This Programme Memorandum has been prepared in accordance with the Central Bank of Nigeria (the "**CBN**") Guidelines on the Issuance and Treatment of Bankers Acceptances and Commercial Papers issued on September 11, 2019, the CBN letter to all deposit money banks and discount houses of July 12, 2016 on Mandatory Registration and Listing of Commercial Paper (together the "**CBN Guidelines**") and the Commercial Paper Registration and Quotation Rules of FMDQ Exchange in force as at the date thereof. The 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 please consult his/her banker, stockbroker, accountant, solicitor or any other professional adviser for guidance immediately. This Programme Memorandum has been seen and approved by the members of the Board of Directors of Nigerian Breweries PLC, who jointly and individually accept full responsibility for the accuracy of all information given.

RC: 613

NIGERIAN BREWERIES PLC

₦100,000,000,000

COMMERCIAL PAPER ISSUANCE PROGRAMME

Nigerian Breweries PLC (**"Nigerian Breweries"** or the **"Issuer"** or the **"Company"**), a public limited liability company incorporated in Nigeria and listed on the Nigerian Exchange Limited ("NGX"), has established this ₦100,000,000,000 Commercial Paper Issuance Programme (the **"CP Programme"**), under which Nigerian Breweries may from time to time issue Commercial Paper notes (**"CP Notes"** or **"Notes"**), denominated in Nigerian Naira ("Naira" or "₦") or in such other currency as may be agreed between the Issuer and each relevant Dealer and/ or 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 under the Terms and Conditions) 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 ₦100,000,000,000 or its equivalent in any other currency over a three-year period that this Programme Memorandum, including any amendment thereto, shall remain valid.

This Programme Memorandum, and the Applicable Pricing Supplement have not been and will not be registered with the Securities and Exchange Commission, or under the Investment and Securities Act, No. 29 0f 2007 (as amended).

This Programme Memorandum is to be read and construed in conjunction with any supplement hereto and all documents which are incorporated herein by reference, and in relation to any Series or Tranche (as defined herein), together with the Applicable Pricing Supplement. This Programme Memorandum shall be read and construed on the basis that such documents are incorporated and form part of this Programme Memorandum. The Notes issued under this Programme shall be issued in dematerialized form, registered, quoted and traded over the counter ("**OTC**") via the FMDQ 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 **CBN** and FMDQ Exchange from time to time, or securities exchange authorized by the CBN. The Notes will settle via the applicable Central Securities Depository (the "**CSD**"), 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 are 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.

Joint Arrangers and Dealers

Stanbic IBTC Capital	FBNQuest Merchant Bank	FCMB
RC 1031358	RC 264978	RC 446561

Issuing, Collecting and Paying Agent

Stanbic IBTC Bank

RC 125097

This Programme Memorandum is dated 15 August 2022

TABLE OF CONTENTS

GLOSSARY OF DEFINED TERMS

Except where expressed otherwise, the following definitions apply throughout this document.

"Agency Agreement"	The Issuing, Collecting and Paying Agency Agreement dated 15 August 2022 and entered into between the Issuer and the Issuing, Collecting and Paying Agent
"Arrangers" or "Dealers"	Stanbic IBTC Capital Limited, FBNQuest Merchant Bank Limited, and FCMB Capital Markets Limited
"Board" or "Directors"	Board of Directors of Nigerian Breweries PLC
"Business Day"	Any day except Saturdays, Sundays and public holidays declared by the Federal Government of Nigeria
"CBN"	Central Bank of Nigeria
"CBN Guidelines"	CBN's Guidelines on the Issuance and Treatment of Bankers Acceptances and Commercial Paper, issued on 11 September 2019, and the CBN Circular of 12th July 2016 on Mandatory Registration and Listing of Commercial Paper, as amended or supplemented from time to time
"CITA"	Companies Income Tax Act Cap C21, LFN 2004 (as amended by the Companies Income Tax Act No 11 of 2007 and the Finance Acts 2019, 2020 and 2021)
"Central Securities Depository" or "CSD"	Central Securities Clearing Systems PLC and / or FMDQ Depository Limited or any CSD registered or recognised by the SEC, which expression shall include its successors or any additional or alternative clearing system approved by the Issuer or as may otherwise be specified in the Applicable Pricing Supplement
"Commercial Paper" or "CP"	Unsecured commercial paper notes to be issued by the Issuer under the CP Programme in form of short-term zero-coupon notes
"Conditions" or "Terms and Conditions"	Terms and conditions, in accordance with which the Notes will be issued, set out in the section 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 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 ₦100,000,000,000 or its equivalent in any other specified currency
"Day Count Fraction"	The method of calculating the discount in respect of a Note as specified in the Applicable Pricing Supplement
"Dealers"	Stanbic IBTC Capital Limited, FBNQuest Merchant Bank Limited, and FCMB Capital Markets Limited, and any other additional Dealer appointed under the Programme from time to time, which appointment may be for a specific issue or on an ongoing basis, subject to the Issuer's right to terminate the appointment of any Dealer
"Dealing Members"	An FMDQ Exchange licensed member authorized to make market in securities admitted to trade on the FMDQ Exchange
"Eligible Investor" or "EI"	An investor that is not a QII as defined by the FMDQ Exchange Rules, that has executed a declaration attesting to his/her/its eligibility in the manner prescribed in the FMDQ Exchange Rules
"Event of Default"	Means an event of default by the Issuer as set out in Condition 9 of the Terms and Conditions of the Notes
"Face Value"	The par value of the Notes
"FGN"	Federal Government of Nigeria
"FIRS"	Federal Inland Revenue Service

GLOSSARY OF DEFINED TERMS

"FMDQ Exchange"	FMDQ Securities Exchange Limited
"FMDQ Exchange Rules"	The FMDQ Commercial Paper Registration and Quotation Rules, April 2021 (as may be amended from time to time) and such other regulations (including but not limited to Market Bulletins) with respect to the issuance, registration and quotation of commercial paper 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, pandemics, nationwide strikes, national emergency, riot, war, embargo, legislation, acts of God, acts of terrorism, and industrial unrest
"Government"	Any federal, state or local government of the Federal Republic of Nigeria
"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
"Issue Date"	The date upon which the relevant Series/Tranche of the Notes is issued as specified in the Applicable Pricing Supplement
"Issue Price"	The price at which the relevant Series/Tranche of the Notes is issued, as specified in the Applicable Pricing Supplement
"Issuing, Collecting and Paying Agent"	Stanbic IBTC Bank PLC and any successor issuing, calculation and paying agent in respect of the Notes, appointed by the Issuer
"Joint Arrangers"	Stanbic IBTC Capital Limited FBNQuest Merchant Bank Limited FCMB Capital Markets Limited
"LFN"	Laws of the Federation of Nigeria
"Maturity Date"	The date as specified in each Applicable Pricing Supplement on which the Principal Amount is due. As a general principle, the maturity date of all outstanding CPs shall fall within the validity period of the Issuer/CP Programme rating filed with the FMDQ Exchange at the commencement of the registration of the CP Programme.
"Material Adverse Change"	Means 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
"Nigerian Breweries", "Issuer", or the "Company"	Nigerian Breweries PLC
"NIBOR"	The Nigerian Inter-bank Offered Rate
"Noteholders"	Mean the several persons for the time being, whose names are shown in the records of the CSD and/or entered in the Register of Noteholders as holders of the Notes and shall include the legal and personal representatives or successors of the Noteholders and those entered as joint Noteholders
"**Notes**"	The commercial paper issued by the Issuer from time to time pursuant to the Programme Memorandum and any Applicable Pricing Supplement as promissory notes and held in a dematerialised form by the Noteholders through the CSD
"Nigerian Exchange Limited" or "NGX"	Nigerian Exchange Limited
"OTC"	Over The Counter

"Outstanding"	Means, in relation to the Notes, all the Notes issued, other than: (i) those Notes which have been redeemed pursuant to the Conditions; (ii) those Notes in respect of which the date (including, where applicable, any deferred date) for its redemption in accordance with the relevant conditions has occurred and the redemption moneys have been duly paid in accordance with the provisions of the Agency Agreement, and (iii) those Notes which have become void under the provisions of the Agency Agreement
"PITA"	Personal Income Tax Act Cap P8, LFN 2004 (as amended by the Personal Income Tax (Amendment) Act No 20 of 2011 and the Finance Acts 2019, 2020 and 2021)
"Pricing Supplement" or "Applicable Pricing Supplement"	The Pricing Supplement applicable to a particular Series or Tranche of Notes issued under the CP Programme
"Principal Amount"	The nominal amount of each Note, as specified in the Applicable Pricing Supplement
"Programme Memorandum"	This information memorandum dated 15 August, 2022 which sets out the aggregate size and broad terms and conditions of the CP Programme
"Qualified Institutional Investors" or "QIIs"	Includes banks, fund managers, pension fund administrators, insurance companies, investment/unit trusts, multilateral and bilateral institutions, registered private equity funds, registered hedge funds, market makers, staff schemes, trustees/custodians, stockbroking firms and any other category of investors as may be determined by FMDQ from time to time. Clean CPs shall only be sold to QIIs and EIs
"Receiving Banks"	First Bank of Nigeria Limited Stanbic IBTC Bank PLC
"Redemption Amount"	The amount specified in the Applicable Pricing Supplement as the amount payable in respect of each Note on the Redemption Date
"Redemption Date"	Means in relation to any Tranche, the date on which redemption monies are due and payable in respect of the Notes as specified in these Conditions and the Applicable Pricing Supplement
"Register"	A register or such registers as shall be maintained by the Registrar in which are recorded details of Note holders
"Registrar"	The CSD or such other registrar as may be appointed by the Issuer in respect of the Notes issued under the Programme
"Relevant Currency"	The currency in which payments in respect of the Notes of the relevant Tranche or Series are to be made as indicated in the Applicable Pricing Supplement
"Relevant Date"	In respect of any payment, the date on which such payment first becomes due or (if any amount of the money payable is improperly withheld or refused) the date on which payment in full of the amount outstanding is made or (if earlier) the date seven (7) days after that on which notice is duly given to the Noteholders that such payment will be made
"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
"Series"	A Tranche of Notes together with any further Tranche or Tranches of Notes which are (i) expressed to be consolidated and form a single series and (ii) are identical in all respects except for their respective Issue Dates, and/or Issue Prices
"Specified Office"	The office of the Issuing, Collecting and Paying Agent as specified under the Agency Agreement and shall include such other office or offices as may be specified from time to time thereunder

GLOSSARY OF DEFINED TERMS

"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 (Amendment) Act No 12 of 2007 and Finance Acts 2019, 2020 and 2021)
"WHT"	Withholding Tax as provided for in section 78(2) of CITA and section 70 of PITA
"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 default interest payable 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 ₦100,000,000,000 (One Hundred 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 Note holders for the issue of Notes under the Programme.

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

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

No person has been authorized 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 authorized 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 Arrangers that any recipient of this Programme Memorandum should purchase any Notes.

No representation, warranty or undertaking, express or implied is made and no responsibility is accepted by the Arrangers, the Dealers, or other professional advisers as to the accuracy or completeness of the information contained in this Programme Memorandum or any other information provided by the Issuer. The Arrangers, the Dealers 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.

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 and Eligible Investors who meet the qualification criteria prescribed by FMDQ Exchange from time to time.

SPECIFICALLY, FMDQ EXCHANGE 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 of Notes issued under the Programme; and
2. The audited annual financial statements of the Issuer for the financial years prior to each issue of Notes under this Programme.

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

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

SUMMARY OF 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 Programme:

Term	Description
Issuer:	Nigerian Breweries PLC
Arrangers and Dealers:	Stanbic IBTC Capital Limited FBNQuest Merchant Bank Limited FCMB Capital Markets Limited
Issuing, Collecting and Paying Agent:	Stanbic IBTC Bank PLC
Auditor:	Deloitte & Touche (formerly Akintola Williams Deloitte)
Central Securities Depository	Central Securities Clearing System PLC and / or FMDQ Depository Limited or any SEC recognised Central Security Depository
Solicitor:	Banwo & Ighodalo
Receiving Banks:	First Bank of Nigeria Limited Stanbic IBTC Bank PLC
Programme:	The Commercial Paper issuance programme established by the Issuer which allows for the multiple issuance of Notes from time to time under a standardized documentation framework
Programme Size:	₦100,000,000,000 (One Hundred Billion Naira)
Issuance in Series:	The Notes will be issued in Series, and each Series may comprise one or more Tranches issued on different dates. The Notes in each Series, each a Tranche, will have the same maturity date and identical terms (except that the Issue Dates and Issue Price may be different). Details applicable to each Series or Tranche will be specified in the Applicable Pricing Supplement
Issue Price:	The price at which the relevant Series/Tranche of the Notes is issued, as specified in the Applicable Pricing Supplement
Issue Size:	As specified in the Applicable Pricing Supplement, subject to a minimum value of ₦100 million and multiples of ₦1 million thereafter
Method of Subscription:	Fixed Price Offer or Book Building or any other method of subscription as indicated in the Applicable Pricing Supplement
Use of Proceeds:	The net proceeds from each issue of Notes under the Programme will be used solely to support the Issuer's short-term funding requirements, or as may otherwise be specified in the Applicable Pricing Supplement
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 flows of the Issuer, unless otherwise specified in the Applicable Pricing Supplement
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 or any other currency specified in the Applicable Pricing Supplement
Redemption:	As stated in the Applicable Pricing Supplement, subject to the CBN Guidelines
Issuer Rating:	The Issuer has been assigned an "AA+" by GCR ratings. ***{A rating is not a recommendation to buy, sell or hold securities and may be subject to suspension, change or withdrawal at any time by the assigning rating agency}***
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

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 will be quoted on the FMDQ Exchange platform or any other securities exchange authorized by the Central Bank of Nigeria.
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, however, in the case of a late payment, interest will accrue on the redemption monies to be paid to the Note holders. The discount on the Notes, and/or any accrued interest on the redemption monies to be paid to Note holders will 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 transfer, NIBBS Instant Payment (“NIP”), NIBBS Electronic Funds Transfer (“NEFT”) or Real Time Gross Settlement (“RTGS”)

BACKGROUND

Nigerian Breweries is Nigeria's pioneer, foremost and largest brewer. The Company was incorporated in 1946 and in June 1949 it recorded a landmark when the first bottle of Star lager beer rolled off at the Lagos Brewery bottling lines. This first brewery in Lagos has undergone several optimization processes and as at today is one of the most modern breweries in the country. The headquarters of Nigerian Breweries is located at its Iganmu House head office, Abebe Village Road, Iganmu, Lagos.

Nigerian Breweries is engaged in the brewing, marketing and selling of both alcoholic and non-alcoholic beverage drinks. Following the Company's merger with Consolidated Breweries PLC in December 2014, Nigerian Breweries now holds about 64% of market share. It is a subsidiary of Heineken N.V., the largest brewer in Europe and the second largest brewer by volume in the world. The Company has an established track record of consistent and sustainable growth and has contributed significantly to the development of Nigeria and the economy.

In 1957, the Company commissioned its second brewery in Aba and the name became "Nigerian Breweries Limited". This was followed by Kaduna Brewery in 1963 and Ibadan Brewery in 1982. Following the coming into effect of the now repealed Companies and Allied Matters Act in 1990, the name of the Company was changed to "Nigerian Breweries Plc" to reflect its public limited liability status. In 1993, the Company acquired its fifth brewery in Enugu and in 2003, a sixth brewery (Ama Brewery), sited at Amaeke Ngwo in Enugu State was commissioned. Operations in the old Enugu Brewery were discontinued in 2004 following the completion of Ama Brewery. An ultra-modern malting plant was acquired in Aba in 2008.

In October 2011, the Company acquired majority equity interests in two companies, Sona Systems Associates Business Management Limited ("Sona Systems"), with two breweries in Ota and Kudenda, Kaduna, and Life Breweries Company Limited ("Life Breweries") with a brewery in Onitsha. Another malting plant (located in the Kudenda, Kaduna Brewery) was acquired as part of the Sona Systems acquisition. Sona Systems and Life Breweries were merged with the Company in the middle of 2012. At the end of 2014, an enlarged Nigerian Breweries PLC emerged from a merger with Consolidated Breweries PLC. Three breweries at Imagbon, near Ijebu Ode, Awo-Omamma, near Owerri and Makurdi were added to the existing eight breweries as a result of the merger. The Onitsha and Makurdi locations were subsequently converted into Distribution Centres.

Thus, from a humble beginning in 1946, the Company now has nine fully operational breweries from which its high quality products are produced and distributed to all parts of Nigeria, in addition to the two malting plants in Aba and Kaduna. It also has Sales Offices and Distribution Centres across the country.

The Company has an export business which it commenced in 1986. The current export destinations are the United Kingdom, The Netherlands, United States of America, Canada, some parts of Africa and parts of the Middle East and Asia.

As a major brewing company, Nigerian Breweries encourages, and continues to play major roles in, the establishment of ancillary businesses. These include manufacturers of bottles, cans, crown corks, labels, cartons and plastic crates as well as service providers including those in the hospitality sector, distribution, transport, event management, advertising and marketing communication.

The Company's subsidiary entities are:

Progress Trust (CPFA) Limited
Progress Trust (CPFA) Limited is a duly registered Closed Pension Fund Administrator. Its sole activity is the administration of the pension and defined (employer's contribution) gratuity scheme for employees and former employees of Nigerian Breweries.

Benue Bottling Company Limited
Following the merger with Consolidated Breweries Plc, the enlarged company acquired an 89.3% majority equity interest in Benue Bottling Company Limited (BBCL). BBCL is not engaged in any business activity.

234 Stores Limited
234 Stores Limited is a subsidiary of the Company that became fully operational during the year 2020.

The Nigerian Breweries-Felix Ohiwerei Education Trust Fund
The Nigerian Breweries-Felix Ohiwerei Education Trust Fund was incorporated by the Company and is a sponsored charitable Trust. The proceeds from its investments are disbursed solely for the promotion of education.

BRAND PORTFOLIO

Nigerian Breweries has a rich portfolio of high quality brands: Star lager beer was launched in 1949, followed by Gulder lager beer in 1970. Maltina, the nourishing malt drink, was introduced in 1976, followed by Legend Extra Stout in 1992 and another malt drink, Amstel Malta in 1994. Heineken lager beer was re-launched into the Nigerian market in 1998. Fayrouz, the premium non-alcoholic soft drink, was launched in 2006 while Climax herbal energy drink was launched in 2010.

Following the acquisition of Sona Systems and Life Breweries in 2011, Goldberg lager, Malta Gold malt drink and Life Continental lager, were added to the brand portfolio. The Company increased its portfolio of brands in 2014 with the addition of two line extensions of the Star brand - Star Lite and Star Radler. Also in 2014, as a result of the merger with Consolidated Breweries PLC, “33” Export lager beer, Williams dark ale, Turbo King dark ale, More lager beer and a malt drink, Hi Malt, became part of the Company’s product offering. The Ace brand in the Ready-to-Drink (RtD) category was launched in 2015 while Tiger lager beer, an international premium brand was added to the portfolio of brands in 2018. In 2020, the Company further expanded its rich portfolio of brands with the launch of two variants of the Maltina brand – Maltina Pineapple and Maltina Vanilla, an extension of the Amstel Malta brand – Amstel Malta Ultra, a variant of the Star Radler brand – Star Radler Red Fruits and Desperados, another international premium beer brand with a distinctive tequila flavour.

EQUITY

The Authorised and Issued Share Capital of the Company are as follows:

	₦
Authorised Share Capital:	
10,000,000,000 ordinary shares of 50k each	5,000,000,000
Issued Share Capital:	
8,075,831,900 ordinary shares of 50K each	4,037,915,950

With over 110,000 shareholders as of 31 December, 2021, the Register of Members shows that two companies, Heineken Brouwerijen B.V. holding 38.07% and Distilled Trading International B.V. holding 15.53% (both Heineken N.V companies) each held more than 10% of the Company’s issued share capital as at the said date. The remaining 46.40% of the issued shares are held by other individuals and institutions. 11.82% of Nigerian Breweries’ share are held by Stanbic Nominees Nigeria Limited on behalf of various shareholders. Aside the aforementioned companies, no other shareholder held more than 5% of the issued share capital of the Company.

Another Heineken N.V. Company, Heineken International B.V., held 2.73% issued share capital of the Company as at the same date. Consequently, the Heineken N.V Group through Heineken Brouwerijen B.V., Distilled Trading International B.V. and Heineken International B.V. hold a majority shareholding of approximately 56.33%, while 43.67% is held by other Nigerian and foreign shareholders.

BOARD OF DIRECTORS

The Board of Directors of Nigerian Breweries consists of nine (9) non-executive directors and two (2) executive directors. A brief profile of each director is presented below:

Chief Kolawole B. Jamodu, CFR – Chairman
Chief Jamodu was appointed to the Board of Directors as a Non-Executive Director effective the 1st of March, 2006 and became the Chairman of the Board effective the 1st of January, 2008. An alumnus of the Harvard Business School, Chief Jamodu is a Fellow of the Institute of Chartered Accountants, Nigeria; a Fellow of the Chartered Institute of Taxation, Nigeria; a Fellow of the Chartered Institute of Management Accountants, London; and a Fellow of the Institute of Chartered Secretaries & Administrators. He is also a Distinguished Fellow of the Institute of Directors, Nigeria. Chief Jamodu had a stint with UAC/Unilever Nigeria PLC where he acquired varied production, commercial and financial experience before joining PZ Cussons Group where he rose to become the Chairman/Chief Executive and later, Non-Executive Chairman until he was appointed Minister of Industry of the Federal Republic of Nigeria. He returned to PZ as the Non-Executive Chairman in 2014 and served in that capacity until his retirement in December 2020. He is a former Chairman of Universal Trust Bank Plc and former Non-Executive Director of United Bank for Africa Plc. He is also a past President of both the Harvard Business School Alumni Association of Nigeria and the Manufacturers' Association of Nigeria (MAN).

Mr. Hans Essaadi - Managing Director/CEO
Mr. Essaadi was appointed the Managing Director/CEO and a member of the Board of Directors effective the 31st of July, 2021. Mr. Essaadi joined the Heineken Group as a Sales Representative in 1991. He subsequently took up increasingly senior roles within the Group in Sales, Export and Marketing. He commenced his international career with Heineken Puerto Rico as the Country Manager, and thereafter became the General Manager, Brau Union International, the Heineken OpCo in Austria. Formerly, he was the General Manager, Siroco (the Heineken Joint Venture with the Emirates in Dubai) and Managing Director, Heineken Malaysia Berhad, a listed Company in Malaysia. Mr. Essaadi was, until his appointment to his current position in Nigerian Breweries PLC, the Managing Director of Al Haram Beverages, the Heineken Operating Company ("OpCo") in Egypt.

Mrs. Adeyinka O. Aroyewun - Independent Non-Executive Director
Mrs. Aroyewun joined the Board of Directors effective the 1st of January, 2019. Mrs. Aroyewun is a lawyer with over 33 years legal experience spanning various aspects of business and law. She is an internationally accredited mediator of the Centre for Effective Dispute Resolution (CEDR), UK; a member of the Chartered Institute of Arbitrators, UK; and an IMI Certified Mediator. She is currently the Director of the Lagos Multi-Door Courthouse. She is an experienced trainer in Alternative Dispute Resolution (ADR) techniques and was part of a team of certified trainers on the World Bank project for the expansion of ADR mechanisms and institutions in Nigeria. Mrs.. Aroyewun sits on the Governing Council of the University of Lagos; Negotiation and Conflict Management Group (NCMG) College of Negotiation; and the Edo State Multi-Door Courthouse. She is on the panel of Neutrals of the Nigerian Communications Commission.

Mr Sijbe (Siep) Hiemstra - Non-Executive Director
Mr. Hiemstra joined the Board of Directors effective the 1st of August, 2011. He served as Regional President for Africa and Middle East of the Heineken N.V. Group between August 2011 and August 2015 and had also occupied the position of Regional President for the Asia Pacific Region of Heineken N.V. between 2005 and 2011. Mr. Hiemstra started his Heineken career in January 1978 and held commercial, general management and technical positions in different parts of Europe, Africa and Asia/Pacific. He retired as an Executive from the Heineken N.V. Group on 17 August, 2015 but has remained with the group in other capacities.

Mr Rob Kleinjan – Finance Director
Mr. Kleinjan was appointed the Finance Director and a member of the Board of Directors effective the 28th of July, 2018. Prior to his appointment to the Board, Mr. Kleinjan was the Finance Director of the Brau Union Group, General Manager Brau Union Export and Ammersin in Austria, all part of the Heineken Group. He joined Heineken in 1996 as Financial Controller and thereafter held senior management positions in finance, control and accounting functions in Heineken operating companies in the Netherlands, Poland, Germany, Belgium and Finland.

Mrs. Ndidi O. Nwuneli, MFR – Non-Executive Director
Mrs. Nwuneli joined the Board of Directors effective the 5th of December, 2014. Mrs. Nwuneli is an alumnus of the Wharton School, University of Pennsylvania (First Degree) and the Harvard University Graduate School of Business Administration (Master's Degree). Mrs. Nwuneli is the Founder of LEAP Africa and Co-Founder of AACE Food Processing & Distribution, an indigenous agroprocessing

company. She is the Managing Partner of Sahel Consulting which works across Africa, unlocking the agricultural and nutrition potential of the region. She has over two decades of private sector and international development experience. She is on the Boards of the Rockefeller Foundation, Godrej Consumer Products, India; Fairfax Africa Holdings Corp., Canada; and Alliance for a Green Revolution in Africa.

Mrs. Ifueko M. Omoigui Okauru - Non-Executive Director
Mrs. Omoigui Okauru was appointed to the Board of Directors effective the 20th of February, 2013. Mrs. Omoigui Okauru has over three decades of work experience with proven leadership ability at board and executive management levels in both private and public sectors. She was the Executive Chairman of the Federal Inland Revenue Service (FIRS) which she led meritoriously for two consecutive terms. Ifueko also served as member of the National Economic Management Team headed by the President of the Federal Republic of Nigeria. She is currently the Managing Partner of Compliance Professionals Plc, a consultancy company and also sits on the Boards of Central Securities Clearing System Plc, ReStraL Ltd, Seplat Petroleum Development Company Plc and MTN Nigeria Communications Plc. Mrs. Omoigui Okauru is a Commissioner of a non-partisan body, the Independent Commission for the Reform of International Corporate Taxation (ICRICT). She is also the immediate past Chairperson of the Board of Trustees of the Lagos State Employment Trust Fund. In January 2019, she was appointed a Member of the Technical Committee (representing the private sector) constituted by the Federal Government of Nigeria to work on the details and implementation of the new Minimum Wage for Nigerian workers.

Mr. Roland Pirmez - Non-Executive Director
Mr. Pirmez joined the Board of Directors effective the 1st of September, 2015 shortly after becoming the Heineken Regional President for Africa, Middle East and Eastern Europe. He started his Heineken career in 1995 and has held general management positions within the Heineken N.V. Group in Africa, Asia and Europe, including the position of the Regional President for Asia Pacific.

Mr. Asue Ighodalo - Non-Executive Director
Mr. Ighodalo joined the Board of Directors effective the 1st of January 2022. Mr. Ighodalo is a lawyer with over 35 years of experience and is a founding partner of Banwo & Ighodalo, a leading full-service law firm in Nigeria. His core areas of practice are Corporate Finance, Project Finance, Securities and Capital Markets, Energy & Natural Resources, Mergers & Acquisitions, and Corporate Governance. He is recognised as a leading figure in corporate Nigeria and sits on the Boards of reputable organisations including the Nigerian Economic Summit Group, which he chairs and Sterling Bank Plc, which he also chairs.

Mrs. Yeliz Yedikardesler – Non-Executive Director
Mrs. Yedikardesler became a member of the Board effective the 1st of April, 2022. She is currently the Senior Director Finance, Africa, Middle East and Eastern Europe of Heineken N.V. Prior to joining the Heineken Group in March, 2022, she was the Regional Finance Director, Mars Wrigley Middle East Africa (MEA), Mars Incorporated, Dubai UAE where she spent seventeen (17) years and held increasingly senior roles in different functions. She has about twenty three (23) years of experience in the FMCG industry with specialization in Finance and Strategy. She possesses a wealth of knowledge and experience in commercial and financial management, financial operations, strategy development, risk management, corporate finance, environment, sustainability and governance, business integration, transformational projects and people leadership in various geographies.

Mrs. Juliet Anammah - Non-Executive Director
Mrs. Anammah joined the Board of Directors effective the 1st of January 2022. Mrs. Anammah has over 30 years of professional experience covering Consulting, Consumer Goods, Sales, Marketing, ECommerce and Sustainability. She is currently the Chairperson and Chief Group Sustainability Officer, Jumia Nigeria, having previously held the role of Chief Executive Officer, Jumia Nigeria. She was also the Managing Director, Accenture LLC in charge of the firm's Consumer Goods Practice, Retail, and Transportation practice in West Africa. She serves on the Boards of several local and international organisations, including Flour Mills of Nigeria Plc and Imperial Logistics, South Africa.

Uaboi G. Agbebaku, Esq. - Company Secretary
Mr. Agbebaku was appointed as Secretary to the Board of Directors and the Legal Adviser effective the 1st of January, 2008. He joined the Company in January, 2003 as the Legal Affairs Manager. Before then, he was in private practice with the law firm of David Garrick & Co. He is a Fellow of the Institute

of Chartered Secretaries & Administrators of Nigeria. Mr. Agbebaku is also the Company's Legal Director.

BREWERY/ MALTING LOCATIONS AND SALES REGIONS

Brewery/Malting Plant Locations		
Lagos Brewery Abebe Village Road, Iganmu Lagos State	Aba Brewery Industry Road, Aba Abia State	Kakuri Brewery Industrial Layout, Kakuri Kaduna State
Ibadan Brewery Ibadan/Ife Road Ibadan Oyo State	Ama Brewery Amaeke Ngwo Enugu State	Ota Brewery Lagos/Abeokuta Expressway Sango Ota, Ogun State
Kudenda Brewery 1A, Kudenda Industrial Area Kaduna South, Kaduna State	Awo-Omamma Brewery Owerri/Onitsha Road Awo-Omamma, Imo State	Ijebu - Ode Brewery Epe Road, Imagbon Village Ogun State
Kudenda Malting Plant 1A, Kudenda Industrial Area Kaduna South, Kaduna State	Aba Malting Plant Ohuru Village, Obingwa Abia State	

Sales Regions		
Lagos Sales Office Headquarters Annex, Abebe Village Road, Iganmu Lagos State	Abuja Sales Office Industrial Layout Abuja, FCT	Enugu Sales office Old Enugu Brewery, 9th Mile Corner, Nsude, Enugu State
Ibadan Sales Office Km 3, Ibadan-Ife Road, Ibadan Oyo State	Kaduna Sales Office Industrial Layout, Kakuri Kaduna State	Aba Business unit Industry Road, Aba Abia State
Benin Sales Office 1, Jalo Close, off Aigubobasinwim Road, GRA,Benin City Edo State	Port Harcourt Sales Office 130 Woji Road, GRA Phase 2, Port Harcourt, GRA, Port Harcourt, Rivers State	Warri Sales Office Km 6, NPA Expressway, Ekpan, Effurun, Warri, Delta State
Jos Sales Office 18, Gold and Base Junction, Rayfield, Jos Plateau State	Onitsha Distribution Centre 87/89, Port Harcourt Road Onitsha, Anambra State	Makurdi Distribution Centre Km 5, Gboko Road Makurdi Benue State
Uyo Sales Office Plot 4, De Line, Ewet Housing Estate, Uyo, Akwa Ibom State	Akure Sales Office Km 4, Ondo Road Adjacent Ondo Garage Akure, Ondo State	

USE OF PROCEEDS

The net proceeds from each issue of Notes will be used solely to support the Issuer's short-term funding requirements, or as may otherwise be specified in the Applicable Pricing Supplement.

TERMS AND CONDITIONS OF THE NOTES

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

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

DEFINITIONS

In these Conditions unless inconsistent with the context or separately defined in the Applicable Pricing Supplement, the following expressions shall have the following meanings:

"**Agent**" or "**Issuing, Paying and Collecting Agent**" means Stanbic IBTC Bank PLC, as issuing, paying and collecting agent;

"**Applicable Pricing Supplement**" or **"Pricing Supplement"** means the document(s) to be issued pursuant to the Programme Memorandum, which shall provide the definitive final terms and conditions relating to a specific Tranche or Series of Notes under the Programme;

"**Business Day**" means any day excluding Saturdays, Sundays and a public holiday declared by the Federal Government of Nigeria on which banks are open for general banking business in Lagos, Nigeria;

"**CBN Guidelines**" means the CBN 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 Paper or any amendments thereto;

"**CSD**" means the Central Securities Clearing System, operated by the Central Securities Clearing System PLC or FMDQ Depository Limited which expression shall include its successors or any additional or alternative clearing system approved by the Issuer or as may otherwise be specified in the Applicable Pricing Supplement;

"**CSD Rules**" means the rules and operating procedures for the time being of the CSD;

"**Default Rate**" means the interest rate equivalent to the daily overnight NIBOR + 5% per annum or issue rate +5% per annum (whichever is higher);

"**Event of Default**" means an event of default by the Issuer as set out in Condition 9;

"**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, pandemics, epidemics, and industrial unrest;

"**Issue Date"** means, in relation to any Note, the date on which the Note is issued by the Issuer in accordance with the **Issuing, Paying and Collecting Agency Agreement** and the terms and conditions in the Applicable Pricing Supplement;

"**Issuer**" means Nigerian Breweries PLC, a public limited company incorporated under the laws of the Federal Republic of Nigeria with RC No 613 and having its registered office at 1 Abebe Village Road, Iganmu, Lagos, Nigeria;

"**Issuing, Paying and Collecting Agency Agreement**" means the agreement dated 15 August 2022 between the Issuer and the Issuing, Paying and Collecting Agent;

"**NIBOR**" means the Nigerian Inter-bank Offered Rate;

"**Noteholders**" mean the several persons for the time being, whose names are shown in the records of the CSD and/or entered in the Register of Noteholders as holders of the Notes and shall include the legal and personal representatives or successors of the Noteholders;

"**Notes**" means the commercial paper issued by the Issuer from time to time pursuant to the Programme Memorandum and any Applicable Pricing Supplement as promissory notes and held in a dematerialised form by the Noteholders through the CSD;

"**Outstanding"** means, in relation to the Notes, all the Notes issued, other than:

(i) those Notes which have been redeemed pursuant to the provisions of this Conditions;

(ii) those Notes in respect of which the date (including, where applicable, any deferred date) for its redemption in accordance with the relevant conditions has occurred and the redemption moneys have been duly paid in accordance with the provisions of this Conditions; and

(iii) those Notes which have become void under the provisions of this Conditions;

"**Principal Amount**" means the nominal amount of each Note;

"**Programme**" means the ₦100,000,000,000 (One Hundred Billion Naira) commercial paper issuance programme established by the Issuer which allows for the multiple issuance of Notes from time to time under a standardized documentation framework;

"**Programme Memorandum**" means an information memorandum in respect of the Programme dated 15 August 2022 providing detailed particulars of the Programme, and includes any supplementary programme memorandum issued by the Issuer from time to time in respect of the Notes;

"**Redemption Amount**" means the amount specified in the Applicable Pricing Supplement as the amount payable in respect of each Note at the Redemption Date;

"**Redemption Date**" means in relation to any Series or Tranche, the date on which redemption monies are due and payable in respect of the Notes as specified in these Conditions and the Pricing Supplement. This shall also mean "**Maturity Date**" as referred to in the applicable Disclosure Document and or Transaction Document;

"**Register**" means the register to be maintained by the CSD in respect of the Notes and the Noteholders;

"**Relevant Currency**" means 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 Last Day**" means the date specified in the Applicable Pricing Supplement after which transfer of the Notes will not be registered;

"**Series**" means a series of Notes issued by the Issuer comprising one or more Tranches, having identical terms on issue and expressed to have the same series number but may not have the same Issue Date and issue price;

"Special Resolution" means a resolution passed by at least three fourths (3/4) majority of the total number of Noteholders at any point in time;

"**Specified Office**" means the office of the Agent as specified under the Agency Agreement and shall include such other office or offices as may be specified from time to time thereunder;

"**Tranche**" means in relation to a Series, those Notes of that Series that are issued on the same date and at the same issue price; and

"Zero-coupon Notes" mean Notes which will be offered and sold at a discount to their Principal Amount or at par and will not bear interest, save for default interest payable on late payments.

CONDITION 1
CURRENCY, FORM, TITLE AND DENOMINATION

1.1 Issuance of Notes and Currency

1.1.1 The Notes may be issued from time to time by the Issuer in Tranches pursuant to the Programme. A Tranche of Notes may, together with a further Tranche or Tranches, form a Series of Notes issued, provided that the aggregate Principal Amount of all Notes outstanding under the Programme at any point in time does not exceed the ₦100,000,000,000 (One Hundred Billion Naira). The Applicable Pricing Supplement for each Tranche/Series of Notes is (to the extent relevant) incorporated herein for the purposes of those Notes and supplements these Conditions.

1.1.2 The Noteholders are by virtue of their subscription to or purchase of the Notes, deemed to have notice of, and are entitled to the benefit of and are subject to all the provisions of the Applicable Pricing Supplement and the Deed of Covenant.

1.1.3 The Notes shall be registered electronically and serially numbered.

1.1.4 Notes issued under the Programme will be Zero-coupon Notes.

1.1.5 The Notes may be issued in the Relevant Currency as stated in the Applicable Pricing Supplement.

1.2 Form and Title

1.2.1 The Notes shall be issued in uncertificated (dematerialised or book entry) form, which shall be registered with a separate securities identification code with the CSD.

1.2.2 Title to the Notes passes upon credit to the CSD account of the Noteholder.

1.2.3 Transfer of title to Notes shall be effected in accordance with the CSD Rules governing transfer of title in securities held with the CSD.

1.2.4 The Noteholder of any Series will (except as otherwise required by law) be treated as legal and beneficial owner for all purposes, including but not limited to the payment of outstanding obligations in respect of the Notes, and no person will be liable for so treating the Noteholder.

1.3 Denomination

The aggregate Principal Amount of the Notes will be as specified in the Applicable Pricing Supplement, subject to a minimum value of ₦5,000,000 and multiples of ₦1,000 thereafter (or the equivalent in the Relevant Currency); and will be sold at such discount from their face amounts as shall be agreed upon by the Dealer and the Issuer; and shall have a maturity not exceeding two hundred and seventy (270) days, including the roll over from the initial Issue Date.

1.4 Closed Periods

No Noteholder may require the transfer of the Notes (i) during the period of fifteen (15) days ending on the Redemption Date or such other date as may be specified in the Applicable Pricing Supplement; or (ii) following the issuance of default notice to the Issuer pursuant to Condition 9 (*Events of Default*).

CONDITION 2
STATUS OF THE NOTES

2.1 Each Note constitutes a direct, unconditional, unsubordinated and unsecured obligation of the Issuer and shall at all times rank *pari passu* and without any preference or priority among themselves. The payment obligations of the Issuer under the Notes shall, save for such obligations as may be preferred by applicable legislation relating to preferred payment obligations as may be preferred by applicable legislation relating to preferred payment obligations, at all times rank at least equally with all other unsecured and unsubordinated indebtedness and monetary obligations of the Issuer, from time to time.

CONDITION 3
REDEMPTION

3.1 Unless previously redeemed or purchased and cancelled as specified below, the Notes will be redeemed at the Redemption Amount, specified in or determined in the manner specified in the Applicable Pricing Supplement, on the Maturity Date subject to the provisions contained in Condition 4 (*Payments*).

CONDITION 4
PAYMENTS

4.1 Only Noteholders named in the Register as at the close of business on the Relevant Last Day shall be entitled to payment of amounts due and payable in respect of Notes. The Noteholder shall be the only person entitled to receive payments in respect of Notes and the Issuer will be discharged by payment to, or to the order of, the Noteholder in respect of each amount so paid.

4.2 Payments of any outstanding obligation regarding the Notes will be made in the Relevant Currency by credit/electronic funds transfer to the specified bank account of the Noteholder.

4.3 In the case of joint Noteholders, payment by electronic transfers will be made to the account of the first named Noteholder in the Register. Payment by electronic transfer to the first named Noteholder in the Register shall discharge the Issuer of its relevant payment obligations under the Notes.

4.4 In the case of nominees, the nominee shall be paid as the registered Noteholder, which payee shall in turn transfer such funds to the holders of the beneficial interests.

4.5 If the Issuer is prevented or restricted directly or indirectly from making any payment by electronic funds transfer by reason of a Force Majeure event, the Issuer shall to the extent practicable make such payment by cheque (or by such number of cheques as may be required in accordance with applicable banking law and practice) of any such amounts made payable to the relevant Noteholder. Such payments by cheque shall be sent by post to the address of the Noteholder of registered Notes as set forth in the Register or, in the case of joint Noteholders of registered Notes, the address set forth in the Register of that one of them who is first named in the Register in respect of that Note.

4.6 Cheques may be posted by ordinary post/registered mail, provided that the Issuer shall not be responsible for any loss in transmission and the postal authorities shall be deemed to be the agent of the Noteholders for the purposes of all cheques posted in terms of this Condition 4.6.

4.7 Where the Issuer fails to redeem the Notes on the Redemption Date (and only in this event) provided that such failure is not as a result of a Force Majeure event, interest shall begin to accrue on the Redemption Amount at the Default Rate from the date on which the Redemption Amount becomes due and payable until the date on which all amounts due in respect of such Note have been paid.

4.8 If the Redemption Date is not a Business Day, then the Noteholder thereof shall not be entitled to the Redemption Amount until the next Business Day, and the Noteholder shall not be entitled to any interest, return or other payment in respect of any such delay.

4.9 On the Redemption Date, payment shall only be made to the Noteholders if the Issuer has made funds available to the Agent.

4.10 In respect of payments relating to Notes under a Tranche, notwithstanding that such Notes may have the same Issue Date, where the total Principal Amount payable by a Noteholder in respect of the said Notes has not been received by the relevant Issue Date, but is received within 5 (five) Business Days thereof, the discount payable by the Issuer in respect of such Notes shall be adjusted accordingly.

CONDITION 5
TRANSFER OF NOTES

5.1 All Notes issued under the Programme in dematerialized or immobilized (book entry) form may be transferred only in accordance with the CSD Rules.

5.2 Transfer of the Notes will only occur by way of electronic book entry in the CSD accounts of the Noteholders in accordance with the CSD Rules.

CONDITION 6
REGISTER

6.1 The Register shall be maintained by the CSD. The Register shall reflect 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.

6.2 The records of the relevant CSD and/or statements issued by the CSD as to the aggregate number of Notes standing to the CSD account of any Noteholder 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.

6.3 The Register shall be open for inspection during the normal business hours of the Registrar to any Noteholder or any person authorised by the Noteholder.

6.4 The CSD 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 Conditions.

CONDITION 7
TAXATION

7.1 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 (save for default interest payable on late payments) 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. Where the Issuer is required by the applicable tax authority or Nigerian tax laws to withhold or deduct any withholding tax in connection with any payment due on any Notes, the Issuer will be entitled to re-direct or reorganise any such payment in any way that it sees fit in order that the payment may be made in compliance with the applicable law or directive. The Agent shall have no liability with respect to Withholding tax under the Notes.

CONDITION 8
PRESCRIPTION

8.1 The Notes will become void unless presented for payment in respect of the Redemption Amount within three (3) years from the appropriate Relevant Date.

CONDITION 9
EVENTS OF DEFAULT

9.1 Upon the happening of any of the following events ("**Events of Default**") which 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 (other than in the event of non-payment or part payment) no such action shall be taken if it is as a result of Force Majeure or 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. In addition, the Noteholders shall have the right to exercise all other remedies available to them under the laws of the Federal Republic of Nigeria.

Upon the occurrence of an Event of Default, the Issuer shall pay Noteholders interest at the Default Rate until the debt obligations to the investors have been settled in full.

9.2 **Non-Payment or Part-Payment:** in respect of any Tranche or Series, the Issuer fails to notify the FMDQ Exchange (through the Agent) that the Notes have been liquidated and funds have been transferred to all Noteholders by 4:00pm on the Redemption Date; or

9.3 **Breach of Other Obligations:** the Issuer does not perform or comply with any one or more of its other obligations in the Notes which default is incapable of remedy or where capable of remedy, is not remedied within thirty (30) days after written notice of such default shall have been given to the Issuer at its specified office; or

9.4 **Breach of Representation:** any representation, warranty or undertaking made in connection with any documentation supplied by the Issuer pursuant to the Programme is in the reasonable opinion of the Joint Arrangers, materially incorrect; or

9.5 **Winding-up**: an order is made or an effective resolution passed for the winding-up or dissolution of the Issuer, or the Issuer applies or petitions for a winding-up or administration order in respect of itself or ceases or through an official action of its board of directors threatens to cease to carry on all or a substantial part of its business or operations, in each case except for the purpose of and followed by a reconstruction, amalgamation, reorganisation, merger or consolidation on terms approved by the Noteholders; or

9.6 **Insolvency:** the Issuer is, or is deemed by law or a court to be insolvent or unable to pay its debts, stops, suspends or threatens to stop or suspend payment of all or a material part of (or of a particular type of) its debts, proposes or makes a general assignment or an arrangement or composition with or for the benefit of the relevant creditors in respect of any of such debts or a moratorium is agreed or declared in respect of or affecting all or any part of (or of a particular type of) the debts of the Issuer; or

9.7 **Enforcement Proceedings**: a distress, attachment, execution or other legal process is levied, enforced or sued out, on or against a material or substantial part of the property, assets or revenues of the Issuer, and such distress, attachment, execution or other legal process is not discharged or stayed within ninety (90) days; or

9.8 **Failure to take action:** any action, condition or thing (including the obtaining of any consent or , approval) now or hereafter necessary to enable the Issuer to comply with its obligations under the Programme for the issuance of the Notes is not taken, fulfilled or done, or any such consent, or approval shall be revoked, modified, withdrawn or withheld or shall cease to remain in full force and effect, resulting in the Issuer being unable to perform any of its payment or other obligations in terms of the Notes or the Programme for the issuance of the Notes.

CONDITION 10
NOTICES

10.1 **Notices to the Noteholders**

10.1.1 All notices to the Noteholders will be valid if mailed to them at their respective addresses of record in the relevant Register. The Issuer shall also ensure that notices are duly given or published in a manner which complies with the CBN Guidelines the FMDQ Exchange Rules, the CSD Rules or such other regulatory authority as may be applicable to the Notes.

10.1.2 The Parties agree that the Agent's obligation under Condition 10.1.1, shall be limited to providing administrative support to relay notices issued to Noteholders pursuant to the CBN Guidelines, the FMDQ Exchange, CSD Rules or such other regulatory authority as may be applicable to the Notes. The Agent shall not be obliged to review or check the adequacy, accuracy or completeness of any document/notice it relays or sends to the Noteholders pursuant to this Condition 10 where the Agent receives such document/notice from the Issuer and is not involved in the preparation of such document/notice. Provided that where such document/notice is prepared by the Agent, the Agent shall be obliged to confirm the adequacy, accuracy and completeness of such document/notice.

10.1.3 Any notice shall be deemed to have been given on the second day after being so mailed 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.

10.2 **Notices from the Noteholders**

10.2.1 Notices to be given by any Noteholder to the Issuer shall be in writing and given by lodging the same, with the Issuing, Paying and Collecting Agent.

CONDITION 11
CHANGE OF AGENT

11.1 The Issuer is entitled to vary or terminate the appointment of the Agent and /or appoint additional or other agents and/or approve any change in the Specified Office through which any agent acts, provided that there will at all times during the subsistence of the Programme, be an agent with Specified Offices.

11.2 The Agent acts solely as agent of the Issuer and does not assume any obligation towards or any relationship of agency or trust for or with any Noteholder.

CONDITION 12
MODIFICATION

12.1 The Dealers may agree with the Issuer, without the consent of the Noteholders to any modification of any of these Conditions which is in the opinion of the Dealers of a 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 is in the opinion of the Dealers not materially prejudicial to the interests of the Noteholders.

12.2 Save as provided in condition 12.1 above, no amendment of the Conditions may be effected unless;

(i) such amendment is in writing and signed by or on behalf of the Issuer and

(ii) such amendment:

(a) If it affects the rights, under the 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

(b) If it affects only the rights, under the 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.

12.3 Any such modification, authorisation or waiver shall be binding on the Noteholders and, shall be notified to the Noteholders, as soon as practicable in accordance with Condition 10 (*Notices*).

CONDITION 13
MEETINGS OF NOTEHOLDERS

13.1 The Issuer may at any time convene a meeting of all Noteholders (whether physically or virtually) upon at least twenty-one (21) days prior written notice to such Noteholders. The notice is required to be given in terms of Condition 10 *(Notices)*. Such Notice shall specify the date, place, agenda and time of the meeting to be held, which place shall be in Nigeria.

13.2 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.

13.3 Two (2) or more Noteholders holding or representing by proxy a simple majority of the Principal Amount of the Notes that are Outstanding for the time being, shall be able to request the Issuer to convene a meeting of Noteholders. Should the Issuer fail to requisition such a meeting within ten (10) Business Days of such a request being received by the Issuer, the Noteholders requesting the meeting may convene such a meeting.

13.4 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.

13.5 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.

13.6 Any Proxy or Representative so 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.

13.7 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 13. Should the Noteholders requisition a meeting, and the Issuer fails 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 a simple majority of Noteholders present in person or proxy.

13.8 At any such meeting two (2) or more Noteholders present in person, by representative or by proxy, holding in aggregate not less than one third (1/3rd) of the Principal Amount of Notes shall form a quorum. 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.

13.9 If within thirty (30) 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 fourteen (14) days nor more than twenty-one (21) days thereafter and at the same time and place. At such adjourned meeting 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 Special Resolution and to decide upon all matters which could properly have been dealt with at the original meeting had the requisite quorum been present.

13.10 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 signed by all the Noteholders entitled to receive notice of a meeting.

CONDITION 14
FURTHER ISSUES

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

CONDITION 15
GOVERNING LAW

15.1 The provisions of these Conditions, the Programme Memorandum, Pricing Supplement and the Notes are governed by, and shall be construed in accordance with, the laws of the Federal Republic of Nigeria.

TAX CONSIDERATIONS

The Notes issued under the Programme will be zero-coupon notes and as such, will be offered and sold at a discount to Face Value. The Notes will thus not bear interest, however, in the case of a late payment, interest will accrue on the redemption monies to be paid to the Note holders. The discount on the Notes, and/or any accrued interest on the redemption monies to be paid to Note holders will be taxed in accordance with applicable Nigerian tax laws.

The foregoing 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.***

Nigerian Breweries is exposed to operational and market risks in its ordinary course of business. Whilst the Issuer believes that it has implemented appropriate policies, systems and processes to control and mitigate these risks, investors should note that any failure to control these risks adequately could have an adverse effect on the financial condition and/or reputation of the Issuer. The following is a description of the risk factors which are material in respect of the financial situation of Nigerian Breweries as the Issuer under the Programme.

RISK RELATING TO THE ISSUER'S ABILITY TO FULFIL ITS OBLIGATIONS UNDER THE NOTES ISSUED UNDER THE PROGRAMME

A. RISKS RELATED TO THE ISSUER'S BUSINESS ACTIVITIES AND INDUSTRY

Disruption in the Company's product supply and supply chains could impact its sales and financial performance

Disruption in the supply chain for the Company could lead to inability to deliver products to key customers, revenue loss, brand damage and loss of market share.

The loss or temporary discontinuity of supply chains from any of its suppliers without sufficient time to develop an alternative source could result in delays in shipments, expose the Company to increased costs, damage to its brands and place it at a relative disadvantage to its competitors. Disruption of supply and/or discontinuity of supply chains could result from increased competition, industry consolidation, the termination of (or material change to) arrangements with suppliers, disagreements with suppliers as to payment or other terms or the failure of a supplier to meet the Company's contractual obligations or otherwise deliver materials consistent with current usage. Factors that are hard to predict or beyond its control, like adverse weather conditions, natural disasters, earthquakes, hurricanes, flooding, fire, power loss, loss of water supply, terrorist attacks, telecommunications and IT system failures, political instability, civil strife, military conflict, the consequences of any military action and associated political instability, generalised labour unrest or health pandemics (such as the COVID-19 pandemic), could also damage or disrupt the Company's supply and supply chains.

Decrease in the consumption of Nigerian Breweries products in favour of competitor products could have an adverse effect on the Company's business, financial condition and/or results of operations

Consumers' preferences and behaviours are evolving, shaping an increasingly complex and fragmented beer and broader beverages category. The Company is exposed to mature markets where the attractiveness of the beer category is being challenged by down-trading and by alternative beverage categories which could result in a lower demand for beer as a result of consumption trends shifting in favour of other beverages. This requires the Company to constantly adapt its product offering, innovate and invest to maintain the relevance and strength of its products.

Furthermore, the Company competes against alternative beverages on the basis of factors over which the Company has little or no control and that may result in fluctuations in demand for the Company's products. Such factors include variation and perceptions in health consciousness, changes in prevailing economic conditions, changes in local regulations in relation to smoking bans, changes in the demographic make-up of target consumers, changing social trends and attitudes regarding alcoholic beverages and changes in consumer preferences for beverages. In these markets, the on-trade channel (i.e. restaurants, hotels, bars and cafeterias) is also under pressure, which may exert negative pricing pressure on the Company's products.

Failure to adapt to these evolving consumer preferences and behaviours as well as the other factors listed above would, in the longer term, affect the Company's revenues, market share and possibly the

Company’s brand equity. Any decrease in the demand for the Company's products in favour of alternative beverages or decreases in the Company's product pricing margins on the basis of factors over which the Company has little or no control could have an adverse effect on the Company's business, financial condition and/or results of operations.

The Company is reliant on the reputation of its brands and the protection of its intellectual property rights

The Company enjoys a positive corporate reputation and is well respected in Nigeria. Constant management attention is directed towards enhancing the Company's social, environmental and financial reputation. The Heineken brand, and also its other international brands are, along with its people, its most valuable assets and one of the key elements in the Heineken's growth strategy. Anything that adversely affects consumer and stakeholder confidence in its brands could have an adverse effect on its business, financial condition and/or results of operations. Also, if the Company fails to ensure the relevance and attractiveness of its brands, and the enhancement of brand marketing, this could also have an adverse effect on its business, financial condition and/or results of operations.

The Company has invested considerable effort in protecting its brands, including the registration of trademarks and domain names. If the Company is unable to protect its intellectual property, any infringement or misappropriation could have an adverse effect on its business, financial condition and/or results of operations and/or its ability to develop its business.

The Company may be impacted by changes in the availability or price of raw materials, water and other input costs

The supply and price of raw materials used to produce the Company's products can be affected by a number of factors beyond its control, including the level of crop production around the world, export demand, government regulations and legislation affecting agriculture, adverse weather conditions, currency fluctuations, economic factors affecting growth decisions, various plant diseases and pests. Water availability is also of utmost concern as the Company requires access to significant water resources to continue its operations. As such, the Company cannot predict the future availability or prices of the products and materials required for its products or guarantee that its water supply will not be subject to stoppages, scarcity or other interruptions. The markets in the relevant commodities may continue to experience price increases or suffer from disruptions in supply. The Company uses, amongst other inputs, barley, grain, hops, glass and aluminium for producing and packaging its products. As a result, significant changes in the availability or price of raw materials, commodities, energy and water may result in a shortage of those resources or increased costs.

The Company’s financial condition is exposed to fluctuations in the prices and the availability of these raw and packaging materials as well as continuity in its water supply. Other input costs, including transportation and energy, have also fluctuated heavily in recent years and remain very volatile. In addition, changes in packaging mixes continue to pressure input costs. Although the Company generally addresses this risk by making use of flexible contracts and active hedging, volatility in input costs may have an adverse effect on its operating costs and its net profit if the Company cannot pass on these price increases to its customers or sufficiently protect itself through its hedging strategies.

In addition, there is a trend of consolidation among suppliers, in particular suppliers of glass bottles and cans. As a result, the Company is dependent on fewer suppliers for its supplies and as such is exposed to the risk that these suppliers cannot meet the Company's supply needs and/or may increase the price of available supplies. Any shortage of, change in price of, or supply disruptions to, any of the raw and/or packaging materials or discontinuity to the Company's water supply may have an adverse effect on its business, financial condition and/or results of operations.

The Company operates in a highly competitive market and industry consolidation in the beer and distribution sectors as well as among its customers could place the Company at a competitive disadvantage

Consolidation in the alcoholic beverage industry may affect existing market dynamics due to competitive disadvantage with suppliers and increased competition on commercial spend and customer acquisition strategies.

Globally, brewers compete mainly on the basis of brand image, price, customer service, distribution networks and quality. While globally the beer industry is not highly concentrated, in Nigeria like many of the countries in which the Group has operations, two or three brewers account for a very large proportion of the market and smaller local brewers make up the balance. Consolidation has significantly increased the capital base and geographic reach of competitors in some of the markets in which they operate, as well as the cost of competition, and competition is expected to increase further as the trend towards consolidation among companies in the beer industry continues.

Further consolidation in the beer sector, emergence of buying alliances and rise of e-commerce distribution channels may result in a competitive disadvantage for the Company if the Company is unable or unwilling to respond appropriately to such industry changes. If the Company's competitors become larger resulting from mergers and/or acquisition activity, they may be able to obtain a better negotiation position with retailers, distributors and suppliers.

Next to this, digital disruption is creating new routes to consumers and increasing the value and power of owning customer and consumer data. In the long run, digital disruption could lead to increased competition and a reduction in the Company's operating margin as the Company could have less control over the way in which it distributes its products to market.

Finally, consolidation among the Company’s customers leading to increased buying power in fewer hands may affect its ability to obtain pricing and favourable trade terms and negatively impact its operating margin. This can put pressure on the Company's existing distribution and supply chain channels. Larger companies can also generate cost advantages with respect to advertising costs as economies of scale can be realised. These competitive disadvantages could lead to the Company experiencing higher costs relative to the costs of its competitors and thus to relatively higher prices, which could reduce demand for its products, which, in turn, could have an adverse effect on its business, financial condition and/or results of operations.

B. RISKS RELATED TO THE ISSUER’S FINANCIAL SITUATION

The Company is exposed to fluctuations in exchange rates, interest rates, commodity prices

The risk of changes in market prices, such as foreign exchange rates, interest rates, commodity prices and equity prices, could adversely affect the Company’s income or the value of its financial instruments. The Company operates in Nigeria and its reporting currency is the Naira. As a result of certain transactions with international markets, fluctuations in exchange rates of foreign currencies relative to the Naira and availability of hard currencies to finance required imports could have an adverse effect on its business, financial condition and/or results of operations. Additionally, exchange rates between the Naira and other currencies may be significantly more volatile than they have been in the past.

There is a risk of a loss when a customer and/or counterparty defaults on its payment obligations to the Company, like trade receivables, loans to customers and advances to customers. Such a default could cause a significant loss and such a loss could potentially adversely affect the Company’s income.

The Company's future capital needs may require that it seeks debt financing, refinancing or additional equity funding, which may not be available or may be materially more expensive

From time to time, the Company may be required to raise additional funds for its future capital needs or to refinance its current funding through public or private financing, strategic relationships or other arrangements. There can be no assurance that the funding, if needed, will be available on attractive terms, or at all. Furthermore, any additional financing arrangements may be dilutive to shareholders, and debt financing, if available, may involve restrictive covenants. In addition, debt financing, refinancing or additional equity funding may be materially more expensive due to the lack of liquidity in the market and the general lack of confidence in the equity markets. The Company's failure to raise capital when needed could have an adverse effect on its business, financial condition and/or results of operations.

Although the Company works to appropriately manage its cash position by diversifying its fundraising measures and expanding its fundraising sources, there are times it may be difficult for the Company to secure the funds required or the Company may be forced to procure funds when interest rates are significantly higher than ordinary rates in normal circumstances due to turmoil in financial markets or changes in the market environment. As a result, the Company could experience difficulties in meeting payment obligations associated with its financial liabilities, like payment of financial debt or trade payables when they fall due.

C. ESG: ENVIRONMENT, SOCIAL and GOVERNANCE

Uncontrollable events, poor quality or contamination of the Company's products, be it accidental or malicious, could result in health hazards for employees and/or consumers, reputational damage, financial liabilities and product recalls

Product recall, product liability and/or safety, health and environmental issues, including incidents and accidents in the breweries, in the supply chain, logistics and along the route-to-market, the discovery of contaminants in the Company's beverage products, or unethical or irresponsible behaviour by the Company or the Company's employees could damage its reputation, brand image, sales and revenues. Any damage to the Company's brands or reputation could have an adverse effect on its business, financial condition and/or results of operations, even if the negative publicity is factually inaccurate or unfounded.

The Company aims to provide a safe workplace for all employees and contractors. Despite the controls in place, the Company's employees, contractors and visitors may suffer from uncontrolled events in the brewery, supply chain, along the route-to-market or in its offices, which could lead to illness, serious injuries or fatalities.

Alcohol abuse by employees is a risk for health safety and reputation.

The Company is exposed to developing market risks such as the risks of devaluation, nationalisation and inflation

Domestic or regional economic and political uncertainties could impact the Issuer's business and that of its customers. The Company's operations are subject to numerous risks inherent to operations in a developing market.

In particular, the risk of an economic recession, change of laws and the interpretations of those laws, trade restrictions, sanctions, major health epidemics/world-wide health events, inflation, fluctuation in exchange rates, devaluation, nationalisation, financial crisis, changes in foreign currency exchange controls and foreign exchange availability, discriminatory and conflicting fiscal policies, difficulties enforcing intellectual property and contractual rights in certain jurisdictions, greater risk of uncollectable accounts and longer collection cycles, effective and immediate implementation of control environment processes across the Company's diverse operations and imposition of more or new tariffs, quotas, trade barriers and/or similar restrictions in the various jurisdictions in which the Company operates or social unrest could adversely affect its revenues and profits.

Furthermore, difficult economic or political circumstances may negatively impact the Company's ability to collect amounts due from governments, including refunds of taxes.

Moreover, political and economic changes, instability or volatility, geopolitical regional conflicts, terrorist activity, crime and lack of law enforcement, political unrest, civil strife, acts of war, public and private sector corruption, exchange rate depreciation, risk of hyperinflation, nationalisation or expropriation, weak economic institutions (such as protection of rights of investors, entrepreneurs or property rights) and other economic or political uncertainties could exacerbate the aforementioned risks and interrupt and have an adverse effect on the Company's business operations.

Changes in global and regional political conditions have led to, and may continue to result in, extended periods of increased political and economic uncertainty. Global and regional trade developments could lead to, among other things, the imposition or threatened imposition of trade tariffs and levies by major countries. Such changes have reduced and could lead to a further reduction in consumer and business activities in Nigeria, or result in the introduction of new and/or divergent regulatory frameworks that the Company will need to adhere to.

All of these factors could result in increased costs or decreased revenues and could have an adverse effect on the Company's business, financial condition and/or results of operations.

The Company is exposed to the risks and effects of economic recession and to falls in per-capita income, which could adversely affect the demand for its products

The Company is exposed to the effects of a global recession and a recession in Nigeria, including lower revenue and reduced income. For the beer business, recession may adversely affect demand, and therefore sales volumes and the prices that can be achieved for beer in Nigeria.

Changes in the economic environment following a global economic downturn may impact on the Company's regular business activities and performance, in particular in the on-premise segment / on-trade channel (i.e., restaurants, hotels, bars and cafeterias). The level of beer consumption in a country is typically positively correlated to the general income level of that country. As such, lower income levels and lower customer solvency resulting from a global economic downturn may further negatively impact the demand for beer and result in lower prices, lower sales and increased credit risk, negatively impacting the Company's business, financial condition and/or results of operations. A global and/or domestic economic downturn may also change consumers' behaviour due to an increase in discount brands and retailers following such economic downturn. To remain competitive, the Company must continue to compete effectively in relation to, among other factors, pricing, quality and reliability. Any such increase in competition or changes in the competitive landscape in which the Company operates could result in increased pricing pressures, which could, in turn, have an adverse effect on its business, financial condition and/or results of operations as well as impact its ability to maintain or increase its market share. Turbulence in financial markets may have an impact on, inter alia, the value of the Company's investments and financial instruments including derivatives and pensions (shortfalls).

The inability of the Company to timely respond to the introduction of new environmental legislation could lead to legal claims, increase of compliance costs, restrictions on production, packaging, distribution, selling and marketing of its products, reputation damage for the Company, limits on the Company’s ‘license to operate’ in a specific jurisdiction, resulting in negative business impact.

As a member of a multi-national group with global operations, the Company is subject to a vast array of public and employee scrutiny. If the Company does not conform to society’s expectations in mitigating its environmental, social and corporate governance impact (including e.g. CO2 emissions, water circularity, water balancing, plastic pollution, brewery waste and sufficient support of local communities) this can lead to significant reputational damage to the Company and/or Group or to its individual brands which, in turn, could have an adverse effect on the Company's business, financial condition and/or results of operations.

D. LEGAL AND REGULATORY RISK

Regulatory changes related to alcohol could lead to a decrease in brand equity and sales of the Company's products

Restrictive measures on alcohol consumption and sales continue to be taken by authorities. The topic of alcohol and health is under scrutiny in many markets. This may prompt regulators to take further measures limiting the Company’s freedom to operate, such as restrictions and/or bans on advertising and marketing, sponsorships, availability of products, including health warnings on labels and increased taxes and duties or the imposition of minimum unit pricing. This could lead to lower overall consumption or consumers switching to different product categories.

Such negative publicity, restrictive measures and potential change in consumption trends could lead to a decrease in brand equity and sales of the Company's products and affect the Company's commercial freedom to operate and restrict the availability of its products, any of which, in turn, could have an adverse effect on the Company's business, financial condition and/or results of operations.

The jurisdiction in which the Company operates may adopt regulations or changes in laws and regulations that could increase the Company's costs and liabilities and/or limit its business activities

Changes in Nigeria’s legal and regulatory environment tend to increase the risk of non-compliance with national and local laws and regulations. Failure to comply with applicable laws and regulations could lead to claims, enforcement and reputational damage for the Company. Recent health trends may lead to an increased risk of consumers making claims.

The Company's business is regulated by the Nigerian Law and other state and local government entities. These regulations govern many parts of its operations, including brewing, bottling, branding, marketing and advertising, transportation, distributor relationships and sales. Other regulations governing taxation, environmental impact and labour relations also affect the Company's operations.

Various legislative authorities consider from time-to-time increasing taxes (including excise and other duties, tariffs and levies) on, *inter alia*, production or sale of alcoholic beverages (including beer), profits, sales, salaries, royalties, interests and/or dividends. Such tax increases are frequently performed by legislative authorities in times of slow or negative economic growth as a means to raise revenue. Tax increases are also used by legislative authorities as a means to steer consumption of alcoholic beverages.

Changes in such regulations and duties could have an adverse effect on the Company's business, financial condition and/or results of operations. Further, there can be no assurance that the Company will not incur material costs or liabilities in connection with its compliance with current applicable regulatory requirements or that such regulations will not interfere with, restrict or affect its businesses which, in turn, could have an adverse effect on its business, financial condition and/or results of operations.

The Company may be subject to claims that it has not complied with laws and regulations, which could result in fines and penalties or loss of operating licenses. The Company is also routinely subject to new or modified laws and regulations with which it must comply in order to avoid claims, fines and other penalties, which could have an adverse effect on its business, financial condition and/or results of operations.

The Company is exposed to antitrust and competition laws and the risk of changes in such laws or in the interpretation and enforcement of existing antitrust and competition laws

The Company is subject to antitrust and competition laws in Nigeria. . The law is just evolving and there are no or limited judicial interpretation of the provision of the law, thereby resulting in uncertainties.
There can be no assurance that the introduction of new competition laws, the interpretation of existing antitrust or competition laws or the enforcement of existing antitrust or competition laws, or any agreements with antitrust or competition authorities, against the Company or its subsidiaries, will not have an adverse effect on the Company's business, financial condition and/or results of operations.

Depending on the outcome of any future claims or investigations or the interpretation of the law and underlying regulations, the Company may be required to change the way it offers particular products or services, which could result in material disruptions to and costs incurred by the business, and the Company may be subject to substantial fines, penalties, damages or injunction or other equitable remedies.

The Company has exposure to litigation risk

Companies in the alcoholic beverage industry are, from time to time, exposed to litigation relating to alcohol advertising, alcohol abuse programmes or health and societal consequences from the excessive consumption of alcohol and to litigation related to product liability issues, including the discovery of contaminants in beverage products. Further, increasing restrictions over alcoholic beverages increases the risk of non-compliance, which increases the likelihood of litigation claims. Additionally, more supervision by regulators and the growing litigation claim culture of the general public may potentially increase the impact of non-compliance and the risks of litigation, both financially and on the business reputation of the Company. Any such litigation could have an adverse effect on the Company's business, financial condition and/or results of operations.

E. INTERNAL CONTROL RELATED RISK

The Company is reliant on its information technology to conduct its business in the different regions in which it operates

The Company's business increasingly relies on its information systems and information technology platforms (collectively, "**IT**"), both in the office environment as well as in the industrial control domain of its breweries. Failure of its IT system, cyber security incidents or a breach in the security infrastructure could lead to business disruption, loss of confidential information, breach of data privacy regulations, financial and reputational damage. The rise of the so-called "Internet of Things" (namely the interconnection between computing devices embedded in everyday objects via the internet) and the expansion of “Cloud” uptake, combined with increasing professionalism of online threat actors (such as hackers) puts information security on the map as a major corporate risk, both in terms of business continuity and of data privacy. This is also recognised by global and domestic regulations, such as the General Data Protection Regulation ("GDPR") and the Nigeria Data Protection Regulation 2019 (“NDPR”), where mismanagement of security and data breaches has become financially punitive. Although the Company takes preventive measures to protect and secure its information systems, its information systems may be vulnerable to different operational and security challenges including telecommunications failures, interruptions, security breaches and other types of interference. The increased centralisation of its IT systems also allows central enforcement of security measures across the Group’s operating companies, but also magnifies the impact of any security incident. Any interruptions, failures or breach in the security infrastructure of its IT systems could have an adverse effect on its ability to compete with competitors and harm its reputation as well as disrupt its business, thereby having an adverse effect on its business, financial condition and/or results of operations.

The Company is dependent on the skills of its people and may fail to attract, develop and retain talented staff with the required capabilities

The Company relies on the skills and capabilities of its people to deliver on its strategic ambitions. If the Company is not successful in attracting, developing and retaining diverse and talented people and leaders with the required capabilities, this may jeopardise its capacity to execute its strategy and achieve the targeted returns.

The Company may not be able to successfully carry out further acquisitions or to integrate acquired businesses with its existing businesses

Historically, the Company has grown its footprint organically and through mergers and acquisitions, leading to a diverse landscape of processes and systems. Deviations from the common accounting and reporting processes and related controls could impair the accuracy of the financial and nonfinancial data used for reporting and external communication.

When considering an acquisition, the Company makes certain estimates as to economic, market and other conditions, including estimates relating to the value or potential value of the business to be acquired and the potential return on investment. Such estimates may prove to be incorrect, rendering its acquisition unsuccessful which could have an adverse effect on its business, financial condition and/or results of operations. In any acquisition, the Company is faced with different cultures, business principles and political, economic and social environments. This may affect corporate values, image and quality standards. It may also impact the realisation of long-term business plans, including synergy objectives, underlying the value of newly acquired companies. Such business integration issues could have an adverse effect on the Company's business, financial condition, accuracy of financial and non-financial reporting and/or results of operations.

FACTORS WHICH ARE MATERIAL FOR THE PURPOSE OF ASSESSING THE MARKET RISKS ASSOCIATED WITH NOTES ISSUED UNDER THE PROGRAMME

A. RISKS RELATED TO THE STRUCTURE OF A PARTICULAR ISSUE OF NOTES

A range of Notes may be issued under the Programme. A number of these Notes may have features which contain particular risks for potential investors. Set out below is a description of the most common such features:

The Notes which are issued at a substantial discount may experience price volatility in response to changes in market interest rates

The market values of securities issued at a substantial discount (such as Zero Coupon Notes) or premium to their principal amount tend to fluctuate more in relation to general changes in interest rates than do prices for more conventional interest-bearing securities. Generally, the longer the remaining term of such securities, the greater the price volatility as compared to more conventional interest-bearing securities with comparable maturities.

B. RISKS RELATED TO CERTAIN TERMS AND FEATURES OF THE NOTES

Set out below is a brief description of certain risks relating to the Notes generally:

The Terms and Conditions of the Notes contain provisions which may permit their modification without the consent of all investors and without regard to the individual interests of particular Noteholders

The Terms and Conditions of the Notes contain provisions for calling meetings of Noteholders to consider matters affecting their interests generally, or otherwise to pass resolutions in writing. These provisions permit defined majorities to bind all Noteholders, including Noteholders who did not attend and vote at the relevant meeting and Noteholders who voted in a manner contrary to the majority.
The Terms and Conditions of the Notes also provide that the Dealers may, without the consent of Noteholders being required and without regard to the interests of particular Noteholders agree to certain modification of any of the provisions of Notes.

While the Notes are in dematerialised form and held within the clearing systems, investors will have to rely on the procedures and operations of the Central Security Depositary as well as the operations of the appointed ICPA in order to receive payments and take certain other actions in respect of the Notes

Each relevant clearing system and the ICPA will maintain records of the beneficial interests in each Notes, while investors will receive settlement of Notes in their relevant depositary accounts. Investors will be able to trade their Notes only through FMDQ Exchange and relevant clearing systems and their respective participants.

The Issuer will discharge its payment obligation under the Notes by making payments to the payment account held with the ICPA for distribution to the relevant Noteholders.

A Noteholder must rely on the settlement procedures of the relevant clearing system and its participants to trade the Notes, and rely on the ICPA to receive payments under the Notes. The Issuer has no responsibility or liability for the records relating to, or payments made in respect of, beneficial interests in any Notes.

Investors who hold less than the minimum specified denomination may be unable to sell their Notes

In relation to any issue of Notes which have denominations consisting of a minimum specified denomination (such as ₦5,000,000) plus one or more higher integral multiples of another smaller amount (such as ₦ 1,000), it is possible that such Notes may be traded in amounts in excess of the minimum specified denomination that are not integral multiples of such minimum specified denomination. In such a case a holder who, as a result of trading such amounts, holds an amount which is less than the minimum specified denomination in his account with the relevant clearing system would not be able to sell the remainder of such holding without first purchasing a principal amount of the Notes at or in excess of the minimum specified denomination such that its holding amounts to a specified denomination. Noteholders should be aware that Notes which have a denomination that is not an integral multiple of the minimum specified denomination may be illiquid and difficult to trade.

The value of the Notes could be adversely affected by a change in Nigerian law or administrative Practice

The Terms and Conditions of the Notes are based on Nigerian law in effect as at the date of issue of the relevant Notes. No assurance can be given as to the impact of any possible judicial decision or change to Nigerian law or administrative practice after the date of issue of the relevant Notes and any such change could materially adversely impact the value of any Notes affected by it.

C. RISKS RELATED TO THE MARKET

Set out below is a brief description of the principal market risks, including liquidity risk, exchange rate risk, interest rate risk (including in relation to "benchmark" indices) and credit risk:

An active secondary market in respect of the Notes may never be established or may be illiquid and this would adversely affect the value at which an investor could sell his Notes

There may not be an active two-way quote trading market for the Notes when issued, and thus the liquidity of the CPs may be limited. Therefore, investors may not be able to sell their Notes easily or at prices that will provide them with a yield comparable to similar investments that have a developed secondary market. In addition, the market price of any Notes may be affected by a range of factors, including (without limitation) any deterioration or perceived deterioration in the credit standing of the Issuer (including in the event of changes in any ratings assigned to the Issuer or the Notes by a credit rating agency), movements in currency exchange rates and other macro-economic factors. Illiquidity may have a severely adverse effect on the market value of Notes.

If* an *investor holds Notes which are not denominated in the investor's home currency, he or she will be exposed to movements in exchange rates adversely affecting the value of his holding. In addition, the imposition of exchange controls in relation to any Notes could result in an investor not receiving payments on those Notes

The Issuer will redeem the Notes in the specified currency. This presents certain risks relating to currency conversions if an investor's financial activities are denominated principally in a currency or currency unit (the "**Investor's Currency**") other than the specified currency. These include the risk that exchange rates may significantly change (including changes due to devaluation of the specified currency or revaluation of the Investor's Currency) and the risk that authorities with jurisdiction over the Investor's Currency may impose or modify exchange controls. An appreciation in the value of the Investor's Currency relative to the specified currency would decrease
(i) the Investor's Currency-equivalent yield on the Notes,
(ii) the Investor's Currency-equivalent value of the principal payable on the Notes and
(iii) the Investor's Currency-equivalent market value of the Notes.

Government and monetary authorities may impose (as some have done in the past) exchange controls that could adversely affect an applicable exchange rate or the ability of the Issuer to make payments in respect of the Notes. As a result, investors may receive less payments than expected, or no payments.

The value of future payments of redemption of the Notes may be reduced as a result of inflation particularly in Notes that are issued in context of low interest rate environment

The value of future payments of redemption of the Notesmay be reduced as a result of inflation as the real rate of return on an investment in the Notes will be reduced if inflation rates increase and may even be negative if the inflation rate rises above the nominal rate of return on the Notes. In this scenario, the value of the Notes will be adversely affected as comparative investments which provide a real rate of return in excess of the real rate of return earned on the Notes will be more attractive.

Credit ratings assigned to the Issuer or any Notes may not reflect all the risks associated with an investment in those Notes and may be subject to change

One or more independent credit rating agencies may assign credit ratings to the Issuer and/or the Notes. 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 Notes. Where a Tranche of Notes is rated, such rating will not necessarily be the same as the ratings assigned to the Issuer or the ratings assigned to Notes already issued under the Programme. A credit rating is not a recommendation to buy, sell or hold securities and may be subject to suspension, reduction or withdrawal at any time by the assigning rating agency. Any such suspension, reduction or withdrawal could adversely affect the market value of the relevant Notes.

SETTLEMENT, CLEARING AND TRANSFER OF NOTES

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

Clearing System

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

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

Authorized Participants

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

For purposes of Notes issued under this Programme, the Authorised Participant is Stanbic IBTC Bank PLC and any other bank appointed by the Issuer to act as ICPA.

Registration

i. The Authorised Participant shall register with the CSD, where CP custody and depository services are required. The Authorised Participant shall complete the requisite forms and shall be required to submit proof of appropriate FMDQ Exchange membership along with the completed form.
ii. Noteholders are required to route their account opening applications and transactions through the Authorised Participant, who will officially notify the CSD to create sub-accounts for these Noteholders and attach Noteholders' mandates to this effect.
iii. The CSD will assign a unique identification number (the "Trade Member Code") to the Authorised Participant and also provide an account number (and sub-account numbers for Noteholders) after creation as requested by the Authorised Participant to enable them to trade the CPs.
iv. The CPs will be registered with the CSD, who in turn shall furnish the Authorised Participant with the CP Symbol and ISIN Codes for the registered CP, subject to receipt of CP registration fees from the Authorised Participant.
v. The CSD will re-open the existing ISIN code for all Tranches with same maturity dates, however new ISIN codes will be issued for Tranches with different maturity dates.

Custody and Dematerialization

i. An Authorised Participant with physical CP notes may decide to dematerialize CP(s) with the CSD.
ii. All holders of CP notes must route these notes through the Authorised Participant who will then submit on the CSD authorized platform in dematerialized form.
iii. The Authorised Participant may also decide to keep the CPs in physical form with the CSD (subject to service agreement with the CSD), acting as the Custodian for the issue.
iv. The Authorised Participant can also lodge the CP(s) electronically by using the CSD electronic lodgement format.
v. The Authorised Participant will advise the CSD, after dematerialization or electronic lodgement to transfer CPs to Noteholders' (or their custodians') accounts at the CSD before trading commences.
vi. Cut-off time for e-lodgement of CPs is 10.00 a.m. on the day before the value date, and the CSD shall process the same within 24 hours of receipt.

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

Roll-Over

i. Every roll-over of a CP shall be treated or classified as a fresh/separate CP.
ii. Upon granting approval for rollover, FMDQ Exchange shall request for the rollover CP to be registered with the CSD, who in turn shall furnish FMDQ Exchange and the Authorised Participant with the new CP Symbol and ISIN Codes, subject to receipt of CP rollover fees from the Authorised Participant.
iii. The CSD shall expunge the existing CP Symbol and ISIN Codes from the system and replace with the new codes.

Default

i. The ICPA shall notify FMDQ Exchange in writing that the Notes have been liquidated and that funds have been transferred to all CP holders by 3:00pm on the Maturity Date, failing which the Issuer shall be deemed to be in default.
ii. In case of (i) above, the CP holdings must remain with the CSD until the ICPA pays off the Noteholders and notifies the CSD and FMDQ Exchange with evidence.
iii. Thereafter, the CSD will notify the public and expunge the CP from the CSCS depository accordingly.

Secondary Market Trading (OTC) Guidelines

i. Standard settlement cycle is T+2.
ii. FMDQ Exchange shall submit the confirmed CP trade details on trade day in the specified format via the CSD authorized platform, based on the following settlement timelines:
    - Same Day Settlement: 12.30 p.m.
    - T+1 or T+2 Settlements: 3.00 p.m.
iii. The CSD shall deliver securities and send confirmation of transfers via the CSD authorized platform by 2.00 p.m. on the settlement date to FMDQ Exchange and the Nigeria Inter-Bank Settlement System ("NIBSS") simultaneously. The Authorised Participant shall state the particular account number where the CP(s) will be settled.
iv. NIBSS shall transfer settlement amounts to respective accounts and send confirmation to FMDQ Exchange and the CSD simultaneously.
v. Transactions for standard settlement (T+2) shall stop five (5) Business Days before the Maturity Date. Therefore, the last applicable settlement shall be before close of business on the date which is three (3) Business Days before the Maturity Date.

Reporting

i. The CSD shall effect the transfer of CPs on the settlement date as advised by the Authorised Participant or FMDQ Exchange and keep records of consideration for each transaction.
ii. The CSD will advise the Authorised Participant or FMDQ Exchange for onward communication to the Authorised Participant, as applicable, of successful and failed transactions on each settlement day.

iii. The Authorised Participant can visit the applicable CSD website (www.cscsnigeriaplc.com/www.fmdqgroup.com) to ascertain its CP balances after each day's trade. This is available only to the institutions that subscribe to the CSCS 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 the rules and operating procedures of the CSD.

Cash Settlement

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

RC: 613

NIGERIAN BREWERIES PLC

Issue of Up to ₦ [●] (Series [●]) Commercial Paper Notes
Under its ₦100, 000,000,000
Commercial Paper Issuance Programme

This Applicable Pricing Supplement must be read in conjunction with the Programme Memorandum dated 15 August 2022 prepared by Stanbic IBTC Capital Limited, FBNQuest Merchant Bank Limited and FCMB Capital Markets Limited on behalf of Nigerian Breweries PLC in connection with its ₦100,000,000,000 Commercial Paper Issuance Programme ("the Programme Memorandum"), as amended and/or supplemented from time to time.

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 11 September 2019 and the FMDQ Exchange Commercial Paper Registration and Quotation Rules in force from time to time. The document is not required to be registered with Nigeria Exchange Limited ("NGX") or the Securities and Exchange Commission ("SEC"). This document is important and should be read carefully. If any recipient is in any doubt about its contents or the actions to be taken, such recipient should consult his/her Banker, Stockbroker, Accountant, Solicitor or any other professional adviser for guidance immediately.

Joint Arrangers and Dealers

Stanbic IBTC Capital | FBNQuest Merchant Bank | FCMB

RC 10131358 | RC 264978 | RC 446561

Issuing, Calculation and Paying Agent

Stanbic IBTC Bank

RC 125097

This Pricing Supplement is dated [•]

Issuer	Nigerian Breweries PLC
Arrangers and Dealers	FBNQuest Merchant Bank Limited, FCMB Capital Markets Limited and Stanbic IBTC Capital Limited
Issuing, Calculation and Paying Agent	Stanbic IBTC Bank PLC
Sponsor to the Quotation on FMDQ Exchange	**[●]**
Receiving Banks	First Bank of Nigeria Limited Stanbic IBTC Bank PLC
Auditor	Deloitte & Touche
Custodian	Central Securities Clearing Systems PLC or FMDQ Depository Limited
Solicitor	**[●]**
Issuer/ Issuer Rating	**[●]**
Series Number	**[●]**
Programme Size	₦100,000,000,000
Aggregate Nominal Amount	**[●]**
a. Series	**[●]**
b. Tranche	**[●]**
Face Value	**[●]**
Discounted Value	**[●]**
Nominal Amount Per Note	**[●]**
Issue Price	**[●]**
Tenor	**[●]**
Maturity Date	**[●]**
Final Redemption Amount	**[●]**
Specified Currency	Nigerian Naira (₦)
Specified Denomination	**[●]**
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
Form Of Notes	Uncertificated / Dematerialised
Quotation	FMDQ Exchange
Taxation	Please refer to the 'Tax Considerations' section in the Programme Memorandum
Method Of Offer	**[●]**
Book Closed Period	The Register will be closed from **[●]** to **[●]** until the Maturity Date
Implied Yield	**[●]**
Discount Rate	**[●]**
Any Other Formula or basis For Determining Amount(s) Payable	**[●]**Actual/Actual (actual number of days in a month and actual number of days in a year)
Day Count Fraction	Actual/Actual
Business Day Convention	Any day except Saturdays, Sundays and public holidays declared by the Federal Government of Nigeria on which banks are open for business in Nigeria

Redemption/Payment Basis	[Redemption at par]
Issuer's Early Redemption	[Applicable/Not Applicable]
Issuer's Optional Redemption	Not Applicable
Other Terms Applicable On Redemption	**[●]**
Offer Opens	**[●]**
Offer Closes	**[●]**
Allotment Date	**[●]**
Notification Of Allotment	All applicants will be notified through an email and/or telephone of their allotment by no later than []
Payment Date	**[●]**
Issue Date	**[●]**
Details Of Bank Account(s) To Which Payments Are To Be Made In Respect Of The Notes	**[●]**
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 [date of last published annual accounts].

RESPONSIBILITY

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

Signed at ______________________ on this ___________ day of _____________ 20[●]

For and on behalf of

Nigerian Breweries PLC

____

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

____

Name
Capacity: Director
Who warrants his/her authority

AUDITOR’S REPORT ON THE SUMMARY FINANCIAL STATEMENTS

This section contains the Auditor's report on the summary financial statements of Nigerian Breweries PLC (the “Company”) for the years ended 31 December 2019, 31 December 2020 and 31 December 2021. Also included in this section are the Company's statement of financial position; statement of comprehensive income and the statement of cash flows for the above-referenced years.

In this section,

Auditor’s opinion on the summary financial statements

Summary statement of comprehensive income for the years ended 31 December 2019, 2020 and 2021

Summary statement of financial position as at 31 December 2019, 2020 and 2021

Summary statement of cash flows for the years ended 31 December 2019, 2020 and 2021

AUDITOR'S OPINION

Deloitte.

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Report of the Independent Auditors on the Summary Financial Statements to the Members of Nigerian Breweries Plc

Opinion

The accompanying summary of financial information on pages 45 to 48 which comprise the summary statements of financial position as at 31 December 2019, 31 December 2020 and 31 December 2021, the summary of profit or loss and other comprehensive income for the years ended 31 December 2019, 31 December 2020 and 31 December 2021 and the summary of statement of cash flows for the years then ended, are derived from the audited consolidated and separate financial statements of Nigerian Breweries Plc for the years ended 31 December 2019, 31 December 2020 and 31 December 2021 respectively.

In our opinion, the summary financial information derived from consolidated and separate financial statements of Nigerian Breweries (the "Company") and its subsidiaries (together the "Group") for the years ended 31 December 2019, 31 December 2020 and 31 December 2021 are consistent, in all material respect with those financial statements, in accordance with the International Financial Reporting Standards, the Companies and Allied Matters Act, 2020, the Financial Reporting Council of Nigeria Act, 2011.

Summary Consolidated Financial Statements

The summary Consolidated and separate financial statements do not contain all disclosures required by the International Financial Reporting Standards, Companies and Allied Matters Act 2020, and the Financial Reporting Council of Nigeria Act, 2011 applied in the preparation of the audited financial statements of Nigerian Breweries Plc. Reading the summary financial statements and the auditor's report thereon, therefore, is not a substitute for reading the audited financial statements and the auditor's report of Nigerian Breweries Plc.

Directors' Responsibility for the Summary Financial Statements

The Directors are responsible for the preparation of the summary financial information for the years ended 31 December 2019, 31 December 2020 and 31 December 2021 in accordance with Section 355 of the Companies and Allied Matters Act 2020, the Financial Reporting Council of Nigeria Act, 2011 and the International Financial Reporting Standards.

Auditors' Responsibility

Our responsibility is to express an opinion on whether the summary financial information is consistent in all material respects with the audited consolidated and separate financial statements based on our procedures, which were conducted in accordance with International Standards on Auditing (ISA 810 revised). "Engagement to report on Summary Financial Statements".

Chigozie Okoro, FCA- FRC/2013/ICAN/00000004457
For: Deloitte and Touché
Chartered Accountants
Lagos, Nigeria
2 June 2022

INSTITUTE OF CHARTERED ACCOUNTANTS OF NIGERIA
1116815

MAKING AN IMPACT THAT MATTERS since 1845

CONSOLIDATED STATEMENT OF FINANCIAL POSITION AS AT 31 DECEMBER - 2021, 2020 & 2019

	Group 2021 ₦'000	Company 2021 ₦'000	Group 2020 ₦'000	Company 2020 ₦'000	Group 2019 ₦'000	Company 2019 ₦'000
ASSETS						
Property, plant and equipment	257,216,814	255,630,534	213,412,133	212,369,121	201,907,332	201,362,280
Right-of-use assets	12,520,277	12,364,126	42,915,964	42,834,781	11,073,782	10,992,267
Intangible assets and goodwill	94,334,332	94,334,332	95,272,318	95,272,318	96,465,642	96,465,642
Investments	150,000	929,625	150,000	929,625	150,000	929,625
Other receivables	1,134,459	1,134,459	911,375	911,375	651,781	651,781
Non-current assets	**365,355,882**	**364,393,076**	**352,661,790**	**352,317,220**	**310,248,537**	**310,401,595**
Inventories	62,191,510	62,067,403	36,087,210	35,992,172	38,520,328	38,492,789
Trade and other receivables	26,500,516	24,714,756	11,417,423	10,457,436	21,307,218	20,910,443
Prepayments	2,852,868	2,852,868	3,745,422	3,745,422	3,500,168	3,500,168
Deposit for imports	11,891,422	11,891,422	11,575,510	11,575,510	2,840,214	2,840,214
Cash and cash equivalents	16,730,029	16,720,040	30,369,847	30,349,614	6,361,057	6,358,606
Current assets	**120,166,345**	**118,246,489**	**93,195,412**	**92,120,154**	**72,528,985**	**72,102,220**
Total assets	**485,522,227**	**482,639,565**	**445,857,202**	**444,437,374**	**382,777,522**	**382,503,815**
EQUITY						
Share capital	4,037,916	4,037,916	3,998,451	3,998,451	3,998,451	3,998,451
Share premium	77,499,797	77,499,797	73,770,356	73,770,356	73,770,356	73,770,356
Share based payment reserve	170,753	170,753	214,506	214,506	501,557	501,557
Retained earnings	90,094,911	90,430,837	83,093,100	83,167,564	89,382,366	89,294,198
Equity attributable to owners of the Company	171,803,377	172,139,303	161,076,413	161,150,877	167,652,730	167,564,562
Non-controlling interest	108,887	-	102,629	-	97,249	-
Total equity	**171,912,264**	**172,139,303**	**161,179,042**	**161,150,877**	**167,749,979**	**167,564,562**
LIABILITIES						
Loans and borrowings	6,831,273	6,831,273	39,636,707	39,636,707	50,893,918	50,893,918
Employee benefits	10,964,102	10,964,102	16,719,748	16,719,748	13,434,272	13,434,272
Deferred tax liabilities	23,281,997	23,281,997	17,854,115	17,854,115	23,171,027	23,171,027
Non-current liabilities	**41,077,372**	**41,077,372**	**74,210,570**	**74,210,570**	**87,499,217**	**87,499,217**
Loans and borrowings	24,542,067	24,542,067	51,810,629	51,810,629	4,825,613	51,810,629
Current tax liabilities	10,623,647	10,547,531	11,713,346	11,663,778	12,799,004	11,663,778
Dividend payable	10,437,847	10,437,847	7,707,091	7,707,091	5,742,085	7,707,091
Trade and other payables	226,418,019	223,384,434	139,200,670	137,858,575	102,782,561	137,858,575
Provisions	511,011	511,011	35,854	35,854	1,379,063	1,379,063
Current liabilities	**272,532,591**	**269,422,890**	**210,467,590**	**209,075,927**	**127,528,326**	**127,440,036**
Total liabilities	**313,609,963**	**310,500,262**	**284,678,160**	**283,286,497**	**215,027,543**	**214,939,253**
Total equity and liabilities	**485,522,227**	**482,639,565**	**445,857,202**	**444,437,374**	**382,777,522**	**382,503,815**

CONSOLIDATED AND SEPARATE INCOME STATEMENT FOR THE YEARS ENDED 31 DECEMBER - 2021, 2020 & 2019

	Group 2021 ₦'000	Company 2021 ₦'000	Group 2020 ₦'000	Company 2020 ₦'000	Group 2019 ₦'000	Company 2019 ₦'000
Revenue	**437,285,189**	**437,195,534**	**337,046,213**	**337,006,267**	**323,007,470**	**323,002,120**
Cost of sales	(276,871,996)	(276,871,996)	(218,355,350)	(218,355,350)	(191,756,513)	(191,756,513)
Gross profit	**160,413,193**	**160,323,538**	**118,690,863**	**118,650,917**	**131,250,957**	**131,245,607**
Other income	4,626,570	4,626,570	828,055	828,055	1,005,286	1,005,286
Marketing and distribution expenses	(97,304,194)	(97,304,194)	(70,701,538)	(70,701,538)	(77,695,289)	(77,695,289)
Administrative expenses	(26,241,295)	(25,833,927)	(19,212,379)	(18,959,649)	(19,355,354)	(19,300,932)
Profit from operating activities	**41,494,274**	**41,811,987**	**29,605,001**	**29,817,785**	**35,205,600**	**35,254,672**
Finance income	313,523	313,523	246,283	246,283	260,700	260,700
Net loss on foreign exchange transactions	(7,041,448)	(7,041,448)	(4,770,390)	(4,770,390)	-	-
Finance costs	(11,065,209)	(11,154,266)	(13,504,349)	(13,585,933)	(12,114,546)	(12,188,282)
Net finance costs	**(17,793,134)**	**(17,882,191)**	**(18,028,456)**	**(18,110,040)**	**(11,853,846)**	**(11,927,582)**
Profit before tax	**23,701,140**	**23,929,796**	**11,576,545**	**11,707,745**	**23,351,754**	**23,327,090**
Income tax expense	(11,029,181)	(11,002,633)	(4,208,176)	(4,182,124)	(7,245,842)	(7,222,327)
Profit after tax	**12,671,959**	**12,927,163**	**7,368,369**	**7,525,621**	**16,105,912**	**16,104,763**
Profit for the year attributable to:						
Owners of the Company	12,665,701	12,927,163	7,362,989	7,525,621	16,101,100	16,104,763
Non-controlling interest	6,258	-	5,380	-	4,812	-
Profit for the year	**12,671,959**	**12,927,163**	**7,368,369**	**7,525,621**	**16,105,912**	**16,104,763**
Earnings per share						
Basic earnings per share (kobo)	157	161	92	94	201	201
Diluted earnings per share (kobo)	157	161	92	94	201	201

CONSOLIDATED AND SEPARATE STATEMENTS OF OTHER COMPREHENSIVE INCOME FOR THE YEARS ENDED 31 DECEMBER - 2021, 2020 & 2019

	Group 2021 ₦'000	Company 2021 ₦'000	Group 2020 ₦'000	Company 2020 ₦'000	Group 2019 ₦'000	Company 2019 ₦'000
Profit for the year	**12,671,959**	**12,927,163**	**7,368,369**	**7,525,621**	**16,105,912**	**16,104,763**
Items that may be reclassified subsequently to profit or loss:						
Actuarial gains/(losses)	3,084,305	3,084,305	(643,180)	(643,180)	3,104,294	3,104,294
Other comprehensive income/(loss), net of tax	3,084,305	3,084,305	(643,180)	(643,180)	3,104,294	3,104,294
Total comprehensive income for the year	**15,756,264**	**16,011,468**	**6,725,189**	**6,882,441**	**19,210,206**	**19,209,057**
Total comprehensive income for the year attributable to:						
Owners of the Company	15,750,006	16,011,468	6,719,809	6,882,441	19,205,394	19,209,057
Non-controlling interest	6,258	-	5,380	-	4,812	
Total comprehensive income for the year	**15,756,264**	**16,011,468**	**6,725,189**	**6,882,441**	**19,210,206**	**19,209,057**

CONSOLIDATED AND SEPARATE STATEMENT OF CASH FLOWS FOR THE YEARS ENDED 31 DECEMBER – 2021, 2020 & 2019

	Group 2021 ₦'000	Company 2021 ₦'000	Group 2020 ₦'000	Company 2020 ₦'000	Group 2019 ₦'000	Company 2019 ₦'000
Profit for the year	12,671,959	12,927,163	7,368,369	7,525,621	16,105,912	16,104,763
Adjustments for:						
Depreciation	39,777,442	39,528,146	36,830,139	36,714,893	31,402,432	31,397,432
Amortisation of intangible assets	1,522,215	1,522,215	1,439,338	1,439,338	1,327,628	1,327,628
Finance income	(313,523)	(313,523)	(246,283)	(246,283)	(260,700)	(260,700)
Interest expenses	11,065,209	11,154,266	13,504,349	13,585,933	8,311,073	8,384,809
Gratuity, employee benefit and share-based recharge	254,729	254,729	3,927,958	3,927,959	3,457,239	3,457,239
Gain on sale of property, plant and equipment	(2,982,451)	(2,982,451)	(10,163)	(10,163)	(16,805)	(16,805)
Income tax expense	11,029,181	11,002,633	4,208,176	4,182,124	7,245,842	7,222,327
	73,024,761	**73,093,178**	**67,021,883**	**67,119,422**	**67,572,621**	**67,616,693**
Changes in:						
Inventories	(26,104,300)	(26,075,231)	2,433,120	2,500,617	(6,013,500)	(5,985,965)
Trade and other receivables	(15,306,177)	(14,480,404)	9,630,203	10,193,417	13,856,475	14,253,250
Prepayments	892,554	892,554	(186,913)	(186,913)	(2,003,571)	(2,003,571)
Trade and other payables	96,538,921	94,847,431	50,309,401	49,032,081	(6,758,298)	(7,552,345)
Provisions	475,157	475,157	35,854	35,854	-	-
Deposit for imports	(315,912)	(315,912)	(8,735,296)	(8,735,296)	(365,935)	(365,935)
Cash generated from operating activities	**129,205,004**	**128,436,773**	**120,508,252**	**119,959,182**	**66,287,792**	**65,962,127**
Income tax paid	(8,142,435)	(8,142,435)	(10,306,628)	(10,306,628)	(11,739,715)	(11,698,157)
Gratuity paid	(823,757)	(823,757)	(800,129)	(800,129)	(776,440)	(776,440)
Other long term employee benefits paid	(694,629)	(694,629)	(775,656)	(775,656)	(710,653)	(710,653)
Provisions paid	-	-	(1,379,063)	(1,379,063)	(183,915)	(183,915)
Share-based payment	-	-	(304,117)	(304,117)	(407,099)	(407,099)
VAT paid	(27,975,295)	(27,975,295)	(21,600,140)	(21,600,140)	(13,574,225)	(13,574,225)
Net cash from operating activities	**91,568,888**	**90,800,657**	**85,342,519**	**84,793,449**	**38,895,745**	**38,611,638**
Cash flows from investing activities						
Finance income	313,523	313,523	246,283	246,283	260,700	260,700
Proceeds from sale of property, plant and equipment	54,576	54,576	18,960	18,960	187,699	187,699
Acquisition of property, plant and equipment	(59,406,797)	(58,614,233)	(37,214,604)	(36,602,061)	(29,915,879)	(29,459,309)
Acquisition of right-of-use asset	(1,390,308)	(1,315,340)	(1,327,132)	(1,327,132)	-	-
Investment on Subsidiary	-	-	-	-	-	(100,000)
Acquisition of intangible assets	(584,229)	(584,229)	(246,014)	(246,014)	(657,562)	(657,562)
Net cash used in investing activities	**(61,013,235)**	**(60,145,703)**	**(38,522,507)**	**(37,909,964)**	**(30,125,042)**	**(29,768,472)**
Cash flows from financing activities						
Repayment of loans and borrowings	(95,449,588)	(95,449,588)	(106,951,098)	(106,951,098)	-	-
Proceeds from loans and borrowings	67,601,949	67,601,949	109,864,990	109,864,990	14,591,966	14,591,966
Repayment of lease liabilities	(8,638,138)	(8,638,138)	(6,310,987)	(6,310,987)	-	-
Interest paid	(5,461,161)	(5,550,218)	(8,370,060)	(8,451,315)	(7,411,113)	(7,582,642)
ROUA additions	-	-	(36,222,795)	(36,222,795)	(36,222,795)	(2,586,786)
Cash received from Registrars	2,730,756	2,730,756	3,030,480	3,030,480	(1,596,594)	(1,596,594)
Dividends paid	(4,979,289)	(4,979,289)	(14,074,548)	(14,074,548)	(18,632,782)	(18,632,782)
Net cash used in financing activities	**(44,195,471)**	**(44,284,528)**	**(22,811,222)**	**(22,892,477)**	**(15,733,102)**	**(15,806,838)**
Net decrease/(increase) in cash and cash equivalents	(13,639,818)	(13,629,574)	24,008,790	23,991,008	(6,962,399)	(6,962,399)
Cash and cash equivalents at 1st January	30,369,847	30,349,614	6,361,057	6,358,606	13,323,456	13,322,278
Cash and cash equivalents at 31st December	**16,730,029**	**16,720,040**	**30,369,847**	**30,349,614**	**6,361,057**	**6,358,606**

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GCR
RATINGS

Credit Rating Announcement

GCR affirms Nigerian Breweries Plc's national scale long and short term Issuer ratings of AA+$_{(NG)}$ /A1+$_{(NG)}$, with the Outlook revised to Positive.

Rating Action

Lagos, Nigeria, 29 April 2022 – GCR Ratings ("GCR") has affirmed the national scale long term and short term Issuer ratings of AA+$_{(NG)}$ and A1+$_{(NG)}$ respectively, assigned to Nigerian Breweries Plc, with the Outlook revised to Positive.

Rated Entity / Issue	Rating class	Rating scale	Rating	Outlook / Watch
Nigerian Breweries Plc	Long Term Issuer	National	AA+$_{(NG)}$	Positive
	Short Term Issuer	National	A1+$_{(NG)}$	--

Rating Rationale

The ratings accorded to Nigerian Breweries Plc ("NB" or "the Company") reflect its leading market position in the Nigerian brewery industry, on the back of substantial production capacity facilitating sustained high market share.

NB remains the dominant brewer in Nigeria, with c.60% market share, underpinned by its large production capacity over 17 million hectolitres ("mhl"), compared to a combined 14.5mhl by its two key competitors. NB continued to mitigate challenging global supply chain dynamics and international commodity price movements through greater import substitution, partnering with local suppliers to grow sorghum and reduce reliance on malt barley. Entrenching these partnerships will further complement the existing extensive distribution network, robust customer base and well diversified product base. In addition, the optimal expansion of the existing production capacity is underway, which will increase the installed capacity to 19mhl, and capture further market share.

GCR takes cognisance of significant revenue growth in FY21, peaking at N437.3bn over the review period. The growth was underpinned by stronger volumes in premium brands and inflation induced price increases. This notwithstanding, the EBITDA margin moderated by 2 percentage points to 18% in FY21, due to rising input costs and exacerbated by lingering forex challenges, albeit remaining in line with peer average. GCR anticipates 15% revenue growth in FY22 and 20% in FY23, supported by higher volumes from the optimal capacity expansion of the brewing plants and continued price increases. Over the outlook period, we expect that imported input cost inflation and the impact of the expected rise in excise duty on the products will be mostly offset by price adjustments, with the EBITDA margin largely preserved at around the historical range of 18%-21%. NB's ability to raise prices, despite a generally contained consumer environment, highlights the competitive advantage it maintains by dominating the less price sensitive premium segment.

The leverage and capital structure are strong rating factors, given the conservative debt profile and credit protection metrics. Having repaid its commercial papers and high lease liabilities during FY21, gross debt normalised to N31.4bn, from N91.4bn in FY20. However, debt is offset by cash holdings of N17bn. Combined with strong earnings, net debt to EBITDA significantly improved to 0.2x in FY21 (FY20: 0.9x). Similarly, operating cash flows coverage of debt strengthened to 276% (FY20: 84%) and net interest coverage slightly improved to 7.4x (FY20: 6x) supported by the lower debt level at FY21. GCR expects that the leverage metrics will remain strong in the near term, should NB plan to raise further debt.

The sources versus uses liquidity coverage is estimated at 1.9x for the 12 months period to December 2022. This is underpinned by the GCR's projection for robust net operating cash flows in FY22, and cash holding of N17bn at December 2021. This will be further supported by substantial unutilised committed and uncommitted facilities, which will be utilised to sufficiently meet debt repayment of N24.5bn, capex commitments and dividend payments.

Outlook Statement

The Positive Outlook reflects GCR's expectation that NB will meet its growth target through capacity expansion and volumes growth, while maintaining a conservative debt level that is supportive of a very strong credit profile.

Ratings History

Nigerian Breweries Plc					
Rating class	Review	Rating scale	Rating	Outlook/Watch	Date
Long Term Issuer	Initial	National	AA(NG)	Stable	April 2018
Short Term Issuer	Initial	National	A1+(NG)		
Long Term Issuer	Last	National	AA+(NG)	Stable	April 2021
Short Term Issuer	Last	National	A1+(NG)	--	

RISK SCORE SUMMARY

Risk score	
Operating environment	**6.75**
Country risk score	3.75
Sector risk score	3.00
Business profile	**2.00**
Competitive position	2.00
Management and governance	0.00
Financial profile	**2.00**
Earnings	0.00
Leverage & capital structure	1.50
Liquidity	0.50
Comparative profile	**0.00**
Group support	0.00
Peer analysis	0.00
Nigerian Breweries Plc's Total Risk Score	**10.75**

BANWO & IGHODALO

August 15, 2022

Stanbic IBTC Capital Limited
I.B.T.C Place, Walter Carrington Crescent
Victoria Island
Lagos, Nigeria

Dear ***Sir***,

RE: NIGERIAN BREWERIES PLC'S ₦100,000,000,000 (HUNDRED BILLION NAIRA) DOMESTIC COMMERCIAL PAPER ISSUANCE PROGRAMME AND THE ISSUANCE OF NOTES THEREUNDER

1. INTRODUCTION

1.1. Basis of Instructions

We have acted as Transaction Counsel in connection with: (a) the establishment of a ₦100,000,000,000 (Hundred Billion Naira) domestic commercial paper issuance programme (the "**Programme**") by Nigerian Breweries Plc (the "**Issuer**") (the "**Transaction**"); and (b) the preparation, review, negotiation, execution and delivery of the documents listed in paragraphs 1.2.2 below (collectively, the "**Transaction Documents**").

This opinion is rendered pursuant to Clause 6.1 of the Dealer Agreement dated August 15, 2022 entered into by and between the Issuer, FBNQuest Merchant Bank Limited, FCMB Capital Markets Limited, and Stanbic IBTC Capital Limited (the "**Dealer Agreement**").

Words and expressions used in this opinion and not otherwise defined herein shall have the meanings attributed to same in the programme memorandum for the Transaction dated August 15, 2022 (the "**Programme Memorandum**").

1.2. Documents

1.2.1 In rendering this legal opinion, we have reviewed the Programme Memorandum which incorporates the pro forma Pricing Supplement (that sets out the terms and conditions applicable to any series or tranche of Notes that will be issued under the Transaction);

1.2.2 We have prepared the following documents in connection with the Transaction and confirm that same will be valid upon their due execution in their forms as of the date of this opinion:

Attorney list at www.banwo-ighodalo.com

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E banwigho@banwo-ighodalo.com W www.banwo-ighodalo.com

BANWO & IGHODALO

(a) The Dealer Agreement dated August 15, 2022 and entered into between the Issuer, FBNQuest Merchant Bank Limited, FCMB Capital Markets Limited, and Stanbic IBTC Capital Limited;

(b) The Issuing, Collecting and Paying Agency Agreement dated August 15, 2022 and entered into between the Issuer and Stanbic IBTC Bank Limited acting as Issuing, Collecting and Paying Agent (the "**Agent**") (the "**Agency Agreement**"); and

(c) The Deed of Covenant dated August 15, 2022 and entered into as a deed poll by the Issuer in favour of the Noteholders (the "**Deed of Covenant**").

1.2.3 We have examined the following corporate documents of the Issuer:

(a) certified true copy of the Certificate of Incorporation of dated December 2, 2004 confirming that the Issuer was incorporated on November 16, 1946 with the name Nigerian Breweries Limited and registration number RC 613 and by a special resolution dated September 25, 2003 the Issuer changed its name to Nigerian Breweries PLC;

(b) the Memorandum and Articles of Association of the Issuer certified as a true copy of the original by the Corporate Affairs Commission ("**CAC**") on September 1, 2021 ("**MemArts**");

(c) a copy of the status report of the Issuer certified as an extract by the CAC on December 17, 2021[1];

(d) a copy of the resolution of board of directors of the Issuer dated April 22, 2022 authorising the establishment of the Programme and the issuance of Notes in series and execution of the Transaction Documents; and

(e) such other documents and records as we have deemed necessary in order for us to render this opinion.

1.3. Assumptions

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

[1] We note that the information in the status report with respect to the Issuer's share capital and date of appointment/removal of directors are incorrect

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(a) the authenticity or genuineness of all seals and signatures on all documents and the completeness and conformity to original documents of all copies of the documents made available to us in physical or electronic form and that any document submitted to us continues in full force and effect;

(b) other than the Issuer, each person which is expressed to be party to the Transaction Documents:

(i) is duly incorporated and is validly existing;

(ii) is not the subject of any insolvency proceedings (which includes without limitation, those relating to bankruptcy, liquidation, administration, administrative receivership and reorganisation) in any jurisdiction;

(iii) has the capacity to execute each Transaction Document to which it is expressed to be a party and to perform the obligations it is expressed to assume under it;

(iv) has taken all necessary corporate action to authorise it to execute each Transaction Document to which it is expressed to be a party and to perform the obligations it is expressed to assume under it; and

(v) has duly executed each Transaction Document to which it is expressed to be a party.

(c) the accuracy of all the representations and warranties as to factual matters contained in, and made by the Issuer under, the Transaction Documents;

(d) there are no other facts relevant to this opinion that are not contained in the documents referred to in paragraph 1.2 (*Documents)*;

(e) the lack of bad faith and absence of fraud, coercion, duress or undue influence on the part of any of the parties to the Transaction Documents, their respective directors, officers, employees, agents and advisers and none of the Parties to the Transaction Documents has executed same on the basis of mistake of fact or law or believing it to be fundamentally different in substance or in kind;

(f) no Notes will be issued with a tenor of more than 270 days (inclusive of any rollover); and

3

BANWO & IGHODALO

(g) that there is no other information known to the Issuer which has not been disclosed to us which would affect the opinions expressed below.

1.4. Scope and Purpose of the Opinion

(a) This opinion is given on the basis of the assumptions set out in paragraph 1.3 (*Assumptions*) above and is subject to the qualifications set out in paragraph 3 (*Qualifications*) below.

(b) This opinion is confined to matters of Nigerian law and the affairs of the Issuer as at the date hereof and we have no duty to keep you informed of subsequent developments which might affect this opinion.

(c) We express no opinion and have taken no account of the laws of any jurisdiction other than Nigeria.

(d) We express no opinion on matters of fact.

(e) Our opinion is limited to the matters expressly stated in paragraph 2 (*Opinion*) below and it is not extended by implication. In particular, we express no opinion on the accuracy of the assumptions contained in paragraph 1.3 (*Assumptions*). A statement in the said paragraph which has the effect of limiting our opinion is independent of any other statement and is not to be impliedly restricted by it. As far as we are aware, none of our assumptions are incorrect.

2. OPINION

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

2.1 Status, Power and Authority, Legal Validity

2.1.1 The Issuer: (a) is a public limited liability company, duly incorporated under the laws of the Federal Republic of Nigeria ("**Nigeria**"); (b) is validly existing and duly authorised to carry on its business as currently conducted, under the laws of Nigeria; (c) has the capacity and power to issue the Notes, enter into the Transaction Documents to which it is a party and to exercise its rights and perform its obligations thereunder; and (d) has perpetual corporate existence and the capacity to sue and be sued in its own name.

2.1.2 All corporate actions required to authorise the establishment of the Programme, the issuance of the Notes, the execution by the Issuer of the Transaction Documents to which

4

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it is a party, the exercise by the Issuer of its rights and the performance by it of its obligations under the Notes and the Transaction Documents have been duly taken.

2.1.3 The Transaction Documents and the Notes (when issued) constitute valid, legal, binding and enforceable obligations of the Issuer and are enforceable against it in accordance with their terms.

2.1.4 The issuance of the Notes in dematerialised form is valid and legal under the laws of Nigeria.

2.1.5 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.

2.1.6 The holders of the Notes shall be entitled, severally to enforce the Deed of Covenant.

2.2 <u>Insolvency</u>

To the best of our knowledge, the Issuer is not in liquidation, administration, receivership or administrative receivership; and no winding-up petition, dissolution or similar procedure has been presented against the Issuer. Subject to insolvency laws generally applicable to Nigerian companies, if insolvency proceedings involving the Issuer were to be instituted, the obligations of the Issuer under the Transaction Documents will remain valid, binding and enforceable.

2.3 <u>Immunity</u>

Neither the Issuer, nor any of its assets, is entitled to any right of immunity on the grounds of sovereignty or otherwise from any legal action or proceeding that may be brought in Nigerian courts arising out of or relating to the Transaction Documents (which shall include, without limitation, suit, attachment, judgment, execution or other legal process).

2.4 <u>Due Execution</u>

The Transaction Documents to which the Issuer is a party will be duly executed by the Issuer.

2.5 <u>No Conflict and Compliance with Laws</u>

2.5.1 The issuance of the Notes, the execution and the delivery of the Transaction Documents and/or performance of the obligations of the Issuer under the Transaction Documents do not conflict with or will not conflict with:

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(a) any term of the MemArts;

(b) to the best of our knowledge any instrument binding on it or its assets or constitute a default or termination event (however described) under any such instrument; or

(c) any present law or regulation in Nigeria and applying generally to companies or the issuance of commercial papers.

2.5.2 Specifically, the Notes will be issued and the Transaction Documents have been executed and delivered in compliance with the Guidelines on the Issuance and Treatment of Bankers Acceptances and Commercial Papers issued by the Central Bank of Nigeria (the "**CBN**") on September 11, 2019, the CBN Circular of July 12, 2016 on Mandatory Registration and Listing of Commercial Papers, and the FMDQ Rules.

2.6 Registration of the Notes

Save for the registration of the Notes with a registered Central Securities Depository (the "**CSD**"), which shall serve as the custodian of the Notes and the registration of the Notes on the FMDQ Securities Exchange Limited for quotation, the Notes are not required to be registered under the Investments and Securities Act No. 29 of 2007 ("**ISA**"). Section 313(1)(h) of the ISA provides that the Securities and Exchange Commission ("**SEC**") may, from time to time, make rules and regulations for the purpose of giving effect to the ISA and may, in particular, make rules and regulations, among other things, prescribing that the provisions of the ISA shall not apply or shall apply with such modifications, if any, as may be specified in the regulations to any person or any securities or to any transaction. Rule 8 of the Rules and Regulation of the SEC, 2013 (as amended) (the "**SEC Rules**") provides that the provisions of the ISA and the SEC Rules requiring registration shall not apply to, among other things, any note, bill of exchange or banker's acceptance which arises out of a current transaction or the proceeds of which have been or are to be used for current transactions and which has a maturity, at the time of issuance, not exceeding nine (9) months exclusive of days of grace, or the maturity of which is likewise limited. This means that commercial papers (such as the Notes) which have a maturity of two hundred and seventy (270) days or less are not required to be registered with the SEC.

2.7 Regulatory Approvals

Save as provided in paragraph 2.8 (*Stamp Taxes*) of this opinion, under Nigerian law it is not necessary that the Notes or the Transaction Documents be filed, recorded, registered or enrolled with any court or other governmental or regulatory authority or other public body, or that any consent, approval or authorisation be obtained from any such governmental or regulatory authority

6

BANWO & IGHODALO

(including the SEC), by the Issuer to ensure their legality, enforceability, validity or admissibility in evidence or to enable the Issuer lawfully enter into, exercise its rights or perform its obligations under the Notes and the Transaction Documents to which it is a party.

2.8 Stamp Taxes

2.8.1 Section 22(4) of the Stamp Duties Act, Cap S8 Laws of the Federation of Nigeria ("**LFN**") 2004 ("**Stamp Duties Act**") as amended[2] requires instruments executed in Nigeria, or relating, wheresoever executed, to any property situate or to any matter or thing done or to be done in Nigeria to be stamped and appropriate stamp duty paid in respect of the said instrument, in order for same to be admissible in evidence before Nigerian courts and to be enforceable by the said courts. Stamp duty is payable in Nigeria either at a flat rate or an *ad valorem* rate. Thus, the Transaction Documents will be liable to stamp duty; and are required to be stamped within forty (40) days from the date they are first executed or if such Transaction Document is subject to ad valorem rate within thirty (30) days after they are first executed or have been received in Nigeria (including electronic documents), if executed outside Nigeria.

2.8.2 Historically, each of the Transaction Documents attracted a nominal stamp duty of ₦500.00 (Five Hundred Naira) for the original and ₦50.00 (Fifty Naira) for each counterpart. The Transaction Documents will be assessed and stamped at the prevailing stamp duties rate as of the time of stamping.

2.8.3 The Notes will be issued in a dematerialised form and as book entries in the register of the CSD. Historically, the Notes did not attract stamp duty, as it was not in certificated form and therefore did not qualify as "instruments" as previously defined under the Stamp Duties Act. However, the Finance Act, 2019 has amended the definition of "instruments" in the stamp duties Act to include "electronic instruments", as such it is not clear whether the electronic form of the dematerialised Notes will qualify as "electronic instruments" within the context of the Finance Act thereby attracting stamp duties. Where the Federal Inland Revenue Service is of the opinion that the Notes qualify as "electronic instruments", The Notes may attract stamp duty at a rate of 0.1% flat.

2.8.4 Save for the payment of the aforementioned stamp duty which is assessed and payable in respect of the Transaction Documents (other than the Programme Memorandum and/or Pricing Supplement) and the Notes (where so assessed as noted in paragraph 2.8.3 above), to the Commissioner for Stamp Duties, no other stamp duty is payable, and no filing or registration is required in Nigeria in connection with the execution, delivery, performance, enforcement of any of the Notes or the Transaction Documents.

[2] The Finance Acts 2019, 2020 and 2021 amended the Stamp Duties Act, amongst other tax legislations.

7

BANWO & IGHODALO

2.9 <u>Withholding Tax</u>

Under Nigerian law, interest payments on debt obligations are subject to withholding tax. Section 78 of the Companies Income Tax Act Cap C21, LFN 2004 (as amended) and section 70 of the Personal Income Tax Act, Cap P8, LFN 2004 (as amended), require companies to withhold tax on interest payments.

Given that the Notes will not bear interest[3], the Issuer is not required by any law or regulation or any relevant taxing authority in Nigeria to make any withholding or deduction from any payment due to the Noteholders under the Notes or any Transaction Document to which the Issuer is a party. However, the discount on the Notes may be construed as income and taxed in accordance with applicable Nigerian tax laws. In addition, the Finance Act 2019 provides that any expense incurred in deriving tax-exempt income would not be deductible for the purpose of arriving at taxable profit. Thus, where payments to Noteholders under the Notes are treated as tax-exempt, any expense incurred by the Noteholder in receiving such payments shall not be tax deductible.

2.10 <u>Foreign Exchange Control</u>

2.10.1 Pursuant to Section 15 of the Foreign Exchange (Monitoring and Miscellaneous Provisions) Act Cap F34 LFN 2004, any person may invest in a Nigerian enterprise with foreign currency imported into Nigeria through an authorised dealer (usually a Nigerian bank licensed to deal in foreign exchange). The relevant authorised dealer is then required to issue a Certificate of Capital Importation ("**CCI**"), evincing receipt of such investment capital within twenty-four (24) hours of receipt of imported funds. Foreign currency imported into Nigeria and evidenced by a CCI is guaranteed unconditional transferability or remittance of both capital and profit through an authorised dealer in freely convertible currency.

2.10.2 Non-residents who bring funds into Nigeria through an authorised dealer for the purpose of purchasing the Notes and obtain CCIs can, upon maturity or liquidation of their investments, fully repatriate the proceeds of said investments, upon presentation of their CCIs.

2.10.3 Save for the foregoing, there are no foreign exchange control consents, licenses or approvals that are required for the entry into and performance by the Issuer of its obligations under the Transaction Documents or the Notes.

[3] Save for default interest payable on late payments.

8

BANWO & IGHODALO

2.11 Pari passu ranking

The Notes are unsecured and no security interests have been created in favour of the Noteholders by any Transaction Documents. The obligations of the Issuer under the Transaction Documents to which it is a party and the Notes (when issued) will rank at least pari passu with all present and future unsecured and unsubordinated obligations of the Issuer, other than those claims which are preferred by any bankruptcy, insolvency, liquidation or other similar laws of general application.

2.12 Domicile/license to carry on business

It is not necessary under the laws of Nigeria (i) in order to enable Noteholders to enforce their respective rights under the Notes, or (ii) by reason only of the holding of the Notes, that any of the Noteholders should be licensed, qualified or entitled to carry on business in Nigeria or prior to enforcement, be required to comply with any requirement as to foreign registration or qualification in Nigeria or be required to make any filing with any court or other agency in the Federal Republic of Nigeria, prior to the commencement of any enforcement action under the Transaction Documents (including the Notes). Noteholders that are not resident or domiciled in Nigeria will not be deemed to be resident, domiciled or carrying on business by reason only of their holding of the Notes.

The due performance by any party of any of its rights, duties, obligations or representations under the Transaction Documents (including the Notes), subject to complying with applicable Nigerian securities law, the Guidelines on the Issuance and Treatment of Bankers Acceptances and Commercial Papers issued by the Central Bank of Nigeria on September 11, 2019, and the FMDQ Commercial Paper Registration and Quotation Rules dated April 2021 ("**FMDQ Rules**"), will not violate any existing applicable law or regulation in the Federal Republic of Nigeria (subject to the requirements of such party's constitutional documents (other than the Issuer)).

2.13 Choice of Law and Jurisdiction

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

2.14 Dispute Resolution

The submission to arbitration by the parties under the Dealer Agreement and the Agency Agreement is permitted under the laws of Nigeria and an arbitral award rendered by a recognised

9

BANWO & IGHODALO

arbitral tribunal would be enforced by the courts of Nigeria as a legal, valid and binding submission to arbitration subject to the provisions of the Arbitration and Conciliation Act, Cap A18 LFN 2004.

3. **QUALIFICATIONS**

This opinion is subject to the following qualifications and limitations:

(a) The validity and enforceability of rights and remedies under the Transaction Documents may be subject to limitations imposed by applicable Nigerian bankruptcy, insolvency, reorganisation, administration, moratorium, limitation, prescription and time-bar or other laws affecting the rights of creditors in general and to any provision generally applicable under Nigerian law regarding the invalidation or revision of unfair contract terms. In particular, equitable remedies such as injunctions and specific performance are discretionary and are not generally available in circumstances where damages are considered by the courts in Nigeria to be an adequate remedy.

(b) This opinion relates only to the laws of Nigeria as of the date first written above and as will likely be applied by Nigerian courts; and is given on the basis that it will be governed by and construed according to the said laws of Nigeria.

(c) Save to the extent outlined in paragraphs 2.8 and 2.9 above, we express no opinion as to the tax treatment or consequences of the Transaction Documents or the transactions contemplated therein.

(d) This opinion is expressly limited to the matters set forth above and we render no opinion whether by implication or otherwise as to any other matters.

(e) We assume no obligation to update or supplement any opinion contained herein to reflect any fact or circumstance that may hereafter come to our attention or any changes in law that may hereafter occur or become effective.

4. **BENEFIT**

This opinion is provided in connection with the satisfaction of the conditions precedent under the Dealer Agreement and is given solely for the benefit of the Dealer in connection with the Transaction and cannot be relied upon or disclosed by the Dealer for any other purpose or relied upon by any other person without our prior written consent, save that our opinion may be disclosed without such consent (provided that in doing so it is acknowledged that we shall not owe any duty, nor assume any liability to any such person in relation to it and that in preparing this opinion we only had regard to the interests of the Dealer):

BANWO & IGHODALO

(a) to any persons seeking to invest in the Notes;

(b) to professional advisers in connection with the Transaction;

(c) to any additional dealers appointed under the Dealer Agreement;

(d) to any person to whom disclosure is required to be made by applicable law or court order or arbitral award or pursuant to the rules or regulations of any supervisory or regulatory body, or the rules of any applicable securities exchange or any rating agency or in connection with any judicial or arbitral proceedings;

(e) to the affiliates, officers, employees, auditors, regulators and professional advisers of the Dealer;

(f) in connection with any actual or potential dispute or claim to which the Dealer are a party in relation to the Transaction;

on the basis that 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.

Yours faithfully,

AZEEZAH MUSE-SADIQ
PARTNER
BANWO & IGHODALO

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SCHEDULE 1

CONTRACTS REVIEWED

1. Offer Letter from Access Bank Plc dated April 6, 2021 with respect to a $20,000,000 facility;

2. Facility Letter from Citibank Nigeria Limited dated December 8, 2021 with respect to the following facilities;
   a. N1,000,000,000 overdraft;
   b. N6,000,000,000 revolving credit facility;
   c. $15,000,000 supplier finance facility;
   d. $10,000,000 import finance facility.

3. Facility Letter from Ecobank Nigeria Limited dated November 24, 2021 with respect to (i) a N3,000,000,000 overdraft facility; and (ii) a $20,000,000 trade finance facility;

4. Facility Agreement between Nigerian Breweries Plc and First City Monument Bank Limited in respect of a $6,000,000 import finance facility;

5. Facility Letter issued by First City Monument Bank Limited dated December 24, 2021 in respect of a $6,000,000 import finance facility;

6. Facility Letter issued by Greenwich Merchant Bank Limited dated December 2, 2021 in respect of a N4,250,000,000 import finance facility;

7. Facility Letter issued by Guaranty Trust Bank Plc dated April 29, 2021 in respect of a N2,000,000,000 overdraft line and a N10,000,000,000 import finance facility;

8. Offer Letter issued by First Bank of Nigeria Limited dated October 27, 2021 in respect of (i) a N7,000,000,000 overdraft facility; (ii) N15,000,000,000 revolving credit facility; and (iii) N8,000,000,000 SRF/IFF/ULC/CCL/Usance;

9. Undated Loan Facility Agreement between the Issuer and Citibank Nigeria Limited relating to the amendment the Loan Facility Agreement dated 1st April 2016 entered into between the Issuer and Citibank Nigeria Limited;

10. Offer Letter issued by Stanbic IBTC Bank PLC dated December 3, 2021 in respect of (i) N1,700,000,000 working capital facility (overdraft); and (ii) N33,300,000,000 trade finance facility.

12

BANWO & IGHODALO

11. Offer Letter issued by United Bank for Africa PLC in respect of (i) N16,750,000,000 import finance/international trade facility/unconfirmed letter of credit/bankers acceptance/bills refinancing; and (ii) N5,000,000,000 overdraft facility.

12. Addendum to Offer Letter dated March 29, 2021 and Addendum dated July 28 2021 issued by Union Bank of Nigeria PLC in respect of (i) N3,000,000,000 new overdraft facility; (ii) N5,500,000,000 existing overdraft facility; and (iii) N17,000,000,000 existing trade line (import trade finance/ Stocking Trade (ITF).

13. Loan Agreement dated January 21, 2022 entered into between the Issuer and Wema Bank PLC in respect of a US$22,500,000 import finance;

14. Offer Letter issued by Wema Bank PLC in respect of a US$22,500,000 import facility

15. Offer Letter issued by Zenith Bank PLC in respect of (i) N7,000,000,00 overdraft; (ii) N10,000,000,000 short term facility; (iii) US$25,500,000 short term import facility; and (iv) N6,500,000,000 custom bond line

16. Undated Loan Agreement between the Issuer and Bank of Industry Limited relating to the multiple loan facilities in the total sum of N15,000,000,000.00;

17. Loan Facility Agreement between the Issuer and Citibank Nigeria Limited dated 2016 in connection with a N6,000,000,000.00 revolving loan facility;

18. Loan Facility Agreement between the Issuer and First Bank Nigeria Limited dated June 1, 2016 in connection with a ₦15,000,000,000.00 revolving loan facility;

19. Loan Facility Agreement between the Issuer and Stanbic IBTC Bank Plc dated April 1, 2016 in connection with a N15,000,000,000.00 revolving loan facility;

20. Loan Facility Agreement between the Issuer and Union Bank of Nigeria Plc dated 2015 in connection with a N15,000,000,000.00 revolving loan facility; and

21. Loan Facility Agreement between the Issuer by Zenith Bank Plc dated 2016 in connection with a N15,000,000,000.00 revolving loan facility.

13

- **Authorization**

  This CP Programme and Notes issued hereunder were approved by the Board of Directors of Nigerian Breweries PLC by the resolution dated 22 April, 2022.

- **Auditor**

  - Deloitte & Touche audited the annual financial statements of the Issuer for the financial years ended 31 December 2019, 31 December 2020 and 31 December 2021, and issued an unqualified report.

- **Commercial Paper Outstanding**

  The Issuer has no commercial paper outstanding as at the date of this Programme Memorandum. Within the financial year ending 31 December 2022, the maximum aggregate nominal amount and value of CPs to be issued under the Programme, at any given time shall not exceed the Programme size.

- **Going Concern**

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

- **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 15 August 2022 executed by the Issuer as a deed poll in favour of the Note holders;
  ii. the Dealer Agreement dated 15 August 2022 executed by the Joint Arrangers/ Dealers and the Issuer; and
  iii. the Issuing, Calculation and Paying Agency Agreement dated 15 August 2022 executed by the Issuer and the Issuing, Calculation and Paying Agent.

  Any 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	**Nigerian Breweries PLC** Iganmu House Abebe Village Road Iganmu, Lagos Tel No: +234 700 825 586 6275
JOINT ARRANGERS	**Stanbic IBTC Capital Limited** I.B.T.C. Place Walter Carrington Crescent Victoria Island, Lagos Tel No: +234 1 4228139 Oyinda Akinyemi
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	FCMB Capital Markets Limited First City Plaza (6th Floor) 44, Marina Lagos Tel No: +234 1 4485420 Abimbola [illegible] Kasim
AUDITOR TO THE ISSUER	**Deloitte & Touche** Civic Towers, Ozumba Mbadiwe Road Victoria Island Lagos Tel No: +234 1 9041700 Chizoba Onyebuchi
SOLICITOR	**Banwo & Ighodalo** 48 Awolowo Road S/W Ikoyi, Lagos Nigeria Tel No: +23412520795, +234 8139841360 Azeezah Muse-Sadiq
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RECEIVING BANKS	**First Bank of Nigeria Limited** Samuel Asabia House 35 Marina Lagos Tel No: +234 1 9051272 Rotimi Adegbamile
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