer ratings of A_(NG) and A2_(NG) respectively, to Chrisland Schools Limited, with the Outlook accorded as Stable.

Rated Entity / Issue	Rating class	Rating scale	Rating	Outlook / Watch
Chrisland Schools Limited	Long Term Issuer	National	A _(NG)	Stable
	Short Term Issuer		A2 _(NG)	

Rating Rationale

Chrisland Schools Limited's ("Chrisland" or "the Company") ratings reflect the resilience of the Nigerian private education sector, against Chrisland's moderately diversified portfolio of schools and steady progression of student enrolments. As a result, Chrisland's strong revenue growth and sound profit margins have underpinned a conservative leverage position over the cycle.

The Nigerian private educational sector assessment is supportive to the ratings given the strong demand for private education in view of the low quality and limited capacity in government-owned schools. Although fee affordability concerns are increasing, sectorial profitability is considered moderately high given the relatively low operating cost, with further enhancement expected from the adoption of ICT platforms for distant learning options.

The competitive position assessment is slightly negative, largely reflecting the significant market fragmentation exposing Chrisland to intense competition. This notwithstanding, Chrisland's competitive advantages are entrenched in its long operational track record and the moderate diversification afforded by operating 13 institutions, across the full spectrum of learner categories. The Company's focus on the mid-priced segment underpins the steady growth in the student headcount at an average growth rate of c.5% over the review period. Although the COVID-19 pandemic resulted in a 1% decline in students, due to affordability issues, Chrisland is projecting an aggressive growth in student population by over 2,000 over the next five years (FY20: 4,313), driven by significant investment in capacity expansion at the existing school units.

Chrisland has demonstrated steady top line growth in all the review years, driven by organic growth in student population, fee increases and value-added activity income. A decline of 19.5% was reported in FY20 primarily attributable to the inability to realise non-fee income from feeding, accommodation, sports, and co-curricular activities during the COVID-19 disruptions, but EBITDA margin widened to 31.3% (FY19: 29.7%) and fee collection rate remained above 95%. Over the outlook period, the Company plans to grow revenue and enhance margins through increase in capacity utilisation at the existing schools and the construction of two additional boarding house facilities in high demand areas.

The leverage and capital structure are positive rating factors, as Chrisland has cautiously utilised debt for expansion over the review period, given the relatively strong free cash flows. Net debt to EBITDA has been maintained below 1x over the period and rose to 1.2x at FY20 due to the weaker earnings, albeit remaining modest. Despite the planned bond issue of N6bn in the near term, GCR forecasts that the gearing will remain at the conservative range of 1x-1.2x in



S. A. Bammeke & Co.

(CHARTERED ACCOUNTANTS)

7, Akinhanmi Street, Off 111, Funsho Williams Avenue, Surulere,
P. O. Box 71205, Victoria Island, Lagos.

Tel: 08033304599, 09090001264, 08157033337

Website: www.sabammekeandco.com E-mail: sabamaudit@yahoo.com, sab_957@yahoo.com

REPORT OF THE INDEPENDENT AUDITORS ON THE SUMMARY FINANCIAL STATEMENTS TO THE BOARD OF DIRECTORS OF CHRISLAND SCHOOLS LIMITED

Opinion

The accompanying summary financial statements, which comprise of the summary statement of financial position as at 31 December 2021, 31 December 2020 and 31 December 2019, the summary of statement of profit and loss and all other comprehensive income for the year ended 31 December 2021, 31 December 2020 and 31 December 2019 and summary statements of cash flows for the years ended, are derived from the audited financial statement of Chrisland Schools Limited for the year ended 31 December 2021, 31 December 2020 and 31 December 2019 respectively.

In our opinion, the summary financial statements derived from the audited financial statements of Chrisland Schools Limited for the year ended 31 December 2021, 31 December 2020 and 31 December 2019 are consistent in all material respects with those financial statements in accordance with Companies and Allied Matters Act CAP C20 LFN 2004, the Financial Reporting Council of Nigeria Act, 2011 and International Financial Reporting Standards.

Summary of Financial Statements

The summary financial statements do not consist 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, and the Financial Reporting Council of Nigeria Act No. 6, 2011, applied in the preparation of the audited financial statement. Therefore, the summary financial statements are not a substitute for the audited financial statements of the group.

The Audited Financial Statements and our Report Thereon


In our opinion, the summary financial statements derived from the audited financial statements of Chrisland Schools Limited for the year ended 31 December 2021, 31 December 2020 and 31 December 2019 are consistent in all material respects with those financial statements in accordance with Companies and Allied Matters Act CAP C20 LFN 2004.

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, the Financial Reporting Council of Nigeria Act 2011, International Financial Reporting Standards and the FMDQ commercial paper quotation rules.

Auditors Responsibility

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"


Sunday Abayomi Bammeke, FCA
(FRC/2013/ICAN/00000004459)
For: S.A. Bammeke & Co.
(Chartered Accountants)
Lagos, Nigeria



Partners: *Sunday Abayomi Bammeke; * Taiwo Idowu

G. ELIAS

gelias@gelias.com www.gelias.com

6 Broad Street Lagos
+234 1 460 7890

Nigeria 979 1st Avenue CBD Abuja Nigeria
+234 1 888 8881

October 11, 2022

The Directors
Chrisland Schools Limited
26 Opebi Road
Ikeja
Lagos
Nigeria

Dear Sirs,

Re: Legal Opinion with respect to the ₦8,000,000,000 (Eight Billion Naira) Commercial Paper Issuance Programme by Chrisland Schools Limited

1. INTRODUCTION

1.1 We have acted as legal counsel in respect of the ₦8,000,000,000 (Eight Billion Naira) Commercial Paper Issuance Programme by Chrisland Schools Limited (the "Issuer") (the "Programme").

1.2 In this Legal Opinion (this "Opinion"), unless otherwise defined or the context otherwise requires, the following capitalised terms shall have the following meanings:

1.2.1 "Agents" means DLM Advisory Limited ("DLM") and Boston Advisory Limited ("Boston") (together "Joint Issuing and Placing Agents") in their capacity as the issuing and placing agents and Fidelity Bank PLC in its capacity as the collecting and paying agent respectively in connection with the Programme;

1.2.2 "CAC" means Corporate Affairs Commission;

1.2.3 "CBN" means the Central Bank of Nigeria;

1.2.4 "Deed of Covenant" means a deed of the same name dated on or about the date hereof and executed by the Issuer as a deed poll in favour of the Noteholders;

1.2.5 "FMDQ Exchange Rules" means the FMDQ Exchange Commercial Paper Registration and Quotation Rules issued in April 2021 as may be amended or supplemented from time to time;

1.2.6 "Guidelines" means the CBN guidelines on the issuance and treatment of bankers acceptances and commercial papers dated September 11, 2019 as amended or supplemented from time to time and the circular issued to all deposit money banks and discount houses by the CBN on July 12, 2016 titled "Mandatory Registration and Listing of Commercial Papers";

1.2.7 "Issuing and Placing Agency Agreement" means the deed of the same name dated on or about the date hereof and executed by the issuing and placing agents;

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- 1.2.8 "Nigerian Courts" means the Supreme Court of Nigeria, the Court of Appeal, the Federal High Court and the various State High Courts;
- 1.2.9 "Nigerian Law" includes without limitation any statutes or regulations made or imposed by any Nigerian authority and any treaty or international convention, which the Federal Republic of Nigeria has ratified and incorporated into domestic law;
- 1.2.10 "Notes" means the debt instruments issued by the Issuer under the Programme;
- 1.2.11 "Noteholders" means the persons who have invested in the Notes and "Noteholder" shall be construed accordingly;
- 1.2.12 "Programme Memorandum" means the memorandum dated on or about the date hereof disclosing details of a programme for the issuance by the Issuer of Notes for tenors not exceeding 270 days;
- 1.2.13 "SEC" means the Securities and Exchange Commission established pursuant to the Investments and Securities Act, 2007 (as amended); and
- 1.2.14 "Transaction Documents" means the Programme Memorandum, the applicable pricing supplement to be issued under the Programme, the Deed of Covenant, Collecting and Paying Agency Agreement and the Issuing and Placing Agency Agreement.

2. DOCUMENTS

In our capacity as solicitors to the Programme, we have reviewed the various executed agreements, documents and matters of law as we have deemed necessary, including the following documents:

- 2.1 a copy of the certificate of incorporation of the Issuer;
- 2.2 a copy of the Memorandum and Articles of Association of the Issuer;
- 2.3 copy of the rating report issued by Global Credit Rating dated November 9, 2021 in respect of the Issuer;
- 2.4 the resolution of the Board of Directors of the Issuer passed on August 1, 2022 approving the Programme, authorizing the management of the Issuer to apply for and obtain all necessary approvals and sign all documents required to execute the Programme; and
- 2.5 the Transaction Documents.

3. SCOPE

- 3.1 This Opinion is confined to Nigerian Law as interpreted and applied by Nigerian Courts and we neither express nor imply any opinion on any matter insofar as it may be affected by the law of a country other than Nigerian Law, or as to matters of fact. We express no opinion nor make any comment on the content, adequacy or sufficiency of the commercial terms negotiated by the parties to the Transaction Documents.
- 3.2 Except for the enquiries at the CAC conducted on August 30, 2022, on the Issuer's file, we have not assisted in the investigation or verification of the facts, or the reasonableness of any

assumption or statement of opinion (including, without limitation, as to the solvency of any other person expressed to be a party to the Transaction Documents or any other person), contained in the Transaction Documents or in determining whether any material fact has been omitted therefrom.

4 EXTENT OF REVIEW AND EXAMINATION

4.1 For the purpose of providing this Opinion, we have examined only the executed copies of the Transaction Documents, but not any document or agreement cross-referenced in any of the Transaction Documents save for such other documents we have considered necessary, for purposes of giving this Opinion.

4.2 We have made no searches or enquiries concerning any person (other than the Issuer) or on any corporate records of a person (other than the Issuer's) nor have we examined any documents, other than the documents referred to in clause 2 (*Documents*) of this Opinion.

5 ASSUMPTIONS

The Opinion set out herein is based upon the following assumptions:

5.1 Genuineness and Authenticity

- 5.1.1 the genuineness of all signatures and seals on all and any document reviewed by us;
- 5.1.2 the completeness and conformity to the originals of all Transaction Documents and other documents supplied to us as certified, electronic, faxed or photocopies;
- 5.1.3 the genuineness and authenticity of all approval letters, consents and authorizations sighted;
- 5.1.4 the genuineness and authenticity of all documents in the files of the Issuer at the CAC;
- 5.1.5 the accuracy and completeness of all corporate minutes, resolutions, certificates and records which we have seen;
- 5.1.6 the accuracy of all representations of facts expressed in or implied by the documents we have examined;
- 5.1.7 the documents in the file of the Issuer held at the CAC on August 30, 2022, are the most recent records of the Issuer;
- 5.1.8 the absence of any amendments or variations to the terms of the Transaction Documents and the authenticity of the originals of such Transaction Documents;
- 5.1.9 that each of the Transaction Documents has been duly authorised, and duly executed, by or on behalf of the parties thereto and that the performance thereof is within the capacity and powers of the parties thereto;
- 5.1.10 that the terms of the Transaction Documents are or will be observed and performed by the Issuer; and

5.1.11 the absence of any other contractual or similar arrangements between any of the parties to the Transaction Documents which modify or supersede any of the terms of the Transaction Documents.

5.2 Completeness

All statements as to matters of fact contained in the Transaction Documents are correct, save to the extent that they relate to matters specifically opined upon herein.

5.3 Good Faith, etc.

The lack of bad faith and absence of fraud, coercion, duress or undue influence on the part of any of the parties to the Transaction Documents, their respective directors, officers, employees, agents and advisers.

5.4 Consents

All necessary consents, authorizations and licences for the execution, delivery and performance of the Transaction Documents have been obtained and have not been withdrawn as at the date hereof.

5.5 Restrictions

There are no agreements, letters or other arrangements having contractual effect which render a party to the Transaction Documents incapable of performing its obligations under such documents and there are no contractual or similar restrictions contained in any agreement or arrangement (other than those in the Transaction Documents) that are binding on any party to such Transaction Document which would affect the conclusions made in this Opinion.

6. OUR OPINION

Based on the foregoing assumptions and subject to the qualifications set out below, we are of the following opinion:

6.1 Enforceability

6.1.1 There is no provision in the Issuer's constitutional documents and no Nigerian Law which will be contravened by:

- (i) any provision in any Transaction Document; or
- (ii) the carrying out of any relevant transaction contemplated by the Transaction Documents.

6.1.2 There has been obtained and there is in full force and effect every consent, approval or authorization by any Nigerian authority which is either necessary or desirable in connection with:

- (i) the execution by the Issuer of any of the Transaction Documents; or
- (ii) the validity or enforceability of any of the Transaction Documents.

- 6.1.3 All the Transaction Documents are governed by Nigerian Law and constitute obligations of the parties thereto that are legal, valid, and binding upon the parties and enforceable against the parties in accordance with their terms.
- 6.1.4 Without prejudice to Clause 6.1.3 above, all the Transaction Documents are in a proper form to be enforced under Nigerian Law and would be recognised by a Nigerian Court as constituting legal, valid, and binding obligations of the parties thereto, enforceable against the parties thereto in accordance with their terms.
- 6.1.5 Each Note when issued by the Issuer will constitute the legal, valid and binding obligations of the Issuer enforceable in accordance with its terms.
- 6.1.6 It is not necessary in order for any Noteholder to exercise or enforce any of its rights under the Transaction Documents that it should be licensed, registered, resident or otherwise authorized to carry on any business in Nigeria.

6.2 Legal Status of the Issuer

- 6.2.1 The Issuer is duly incorporated and validly exists under Nigerian Law. To the best of our knowledge, no steps have been taken to wind up the Issuer, to terminate its existence or to appoint a receiver in respect of it¹ or otherwise to place its business or any of its assets outside the control of its directors¹.
- 6.2.2 The Issuer is empowered to issue the Notes in compliance with the CBN Guidelines and the FMDQ Exchange Rules and perform its obligations under the Transaction Documents.
- 6.2.3 The Issuer holds all licences, approvals and authorizations from all governmental authorities in Nigeria necessary for the conduct of its business as set out in the Programme Memorandum.

6.3 Authorisation

- 6.3.1 The Issuer has the full power, authority and capacity to execute, deliver, perform and observe the terms and conditions of the Transaction Documents.
- 6.3.2 All corporate and other actions that are necessary or advisable to authorise the Issuer to enter into, execute, deliver, perform and observe the terms and conditions of the Transaction Documents have been taken.
- 6.3.3 The resolution referred to under Clause 2 (*Documents*) is valid under the Issuer's constitutional documents and Nigerian Law. The resolution is sufficient corporate authorization for the Issuer to execute the Transaction Documents and to carry out all relevant transactions; and the resolution need not be filed, recorded or registered with any authority in Nigeria.

¹ We say to the best of our knowledge, because winding-up petitions (including other analogous steps) are filed and heard before the courts and there are no systematic records of court filings to allow for such a check. Public notice of such events only occurs when such an order is published in the newspapers or filed at the CAC. However, based on our recent search carried out at the CAC on the Issuer on August 30, 2022, no order or resolution for any administration, suspension of payments, receivership, winding-up or similar insolvency proceedings has been registered in relation to the Issuer nor has there been registered any notice of the appointment of an administrator, receiver, liquidator or similar insolvency representative over any part of the assets, business or undertaking of the Issuer, or notice of any application for such an appointment.

6.4 SEC Matters

It is permissible for the Issuer to issue the Notes and invite investors to invest in the Notes without requiring SEC approval or registration with the SEC.

6.5 CBN and FMDQ Exchange Compliance

6.5.1 The Notes have been issued in compliance with the Guidelines and the FMDQ Exchange Rules.

6.5.2 The Issuer has been rated as required by and in compliance with the Guidelines and the FMDQ Exchange Rules.

6.6 Exchange Control Compliance

6.6.1 The issuance of the Notes in Nigerian Naira is permitted by law.

6.6.2 Residents and non-residents of Nigeria may deal in, invest in, acquire or dispose of the Notes.

6.6.3 Non-residents of Nigeria who have brought funds into Nigeria for subscription to the Notes through approved and lawful channels may upon liquidating their investment in the Notes repatriate the proceeds of their investment upon presentation of certificates of capital importation issued in respect of the funds brought into Nigeria.

6.6.4 Nigerian Courts will give judgment in foreign currency.

6.7 Registration

6.7.1 Other than the stamping of the Transaction Documents at the Stamp Duties Office of the Federal Inland Revenue Service, it is not necessary or desirable for any further action to be taken in the future (including the making of any registrations or filings) in order to preserve as a matter of law, the interests of the Noteholders.

6.7.2 Save for the stamping of the Transaction Documents, no consent, licence, authorization or similar approval or other action by, and no notice to or filing or registration with, any governmental authority or regulatory body is required in Nigeria for the due execution, delivery and performance by the Issuer of the Transaction Documents.

6.8 Insolvency

6.8.1 Subject to bankruptcy and insolvency laws generally applicable in bankruptcy or insolvency proceedings involving the Issuer, the obligations of the Issuer under the Transaction Documents will remain valid, binding and enforceable.

6.8.2 Subject to bankruptcy and insolvency laws generally applicable to Nigerian companies and banks in particular, upon the maturity of the Notes, in the event that that the Issuer is unable to discharge any of its obligations to the Noteholders, the unsatisfied Noteholders as creditors of the Issuer are entitled to apply for the winding up of the Issuer on the ground of the Issuer's inability to pay its debts.

6.8.3 The Notes are unsecured and no security interests have been created in favour of the Noteholders by any Transaction Documents.

6.8.4 Upon the insolvency of the Issuer, Nigerian Law would treat the Noteholders as unsecured creditors of the Issuer for all purposes.

6.9 Tax Matters

6.9.1 The Issuer may be entitled or required to withhold tax on payments to any Noteholder on the zero-coupon Notes.

6.9.2 The Noteholders may be required to pay income taxes on the discount enjoyed on the Notes.²

6.9.3 On buying or selling the Notes, investors will pay no value added tax.³

6.9.4 A sale of a Note by a Noteholder will not give rise to a charge to capital gains tax.

6.9.5 Value Added Tax will be payable on the commission payable to the Central Securities Clearing System Plc.⁴

6.10 *Pari passu* ranking

The obligations of the Issuer under the Transaction Documents to which it is a party and the Notes (when issued) will rank at least *pari passu* with all present and future unsecured and unsubordinated obligations of the Issuer, other than those claims which are preferred by any bankruptcy, insolvency, liquidation, or other similar laws of general application.

6.11 Choice of Law and Jurisdiction

The choice of Nigerian law as the governing law of the Transaction Documents is a valid choice of law and a Nigerian court or arbitral tribunal will apply the relevant governing law of a Transaction Document to give effect to the provisions contained therein.

6.12 Dispute Resolution

The submission to arbitration by the parties under the Issuing and Placing Agency Agreement and the Collecting and Paying Agency Agreement are permitted under the laws of Nigeria and an arbitral award rendered by a recognised arbitral tribunal would be enforced by the courts of Nigeria as a legal, valid, and binding submission to arbitration subject to the provisions of the Arbitration and Conciliation Act, Chapter A18, Laws of the Federation of Nigeria 2004.

² Order 1(iv) of the Companies Income Tax (Exemption of Bonds and Short Term Government Securities) Order, 2011 and Personal Income Tax (Amendment) Act, 2011 (Amendment to the Third Schedule) exempt interest earned by holders of short term securities issued by corporate bodies from the imposition of companies income tax and personal income tax respectively. The exemption granted under the Companies Income Tax (Exemption of Bonds and Short Term Government Securities) Order, 2011 is for a period of 10 years commencing from January 2, 2012. With the expiration of the Companies Income Tax (Exemption of Bonds and Short Term Government Securities) Order, 2011 on January 2, 2022, these exemptions are no longer applicable. Thus, where there is no extension, the Noteholders may be required to pay applicable income taxes.

³ Finance Act, 2020.

⁴ Order 1 of the Value Added Tax (Exemption of Commissions on Stock Exchange Transaction) Order, 2014 exempts the imposition of Value Added Tax on commissions payable to the Central Securities Clearing System Plc for a period of five (5) years from the date of commencement of the order. The order expired on July 24, 2019 and therefore the CSCS has commenced charging value added tax on commissions payable to it.

6.13 Miscellaneous

6.13.1 The Issuer's assets are not entitled to any immunity from service of process, suit, judgment, execution or attachment (including pre-judgment attachment) in respect of any obligation under any of the Transaction Documents; and

6.13.2 The Transaction Documents do not contain any provision or provide for any transaction or other action which could have the consequence of making the Noteholders liable in Nigeria in respect of any debt, liability or obligation of the Issuer or in respect of any non-compliance by the Issuer with any Nigerian Law.

7. QUALIFICATIONS

This opinion is subject to the following qualifications:

7.1 our opinion that an obligation or document is enforceable means that the obligation or document is of a type and form which Nigerian Courts generally will enforce. It does not mean that the obligation or document can necessarily be enforced in all circumstances and with regard to a final judgment or award, certain defences to its application or grounds for setting it aside may be accepted or applied, in spite of an agreement to the contrary;

7.2 a judgment given in any foreign currency may be satisfied by the payment of the Naira equivalent thereof at the time of payment;

7.3 the assessment of stamp duties on documents by the Stamp Duties Office is erratic and largely untested in Nigeria Courts;

7.4 upon the presentation of a winding-up petition against a Nigerian bank, proceedings commenced against it to enforce a liability may be stayed or restrained by a Nigerian Court;

7.5 no attachment or execution can be levied against the assets of a Nigerian bank after the commencement of its winding-up;

7.6 the enforcement of the rights of the parties under the Transaction Documents may with the passage of time become statute-barred under the limitation laws of the Federal Republic of Nigeria; and

7.7 the power of Nigerian Courts to order specific performance of an obligation or to order any other equitable remedy is discretionary and, accordingly, a Nigerian Court might make an award of damages where specific performance of an obligation or any other equitable remedy was sought.

8. BENEFIT OF OPINION

This Opinion is prepared exclusively for the purpose of the Programme and for the benefit of the Issuer, its advisers and persons seeking to invest in the Notes. Other than for the Programme and for the benefit of the persons to whom it is meant, it is not to be used by any other person or for other purposes or quoted or referred to in any public document or filed with anyone without our express written consent which shall not be unreasonably withheld or delayed. This Opinion is not to be distributed, in whole or in part, to any person other than as agreed between the Issuer and us and then only for purposes directly relating to the Programme; provided however that this Opinion may be disclosed without our consent to:

- (a) any person to whom disclosure is required to be made by applicable law or court order or arbitral award or pursuant to the rules or regulations of any supervisory or regulatory body, or the rules of any applicable stock exchange or any rating agency; or
- (b) to the officers, employees, auditors, regulators, and professional advisers of the Issuer on a strict need-to-know basis and only in relation to the Programme.

Where this Opinion is sought to be disclosed in connection with any potential or actual judicial proceedings, prior written notice of its intended disclosure must be given to us.

Yours faithfully,



For G. Elias.

Prof. Gbolahan Elias, SANL.

TAX CONSIDERATIONS

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. Notwithstanding, the discount on the Notes may be taxed in accordance with applicable Nigerian Income tax laws, WHT, CITA as may be applicable to the Noteholders.

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.

RISK FACTORS

Investment in the CPs involves a certain degree of risk. Accordingly, prospective investors should carefully consider the following risk factors together with all the other information included in this Programme Memorandum before purchasing the Notes. The following section does not describe all the risks (including those relating to each prospective investor's circumstance) 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. GENERAL FIXED INCOME RELATED RISKS

There may not be an active two-way quote trading market for the CPs when issued, and thus the liquidity of the CPs may be limited. Investors may not be able to sell their CPs in a transparent and efficient system. However, a vibrant Over-the-Counter (OTC) market exists for Treasury Bills and other fixed income securities, and the continuous development and deepening of the fixed income market will help ensure increased liquidity of the CPs.

1.1 Change of Law:

The structure as well as the Terms and Conditions of the CPs are based on Nigerian law 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.

Further, a change in law, applicable regulations and ministerial orders or administrative decisions, governing Commercial Paper Issuance and the payment of redemption amount due under the CP issued by the Issuer.

1.2 Credit ratings may not reflect all risks:

The Issuer has been assigned a rating by GCR. Credit ratings are an assessment of the issuer's ability to pay its debt obligations when due. The rating may not reflect the potential impact of all risks related to structure, market, and other factors that may affect the value and performance of the CPs. A credit rating is not a recommendation to buy, sell or hold securities and may be revised or withdrawn by the rating agencies at any time. The credit rating is based on, among other things, the projected cashflows from the assigned Receivables and other relevant structural features of the transaction, which reflect the Rating Agencies' views as at the date of this Programme Memorandum and to the life of the CPs.

2. RISKS RELATING TO NIGERIA

2.1 Political and regional instability

In recent times, Nigeria has witnessed an increase in political instability, insecurity, ethnic challenges, incidences of kidnap, terrorist attacks and religious killings. Although the Federal Government has recorded tremendous success in eliminating the extremist group and weakening their activities in the Northern region, suicide bombings and indiscriminate attacks on even co-religionists continue to raise serious concerns about the protection of lives and property, sustained attractiveness of Nigeria to foreign investors, and the recovery of the capital market.

Although, the political and regional instability has had a material adverse effect on investment and confidence in the performance of the Nigerian economy, the Federal Government has embarked on a number of initiatives to address the instability and unrest. In spite of the Federal Government's efforts, continued criminal activity, unrest and political and religious conflicts in the country may lead, deter investments in the country and lead to increased political instability that could have a material adverse effect on Nigeria's economy and impact the Issuer's income.

2.2 *Risks related to the economic stability of Nigeria*

Nigeria's economy is still largely dependent on crude oil production. Recent times have witnessed a downward trend in the prices of oil caused partly by global lockdowns due to the Corona Virus pandemic and oversupply from Saudi Arabia. The current presidential administration has implemented several wide-sweeping political and economic reforms aimed at diversifying Nigeria's economy and increasing macroeconomic stability whilst promoting a private sector market driven economy. Nigeria is rated "B-" with stable outlook by S&P, "B2" by Moody's and "B" by Fitch. There exists the risk that a potential negative outlook on the economy may negatively affect investments in the security.

3. RISKS RELATING TO THE SCHOOL

Whilst Chrisland continually implements appropriate policies, processes and marketing to control and mitigate these risks, Investors should note that any failure to control these risks adequately could have an adverse effect on the financial condition and reputation of the school. The following is a description of the risk factors that are material in respect of the financial situation of the School under the Programme:

3.1. *Enrolment Risk*

Chrisland's revenues are primarily dependent upon the number of students who attend the school. The ability of the School to attract new students could be impacted by various factors including poor perception/reputation, aggressive competitor activity from rival schools, poor marketing, recruitment or admissions processes, poor facilities or services, and higher fees compared to other schools - all of which have the potential to affect the School's income.

The current economic climate could have an impact on the willingness of parents to pay the higher fees commanded by Private Schools with the pedigree of Chrisland, and this could impact on the number of applications received. Whilst Chrisland has historically attracted a high level of applications, there can be no guarantee that this will continue. A significant reduction in student numbers could have a material impact on Chrisland's income and overall finances.

3.2. *Risks associated with greater competition between Private Schools*

There has always been a high level of competition between private schools to attract students. However, the level of competition has increased, due to the increasingly worsening state of the public schooling system and the steady devaluation of the naira which has made alternative such as sending students abroad less appealing.

While Chrisland, based on its current pattern of applications and acceptances, should be in a position to take on additional students should it choose to do so, there is also a risk that it may not take in potential applicants who would otherwise have applied to Chrisland, but will then apply to other schools seeking to

expand. The long-term consequence being a decrease in tuition fees.

3.3. Operational Risk

Operational risk is the potential exposure to financial or other damages resulting from failed processes, human behaviour or from external events. It is primarily as a result of not having in place the right people, systems, and processes to rightly run the daily operations of an entity.

3.4. Reputation risk

Chrisland has a reputation as a leading private school; this reputation has been built up over a long time since its foundation in 1977. Chrisland's reputation is an important factor in attracting the best teachers and the best students. If, for example, the behaviour of a large number of staff or students, admissions, failure to manage risk, or standards and quality of teaching and school facilities were to be called into question, this would have the potential to damage the reputation of the School.

A failure to manage reputational risk effectively could materially affect Chrisland's business and prospects.

SETTLEMENT, CLEARING AND TRANSFER OF NOTES

Words used in this section shall bear the same meanings as those 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, the CP Notes will be held in custody by 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 CSD. Subject as aforesaid, the CP Notes will be issued, cleared and transferred in accordance with the Terms and Conditions and will be settled through Authorised Participants (the Issuing and Placing Agent) who will follow the electronic settlement procedures prescribed by CSD.

AUTHORISED PARTICIPANTS

The CSD will maintain a central securities account for 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 Participants are DLM Advisory Limited and Boston Advisory Limited as the Issuing and Placing Agents and any other Authorised Participant as duly appointed by the Issuer.

REGISTRATION

- i. The Authorised Participant 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 Participants, who will officially notify the CSD to create sub-accounts for the 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 Unique Identifier for the registered CP, subject to receipt of CP registration fees from the Authorised Participant.
- v. The CSD will re-open the existing CP Unique Identifier for all tranches with same maturity dates, however new CP Unique Identifier will be issued for tranches with different maturity dates.

CUSTODY AND DEMATERIALISATION

- i. An Authorised Participant with physical CP notes may decide to dematerialise CP(s) with the CSD by completing the relevant form.
- ii. All holders of CP notes shall route the notes through the Authorised Participant who will then submit on the CSD authorised platform in dematerialized form.
- iii. Authorised Participants may also decide to keep the CPs in physical form with the CSD (subject to service agreement with CSD), acting as the Custodian for the issue.
- iv. Authorised Participants can also lodge the CP(s) electronically by using the CSD e-lodgement format.
- v. The Authorised Participants (or Arranger) will advise the CSD, after dematerialisation or e-lodgement to transfer CPs to Noteholders' (or their custodians') accounts at the CSD before trading commences.
- vi. 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 the same within 24 hours of receipt.

REDEMPTION

- i. No transactions or trades may be effected for any CPs two (2) Business days prior to its maturity date as the register closes two (2) Business Days before the Maturity Date.
- ii. The Collecting and Paying Agent 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) Business 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 Maturity Date falls on a public holiday, payment will be made on the following Business Day.

ROLL-OVER

- i. Every roll-over of a CP shall be treated or classified as a fresh/separate CP.
- ii. 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 Participants with the new CP Unique Identifier, subject to receipt of CP rollover fees from the Authorised Participants.
- iii. The CSD shall expunge the existing CP Unique Identifier 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 Collecting and Paying Agent 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. In case of (i) above, the CP holdings must remain with the CSD until the Collecting and Paying Agent pays off the Noteholders and notifies the CSD and FMDQ Exchange with evidence.

- iv. Thereafter, the CSD will notify the public and expunge the CP from the CSD depository accordingly.

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 authorised platform by 2.00 p.m. on the settlement date to FMDQ Exchange and the Nigeria Inter-Bank Settlement System ("NIBSS") simultaneously. Authorised Participants shall state the particular account number where the CP(s) will be settled.
- iv. NIBSS shall transfer settlement amounts to respective accounts and send confirmation to FMDQ Exchange and the CSD 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 three (3) Business Days before the Maturity Date.

REPORTING

- i. The CSD shall effect the transfer of CPs on the settlement date as advised by Authorised Participants or FMDQ Exchange and keep records of consideration for each transaction.
- ii. The CSD will advise Authorised Participants or FMDQ Exchange for onward communication to the Authorised Participant, as applicable, of successful and failed transactions on each settlement day.
- iii. Authorised Participants can visit the CSD website to ascertain its CP balances after each day's trade. This is available only to the institutions that subscribe to the CSD online service.

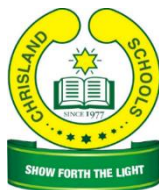
TRANSFER OF NOTES

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

CASH SETTLEMENT

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

FORM OF PRICING SUPPLEMENT



CHRISLAND SCHOOLS LIMITED

ISSUE OF UP TO ₦[■] SERIES [■] COMMERCIAL PAPER (CP) UNDER ITS ₦8,000,000,000 COMMERCIAL PAPER ISSUANCE PROGRAMME

This Applicable Pricing Supplement shall be read in conjunction with the Programme Memorandum dated [●] by DLM Advisory Limited and Boston Advisory Limited on behalf of Chrisland Schools Limited in connection with its ₦8,000,000,000 (Eight Billion Naira) Commercial Paper Issuance Programme, as amended and/or supplemented from time to time (the “Programme Memorandum”).

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

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

This document has been prepared in accordance with the Central Bank of Nigeria Guidelines on the Issuance and Treatment of Bankers Acceptances and Commercial Paper, issued on 11th September 2019 and the FMDQ Exchange Commercial Paper Registration and Quotation Rules in force from time to time. The document is not required to be registered with the Nigerian Exchange Limited (“NGX”) or the Securities and Exchange Commission (“SEC”) but it is required to be registered at the FMDQ Exchange Limited. 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/its Banker, Stockbroker, Accountant, Solicitor or any other professional adviser for guidance immediately.

Lead Arranger and Issuing & Placing



RC: 688014

Joint Arranger and Issuing & Placing



RC: 928966

This Pricing Supplement is Dated [●]

SUMMARY OF THE TERMS OF THE SERIES [●] CP NOTES

Issuer	Chrisland Schools Limited
Lead Arranger and IPA	DLM Advisory Limited
Joint Arranger and IPA	Boston Advisory Limited
Collecting & Paying Agent	Fidelity Bank Plc
Custodian	FMDQ Depository and/or Central Securities Clearing Securities PLC
Series Number	[●]
Programme Size	₦8,000,000,000 (Eight Billion Naira)
Issued and Outstanding at the date of this Pricing Supplement	₦[●]
Face Value	₦[●]
Discounted Value	₦[●]
Nominal Amount Per Note	₦[●]
Issue Price	₦1,000.00
Tenor	[●]
Issue Date	[●]
Maturity Date	[●]
Final Redemption Amount	[●]
Minimum Subscription	₦1,000,000 and multiples of ₦1,000 thereafter
Specified Currency	Nigerian Naira (₦)
Status of Notes	Each Note constitutes a direct, unconditional, senior obligation of the Issuer, and the Notes rank <i>pari passu</i> among themselves, and save for certain debts mandatorily preferred by law, <i>pari passu</i> with other present and future senior obligations of the Issuer outstanding from time to time
Form of Notes	Uncertificated

Quotation	Notes may be quoted on the FMDQ Exchange platform or any other recognized Exchange
Taxation	Please refer to the ‘Tax Considerations’ section in the Programme Memorandum
Method of Offer	[●]
Book Closed Period	The Register will be closed from [●] to [●] until the Maturity Date
Implied Yield	[●]%
Discount Rate	[●]%
Any Other Formula or basis for Determining Amount(s) Payable	[●]
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
Redemption/Payment Basis	Redemption at par
Issuer’s Early Redemption	Not Applicable
Issuer’s Optional Redemption	Not Applicable
Other Terms Applicable on Redemption	[●]
Offer Opens	[●]
Offer Closes	[●]
Allotment Date	[●]
Notification of Allotment	All applicants will be notified through an email and/or telephone of their allotment by no later than [●]
Settlement Date	[●]

Details of Bank Account to Which Payments Are to be Made in Respect of the Notes

Bank: [●]
Account Name: [●]
Account Number: [●]
Sort Code: [●]

Settlement Procedures and Settlement Instructions

Purchases will be settled via direct debit, electronic funds transfer (NIBBS, NEFT, RTGS, etc.)

Delivery Date

[●]

Use of Proceeds

[●].

Material Adverse Change Statement

Except as disclosed in this document, there has been no significant change in the transaction structure or credit worthiness of the Issuer following the last rating review reports by [■] dated [■] and [■] respectively.

Responsibility

The Issuer and its Board of Directors accept responsibility for the information contained in this Programme Memorandum which, contains all information that is material in the context of the issue of the Notes.

Signed at _____ on this _____ day of _____ [TBD]

For and on behalf of:

Chrisland Schools Limited

Name:
Director

Name:
Director/Company Secretary

GENERAL INFORMATION

Authorisation

This CP Programme and the Notes issued hereunder were approved by the resolution of the Board of Directors of the Issuer dated 1st August 2022.

Auditor

S.A. Bammeke & Co acted as auditors of the annual financial statements of the Issuer for the financial years ended 2019 and 2020 and were responsible for the audit and issued unqualified reports.

Commercial Paper Outstanding

As at the date of this Programme Memorandum, the Issuer has no outstanding Commercial Paper.

Going Concern

As at the date of this Programme Memorandum, the Issuer, can be reasonably expected to continue into the foreseeable future.

Material Contracts

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

- a) Collecting and Paying Agency Agreement
- b) Issuing & Placing Agency Agreement
- c) Deed of Covenant

Other than as stated above, the Issuer has not entered into any other material contract except in the ordinary course of business. Other material contracts in respect of any issuance of Commercial Papers under the Programme will be disclosed in the applicable Supplementary Memorandum and/or Pricing Supplement in respect of any Series of the Commercial Papers.

Ultimate Borrower

The Issuer is the borrower in respect of the Notes and assumes joint and several liabilities for the obligations under the Notes.

PARTIES TO THE ISSUE



ISSUER

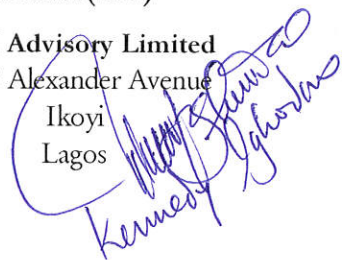
Thirance O. Adeyemi (Mrs.)

CHRISLAND SCHOOLS LIMITED

26 Opebi Road
Ikeja
Lagos

LEAD ARRANGER AND ISSUING & PLACING
AGENT (IPA)

DLM Advisory Limited
66-68 Alexander Avenue
Ikoyi
Lagos



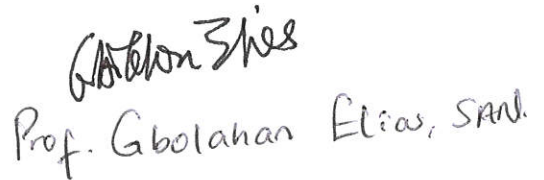
JOINT ARRANGER AND ISSUING & PLACING
AGENT (IPA)

Boston Advisory Limited
28b Awori Road
Dolphin Estate, Ikoyi
Lagos



TRANSACTION COUNSEL

G. Elias & Co.
6 Broad Street
Lagos Island
Lagos



COLLECTING AND PAYING AGENT

Fidelity Bank Plc
2 Kofo Abayomi St
Victoria Island
Lagos

