



CAPITALSAGE TECHNOLOGY LIMITED

RC1507157

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

₦15,000,000,000.00

COMMERCIAL PAPER ISSUANCE PROGRAMME

Capitalsage Technology Limited ("Capitalsage", the "Issuer" or the "Company"), a private limited liability company incorporated in Nigeria, has established this ₦15,000,000,000.00 (Fifteen Billion Naira) Commercial Paper Issuance Programme (the "**CP Programme**"), under which Capitalsage may from time to time issue Commercial Paper notes ("**CP**" or "**Notes**"), denominated in Nigerian Naira or in such other currency as may be agreed between the Issuer and each relevant Dealer and or the Arranger (as defined in the section entitled, "Summary of the Programme"), in separate series or tranches subject to the terms and conditions ("Terms and Conditions") contained in this Programme Memorandum.

Each Series or Tranche (as defined herein) will be issued in such amounts, and will have such discounts, period of maturity and other terms and conditions as set out in the Pricing Supplement applicable to such Series or Tranche (the "Applicable Pricing Supplement"). The maximum aggregate nominal amount of all CP Notes from time to time outstanding under the CP Programme shall not exceed ₦15,000,000,000.00 over a three-year period that this Programme Memorandum, including any amendments thereto, shall remain valid.

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

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

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

ARRANGER/ISSUING AND PAYING AGENT



United Capital Plc
RC 444999

COLLECTING AND PAYING AGENT



FIDELITY BANK PLC
RC 103022

THIS PROGRAMME MEMORANDUM IS DATED OCTOBER 13, 2022

CONTENTS

GLOSSARY OF DEFINED TERMS.....	3
IMPORTANT NOTICES.....	7
INCORPORATION OF DOCUMENTS BY REFERENCE	9
SUMMARY OF THE PROGRAMME	10
DESCRIPTION OF CAPITALSAGE TECHNOLOGY LIMITED	12
USE OF PROCEEDS	23
TERMS AND CONDITIONS OF THE NOTES	24
TAX CONSIDERATIONS	32
SETTLEMENT, CLEARING AND TRANSFER OF NOTES	36
PRO FORMA APPLICABLE PRICING SUPPLEMENT	39
AUDITOR'S COMFORT LETTER 1.....	43
AUDITOR'S COMFORT LETTER 2.....	44
AUDIT REPORT AND SUMMARY FINANCIAL STATEMENTS	45
EXTRACT OF THE ISSUER'S RATING REPORT.....	48
LEGAL OPINION ON THE NOTES.....	49
GENERAL INFORMATION	58
PARTIES TO THE TRANSACTION.....	59

GLOSSARY OF DEFINED TERMS

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

Terms/Abbreviations	Description
"Agency Agreements"	The (i) issuing and placing agency agreement; and (ii) the collecting and paying agency agreement dated on or about the date of this Programme Memorandum executed by the Issuer and the Agents
"Agents"	The Collecting and Paying Agent and the Issuing and Placing Agent.
"Applicable Pricing Supplement"	The pricing supplement applicable to a particular Series or Tranche issued under the CP Programme
"Board" or "Directors"	Board of Directors of Capitalsage Technology Limited
"Business Day"	Any day except Saturdays, Sundays and public holidays declared by the Federal Government of Nigeria on which banks are open for general banking business in Nigeria
"CBN"	Central Bank of Nigeria
"CBN Guidelines"	CBN's Guidelines on the Issuance and Treatment of Bankers Acceptances and Commercial Papers, issued on 11th September 2019, and the CBN Circular of 12th July 2016 on Mandatory Registration and Listing of Commercial Papers as amended or supplemented from time to time
"Central Securities Depository" or "CSD"	Central Securities Clearing System Plc or FMDQ Depository Limited (which expression shall include their successors) or any additional or alternative clearing system or any clearing system as may otherwise be specified in the Applicable Pricing Supplement
"CITA"	Companies Income Tax Act Cap C21, LFN 2004 (as amended by the Companies Income Tax Act No 11 of 2007, the Finance Act 2019, the Finance Act 2020 and the Finance Act 2021)
"Collecting and Paying Agent"	Fidelity Bank Plc or any successor collecting and paying agent in respect of the Notes, appointed by the Issuer
"Commercial Paper", "CP", "CP Notes" or "Notes"	Quoted unsecured commercial papers to be issued by the Issuer under the CP Programme in form of short-term zero-coupon notes under the CP Programme
"Conditions" or "Terms and Conditions"	The terms and conditions, in accordance with which the Notes will be issued, set out in the section of this Programme Memorandum headed "Terms and Conditions of the Notes"
"CP Programme" or "Programme"	The CP Programme described in this Programme Memorandum pursuant to which the Issuer may issue several separate Series or Tranches of Notes from time to time with varying maturities and discount rates provided, however, that the aggregate Face Value of Notes in issue does not exceed ₦15,000,000,000.00 (Fifteen Billion Naira).
"CSCS"	Central Securities Clearing Systems Plc
"CSD Rules"	The rules governing transfer of title in securities held with the CSD
"Day Count Fraction"	The method of calculating the discount in respect of a Note as specified in the Applicable Pricing Supplement

GLOSSARY OF DEFINED TERMS

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

GLOSSARY OF DEFINED TERMS

"Maturity Date"	The date as specified in each Applicable Pricing Supplement in which the Principal Amount is due
"Material Adverse Change"	A material adverse effect on the ability of the Issuer to perform and comply with its payment obligations under the CP Programme
"Naira", "NGN" or "₦"	The Nigerian Naira
"NIBOR"	Nigerian Inter-Bank Offered Rate
"PITA"	Personal Income Tax Act Cap P8, LFN 2004 (as amended by the Personal Income Tax (Amendment) Act No 20 of 2011, the Finance Act 2019, the Finance Act 2020 and the Finance Act 2021).
"Principal Amount"	The nominal amount of each Note, as specified in the Applicable Pricing Supplement
"Pricing Supplement" or "Applicable Pricing Supplement"	The Pricing Supplement applicable to a particular Series or Tranche of Notes issued under the CP Programme
"Programme"	The ₦15,000,000,000.00 (Fifteen Billion Naira) commercial paper issuance programme established by the Issuer which allows for multiple issuances of Notes from time to time with varying maturities and discount rates provided, however, that the aggregate Face Value of Notes in issue does not exceed ₦15,000,000,000.00 (Fifteen Billion Naira).
"Programme Memorandum"	This information memorandum dated October 13, 2022 which sets out the aggregate size and broad terms and conditions of the CP Programme
"Qualified Institutional Investors"	Includes banks, fund managers, pension fund administrators, insurance companies, investment/unit trusts, multilateral, and bilateral institutions, registered private equity funds, registered hedge funds, market makers, staff schemes, custodians, stockbroking firms and any other category of investors as may be determined by the Securities and Exchange Commission from time to time
"Redemption Amount"	The amount specified in the Applicable Pricing Supplement as the amount payable in respect of each Note on the Redemption Date
"Redemption Date"	In relation to any Series, the date on which redemption monies are due and payable in respect of the Notes as specified in the Applicable Pricing Supplement
"Register"	A register of Noteholders, maintained by the Issuing and Paying Agent
"Relevant Currency"	The currency in which payments in respect of the Notes of the relevant Tranche or Series are to be made as indicated in the Applicable Pricing Supplement
"Relevant Date"	The payment date of any obligation due on the Notes
"Relevant Last Date"	The date stipulated by the CSD and specified in the Applicable Pricing Supplement, after which transfer of the Notes will not be registered
"SEC"	The Securities and Exchange Commission
"SEC Rules"	The Consolidated Rules and Regulations of the Securities and Exchange Commission 2013 (as amended) made pursuant to the ISA
"Series"	A Tranche of Notes together with any further Tranche or Tranches of Notes which are (i) expressed to be consolidated

GLOSSARY OF DEFINED TERMS

	and form a single series and (ii) are identical in all respects except for their respective Issue Dates, and/or Issue Prices
"Tranche"	Notes which are identical in all respects
"VAT"	Value Added Tax as provided for in the Value/Added Tax Act, CAP VI, LFN 2004 (as amended by the Value Added Tax Act No 12 of 2007, the Finance Act 2019, the Finance Act 2020 and the Finance Act 2021)
"Zero Coupon Note"	A Note which will be offered and sold at a discount to its Face Value, and which will not bear interest, other than in the case of late payment

IMPORTANT NOTICES

This Programme Memorandum contains information provided by the Issuer in connection with the CP Programme under which the Issuer may issue and have outstanding at any time Notes up to a maximum aggregate amount of ₦15,000,000,000.00 (Fifteen Billion Naira). The Notes shall be issued subject to the Terms and Conditions contained in this Programme Memorandum.

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

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

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

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

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

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

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

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

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

IMPORTANT NOTICES

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

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

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

INCORPORATION OF DOCUMENTS BY REFERENCE

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

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

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

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

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

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

The audited financial statements and documents incorporated by reference shall be available on demand. Requests for such documents shall be directed to the Issuer or Arranger at their specified offices as set out in this Programme Memorandum.

SUMMARY OF THE PROGRAMME

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

TERMS	DESCRIPTION
Issuer:	Capitalsage Technology Limited
Dealer:	United Capital Plc and any other additional Dealer appointed under the Programme from time to time, which appointment may be for a specific issue or on an on-going basis, subject to the Issuer's right to terminate the appointment of any Dealer.
Arranger:	United Capital Plc.
Collecting and Paying Agent:	Fidelity Bank Plc
Auditors:	SIAO Partners
Registrars/Custodian:	CSCS or FMDQ Depository Limited
Solicitors:	Detail Commercial Solicitors
Programme:	The Commercial Paper Issuance Programme established by the Issuer which allows for the multiple issuances of Notes from time to time under a standardized documentation framework.
Programme Size:	₦15,000,000,000.00 (Fifteen Billion Naira).
Issuance in Series:	The Notes will be issued in Series or Tranches, and each Series may comprise one or more Tranches issued on different dates. The Notes in each Series, each a Tranche, will have the same maturity date and identical terms (except that the Issue Dates and Issue Price may be different). Details applicable to each Series or Tranche will be specified in the Applicable Pricing Supplement.
Issue Price:	The price at which the relevant Series/Tranche of the Notes is issued, as specified in the Applicable Pricing Supplement.
Issue rate:	The Discount Rate at Issuance.
Issue Size:	As specified in the Applicable Pricing Supplement.
Use of Proceeds:	Unless otherwise stated in the Applicable Pricing Supplement, the net proceeds from each issue of the CPs will be applied by the Issuer for its general corporate purposes.
Interest Payments:	Notes shall be issued at a discount and in the form of Zero-Coupon Notes. Thus, the Notes will not bear interest, other than in the case of late payment.
Source of Repayment:	The repayment of all obligations under the Programme will be funded from the cash flow of Capitalsage Technology Limited
Default Rate:	Interest rate equivalent to the daily overnight NIBOR + 5% per annum or Issue Rate + 5% per annum (whichever is higher).
Currency of Issue:	Nigerian Naira.

SUMMARY OF THE PROGRAMME

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

DESCRIPTION OF CAPITALSAGE TECHNOLOGY LIMITED

OVERVIEW OF CAPITALSAGE TECHNOLOGY LIMITED

Capitalsage Technology Limited ("Capitalsage" or "the Company") is an integrated digital financial service group, providing people-driven empowerment and inclusive solutions for individuals and businesses for sustainable value and wealth creation in Africa. The Company retails world-class technologies to African businesses and individuals so that they can prosper and realise their full potential. Capitalsage's agenda is anchored on three significant pillars - financial inclusion, entrepreneurial development, and wealth creation - steered by the force of innovative technology.

Residing in the most populous country on the most diverse continent, the founders of Capitalsage came to the realisation that conventional financial institutions are handicapped in creating sustainable value for the peculiar African society. This inspired the Company to adopt an innovative agile business model focused on people's deep need and how it can create or retail seamless financial solutions to drive transformation, better experience, and the value they seek. The Company's impressive portfolio of services include:

- Digital Banking
- Agency banking,
- Online Savings,
- Value-added services (VAS),
- Loans & Asset Financing
- Payment Solutions
- Network Marketing
- Marchant/POS Services
- E-Cooperative

These do not fully describe the depth of Capitalsage, as the Company possess the deep intuition and willpower to go wherever the aspiration of its customers requires.

Capitalsage vision is to be the leading Fintech partner in Africa, facilitating financial inclusion, entrepreneurial development, and prosperity via innovative technology with a unique mission of providing sustainable digital financial infrastructures that continuously empower individuals and businesses to transform their lives and communities.

HISTORY OF CAPITALSAGE TECHNOLOGY LIMITED

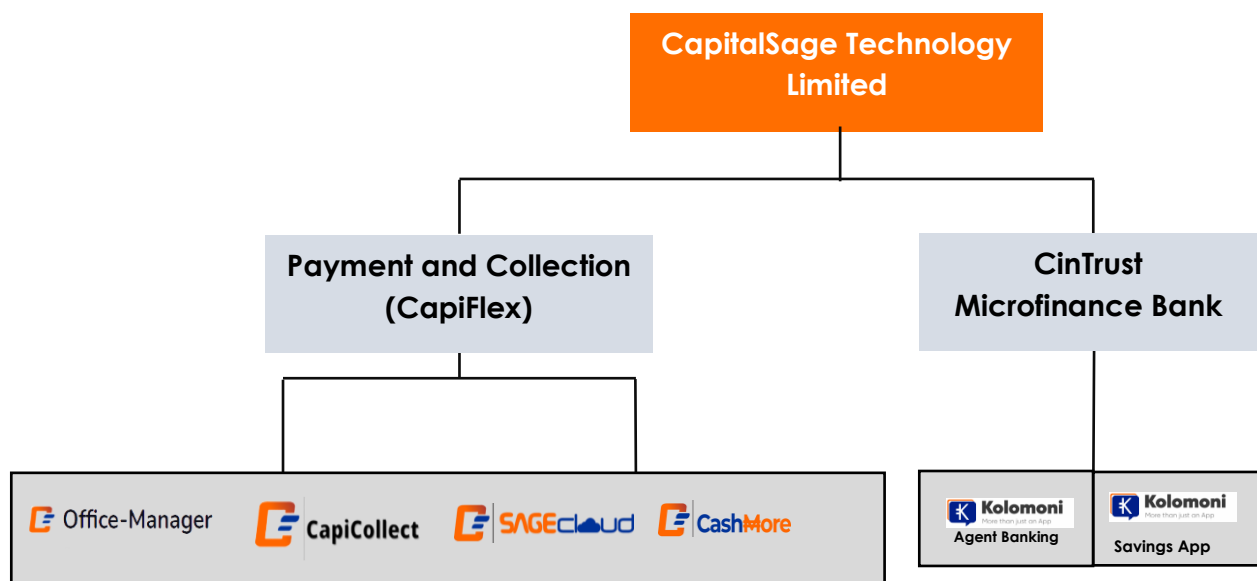
Capitalsage started as an informal business in 2014 under the name Divine Mercy with the mandate to empower market women with loans. By 2018, the Company consolidated all its offerings following four (4) years of successful operation and the business officially registered as CreditAssist Investment Limited ("CreditAssist") with its reach across the country.

In 2020, CreditAssist became Capitalsage Technology Limited. The Business offerings of the Company expanded and strategically evolved from a lending Company to full-pool financial technology group servicing individuals, MSMEs, Corporate Organization and Government Institution.

Following the emergence of the Capitalsage Technology Limited, the Company acquired Cintrust Microfinance Bank, a state Microfinance Bank licensed by the Central Bank of Nigeria (CBN). This is to solidify operations and expansion plans into other African countries.

CAPITALSAGE DIVISIONS/SUBSIDIARY

Capitalsage Technology Limited has two (2) business divisions – Payment and Collection (CapiFlex) and CinTrust Microfinance Bank Limited.



Payment and Collection (CapiFlex)

Payment and Collection (CapiFlex) provides digital payment and business solutions that improve business processes and revenue in the new digital economy. CapiFlex products deliver sustainable payments, collections and management solutions for fund transfer, payment, recurrent debit, loan repayments, value-added services, salary payroll, human resource, customer relationship management, and other disbursement services. CapiFlex has the following products.

- **Office Manager for HR:** A holistic enterprise/office resource tool that integrates and simplify multiple office functions in one place.
- **Collection and Debt Direct Debit:** CapiCollect is a collections platform for all recurring payment like taxes, levies, dues, license fees, contribution, loan repayment in one place. Organisations of any size can automatically debit their customer's account daily, weekly or monthly.
- **CapiFlex Projects:** CapiFlex assists in developing high-level integration platforms tailored to the need of users/businesses. Be it an e-commerce ecosystem, payment portal, large-scale fund management system, or more; CapiFlex can deploy its financial technology expertise to achieve its customer goals.
- **CashMore:** CashMore is a profit-sharing multi-level networking platform and a value-added service platform of Capitalsage Limited. It offers a robust platform to meet all customer value-added needs conveniently and allow customer to earn directly from the telecoms and bill payment industry.

CinTrust Microfinance Bank:

CinTrust Microfinance Bank (CinTrust) is aimed at reaching the rural and urban population. CinTrust offers a complete range of financial services and means of payment for her numerous customers to meet their short- and long-term financial goals. The bank was created in 2017 as a member of

DESCRIPTION OF CAPITALSAGE TECHNOLOGIES LIMITED

Odua Cooperative Conglomerate Limited and formally acquired by Capitalsage holding in 2020. The Bank offerings include Savings Accounts, Current Accounts and Daily contribution accounts.

- **Kolomoni Saving App:** The Kolomoni Savings App is a mobile and web app for savings, investments, and value-added service. It is a secure, fast, and convenient way for everyone to access savings and investment products suited to their needs as well as achieve financial freedom.
- **Kolomoni Agent Banking:**
The Kolomoni Agent Banking Network allows millions of cash withdrawals and deposit transactions across multiple locations every day. We currently have agents across the 36 states of Nigeria and beyond performing consumer banking services such as withdrawal, transfer, airtime and data, cable TV subscriptions and other value-added services.

PROFILE OF THE BOARD OF DIRECTORS

Mr. Sam Oduwale – Chairman

Sam Opeyemi Oduwale is an accomplished global financial leader with over two (2) decades of cognate experience in the field of accounting, accounting technology and financial technology. He is a certified SAP finance consultant with demonstrated expertise across a wide range of complex specialties including resource planning solutions and project at the enterprise level for companies and project such as Capita PLC London, BAE Systems Applied Intelligence and Finance & Global Trade Solutions.

Sam's versatile qualification has seen him work for some of the leading brands in the world such as Cambridge University, General Electric, IBM/Shell, Accenture, GSK, Deloitte amongst others. As an SAP leader, he continues to provide technology-driven financial solutions to tech startups as well as leading conglomerates across the world. Sam holds B.sc Economics from the University of Ibadan (1999), MBA from University of Northwest USA (2007) and Masters in Business Administration and Strategy from the International Strategic Management Institute (ISMI), Liverpool, United Kingdom.

Mr. John Alamu – Group Managing Director

John A. Alamu is an experienced statistician, versatile entrepreneur and leader in the area of technology, finance, healthcare and agriculture. He is the Founder and Group Managing Director of CapitalSage Holdings, an indigenous conglomerate invested in driving empowerment and inclusive solutions in critical sectors that will transform the African Continent.

John is driven by the dream of an enabled Nigeria where individuals actualize their life goals. Since 2014, he has built different business ventures and successfully married fintech, agriculture and healthcare to deliver value to all stakeholders. Prior to venturing into business, John has built extensive experience working for local and international NGOs to increase the accessibility of farmers to loans, resources, market opportunities and off-takers. It was on his quest to drive access to finance to Nigerians living within and below the pyramid that led to the defunct Divine Mercy, now CapitalSage Technology Limited. The mission of CapitalSage Technology Limited and consequently all other business enterprises led by John are inspired by his desire to drive a society to be truly inclusive, entrepreneurially developed and prosperous through whatever business instruments that can enable this progress.

In his seat as Managing Director of CapitalSage Technology Limited, he provides strategic oversight for the business, driving the vision of becoming the leading Fintech partner in Africa, facilitating financial inclusion, entrepreneurial development and prosperity via innovative technology.

Dr. Oluyemisi Shittu – Non-Executive Director

Dr. Oluyemisi Shittu is an astute economist and internationally certified human development expert. She is a Postdoctoral fellow/consultant at the International Food Policy Research Institute Abuja, Nigeria where she researched food insecurity, social networks, technology adoption, and other areas related to agricultural productivity and nutrition. Dr. Yemisi possesses deep knowledge and competence in areas of developmental research, inclusive food policies and models, and innovation in nutrition for societal wellbeing. In 2009, she secured PhD in Human Development and Family Studies from Iowa State University, Ames, Iowa. In addition, Dr Oluyemisi holds M.sc and B.sc in Economics from Iowa State University (2003) and University of Ibadan (1999) respective

Febisara Hassan- Company Secretary.

Febisara Hassan has over 10 years experienced Legal Advisor with a demonstrated history of working in the financial services industry. Skilled in Negotiation, Administration, Corporate Law, Corporate Governance, and Project Management. Febisara received her education in Law from Olabisi Onabanjo University in the year 2009 and was admitted to the Nigerian Bar in the year 2011 after obtaining a B.L from the Nigerian Law School. She is an ISO Lead 22301 Lead Implementer which was obtained from Professional Evaluation Certification Board in the year 2020 and she is currently a student at the Institute of Chartered Secretaries and Administrators of Nigeria.

Before joining CapitalSage, Febisara had acquired extensive experience in providing legal advisory, company secretarial and regulatory support services to operators in the Nigerian infrastructure, energy, technology and financial services sectors. She has advised on the development, acquisition, divestment, financing and licensing of projects across different sectors in Nigeria and Africa. Febisara is currently the Company Secretary and Executive Assistant to the Group Managing Director of CapitalSage Holdings

PROFILE OF MANAGEMENT TEAM

Mrs. Ibukun Eko – Manager, CapiFlex

Ibukun is a seasoned saleswoman and superb negotiator with a track record of closing over 80% of the deals she brokers. A strategic salesperson with connections locally and internationally across various industries. Rising through the ranks from a customer service officer to handling foreign trade in the bank and eventually the Manager of a subsidiary in Capitalsage, she championed the subsidiary revenue drive generating billions of Naira for the organisation. Her excellent customer service and communication skills cream her sales skills and constantly enriches her network, endearing her to many. In short, she has mastered the art of sales across different platforms and channels.

Mrs. Rita Balogun – Acting MD, Cintrust Microfinance Bank

Rita oversees the entire microfinance bank operations. In her role, she has shown great capability as a dedicated team builder driving the unit from a two-man team to a thriving business. Rita owns a master's degree in information technology from the Ladoke Akintola University of Technology but has spent the last nine years in the financial sector leading teams across different business functions from business banking, private banking and financial technology solutions.

Mr. MacDonald Okoh – Manager, International Business

MacDonald is an experienced FinTech solution expert with demonstrated skills working in the information technology and financial service industry. His area of competence and interest includes business negotiation, digital banking, payment solutions and business development. Macdonald has worked for leading incumbents such as Keystone and Heritage Bank. At

DESCRIPTION OF CAPITALSAGE TECHNOLOGIES LIMITED

CapitSage Technology Limited, he drives the African business expansion agenda with focus on Gambia, Kenya, Cameroon, The Republic of Benin, and Togo.

Mr. Canaan Etaigbenu – Head, Information and Communication Technology

Canaan heads the ICT team at CapitalSage. He is a seasoned software engineer with over 12 years of cognate experience. He oversees the IT operations, and product engineering and ensures compliance and updates of the bank's IT policy. Canaan is a PHP Engineer with competence= in a myriad of coding languages, he manages all the strings of digital infrastructures and personnel across the subsidiaries

Mr. Babatunde Saheed Oladepo, Financial Controller

Oladepo Saheed Babatunde, a member of ICAN, has both Bachelor and Masters degree from the University of Lagos, Akoka. He has work experience spanning over 10 years in Auditing, telecom and Fintech industry. Started as Audit officer with T.A. Jewoola & Co. (Chartered Accountants), worked with Globacom Nigeria for almost one year between 2007 and 2008 before being transferred to Glo Mobile Benin Republic as one of the pioneering staff to work Accountant. He was engaged in account payables receivable, warehousing, logistics & distribution and audit. In 2018, Saheed joined Itex integrated Services Limited, a financial technology firm as Revenue Assurance & internal Audit lead and in 2021; he moved to his current role with CapitalSage Technology as financial controller overseeing the day-to-day finance and accounting functions.

Mr. Adefiranye Adedayo Stephen -Head, Internal Control, Risk & Compliance

Adefiranye Adedayo Stephen holds a National Diploma in Banking and finance from Federal Polytechnic Ado Ekiti and Bsc. in accounting. He is also a member of ICAN and CIBN. He started his career with Polaris Bank (Skye Bank) in 2008 where he worked as Transaction Officer, Clearing officer and NEFT desk, Internal Control and Compliance till 2020, Prior to joining CapitalSage Technology, Stephen worked at XSLNCE Investment as Head, Internal Audit and Control & Compliance a senior management role from 2020 till 2022.

Olufemi Sekoni – Chief Business Officer

Femi Sekoni has over 12 years of experience in management consulting working across the Oil and gas, Agriculture, Health, Education and Fintech industry. His work experience span across the public, private and social sector. Prior to joining CapitalSage, Femi has worked as a strategy consultant for a multinational independent oil and gas firm where he designed the transitioning business plan and implementation strategy from crude oil to a Hydrogen and CO2 business. At Capitalsage holdings, he oversees the business and operational activities across business subsidiaries. Femi has a medical degree from University of Ilorin, Nigeria. A master's degree in health Management from Texas A&M University and an MBA from Oxford University.

Mr. Ilabeshi Gabriel – Head, Brand Marketing and Communication

Ilabeshi is a marketing and communication professional with deep experience in branding, marketing and communication; strategy development and execution; content development and account management for multiple brands. He heads the marketing and communication function at Capitalsage Technology Limited where he oversees the creation and implementation of all elements of strategy and planning that enhances brand equity and helps achieve the company goals. Before joining the company, he has worked on major brands such as FrieslandCampina WAMCO, Pladis Global, Access Bank, Suzuki, Mitsubishi, Diageo, Pay later, (now Carbon), IFC, PwC, Wema Bank, and GTBank in his previous roles as head of strategy and planning at RED | For Africa and head of creative strategy and client services at Ringier Africa (Now Pulse) respectively. Ilabeshi has developed competence in delivering on different aspects of strategic marketing and communication in the new age.

Mrs. Opeyemi Ayeni – Manger, Human Resources

Opeyemi is a Human Resource Management professional with about 8+ years of experience. Over the years, she has been privileged to work with C-Suite Executives, drafting strategy, consulting and managing internal operations. This has enabled her to be quite rounded and

DESCRIPTION OF CAPITALSAGE TECHNOLOGIES LIMITED

properly positioned her to function from a point in initiating, driving and executing strategic people initiatives to achieve organisational goals. Some of her achievements include design and management of a corporate academy from end to end, driving the adoption of performance management across the organisation, change management, developing training curriculum, filling critical roles, job descriptions development, competency development, payroll management, human resource policy, procedure and process development, employee relations management, event management amongst others. As a Human Resource Manager, her sound project management and relationship engagement experience has empowered her to function both in core HR functions as well as core business-related roles. She is a graduate of Mathematics, with a master's degree in business administration and is certified by the Chartered Institute of Personnel Management (CIPM) and Senior Professional in Human Resources - International (Sphri).

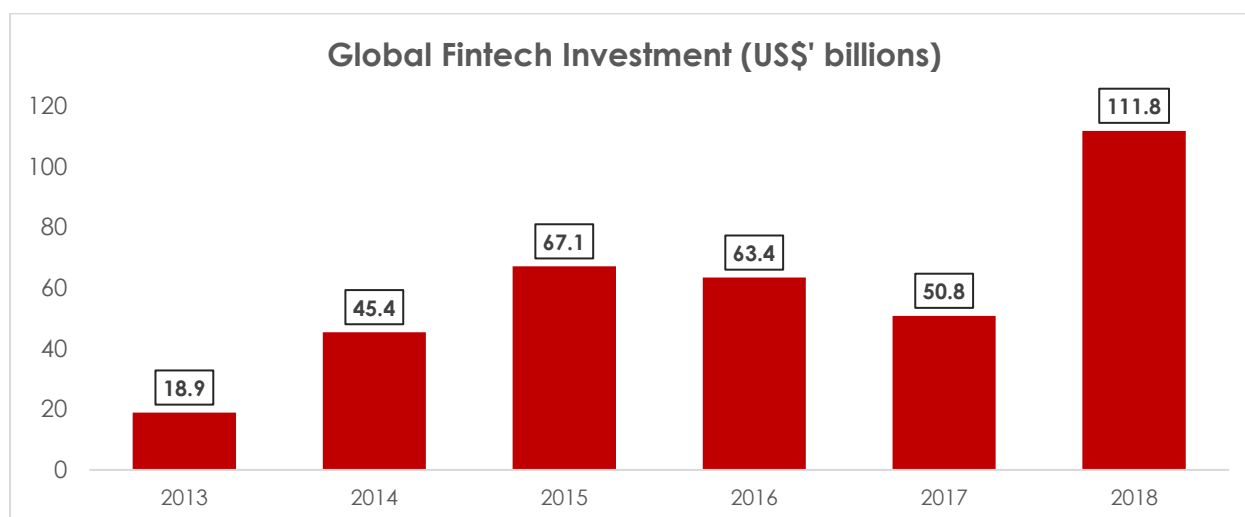
INDUSTRY OVERVIEW

THE GLOBAL FINTECH ECOSYSTEM

Fintechs are companies disrupting the conventional banking model using technology to make financial operations easier, faster, and more accessible to business, institution, and the general public at large (consumer). Fintech is a product of creative innovative that grants consumers access to financial transactions (such as online banking, investment, risk and wealth management, payments, online trade, and much more) in the comfort of their homes, offices or while on the move, hence causing continued competition between banks and fintech companies.

The number of fintech companies has grown astronomically over the years, driven by increasing digitization of financial services, relatively low cost of operations, strengthening global regulatory structures and the upgrade of fintech services beyond mobile banking to include lending, insurance, investment, personal finance management, among others. Globally, the number of fintechs more than tripled over a period of seven years to about 4,464 fintechs in 2017 from 1,076 as at 2010.

Global investment in fintech reached US\$111.8 billion in 2018, more than doubling the value in the prior year. China led the pack, securing more than US\$18 billion in fintech investment in 2018, the bulk of which came from the US\$14 billion Venture Capital (VC) fund raising by Ant Financial, the financial arm of Alibaba and operator of Alipay.



Source: PwC

The popularity of fintechs in the global financial space and among investors is hinged on the evolving technology being leveraged to deliver personalized financial services. Consequently, the recognition of fintechs as one of the fastest growing business segments in the world, in recent times, is underpinned on its lowered cost of operation made possible by the changing landscape of technological innovation. Several Banks are now collaborating with fintechs, hence increasing the prospect for profitability which appeals to investors.

Currently, North America, led by the United States (US), is the world's largest fintech market and is expected to achieve US\$80.85 billion by 2023. In Latin America, the increase in fintech projects in Mexico and Brazil is positioning the region as a promising market for fintechs.

In Africa, technological innovation is gradually evolving with the mobile economy contributing about 3 million jobs and 7% to the continent's GDP.

INDUSTRY OVERVIEW

Africa is home to more than 400 fintech firms. The continent's three tech hubs – South Africa, Kenya and Nigeria – account for a larger proportion of fintech firms. Both foreign and local investors are attracted to the continent's burgeoning tech landscape. In 2019, fintech startups in Africa raised about US\$132.8 million from investors. Fintech holds promising prospects for Africa, especially with their potential ability to onboard the financially excluded from the informal financial sector into the formal financial one.

However, the outbreak of COVID-19 has impacted the global FinTech Landscape. According to Finch Capital, there has been significant decline in corporate VC-led investment (global deals by corporate VCs weakened significantly by about 20% in Q1 2020). This decline in investments, combined with higher hurdles for companies' seeking to access funding will put pressure on the valuation of FinTech companies in later-stage rounds. Consequently, global fintech funding was estimated to have declined to about US\$6 billion by the end of Q1 2020, as COVID-19 forced investors to divest from difference asset classes to strengthen their cash positions.

Globally, consumer, SME-lending platform and FinTech platforms that adopt Artificial Intelligence (AI), Blockchain, Internet of Things (IoT), Big Data and Open Banking are best positioned to benefit from the effect of the pandemic. On the other hand, traditional banks with weak digital presence, in addition to wealth management and foreign exchange focused FinTechs will experience significant pressure due to de-risking by clients. Reduced transaction activity, as well as lower expected activity post-pandemic.

NIGERIA'S DIGITAL BANKING AND FINTECH ECOSYSTEM

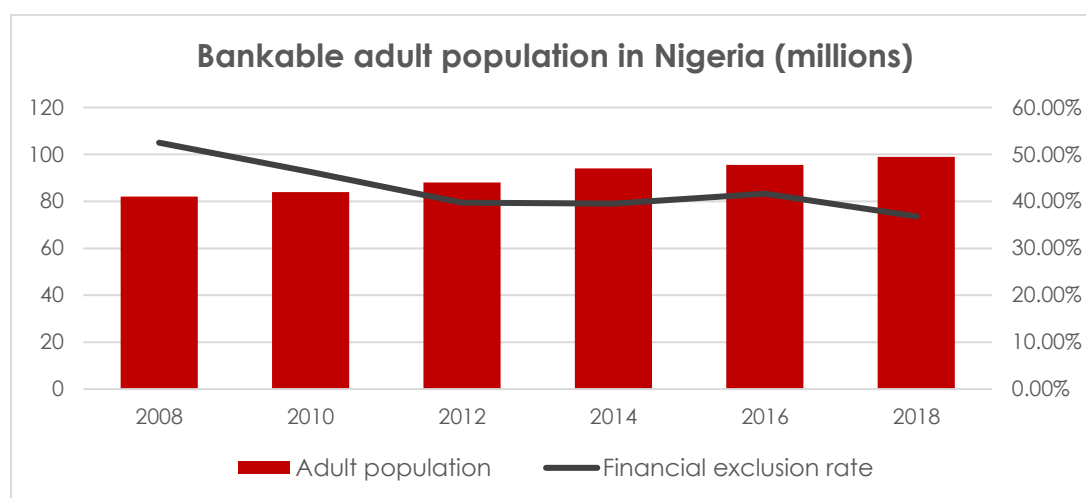
The Nigerian digital banking and fintech ecosystem has evolved over the years to emerge as one of the top ecosystems in Africa alongside South Africa and Kenya. There are presently over 100 fintech companies in Nigeria engaged in a broad range of product offerings spanning payment solution, investment, online banking etc. Many fintechs in Nigeria are predominantly concerned with payment systems disruptions especially in the retail segment of the financial services value chain.

Fintech investment in Nigeria, over the past eight years (2011-2018), stood at US\$204 million. Nigerian fintech secured about US\$103.4 million in funding by end of year 2018. This represented more than half (58%) of the total start-up funding in the same period under review.

Potential Impact of Fintechs in Nigeria

The financial landscape of Nigeria has evolved considerably with the entrance of nimble, efficient financial technology firms. Fintechs hold much promise for Nigeria, especially in ensuring inclusivity in financial product and/or service offering and in credit disbursement to the real sector.

- **Fintechs and financial inclusion:** More than one-third (36.8%) of the over 99 million adult population in Nigeria were excluded financially as of 2018. In other words, over 30 million adult Nigerians do not have or use formal and /or informal financial services/products. The CBN's National Financial Inclusion Strategy (NFIS) is designed to ensure a financial inclusion rate of 95% by 2024. Doing this will require collaborative effort between industry stakeholders including fintech companies. Mobile Money Operators (MMOs) are key to driving the actualization of a financially inclusive society. Kongapay, Paga, Fetswallet are some of the MMO in Nigeria currently.



Source: PwC

- Increased lending through fintechs:** The real sector players need credit to scale their operations and contribute meaningfully to the country's economic growth. Recently, the CBN increased the loan-to-deposit ratio from 60% to 65% to stimulate bank's lending to real sector and Micro Small and Medium-scale Enterprises (MSMEs). Fintechs can increase credit particularly to the real sector given their extensive financial footprint and, the relative ease at which loans can be accessed without the unnecessary rigor and cumbersome documentation processes required by traditional banks.
- Fintechs and the drive for cashless economy:** Fintechs can help drive the actualization of the CBN's Cashless policy, which will in turn help to stimulate economic growth, boost tax revenue and prevent money laundering and terrorism financing. Fintechs are better placed to drive a digitalized economy because they provide customers with easy, swift and user-friendly processes of making payments and carrying out online banking transactions without the physical involvement of cash.

Current trends driving the adoption of fintech in Nigeria

Many trends driving the adoption of fintech in Nigeria are somewhat interrelated. Here are some key factors propelling fintech adoption in Nigeria:

- Internet penetration:** Internet penetration stood at 51% as at 2018, which was higher than the Africa average of 34%. This was partly due to the proliferation and adoption of cheap smartphones by mobile phone consumers. Currently, there are over 20 million smartphones users in the country.
- Dissatisfaction with traditional banks:** The cost of banking services and challenges in accessing loans caused some dissatisfaction by customers with traditional banks, and therefore led to a shift in loyalty to fintech players offering similar but accessible and lower cost-services.
- E-Commerce:** The emergence of the e-commerce segment also enhanced fintech activities in Nigeria. According to Jumia, about 10% of online shoppers on its site prefer to pay using their mobile phones.

INDUSTRY OVERVIEW

- 4. Rising population growth:** Nigeria has about 200 million people, the largest in Africa. More than half of the country's population are under 35 years. The future of fintech in Nigeria will among other things hang on the country's population strength providing the talent and the market for fintech service/product offerings.
- 5. Investment:** The Nigerian fintech landscape has attracted the attention of both foreign and local investors. In 2018, more than half of the total funding to tech startups, representing over US\$100 million were received by fintech firms.

Regulatory Structure for Nigerian Fintech

Fintech regulations in Nigeria is still in its nascent stage, and does not have a unique regulator, which is statutorily empowered to coordinate stakeholders in their sphere of influence.

Aspect of fintechs regulated	Regulatory authorities
General oversight on services offering of fintechs	The Central Bank of Nigeria
Fintech services offering that leverage telecommunication infrastructure such as the USSD and mobile money banking.	The Nigeria Communication Commission (NCC)
Fintech in asset management	The Securities and Exchange Commission (SEC)
Data privacy	The National Information Technology Development Agency (NITDA)

CHALLENGES OF FINTECHS IN NIGERIA

At inception, activities of fintechs were viewed as competing with product offerings of incumbent players in the financial services sector including traditional banks. As time went on, banks needed to embrace the disruptive force fueled by the creative innovation of fintechs. However, both banks and fintechs still grapple with certain challenges that hamper their operations.

- Increasing susceptibility to cyber-attack is a key challenge for fintechs in Nigeria.
- Nigeria's limited infrastructure (such as broadband, cloud computing, data center, power supply etc.) impacts the availability and uptime of Internet connectivity. In addition, soft infrastructure such as appropriate government regulations are either lacking or non-existent.
- Absence of a veritable platform for fintechs to raise capital for expansion has stalled many fintechs from taking off from the ideation stage. Again, the bulk of the funds raised are from foreign investors with little participation from local investors.
- Another key challenge affecting fintechs in Nigeria is the inaccessibility to traditional banking customer data, a key input needed to develop or modify existing product offerings based on understanding customer behavior and preferences.
- Absence of regulatory structures that stipulates registration requirements and a statutory body that oversees fintech activities in Nigeria.

INDUSTRY OVERVIEW

Strengths	<ul style="list-style-type: none">• Healthy competition among financial services companies, for enhancement of customer experience in financial transactions
	<ul style="list-style-type: none">• Enhanced process and cost efficiency
	<ul style="list-style-type: none">• Agile, youthful, and tech-savvy population
	<ul style="list-style-type: none">• Increasing internet and smartphone penetration
Weaknesses	<ul style="list-style-type: none">• Large capital requirement and limited investors
	<ul style="list-style-type: none">• Distrust for fintechs and preference for traditional banks among certain segment of Nigerians
	<ul style="list-style-type: none">• Lack of requisite technology skillset in the Nigerian labour market
Opportunities	<ul style="list-style-type: none">• Rising internet penetration rate driven by cheap smartphones
	<ul style="list-style-type: none">• Collaborative initiative between banks and fintechs
	<ul style="list-style-type: none">• More regulatory oversight that would ensure players keep to global best practices
Threats	<ul style="list-style-type: none">• High vulnerability to cyber-attack. In 2018, the Nigerian cybercrime rate stood at 54%
	<ul style="list-style-type: none">• Unrestricted access to loans provided by fintechs could lead to personal debt accumulation, excessive spending and looming inflation, especially if the fund is diverted to consumption rather capital goods.

USE OF PROCEEDS

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 Company for its general corporate purposes.

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

TERMS AND CONDITIONS OF THE NOTES

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

1. Issuance of Notes

The Issuer may from time to time, subject to these Terms and Conditions, issue Notes in one or more Series on a continuous basis under the Programme in an aggregate principal amount not exceeding ₦15,000,000,000 (Fifteen Billion Naira). Any Series of Notes issued under the Programme shall be constituted by, be subject to, and benefit from, the Deed of Covenant.

2. Form, Denomination and Title

2.1 Form and Denomination

- 2.1.1 Unless otherwise specified in any Applicable Pricing Supplement, the Notes shall be registered electronically, serially numbered and denominated in a minimum amount of ₦5,000,000 (Five Million Naira) and integral multiples of ₦1,000,000 (One Million Naira) in excess thereof; and will be sold at such discount from their face value amounts as shall be agreed upon by the 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 Agent in dematerialised (uncertificated, book entry) form; shall be registered by the Issuing and Placing Agent (the Agent) with the CSD, which shall serve as the custodian and central depository of the Notes; and the [Dealer] may deal in the Notes in accordance with CSD procedures and guidelines.

2.2 Title

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

TERMS AND CONDITIONS OF THE NOTES

3. Status of the Notes

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

4. Redemption

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

5. Payments

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

5.1 Method of Payments

- 5.1.1 Payment of the outstanding obligation in respect of the Notes will be made by electronic funds transfer, in Naira, to the account of the Noteholder specified in the Register.
- 5.1.2 All monies payable in respect of the Notes shall be paid to or to the order of the Noteholders by the 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 Agent is prevented or restricted directly or indirectly from making any payment by electronic funds transfer (whether by reason of strike, lockout, fire explosion, floods, riot, war, accident, act of God, embargo, legislation, shortage of or breakdown in facilities, civil commotion, Government interference or control or any other cause or contingency beyond the control of the Issuer), the Issuer or the Agent shall make such payment by cheque (or by such number of cheques as may be required in accordance with applicable banking law and practice) and the Issuer and the Agent shall not be responsible for any delay arising

from making such payment by cheque. Such payments by cheque shall be sent by post through a reputable and registered courier operator to the address of the Noteholder as set out in the Register as soon as practicable to ensure payment is received as close to the Maturity Date as possible.

- 5.1.7 Cheques may be posted by registered mail, provided that neither the Issuer nor the Agent shall be responsible for any loss in transmission and the postal authority 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 on 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; or
- 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 ten (10) days, after the date on which written notice of such default requiring the Issuer to remedy the same shall have been given to the Issuer by the 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); or
- 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 Two Billion and Five Hundred Million Naira (~~₦~~2,500,000,000) and such distress, attachment, execution or other legal process is not discharged or stayed within thirty (30) days of service by the relevant officer of the court of such attachment, execution

TERMS AND CONDITIONS OF THE NOTES

or other legal process, or if there is an encumbrance or a receiver is appointed over any material assets of the Issuer and such event is materially prejudicial to the interests of the Noteholders. PROVIDED THAT the Issuer has filed good faith legal proceedings in the relevant court for application for dismissal within ten (10) Business Days of becoming aware of the order or action;

- 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; or
- 6.1.5 Inability to Pay Debts: the Issuer stops or suspends payment of a substantial part of its debts due to financial difficulties; or
- 6.1.5 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; or
- 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 Force Majeure or if the Issuer withholds or refuses to make any payment in order to comply with any law or regulation of Nigeria or to comply with any order of a court of competent jurisdiction.
- 6.2.2 Upon the occurrence of an Event of Default which results in the inability of the Issuer to make a payment on the Relevant Date, the Issuer shall pay the Noteholders interest at the Default Rate until the debt obligations to the Noteholders have been settled in full.
- 6.2.3 In addition, each Noteholder shall have the right to exercise all other remedies available to them under the laws of the Federal Republic of Nigeria.

7. Register

- 7.1 The Register shall be maintained by the 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.

TERMS AND CONDITIONS OF THE NOTES

- 7.3 The Register shall be open for inspection from 9.00am to 5.00pm during the normal business hours of the Registrar to any Noteholder or any person authorised in writing by the Noteholder.
- 7.4 The Registrar shall alter the Register in respect of any change of name, address or bank account number of any of the registered Noteholders of which it is notified in accordance with these Terms and Conditions.

8. Notices

8.1 Notices to the Noteholders

- 8.1.1 All notices to the Noteholders will be valid if it is delivered by hand, courier, electronic mail or sent by registered post in a letter duly addressed to the Party to whom same is required to be given at the registered address of such Party or any address given by such Party at their respective addresses of record in the relevant register of Notes of a Series maintained by the Agent. The Issuer shall also ensure that notices are duly given or published in a manner which complies with the FMDQ Rules, the rules and regulations of the CSD or such other regulatory authority as may be applicable to the Notes.
- 8.1.2 Any notice if delivered by hand or registered post before 5p.m. local time on a given date, shall be deemed to have been delivered on that date. Any notice or communication given by electronic mail shall be deemed to have been delivered when sent, subject to no delivery failure notification being received by the sender within 24 (twenty-four) hours of the time of sending or on the date of publication in national newspapers, or if published more than once or on different dates, on the date of the first publication.

8.2 Notices from the Noteholders

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

9. Modification

- 9.1 The 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 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, 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

TERMS AND CONDITIONS OF THE NOTES

9.2.2 such amendment:

9.2.2.1 if it affects the rights, under the Terms and Conditions, of all the Noteholders, is signed by or on behalf of Noteholders, holding not less than 75% (seventy five percent) of the outstanding Principal Amount of all the Notes; or

9.2.2.2 if it affects only the rights, under the Terms and Conditions, of a particular group (or groups) of Noteholders, is signed by or on behalf of the Noteholders in that group (or groups) holding not less than 75% (seventy five percent) of the outstanding Principal Amount of all the Notes held by that group.

9.3 Any such modification shall be binding on the Noteholders and shall be notified to the Noteholders in accordance with Condition 8 as practicable thereafter.

10. Meeting of Noteholders

10.1 The Issuer may at any time convene a meeting of all Noteholders upon at least 21 (twenty-one) days prior written notice to such Noteholders. The notice is required to be given in terms of Condition 8. Such Notice shall specify the date, place, agenda and time of the meeting to be held, which place shall be in Nigeria.

10.2 Every director or duly appointed representative of the Issuer may attend and speak at a meeting of the Noteholders but shall not be entitled to vote, other than as a proxy or representative of a Noteholder.

10.3 Noteholders holding not less than 10% (ten percent) in Principal Amount of the outstanding Notes shall be able to request the Issuer to convene a meeting of Noteholders. Should the Issuer fail to requisition such a meeting within 10 (ten) Business Days of such a request being received by the Issuer, the Noteholders requesting the meeting may convene such a meeting.

10.4 A Noteholder may by an instrument in writing (a "Form of Proxy") signed by the holder or, in the case of a corporation executed under its common seal or signed on its behalf by an attorney or a duly authorised officer of the corporation, appoint any person (a "Proxy") to act on his or its behalf in connection with any meeting or proposed meeting of the Noteholders.

10.5 Any Noteholder which is a corporation may by resolution of its directors or other governing body authorise any person to act as its representative (a "Representative") in connection with any meeting or proposed meeting of the Noteholders.

10.6 Any Proxy or Representative appointed shall, so long as the appointment remains in force, be deemed for all purposes in connection with any meeting or proposed meeting of the Noteholder specified in the appointment, to be the Holder of the Notes to which the appointment relates and the Holder of the Notes shall be deemed for such purposes not to be the Holder.

10.7 The chairman of the meeting shall be appointed by the Issuer. The procedures to be followed at the meeting shall be as determined by the chairman subject to the remaining provisions of this Condition 10. Should the Noteholders requisition a meeting, and the Issuer fail to call such a meeting within 10 (ten) Business Days of the requisition, then the chairman of the meeting held at the instance of the Noteholders, shall be selected by Noteholders, holding not less than 51% (fifty-one

TERMS AND CONDITIONS OF THE NOTES

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 of the Noteholders.

11. Taxation

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

12. Further Issues

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

13. Governing Law

TERMS AND CONDITIONS OF THE NOTES

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

TAX CONSIDERATIONS

The tax consequences of investments in the Notes are broadly summarised below. The summary is not intended and should not be construed, to be tax advice to any particular subscriber. Any prospective investor who is in any doubt as to his/her tax position or who is subject to taxation in any jurisdiction other than Nigeria should consult his/her own professional advisers without delay as to the consequences of an investment in the Notes in view of his/her own personal circumstances. Neither the Issuer nor its advisers shall be liable to any subscriber in any manner for placing reliance upon the contents of this section.

The Notes issued under the Programme will be zero-coupon notes and as such, will be offered and sold at discount to Face Value. The discount on the Notes may be taxed in accordance with applicable Nigerian tax laws.

The foregoing summary does not purport to be comprehensive and does not constitute advice on tax to any actual or prospective purchaser of Notes issued under the Programme. In particular, it does not constitute a representation by the Issuer or its advisers on the tax consequences attaching to a subscription or purchase of Notes issued under the Programme. Tax considerations that may be relevant to a decision to acquire, hold or dispose of Notes issued under the Programme and the tax consequences applicable to each actual or prospective purchaser of the Notes may vary. Any actual or prospective purchaser of the Notes who intends to ascertain his/her tax position should seek professional advice from his/her preferred professional advisers as to the tax consequences arising from subscribing to or purchasing the Notes, bearing in mind his/her peculiarities. Neither the Issuer nor its advisers shall be liable to any subscriber or purchaser of the Notes in any manner for placing reliance upon the contents of this section.

RISK FACTORS

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

BUSINESS AND OPERATIONAL RISK

Operational risk refers to the risk of loss resulting from inadequate or failed internal processes, people and systems or from external events. The Issuer's operational processes capture the following major types of losses: fraud (internal and external); fines, penalties or expenses incurred as a result of settlement delays and regulatory infractions; losses arising from litigation processes including out of court settlements; losses incurred as a result of damage to the Issuers assets; and losses incurred as a result system downtime, malfunction or disruption. The Issuer recognises the significance of operational risk which is inherent in all areas of the Issuer's business. Any lapse due to operational risk that results severe losses could affect the Issuers ability to perform its obligations under the Programme.

LIQUIDITY RISK

Liquidity risk arises when there is a mismatch between the inflows and outflows of the Issuer. It is the risk that Capitalsage Technology Limited may encounter difficulty in meeting obligations associated with financial liabilities that settled by delivering cash or other financial assets. This may be due to the inability of the Issuer to liquidate certain assets at short notice due to market illiquidity and inability to access sufficient funds to payment obligations in a timely manner. The management of liquidity risk is critical to the ongoing viability of the Issuer.

MARKET AND INTEREST RATE RISK

Market risk is the risk of loss from unfavourable changes in the fair values of financial instruments (or portfolio of assets) caused by adverse changes in market variables, such as foreign exchange rates, interest rates, equity prices, commodity prices, credit spreads and implied volatilities of the market rates.

The Issuer's exposure to market risks is categorized as follows:

- Interest rate risk on the balance sheet: this refers to risks inherent in the different repricing characteristics of balance sheet assets and liabilities. These may include repricing risk or yield curve risk.
- Equity investments on the balance sheet: this refers to risks resulting from price changes in listed and unlisted equity investments carried on the Company's balance sheet.
- Foreign currency risk: The Company may be exposed to foreign currency risk as a result of foreign-denominated cash exposures and accruals.

FOREIGN EXCHANGE RISK

Foreign exchange risk is the risk that changes foreign exchange rates and controls would affect the value of the financial assets and liabilities as well as off-balance sheet items of the Issuer. Financial instruments that are exposed to this risk include foreign currency denominated loans and advances, foreign currency denominated securities, and future cash flows in foreign currencies arising from foreign exchange transactions. Movement in exchange rates could result in further devaluation/depreciation of the Naira which could have a material adverse effect on the Company's financial condition.

RISK FACTORS

RISKS RELATING TO THE COMMERCIAL PAPERS

Change in interest rates may affect the price of the Commercial Papers

Commercial papers are offered at a fixed discount to the pre-determined face value and as a result, they are subject to price risk. Consequently, price of the commercial papers may vary inversely with changes in prevailing interest rates. That is, a rise in interest Will cause the price of the commercial paper notes to fall and when interest rates fall, the price increases. Accordingly, the extent of the fall or rise in the prices is a function of the existing yield, days to maturity and the increase or decrease in the level of the prevailing interest rates. Increased interest rates Which frequently accompany inflation and/or a growing economy are also likely to have a negative effect on the price of the Commercial Papers. However, these effects are only in the short-term as the CPs are short-term instruments, to the extent that there are no extended roll-overs.

Liquidity risk for the Commercial Paper

There is the risk that there may not be an active two-way quote trading market for the Commercial Papers.

Consequently, investors may not be able to readily sell their Commercial Papers at prices that will enable them to realize a yield comparable to that of similar instruments, if any, with a developed secondary market. The short-term nature of the CP notes means that investors will typically hold the securities till maturity.

The trading market for debt securities may be volatile and may be adversely impacted by many events

The market for debt securities is influenced by economic and market conditions, interest rates and currency exchange rates. Global events may lead to market volatility Which may have an adverse effect on the price of the Commercial Papers.

Tax risk

Adverse changes in applicable tax legislations and regulations may operate to diminish the value of taxable or tax-exempt interest income accruing to the prospective investors. The nature of such possible changes in tax laws cannot be predicted immediately but may ultimately make the Instruments less profitable for investors.

Exchange rate risks

Payments of principal and interest on the Commercial papers will be made in Naira. This presents certain risks relating to Currency conversions if an investor's financial activities are denominated principally in a currency Other than the Naira. These include the risk that exchange rates may significantly change (including changes due to devaluation of Naira or revaluation of the investor's currency. An appreciation in the value of the Investor's Currency relative to Naira would decrease (1) the Investors Currency, equivalent yield on the Commercial Papers; (2) the Investor's Currency equivalent value Of the Principe payable on the Commercial Papers; and (3) the Investor's Currency equivalent market value of the Commercial papers. The government may impose (as have done in the past) exchange controls that could adversely affect an applicable exchange rate. As a result, investors may receive less interest principal than expected, or no interest or principal.

RISK FACTORS

Legality of Purchase

Neither the Issuer, the Arranger(s) and Dealer(s) nor any of their respective affiliates has or assumes responsibility for the lawfulness of the acquisition of the Notes by a prospective investor of the Notes, whether under the laws of the jurisdiction of its incorporation or the jurisdiction in which it operates (if different), or for compliance by that prospective investor with any law, regulation or regulatory policy applicable to it.

Change of Law

The terms and conditions of the Commercial Papers 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 date of this Programme Memorandum.

Credit ratings may not reflect all risks

The ratings may not reflect the potential impact of all risks related to structure, market, additional factors discussed above, and other factors that may affect the value of the Commercial papers. A credit rating is not a recommendation to buy, sell or hold securities and may be revised or withdrawn by the rating agency at any time.

SETTLEMENT, CLEARING AND TRANSFER OF NOTES

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

Registration

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

Lodgement

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

Redemption

- i. Register closes two (2) working days before maturity date (MD - 2).
- ii. The CPA/Dealer will submit a letter to THE CSD confirming the intention of the Issuer to repay the holders of the CP on the maturity date by 12 noon on MD - 2.
- iii. The CPA/Dealer will also provide the Exchange an acceptance/approval letter for redemption.
- iv. The CSD shall expunge (knock-off) matured CP(s) on the maturity/redemption date of the CP.
- v. Maturity must be on a business day, however if the maturity date of a CP falls on a public holiday, the ensuing working day shall be the maturity date of the CP.

SETTLEMENT, CLEARING AND TRANSFER OF NOTES

- vi. In the event of default of inability to fulfil its obligation at meeting item (ii) stated above, the CPA shall notify the CSD no later than two (2) working days before maturity date and make public the default status to the market.
- vii. In the event of item (vi) crystallising, the Note holdings must remain with the CSD until the CPA pays off the holders of the Notes. The CPA shall notify the CSD of the payments and provide evidence of pay-off. Thereafter, the CSD will expunge the Notes accordingly.

Roll-Over

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

Default

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

Secondary Market Trading (OTC) Guidelines

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

SETTLEMENT, CLEARING AND TRANSFER OF NOTES

Reporting

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

Transfer of Notes

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

Cash Settlement

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



CAPITALSAGE TECHNOLOGY LIMITED

RC1507157

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

₦15,000,000,000.00

COMMERCIAL PAPER ISSUANCE PROGRAMME

This Applicable Pricing Supplement must be read in conjunction with the Programme Memorandum, originally dated **13th October 2022** prepared by United Capital Plc on behalf of Capitalsage Technology Limited in connection with its ₦15,000,000,000.00 (Fifteen Billion Naira) Commercial Paper Issuance Programme, as amended and/or supplemented from time to time (the "Programme Memorandum").

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

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

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

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

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

ARRANGER/ISSUING AND PLACING AGENT



United Capital Plc
RC 444999

COLLECTING AND PAYING AGENT



FIDELITY BANK Plc
RC 103022

THIS PRICING SUPPLEMENT IS DATED [•]

PRO FORMA APPLICABLE PRICING SUPPLEMENT

Terms	Description
Issuer	Capitalsage Technology Limited
ISSUNG AND PLACING AGENT	United Capital Plc
COLLECTING AND PAYING AGENT	Fidelity Bank Plc
Sponsor to the Quotation on FMDQ Exchange	United Capital Plc
Solicitor	Detail Commercial Solicitors
Auditor	SIAO Partners
Custodian	[●]
Series Number	[●]
Programme Size	₦15,000,000,000.00 (Fifteen Billion Naira)
Aggregate Nominal Amount	₦ [●]
Face Value	₦ [●]
Discounted Value	[●]
Nominal Amount Per Note	₦1,000.00 (One Thousand Naira)
Issue Price	[●]
Tenor	[●]
Maturity Date	[●]
Final Redemption Amount	[●]
Minimum Subscription	₦100,000,000.00 (Hundred Million Naira) and multiples of ₦50,000,000.00 (fifty Million Naira) thereafter
Specified Currency	Nigerian Naira (₦)
Status of Notes	Each Note constitutes a senior unsecured obligation of the Issuer and save for certain debts mandatorily preferred by law, the Notes rank pari passu among themselves, and with other present and future senior unsecured obligations of the Issuer outstanding from time to time

PRO FORMA APPLICABLE PRICING SUPPLEMENT

Form of Notes	Uncertificated
Quotation	Notes may be quoted on the FMDQ Exchange platform or any other recognized exchange
Issuer Rating	[●]
Method of Offer	Fixed Price Offer
Taxation	Please refer to the 'Tax Considerations' section in the Programme Memorandum
Book Closed Period	The Register will be closed from [●] to [●] until the Maturity Date
Implied Yield	[●]%
Discount Rate	[●]%
Any Other Formula or basis for Determining Amount(S) Payable	[●]
Day Count Fraction	Actual/Actual (actual number of days in a month and actual number of days in a year)
Business Day Convention	Any day except Saturdays, Sundays and public holidays declared by the Federal Government of Nigeria on which banks are open for business in Nigeria
Redemption/Payment Basis	[Redemption at par] [other (specify)]
Issuer's Early Redemption	[Applicable/Not Applicable] ^{54f}
Issuer's Optional Redemption	[Applicable/Not Applicable]
Other Terms Applicable on Redemption	[●]
Offer Opens	[●]
Offer Closes	[●]
Allotment Date	[●]
Issue Date	[●]
Notification of Allotment	All applicants will be notified through an email and/or telephone of their allotment by no later than [●]
Payment Date	[●]

PRO FORMA APPLICABLE PRICING SUPPLEMENT

**Details of Bank Account(s) To Which
Payments Are to Be Made in Respect of
The Notes**

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

**Settlement Procedures and Settlement
Instructions** [●]

Delivery Date [●]

MATERIAL ADVERSE CHANGE STATEMENT

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

RESPONSIBILITY

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

Signed at _____ on this [●] day of [●], 2022.

**For and on behalf of
Capitalsage Technology Limited**

Name:
Capacity: Director
Who warrants his/her authority hereto

Name:
Capacity: Director
Who warrants his/her authority hereto



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

Abuja: 1st Floor, Bank of Industry Building
Central District Area, FCT, Abuja.
Tel: 09-291 2462-3
Email: enquiries@siao.ng.com
Website: www.siao-ng.com

SIAO/AU/AA/16925/22

14 September 2022

The Directors,
CapitalSage Technology Limited
1, Ademiluyi Close, Kongi
New Bodija, Ibadan
Oyo State.

Dear Sirs,

INDEPENDENT AUDITOR'S COMFORT LETTER ON THE SUMMARY FINANCIAL INFORMATION

The accompanying summary financial information which comprise the summary of the statement of financial position as at 31 December 2021 and 31 December 2020, the summary statement of profit or loss and summary statement of cash flows for the years then ended as contained in pages 45 to 47 of the Commercial Paper Issuance Programme, are consistent with information in the audited financial statements of **CapitalSage Technology Limited** for the year ended 31 December 2021. We expressed an unmodified audit opinion on the financial statements as at 31 December 2021 in our report dated 6 May 2022.

The financial statements of the Company for the year ended 31 December 2020 were audited by the predecessor auditor who expressed an unqualified opinion on the financial statements on 4th January 2021.

The summary financial information does not contain all disclosures required by the Companies and Allied Matters Act 2020, the Financial Reporting Council of Nigeria Act 2011 and the International Financial Reporting Standards applied in the preparation of the financial statements. Reading the summary financial information, therefore, is not a substitute for reading the financial statements. The summary financial information does not reflect the effects of events that occurred subsequent to the date of the report on the financial statements.

Directors' Responsibility for the Financial Statements

The Directors are responsible for the preparation and fair presentation of an appropriate summary of the financial information in accordance with International Financial Reporting Standards, the requirements of the Companies and Allied Matters Act 2020, and the Financial Reporting Council of Nigeria Act 2011.

Auditors' Responsibility

This letter therefore provides a confirmation that the accompanying summary financial information are consistent in all material respects with information in the audited financial statements of **CapitalSage Technology Limited** for the year ended 31 December 2021.

Yours faithfully,

For: SIAO (Chartered Accountants)

A handwritten signature in blue ink, appearing to read 'Abiodun Ariyibi'.

Abiodun Ariyibi
Partner



A.Z.A. OGUNSOLA + CO.

(CHARTERED ACCOUNTANTS + TAX CONSULTANTS)

14th September, 2022.

The Directors,
Capitalsage Technology Limited,
1, Ademiluyi Close,
New Bodija, Ibadan..

Dear Sirs,

INDEPENDENT AUDITOR'S COMFORT LETTER ON THE SUMMARY FINANCIAL INFORMATION.

The accompanying summary financial information which comprise the summary of the statement of financial position as at 31st December 2018, 2019 and 2020, the summary statement of the profit or loss and summary statement of cash flows for the years then ended as contained in pages 45 - 47 of the Commercial Paper Issuance Programmes, are consistent with the information in the audited financial statements of Capitalsage Technology Limited for the years ended 31st December 2018, 2019 and 2020. We expressed an unmodified audit opinion on the financial statements as at 31st December 2018, 2019 and 2020 in our report dated 4th March 2019, 4th March 2020 and 20th April 2021 respectively.

The summary financial information does not contain all disclosures required by the Companies and Allied Matters Act 2020, the Financial Reporting Council of Nigeria Act 2011 and the International Financial Reporting Standards applied in the preparation of the financial statements. Reading the summary financial information, therefore, is not a substitute for reading the financial statements. The summary financial information does not reflect the effects of events that occurred subsequent to the date of the report on the financial statements.

Directors' Responsibility For The Financial Statements.

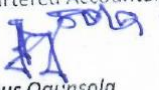
The Directors are responsible for the preparation and fair presentation of an appropriate summary of the financial information in accordance with International Financial Reporting Standards, the requirements of the Companies and Allied Matters Act 2020, and the Financial Reporting Council of Nigeria Act 2011.

Auditors' Responsibility.

This letter therefore provides a confirmation that the accompanying summary financial information are consistent in all material respects with information on the audited financial statements of Capitalsage Technology Limited for the years ended 31st December 2018, 2019 and 2020.

Yours faithfully,

For: A.Z.A. Ogunsola & Co.
(Chartered Accountants)


Zacchaeus Ogunsola
Partner.

FRC/2013/ICAN/00000003035.

Ibadan Office: Akunleyan Office Estate, Block A, Middle Floor, Rear Flat, Opposite
Green Spring Hotel, Old Ife Road, Ibadan.

Lagos Office: 162, Obafemi Awolowo Way, Alausa Ikeja, Lagos.

Phone: 08038010887, 08178637329 **E-mail:** ogunsolaza@yahoo.com

AUDIT REPORT AND SUMMARY FINANCIAL STATEMENTS

STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

	2021 (Audited) N'000	2020 (Audited) N'000	2019 (Audited) N'000
Revenue	19,159,579	12,128,490	101,160
Cost of Sales	(12,321,146)	(9,145,871)	(79,257)
Gross Profit	6,838,433	2,982,619	21,903
Selling and Distribution Expenses	(79,216)	(51,229)	-
Administrative Expenses	(2,267,036)	(203,663)	(19,904)
Operating Profit	4,492,181	2,727,727	1,999
Finance cost	(206,898)	-	-
Profit before Tax	4,285,283	2,727,727	1,999
Tax Expense	(1,093,307)	(568,023)	(1,490)
Profit/(loss) After Tax	3,191,976	2,159,704	509

STATEMENT OF FINANCIAL POSITION

	2021 (Audited) N'000	2020 (Audited) N'000	2019 (Audited) N'000
Non-Current Assets			
Property, Plant and Equipment	3,957,797	71,154	17,659
Total Non-Current Assets	3,957,797	71,154	17,659
Current Assets			
Inventories	6,750,467	80,351	127
Trade and other receivables	1,173,138	2,480,971	10,282
Prepayments	377,111	-	-
Cash and cash equivalents	139,418	354,510	24,677
Total Current Asset	8,440,134	2,915,832	35,087
Total Assets	12,397,931	2,986,986	52,746
Current Liabilities			
Trade and Other Payables	1,971,373	107,397	44,748
Private Notes	3,484,114	-	-
Current tax payable	601,430	340,814	1,310
Term Loan	10,544	-	-
Directors' Current Account	-	-	5,000
Related party loans	110,000	100,000	-
Bank Overdraft	97,842	-	-
Total Current Liabilities	6,275,303	548,211	51,058
Non-Current Liabilities			
Deferred tax liabilities	719,086	227,209	179
Total Non-Current Liabilities	719,086	227,209	179
Total Liabilities	6,994,389	775,420	51,237
Equity			
Share Capital	50,000	50,000	1,000
Retained Earnings	5,353,542	2,161,566	509
Total Equity	5,403,542	2,211,566	1,509
Total Liabilities	12,397,931	2,986,986	52,746

STATEMENT OF CASH FLOWS

	2021 (Audited) N'000	2020 (Audited) N'000	2019 (Audited) N'000
Cash Flows from Operating Activities			
Profit/(Loss) for the year	4,285,283	2,727,727	1,999
Adjustment for:			
Depreciation of Property, Plant and Equipment	152,781	8,378	2,203
Allowance for expected credit loss	-	-	1,142
Impairment of Inventory	-	-	32
Finance costs	206,898	-	-
Changes in:			
Inventories	(6,670,116)	(80,192)	(159)
Trade and other receivables	1,307,832	(2,469,546)	(11,425)
Prepayments	(377,111)	-	-
Trade and Other payables	1,863,976	62,648	44,748
Cash Generated from Operating Activities	769,543	249,015	38,541
Income tax paid	(340,614)	(1,311)	-
Net Cash from Operating activities	428,929	247,704	38,541
Investing Activities			
Purchase of Property, Plant and Equipment	(4,039,423)	(61,871)	(19,863)
Net Cash (Outflow) Inflow from Investing Activities	(4,039,423)	(61,871)	(19,863)
Financing Activities			
Increase in Share Capital	-	-	1,000
Directors' Current Account	-	-	5,000
Proceeds on share issue	-	49,000	-
Private Notes	3,484,114	-	-
Term loan received	20,000	-	-
'Term loan Repayment	(9,456)	-	-
Related party loans	10,000	95,000	-
Finance costs	(206,896)	-	-
Net Cash (Outflow) Inflow from Financing Activities	3,297,762	144,000	6,000
Net Increase in Cash and Cash Equivalents	(312,732)	329,833	24,678
Cash and Cash Equivalent at th Beginning of the Year	354,510	24,678	-
Cash and Cash Equivalent at the end of the Year	41,778	354,511	24,678



Public Credit Rating Report | Nigerian Financial Services Companies Analysis | July 2022*

CapitalSage Limited

Rated Entity	Rating class	Rating scale	Rating	Outlook
CapitalSage Limited	Long Term Issuer Short Term Issuer	National National	BBB _(NG) A3 _(NG)	Stable Outlook

Strengths

- Low gearing level supported by strong cashflows
- Diversified products and services
- Robust agent network and coverage

Weaknesses

- Modest niche within the broader financial services sector
- Limited track record

Rating Rationale

CapitalSage Limited's ("CapitalSage" or "the Company") ratings reflect its low gearing and moderate earnings position, balanced by modest competitive profile, with a limited track record within the financial services space.

CapitalSage is assessed as a standalone entity, but we note its positioning as part of a wider group which could lead to a group analysis in the near-term, should there be a consolidation of subsidiaries at the group level. CapitalSage became a wholly owned subsidiary of CapitalSage Holding Company Limited ("the group") following its incorporation in the first quarter of 2022. The group has subsidiaries operating across various sectors of the economy, such as healthcare, information technology ("IT"), agriculture, and hospitality. In addition, CapitalSage has a microfinance bank subsidiary, which was acquired in November 2020 to diversify its operations.

CapitalSage's competitive position is considered modest, being a niche player within the larger financial services space. The Company has operated for three years and is licensed by the Central Bank of Nigeria ("CBN") as a provider of payment solution services, general investment services, and agency banking. The Company continued in its expansion drive at FY21, with the introduction of back-end payment solutions, which is expected to diversify income streams and strengthen its competitive profile. Furthermore, CapitalSage has increased its agency network coverage, with number of agents currently estimated at around 50,000 from less than 30,000 in 2020. In terms of transaction volumes, CapitalSage ranks among the leading providers of physical channel payment services, with an estimated 100,000 point of sale ("POS") terminals as at FY21.

Earnings is assessed at the intermediate level. The Company has reported a strong revenue progression over the last three years of its operations, given its ongoing business expansion, particularly within the agent banking business, which

* The last rating announcement was released 30 June 2022. Rating reports are updated at least once a year from the date of the last announcement

LEGAL OPINION ON THE NOTES

Detail Commercial Solicitors

DCS Place, 8 DCS Street
Off Remi Olowude Way
Lekki Phase 1, Lagos, Nigeria
T: +234 (0) 1 277 1400-5

www.detailsolicitors.com

13th October 2022

Team Lead, Structured Trade Finance

United Capital Plc (the "Arranger")

3rd & 4th Floors
Afriland Towers
97/1-5 Broad Street
Lagos

Attention: Tobechi Nwosu

Dear Sir,

**RE: LEGAL OPINION IN RESPECT OF THE NGN15,000,000,000.00 (FIFTEEN BILLION NAIRA)
COMMERCIAL PAPER PROGRAMME ISSUANCE BY CAPITALSAGE TECHNOLOGY LIMITED**

1. Background

1.1 We are acting as Solicitors to the Issue with respect to the ₦15,000,000,000.00 (Fifteen Billion Naira) commercial paper programme issuance (the "**Notes**") to be issued by CapitalSage Technology Limited (the "**Issuer**"), for financing working capital to support immediate working capital requirements of the Issuer (the "**Transaction**").

1.2 In our capacity as the Solicitors to the Transaction, we hereby issue this Opinion subject to the terms contained herein in respect of the Transaction on the performance of the obligations of the Issuer under the Transaction Documents.

2. Definitions

2.1 Capitalised terms used in this Opinion (and not otherwise defined) shall have the meanings given to them in the Transaction Documents. The following terms shall have the meanings provided below:

CAC	means the Corporate Affairs Commission;
Constitution	means the 1999 Constitution of the Federal Republic of Nigeria, as amended;
FMDQ	means FMDQ Private Markets Limited or any member of the FMDQ Group.
FMDQ Guidelines	means the FMDQ Commercial Paper Registration and Quotation Rules April 2021 or such other regulations as may from time to time be prescribed by FMDQ with respect to the issuance, registration and quotation of commercial papers;

Opinion Documents	means the opinion documents listed in Schedule 1 of this Opinion; and
Transaction Documents	means the Deed of Covenant; Dealer Agreement; Issuing and Placing Agency Agreement; and Collecting and Paying Agency Agreement.

2.2 The headings in this opinion do not affect its interpretation.

2.3 References to sections, paragraphs and schedules are to clauses, paragraphs of, and schedules to, this Opinion.

3. Documents Examined and Enquiries Made

For the purpose of issuing this Opinion, we have reviewed, examined and relied on:

3.1 Opinion Documents

We have examined and relied only on the Opinion Documents listed in Schedule 1.

3.2 Searches

3.2.1 Corporate Affairs Commission

We have conducted a search and made enquiries at the CAC on the corporate files of the Issuer on the 19th of July 2022.

4. Assumptions and Qualifications

This Opinion is given based on the assumptions set out in Schedule 2 and is subject to the qualifications set out in Schedule 3 and to any other matters not disclosed to us. The Opinion herein contained is strictly limited to the matters stated in Section 5 and does not extend to any other matters.

5. The Opinion

We are of the opinion that:

5.1 Status

5.1.1 The Issuer is duly incorporated and validly existing under the laws of the Federal Republic of Nigeria and has the power to carry on its business as it is now being conducted and to own properties and other assets in the Federal Republic of Nigeria.

5.2 Power & Authority

5.2.1 The Issuer:

5.2.1.1 has the power and authority to enter into, deliver and perform the obligations expressed and assumed by it under the Transaction Documents to which it is a party;

5.2.1.2 has power to sue and be sued in its name; and

5.2.1.3 has taken all necessary corporate or other actions required to authorize its execution and delivery of the Transaction Documents and the performance of its obligations therein.

5.3 Conflict

We confirm that neither the issuance of the Notes, the execution and the delivery of the Transaction Documents, nor the performance by the Issuer of its obligations under any of the Transaction Documents and compliance with the provisions of the Transaction Documents to which it is a party:

5.3.1 conflicts with or will conflict with any present law, regulation, treaty or rule currently in force in Nigeria or any order of any Nigerian governmental, judicial or other authority in any respect; or

5.3.2 conflicts with the Issuer's constitutional documents.

5.4 Legal Validity and Enforceability

5.4.1 The Transaction Documents constitute legal, valid and binding obligations of the Issuer and will be enforceable against it in accordance with the respective terms thereof under the laws of Nigeria.

5.4.2 The Notes, when issued, would constitute valid, legal, binding and enforceable obligations of the Issuer.

5.4.3 The obligations expressed to be assumed by the Issuer under the Notes, and the Transaction Documents to which it is a party constitute its legal, valid, binding and enforceable obligations, and are enforceable against the Issuer in accordance with their terms.

5.5 Authorisations and Consents

5.5.1 Consent

No consent, licence, permit, approval or authorisation of any governmental, judicial or public body or other authority in Nigeria is required in connection with the entry into and performance of the Transaction Documents.

5.5.2 Stamp Duties

For admissibility before the Nigerian courts and in accordance with the provisions of the Stamp Duties Act CAP S8 LFN 2004 (as amended), the Transaction Documents will be subject to stamp duties under Nigerian law.

5.5.3 Registration and Filings

Save for registration with FMDQ in accordance with the FMDQ Guidelines, no other registration, filing or recording with any court, governmental authority or other authority in Nigeria is necessary under the laws of the Federal Republic of Nigeria to ensure the legality, validity, enforceability of the Transaction Documents in Nigeria.

5.6 Insolvency

Based on our search carried out at the CAC, we confirm that no shareholder or other corporate action has been taken for any administration, bankruptcy, liquidation, dissolution, receivership, nor have similar insolvency proceedings been registered in relation to the Issuer or its assets, and no procedure has been commenced with a view to the winding up of 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.

5.7 Choice of Law

In any proceedings for the enforcement of the obligations of the Issuer under the Transaction Documents, the Nigerian courts would recognise, uphold and give effect to the choice of Nigerian law as the governing law of the Transaction Documents as valid and binding on the Issuer.

6. Scope of Opinion

6.1 This Opinion relates only to the laws of the Federal Republic of Nigeria as construed and applied by the courts of the Federal Republic of Nigeria at the date of this Opinion. By giving this Opinion, we do not assume any obligation to update or supplement any opinion contained herein to reflect any fact or circumstance that may hereafter come to our attention or any changes in law that may hereafter occur or become effective.

6.2 We express no opinion on the laws of any other jurisdiction other than Nigeria.

6.3 We express no opinion on matters of fact.

6.4 This Opinion (and any non-contractual obligations arising out of it) is governed by and shall be construed in accordance with Nigerian law as at the date of this Opinion.

7. Who May Rely on the Opinion

7.1 Subject to Section 7.2, this Opinion is given for the sole benefit of the Arranger in connection the Transaction Documents and it may not be disclosed to or relied on by any other person or used for any other purpose without our prior written consent.

7.2 This Opinion may be disclosed, to (only on the express basis that they may not rely on it):

- (a) any person who becomes an arranger under the Transaction;
- (b) the officers, employees, auditors and professional advisers of the Arranger;

- (c) any person to whom disclosure is required to be made by applicable law or court order or pursuant to any supervisory or regulatory body or in connection with any judicial proceedings **PROVIDED** and it is hereby agreed that any such disclosure is made on the basis that (i) such disclosure is made solely to enable any such person to be informed that an opinion has been given and to be made aware of its terms but not for the purposes of reliance, and (ii) we do not assume any duty or liability to any person to whom such disclosure is made and in preparing this opinion we only had regard to the interests of the Arranger.

SCHEDULE ONE

OPINION DOCUMENTS

1. The Deed of Covenant;
2. The Dealer Agreement;
3. The Collecting and Paying Agency Agreement;
4. The Issuing and Placing Agency Agreement;
5. The Programme Memorandum containing the terms and conditions relating to the Notes; and
6. Corporate Documentation in relation to the Issuer;
 - (a) Certificate of incorporation dated 2nd July 2018;
 - (b) Certified true copy of Memorandum and Articles of Association dated 31st May 2021; and
 - (c) A copy of a resolution of the board of directors dated 16th June 2022 approving inter – alia the terms and the transactions contemplated by the Transaction Documents to which it is a party.

**SCHEDULE TWO
ASSUMPTIONS**

The opinions in Section 5 of the Opinion have been made on the following assumptions:

1. **Authenticity:** the authenticity of all seals and signatures, the completeness and conformity with original documents of all copies of the documents submitted to us and that any executed document submitted to us, continues in full force and effect;
2. **Authenticity of Resolutions:** The resolution of the board of directors of the Issuer referred to in 6 © of Schedule 1 was duly passed.
3. **Other Parties:** Each party to the Transaction Documents (other than the Issuer) have the capacity to duly authorise, execute and deliver the Transaction Documents to which it is a party in accordance with all applicable laws and to perform the obligations it is expressed to assume under it.
4. **No Bad Faith or Fraud:** There has been no bad faith or fraud, coercion, duress or undue influence on the part of any of the parties to the Transaction Documents and/or their respective directors, employees, agents and advisers.
5. **No breach of agreements:** Subject to the documents reviewed under the due diligence report dated May 2021 and the addendum to the due diligence report dated October 2022 and any express opinions indicated therein, the provisions of the Transaction Documents do not breach any other agreement or instrument binding on the Issuer or its assets.
6. **Solvency:** There has been no alteration as to the status of the solvency of the Issuer since the date of the search report referenced in Section 3.2 of the Opinion.
7. **Conditions Precedent:** All conditions precedent required to be fulfilled by the Issuer has been fulfilled and the Transaction Documents are unconditional in all respects.
8. **Amendments:** There have been no amendments to the memorandum and articles of association of the Issuer since the date of the certified copies examined by us, and that any restrictions in the constitutional documents of the Issuer would not be contravened by the entry into and performance of the Transaction Agreements.
9. **Illegality:** The Issuer is not or will not be seeking to achieve any purpose not apparent from the Transaction Agreement which might render it illegal, void or unenforceable.

**SCHEDULE 3
QUALIFICATIONS**

This Opinion is subject to the following qualifications:

1. ENFORCEABILITY

The term "**enforceable**" as used in this Opinion means that an obligation is of a type and form which the courts in the Federal Republic of Nigeria generally enforce. This Opinion is not to be taken to imply that any obligation would necessarily be capable of enforcement in all circumstances in accordance with its terms. In particular:

- 1.1 A court in the Federal Republic of Nigeria will not necessarily grant a particular remedy because:
 - (a) the principles of equity may dictate otherwise, for example, an order for the equitable remedy of specific performance may not be made where damages are considered to be an adequate remedy;
 - (b) it may be incompatible with the human rights provisions under the Constitution;
 - (c) public policy requires otherwise; or
 - (d) the court otherwise has discretion as to what remedy it grants.
- 1.2 The procedural rules to which any action brought in a court in the Federal Republic of Nigeria is subject may be such that a court declines jurisdiction or stays an action.
- 1.3 A court in the Federal Republic of Nigeria may stay or strike out proceedings if concurrent proceedings are being brought elsewhere.
- 1.4 Claims may become barred by applicable prescription periods or statutes of limitation or may be or become subject to a defence of set-off or counterclaim. The enforcement of obligations may be limited by the provisions of the laws of the Federal Republic of Nigeria, which may hold an agreement to have been frustrated by a supervening event. The law relating to misrepresentation, mistake and fraud may mean that an agreement, or part of it, is rescinded and, therefore, unenforceable.
- 1.5 Where an obligation is to be performed in a jurisdiction outside Nigeria, that obligation may not be enforceable in Nigeria to the extent that:
 - (a) its performance would be illegal under the laws of, or contrary to public policy or to the exchange control regulations of, the other jurisdiction or of the law applicable to the obligation; and
 - (b) the courts in the Federal Republic of Nigeria take account of the law of that jurisdiction.
- 1.6 We express no opinion as to whether or not a foreign court (applying its own conflict of laws rules) will act in accordance with the parties' agreement as to jurisdiction and/or choice of law.

2. SEARCHES AND ENQUIRIES

- 2.1 The search with the CAC referred to in Section 3.2 of the Opinion is not conclusively capable of revealing whether or not:

- (a) a winding-up order or a resolution passed for the winding up of a company has been made;
- (b) there are charges registered over a company's assets; and
- (c) a receiver, administrative receiver or liquidator has been appointed;

as notice of these matters may not be filed with the CAC immediately and, when filed may not be entered on the file of the relevant company immediately. In addition, the search is not capable of revealing, prior to the making of the relevant order, whether or not a winding-up petition or a petition for an administration order has been presented.

3. LIMITATIONS ARISING FROM INSOLVENCY LAW

This opinion is subject to all insolvency, bankruptcy, liquidation, receivership, moratorium, reorganisation or similar laws affecting the rights of creditors (including secured creditors) generally.

4. LIMITS ON EFFICACY OF PARTICULAR PROVISIONS

- 4.1 Any provision in the Transaction Documents for the payment of a specific amount or liquidated damages in the event of a breach or default may be unenforceable if it amounts to a penalty.
- 4.2 Any provision in the Transaction providing for a matter to be agreed on in the future may be unenforceable or void for uncertainty.
- 4.3 A court in the Federal Republic of Nigeria may hold that the parties to a Transaction Document have amended it orally, even though there is a provision requiring amendments to be in writing.
- 4.4 A court in the Federal Republic of Nigeria may hold that an oral waiver by one party may be effective, even though there is a provision in the Transaction Documents requiring waivers to be in writing.
- 4.5 Any provision in the Transaction Documents purporting to restrict the exercise of any statutory power by any person may be void.
- 4.6 The effectiveness of terms in the Transaction Documents exculpating a party from liability or duty otherwise owed are limited by law.
- 4.7 A court in the Federal Republic of Nigeria may refuse to treat as final, conclusive and/or binding any notification, calculation, certificate or determination which is stated in any Transaction Document to be final, conclusive and/or binding if it is shown to have an

unreasonable or arbitrary basis, or not to have been reached in good faith, despite a provision to the contrary.

- 4.8 Where a party to a Transaction Document has a discretion, or may determine a matter in its opinion, a court may require that such discretion is exercised in good faith reasonably and for a proper purpose, and that such determination is made in good faith based on reasonable grounds.
- 4.9 A court in the Federal Republic of Nigeria would have discretion on whether to allow the severance of an invalid or unenforceable provision in a Transaction Document.
- 4.10 A provision requiring payments to be made without deduction or withholding will not be enforced if a deduction or withholding is made pursuant to a legal obligation.
- 4.11 Despite a provision in any Transaction Document to the effect that the written terms of that Transaction Document constitute the entire agreement between the parties to it, a court may hold that oral or other assurances given in the course of negotiations may be binding.
- 4.12 Confidentiality obligations may be overridden by the requirements of legal process.
- 4.13 A court in the Federal Republic of Nigeria can give judgment in currencies other than Naira if, subject to the terms of the contract, it is the currency which most fairly expresses the claimant's loss. However, such judgments may be required to be converted into Naira for enforcement purposes.

DETAIL COMMERCIAL SOLICITORS



TEMIDAYO AJAYI BELLO
PARTNER

GENERAL INFORMATION

AUTHORISATION

This CP Programme and Notes issued hereunder were approved by the resolution of the Board of Directors of Capitalsage Technology Limited and the Shareholders, both dated 16th June 2022

AUDITORS

SIAO Partners acted as the Auditor of the annual financial statements of the Issuer for the financial year ended December 2021, and was responsible for the audit, and issued unqualified reports.

COMMERCIAL PAPER OUTSTANDING

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

GOING CONCERN

If any event occurs as a result of which the above statement is no longer true and accurate, the Issuer will give notice thereof to the Noteholders in accordance with Condition 8.

The Issuer is at the date hereof a going concern and can be expected to meet all of its obligations as and when they fall due.

LITIGATION

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

MATERIAL CONTRACTS

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

- i. the Deed of Covenant dated **13th October 2022** executed by the Issuer as a deed poll in favour of the Noteholders.
- ii. the Dealer Agreement dated **13th October 2022** executed by the Arranger and the Issuer;
- iii. the Issuing and Placing Agency Agreement dated **13th October 2022** executed by the Issuer and the Issuing and Placing Agent and
- iv. the Collecting and Paying Agency Agreement dated **13th October 2022** executed by the Issuer and the Collecting and Paying Agent.

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

ULTIMATE BORROWER

The Issuer is the borrower in respect of the Notes.

PARTIES TO THE TRANSACTION

ISSUER

CAPITALSAGE TECHNOLOGY LIMITED

1 Ademiluyi Close
New Bodija
Ibadan, Oyo State.

John Alamu

ARRANGER

UNITED CAPITAL PLC

3rd & 4th Floors
Afriland Towers
97/105 Broad Street
Lagos

Sunny Avenue

SOLICITOR TO THE ISSUE

DETAIL COMMERCIAL SOLICITORS

DCS Place, 8 DCS Street
Off Remi Olowude Way
Lekki Phase 1, Lagos, Nigeria

TEMIDAYO AJAYI BELLO

COLLECTING AND PAYING AGENT

FIDELITY BANK PLC

Fidelity Palace, 2, Kofo Abaomi Street,
Victoria Island,
Lagos, Nigeria

DR ILESANMU IMISI

Authorized Signature

AUDITOR

Abiodun Ariyibi
SIAO PARTNERS (CHARTERED ACCOUNTANTS)

18b Olu Holloway Road
Ikoyi, Lagos.

[Signature]