

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



RC 1668319

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

₦10,000,000,000 Commercial Paper Issuance Programme

Zylus Homes and Property Limited (“Zylus” or the “Issuer”) a private limited liability company incorporated in Nigeria, has established a ₦10,000,000,000 Commercial Paper Issuance Programme (the “CP Programme”) on 10 August, 2023, under which Zylus may from time to time issue Commercial Paper Notes (“CP Notes” or the “Notes”), denominated in Nigerian Naira (“Naira” or ₦) as may be agreed between the Issuer and the Arranger (as defined in the section entitled, “Summary of the Programme”), in separate series or tranches subject to the terms and conditions (“Terms and Conditions”) contained in this Programme Memorandum.

Each Series and each Tranche (as defined herein) will be issued in such amounts, and will have such discounts, period of maturity and other terms and conditions as set out in the pricing supplement applicable to such series or tranche (the “Applicable Pricing Supplement”). The maximum aggregate nominal amount of all Notes from time to time outstanding under the CP Programme shall not exceed ₦10,000,000,000 (Ten Billion Naira) over the three-year period that this Programme Memorandum, including any amendments thereto, shall remain valid.

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

The CP Notes issued under this Programme shall be issued in dematerialised form, registered, quoted and traded over the counter via the FMDQ Securities Exchange Limited (“FMDQ Exchange” or the “Exchange”) platform in accordance with the rules, guidelines and such other regulation with respect to the issuance, registration and quotation of commercial papers as may be prescribed by the Central Bank of Nigeria (“CBN”) and FMDQ Exchange from time to time, or any other recognized trading platform as approved by the CBN. The securities will settle strictly via the FMDQ Depository Limited (“FMDQ Depository”), acting as central securities depository for the Notes.

This Programme Memorandum and the Applicable Pricing Supplement shall be the sole concern of the Issuer and the party to whom this Programme Memorandum and the Applicable Pricing Supplement is delivered (the “Recipient”) and shall not be capable of distribution and should not be distributed by the Recipient to any other parties nor shall any offer made on behalf of the Issuer to the Recipient be capable of renunciation and assignment by the Recipient in favour of any other party.

In the event of any occurrence of a significant factor, material mistake or inaccuracy relating to the information included in the Programme Memorandum, the Issuer will prepare a supplement to this Programme Memorandum or publish a new Programme Memorandum for use in connection with any subsequent issue of Notes.

ARRANGER/DEALER/ISSUING AND PLACING AGENT



COLLECTING AND PAYING AGENT



THIS PROGRAMME MEMORANDUM IS DATED AUGUST [] , 2023

Table of Contents	
IMPORTANT NOTICE	2
DEFINITION	3
INCORPORATION OF DOCUMENTS BY REFERENCE	6
SUMMARY OF THE PROGRAMME	7
OVERVIEW OF ZYLUS HOMES AND PROPERTY LIMITED	7
USE OF PROCEEDS	24
REVISED CBN GUIDELINES ON THE ISSUANCE OF CPs.....	25
TERMS AND CONDITIONS OF THE NOTES.....	26
TAX CONSIDERATION	34
RISK FACTORS.....	35
SETTLEMENT, CLEARING AND TRANSFER OF NOTES.....	30
PROFORMA APPLICABLE PRICING SUPPLEMENT	41
AUDITOR’S COMFORT LETTER.....	44
HISTORICAL FINANCIAL INFORMATION OF ZYLUS HOMES AND PROPERTY LIMITED	46
EXTRACT FROM ISSUER’S RATING REPORT	48
LEGAL OPINION ON THE NOTES.....	50
STATUTORY AND GENERAL INFORMATION	611
PARTIES TO THE PROGRAMME	Error! Bookmark not defined.2

IMPORTANT NOTICE

This Programme Memorandum contains information provided by the Issuer in connection with the CP Programme under which the Issuer may issue and have outstanding at any time Notes up to a maximum aggregate amount of ₦10,000,000,000 (Ten Billion Naira). The Notes shall be issued subject to the Terms and Conditions contained in this Programme Memorandum.

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

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 by reference in this Programme Memorandum is correct and does not omit any material facts likely to affect the import of such information. The Issuer accepts responsibility for the information contained in this Programme Memorandum.

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

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

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

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

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

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

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

DEFINITION

Abbreviation	Name/Explanation
“Agency Agreement”	The Issuing, and Placing Agency Agreement and the Collecting and Paying Agency Agreement dated August [•], 2023 or about the date of this Programme Memorandum executed by the Issuer, the Issuing and Placing Agent and the Collecting and Paying Agent(s)
“Applicable Pricing Supplement”	The Pricing Supplement applicable to a particular Series or Tranche of Notes issued under the CP Programme.
“Arranger”	Pathway Advisors Limited
“Board” or “Board of Directors”	The Board of Directors of Zylus Homes and Property Limited
“Business Day”	Any day (excluding Saturdays, Sundays and public holidays declared by the Federal Government of Nigeria) on which banks are open for general business in Lagos, Nigeria.
“Business Hours”	8.00am to 5.00pm on any Business Day
“CAMA”	The Companies and Allied Matters Act (Cap. C20) 2020 as may be amended from time to time
“CBN”	The Central Bank of Nigeria
“CBN Guidelines”	The CBN’s Guidelines on the Issuance and Treatment of Bankers Acceptances and Commercial Papers, issued on 11 September 2019 and the CBN Circular of 12 July 2016 on Mandatory Registration and Listing of Commercial Papers, as amended or supplemented from time to time
“CGT”	The Capital Gains Tax as provided for under the Capital Gains Tax Act (Cap.C1) LFN 2004 and as amended by the Finance Act 2023
“CITA”	The Companies Income Tax Act (Cap. C21) LFN, 2004 (as amended by the Companies Income Tax (Amendment) Act No. 11 of 2007) and the Finance Act 2019, Finance Act 2020, and Finance Act 2021)
“Clean CP”	A CP not backed by a guarantee or such other credit enhancement
“Collecting and Paying Agent” or “CPA”	Keystone Bank Limited as Collecting and Paying Agent and/or any successor Collecting and Paying Agent(s) appointed from time to time in accordance with the Agency Agreement
“CP”	Commercial Paper
“CP Notes” or “Notes”	Unsecured and unsubordinated commercial paper securities to be issued by the Issuer in the form of short-term zero-coupon Notes under the CP Programme
“Conditions” or “Terms and Conditions”	Terms and conditions, in accordance with which the Notes will be issued, set out in the section of this Programme Memorandum headed “Terms and Conditions of the Notes”
“CP Programme” or “Programme”	The CP Programme described in this Programme Memorandum, pursuant to which the Issuer may issue several, separate Series or Tranches of Notes from time to time with varying maturities and discount rates, provided, however, that the aggregate Face Value of Notes in issue does not exceed ₦10,000,000,000 or its equivalent in any other specified currency
“Clearing System”	Clearing system approved by the Issuer or as may otherwise be specified in the Applicable Pricing Supplement
“Central Securities Depository” or “CSD”	Means a specialist financial institution holding commercial papers either in certificated or uncertificated (dematerialised) forms so that ownership can be easily transferred through a book entry rather than the transfer of physical certificates
“Clean CP”	A CP not backed by a guarantee or such other credit enhancement
“Day count Fraction”	Any such method of calculating the interest/discount in respect of a Note as specified in the

	Applicable Pricing Supplement.
“Dealer”	Pathway Advisors Limited, and any other additional Dealer appointed under the Programme from time to time, which appointment may be for a specific issue or on an ongoing basis, subject to the Issuer’s right to terminate the appointment of any Dealer
“Deed of Covenant”	The Deed of Covenant dated on or about the date of this Programme Memorandum executed by the Issuer in favour of the Noteholders
“Eligible Investors”	An investor that is not a Qualified Institutional Investor as defined in 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 7 of the “Terms and Conditions of the Notes”
“Face Value”	The par value of the Notes
“FGN”	Federal Government of Nigeria
“Financial Advisers”	Pathway Advisors Limited
“FIRS”	Federal Inland Revenue Service
“FMDQ Depository Limited” or “FMDQ Depository”	A clearing system approved by the Issuer or as may otherwise be specified in the Applicable Pricing Supplement
“FMDQ Exchange Rules”	The FMDQ Commercial Paper Registration and Quotation Rules issued in April 2021 (as may be amended, from time to time) and such other regulations with respect to the registration and quotation of commercial papers as may be prescribed by FMDQ Exchange from time to time
“FMDQ Exchange Limited” or “FMDQ Exchange”	FMDQ Securities Exchange Limited, a securities exchange and self-regulatory organisation licensed by the SEC, to provide a platform for the listing, quotation, registration, and trading of securities inter alia
“Force Majeure”	Any event or circumstance (or combination of events or circumstances) that is beyond the control of the Issuer which materially and adversely affects its ability to perform its obligations as stated in the Conditions, which could not have been reasonably foreseen, including without limitation, nationwide strikes, national emergency, riot, war, embargo, legislation, acts of God, acts of terrorism, and industrial unrest
“Government”	Any federal, state, or local government of the Federal Republic of Nigeria
Holder or “Noteholder”	The holder of a Note as recorded in the Register kept by the CSD in accordance with the Terms and Conditions
“Implied Yield”	The yield accruing on the Issue Price of a Note, as specified in the Applicable Pricing Supplement
“Issuer”, “Zylus”, or the “Company”	Zylus Homes and Property Limited
“Issue Date”	The date upon which the relevant Series/Tranche of the Notes is issued, as specified in the Applicable Pricing Supplement
“Issue Price”	The price at which the relevant Series/Tranche of the Notes is issued, as specified in the Applicable Pricing Supplement
“Issuing and Placing Agent” or “IPA”	Pathway Advisors Limited or any successor Issuing and Paying Agent in respect of the Notes, appointed by the Issuer
“LFN”	Laws of the Federation of Nigeria
“Maturity Date”	The date as specified in each Applicable Pricing Supplement on which the Principal Amount is due
“Material Adverse Change”	A material adverse effect on the ability of the Issuer to perform and comply with its payment obligations under the CP Programme

"Naira", "NGN" or "N"	The Nigerian Naira
"NIBBS"	Nigeria Inter-Bank Settlement System Plc
"NIBOR"	The Nigerian Inter-Bank Offered Rate
"Noteholders" or "Holder"	The several persons, for the time being, whose names are shown in the records of the CSD and/or entered in the Register of Noteholders as holders of the Notes and shall include the legal and personal representatives or successors of the Noteholders and those entered as joint Noteholders
"Notes"	The commercial paper issued by the Issuer from time to time pursuant to the Programme Memorandum and any Applicable Pricing Supplement as promissory notes and held in a dematerialised form by the Noteholders through the CSD
"OTC"	Over the Counter
"Outstanding"	In relation to the Notes, all the Notes issued, other than: <ul style="list-style-type: none"> those Notes which have been redeemed pursuant to these Conditions those Notes in respect of which the date (including, where applicable, any deferred date) for its redemption, in accordance with the relevant conditions, has occurred and the redemption moneys have been duly paid in accordance with the provisions of this Deed and those Notes which have become void under the provisions of this Deed
"PITA"	Personal Income Tax Act Cap P8, LFN 2004 (as amended by the Personal Income Tax (Amendment) Act No 20 of 2011)
"Pricing Supplement" or "Applicable Pricing Supplement"	The Pricing Supplement applicable to a particular Series or Tranche of Notes issued under the CP Programme
"Principal Amount"	The nominal amount of each Note, as specified in the Applicable Pricing Supplement
"Programme"	The N10,000,000,000 (Ten Billion Naira) commercial paper issuance programme established by the Issuer which allows for the multiple issuances of Notes from time to time
"Programme Memorandum"	This Programme Memorandum dated August [•], 2023 which sets out the aggregate size and broad terms and conditions of the CP Programme
"Qualified Institutional Investors"	This include banks, fund managers, pension fund administrators, insurance companies, investment/unit trusts, multilateral and bilateral institutions, registered private equity funds, registered hedge funds, market makers, staff schemes, trustees/custodians, stockbroking firms, issuing houses and any other category of investors as may be determined by the FMDQ Securities Exchange Limited from time to time. Clean CPs shall only be sold to QIIs & EIs
"Redemption Amount"	The amount specified in the Applicable Pricing Supplement as the amount payable in respect of each Note on the Redemption Date
"Redemption Date"	Means, in relation to any Tranche, the date on which redemption monies are due and payable in respect of the Notes as specified in these Conditions and the Applicable Pricing Supplement
Register	A register or such registers as shall be maintained by the Registrar in which are recorded details of Noteholders
"Registrar"	The CSD or such other registrar as may be appointed by the Issuer in respect of the Notes issued under the Programme
"Relevant Currency"	Naira; being the currency in which payments in respect of the Notes of the relevant Tranche or Series are to be made
"Relevant Date"	The payment date of any obligation due on the Notes
"Relevant Last Date"	The date stipulated by CSD and specified in the Applicable Pricing Supplement, after which transfer of the Notes will not be registered

“SEC”	The Securities and Exchange Commission
“Series”	A Tranche of Notes together with any further Tranche or Tranches of Notes which are (i) expressed to be consolidated and form a single series and (ii) are identical in all respects except of their respective Issue Dates, and/or Issue Prices
“Tranche”	Notes which are identical in all respect
“Unique Identifier”	A code specifically designated/assigned to identify a CP
“VAT”	Value Added Tax as provided for in the Value/Added Tax Act, CAP VI, LFN 2004 (as amended by the Value Added Tax Act No 12 of 2007, the Finance Act, 2019 and the Finance Act, 2020)
“Zero Coupon Note”	A Note which will be offered and sold at a discount to its face value and which will not bear interest, other than in the case of late payment.

INCORPORATION OF DOCUMENTS BY REFERENCE

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

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

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

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

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

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

The audited financial statements and documents incorporated by reference shall be made available by the Issuer unless such documents have been modified or superseded (and which documents may at the Issuer's option be provided electronically). Requests for such documents shall be directed to the Issuer or the Arranger at its Specified Offices as set out in this Programme Memorandum.

SUMMARY OF THE PROGRAMME

Programme: Issuer:	Zylus Homes and Property Limited
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Programme Description	Commercial Paper Issuance Programme
Arranger & Dealer (Issuing and Placing Agent):	Pathway Advisors Limited
Sponsor to the Registration on FMDQ Exchange	Pathway Advisors Limited
Collecting and Paying Agent:	Keystone Bank Limited
Financial Advisers	Pathway Advisors Limited
Auditors:	Joseph Dauda and Company (Chartered Accountants)
Registrars/Custodian:	FMDQ Depository Limited
Guarantor	CPs issued under the Programme may be backed by a Guarantor, as stated in the applicable Pricing Supplement
Solicitor:	Africa Law Practice Nigeria & Company (ALP NG & Co.)
Programme:	The Commercial Paper Issuance Programme established by the Issuer allows for the multiple issuances of Notes from time to time under a standardized documentation framework
Programme Size:	N10,000,000,000 (Ten Billion Naira) aggregate principal amount of Notes outstanding at any point in time
Issuance In Series:	The Notes will be issued in Series or Tranches, and each Series may comprise one or more Tranches issued on different dates. The Notes in each Series, each a Tranche, will have the same maturity date and identical terms (except that the Issue Dates and Issue Price may be different). Details applicable to each Series or Tranche will be specified in the Applicable Pricing Supplement
Issue Price:	The price at which the relevant Series/Tranche of the Notes is issued, as specified in the Applicable Pricing Supplement
Issue Size:	As specified in the Applicable Pricing Supplement
Use of Proceeds:	Unless otherwise stated in the Applicable Pricing Supplement, the net proceeds from each issue of the CPs will be applied by the Issuer for its on-going projects, general corporate purposes and working capital requirements.
Interest Payment:	Notes shall be issued at a discount and in the form of zero-coupon notes. Thus, the Notes will not bear interest, other than in the case of late payment
Source of Repayment:	The repayment of all obligations under the CP issuance will be funded from the operating cash flows of the Company
Method of Issue:	The Notes may be offered and sold by way of a fixed price offer for subscription or through a book building process and/or any other methods as described in the Applicable Pricing Supplement within Nigeria or otherwise, in each case as specified in the Applicable Pricing Supplement
Maturity Date:	As specified in the Applicable Pricing Supplement, subject to a minimum tenor of fifteen (15) days and a maximum of two hundred and seventy (270) days (including rollover, from date of issue). The maturity date of all outstanding CPs shall also not exceed the validity period of the applicable Issuer/CP Programme rating designated at the commencement of the registration of the CP Programme.
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

Redemption:	As stated in the Applicable Pricing Supplement, subject to the CBN Guidelines and FMDQ Exchange Rules		
Tenor:	As specified in the Applicable Pricing Supplement, subject to a minimum tenor of (15) days and a maximum of (270) days, including roll-over from the date of issue. The maturity date of all outstanding CPs shall fall within the validity period of the Issuer/CP Programme rating filed with the Exchange at the commencement of the registration of the CP Programme.		
Rating:	The Issuer has been assigned the following national scale rating:		
		Long-term	Short-term
	Datapro Limited	BBB	A2
	<p>Pursuant to the CBN Guidelines and FMDQ Exchange Rules, the Issuer or the specific issue itself shall be rated by a rating agency registered in Nigeria or any international rating agency acceptable to the SEC.</p> <p>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</p>		
Status Of Notes:	Each Note constitutes an unsecured obligation of the Issuer and save for certain debts mandatorily preferred by law, the Notes rank <i>pari passu</i> among themselves, and save for certain debts mandatorily preferred by law, with other present and future senior unsecured obligations of the Issuer outstanding from time to time		
Security	Any issuance of a Series or Tranche of the Programme shall be secured by a Security up to the value of the particular Series or Tranche or a bank guarantee issued by a reputable commercial bank acceptable to the Security Trustee.		
Registration And Quotation:	<p>In compliance with the CBN circular on Mandatory Registration and Listing of Commercial Papers issued on 12 July 2016, an application has been made to FMDQ Exchange for the Registration of the Programme.</p> <p>The Issuer may elect at its discretion to have any Series or Tranche of Notes quoted on the FMDQ Exchange platform or any other recognized trading platform. All secondary market trading of the Notes shall be done in accordance with the rules in relation to the quotation of any Series or Tranche of Notes quoted on the relevant trading platform</p>		
Taxation:	The Notes issued under the Programme will be zero-coupon notes and as such, will be offered and sold at a discount to Face Value. The Notes will thus not bear interest, and the Issuer will not be required to withhold or deduct tax from payments in respect of the Notes to the Note holders. However, the discount on the Notes may be taxed in accordance with applicable Nigerian tax laws		
Trustees	<p>Meristem Trustees Limited</p> <p>DLM Trust Company Limited</p>		
Governing Law:	The Notes issued under the Programme and all related contractual documentation will be governed by and construed in accordance with Nigerian law		
Settlement Procedures:	Purchases will be settled via direct debit, electronic funds transfers, NIBBS InstantPayment (NIP), NIBBS Electronic Funds Transfer ("NEFT"), or Real Time Gross Settlement ("RTGS")		

OVERVIEW OF ZYLUS HOMES AND PROPERTY LIMITED

HISTORY AND OVERVIEW

Zylus Homes and Property Limited (RC 1668319), hereafter called "Zylus" or "the Company", was registered with the Corporate

Affairs Commission of Nigeria on March 16, 2020 as a private limited liability company to carry on the business of Real Estate, Property Development, Investment and Consulting Services. A subsidiary of Zylus Group International, the Company is licensed and regulated by the Lagos State Real Estate Regulatory Authority (LASRERA) and Real Estate Developers Association of Nigeria (REDAN).

Zylus is a fast-growing organization engaged in the development of residential properties which include maisonettes, semi-detached duplexes and terraces as well as the development of service plots, all sited in choice locations along the Lekki Express Way axis in Lagos State. The Company also sells serviced plots of land in strategic locations in Lagos State, Enugu State and Abuja. Since inception, it has allocated more than 3,500 plots of land and delivered more than 700 houses and all its properties are properly documented.

Zylus Homes and Property Limited uses its property development skills to provide competitive homes and property development programs and advisory services to a broad range of customers – local and foreign. It recently launched its commercial hub designed to provide an ideal environment for commercial enterprises such as start-ups and global businesses to flourish having access to technological tools, high-end facilities and enhanced workspaces to improve productivity. The Company aspires to be the foremost and leading provider of real estate and property development firm in the Nigerian property market and aims to achieve this by providing structured, innovative and customized homes and property development programs that suit its clients' needs. Its key objective is to assist its clients mitigate their various risk exposures prevalent in homes and property development industry through efficient and effective risk audit and risk identification, and arranging the most appropriate homes and property solution programs for them, in a cost-effective manner.

Zylus Homes and Property Limited has its Head Office on 31, Theophilus Oji Street, Lekki Phase 1, Lagos, Nigeria. The Company currently has 200,000,000 ordinary shares of N1.00 each representing 100% of the issued share capital of the company as of 31 March 2023. The Company's shareholding structure is as presented below:

Shareholders	No of shares held	% Shareholding
Oluwatosin Olakunle Olatujoye	2,000,000	1
Oga Property Investment Limited	198,000,000	99%
Total	200,000,000	100%





PRODUCTS & SERVICES




Zylus Homes and Property Limited has several Estate locations in Nigeria at varying degrees of closure. These Estates are broadly classified into **Lekki Pride 1, Lekki Pride II, Lekki Pride III** and **Zylus Court**.





- ✓ **Lekki Pride I** contains a total of 98 homes
- ✓ **Zylus Court** contains 49 units of homes.
- ✓ **Lekki Pride II** is under construction and will have 75 units of homes after full construction.
- ✓ **Lekki Pride III** has about 6 Hectares of Land with infrastructures installed.



ZYLUS PROJECT PORTFOLIO

Name of Estate	Description	
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Lekki Pride I	<p>Location: At Ajiwe, Abraham Adesanya, Lagos</p> <p>Title: Governor's Consent</p> <p>Percentage Sold: 97%</p> <p>Sales Status: Sold out</p>	
Lekki Pride II	<p>Location: By Ogombo Road, Abraham Adesanya, Lekki Epe Expressway, Lagos</p> <p>Title: Governor's Consent</p> <p>Percentage Sold: 97%</p> <p>Sales Status: Sold out</p>	
Western Hilltop Estate, Iloka	<p>Location: Ikola Road, Alagbado, and withing proximity to Winners Chapel and AIT Television.</p> <p>Title: Governor's Consent</p> <p>Percentage Sold: 97%</p> <p>Sales Status: Sold out</p>	
Lekki Pride III	<p>Location: Ogombo Road, Abraham Adesanya, Lekki Epe Expressway, Lagos</p> <p>Title: Governor's Consent</p> <p>Percentage Sold: 80%</p> <p>Sales Status: Selling</p>	

Hilton City	<p>Location: Kurudu, Abuja</p> <p>Title: Right of Occupancy</p> <p>Percentage Sold: 41%</p> <p>Sales Status: Selling</p>	
Treasure Park Estate	<p>Location: By NNPC Depot, Nkubor Nike, Enugu</p> <p>Title: Government Allocation</p> <p>Percentage Sold: 30%</p> <p>Sales Status: Selling</p>	
Eti Ile Court	<p>Location: Lafenwa Ayetoro Road, Abeokuta, Ogun State</p> <p>Title: Certificate of Occupancy</p> <p>Percentage Sold: 6%</p> <p>Sales Status: Selling</p>	

Elites Estate	<p>Location: By Ikorodu Grammar School, Ikorodu, Lagos</p> <p>Title: Free Hold</p> <p>Percentage Sold: 18%</p> <p>Sales Status: Selling</p>	
Zylus Court Phase II	<p>Location: At Bogije, Adjacent Beechwood Estate, Lekki Epe Express Way, Lagos</p> <p>Title: Excision</p> <p>Percentage Sold: 75%</p> <p>Sales Status: Selling</p>	
Maravillas Estate	<p>Location: At Isheri North GRA, Opic, Lagos</p> <p>Title: Excision</p> <p>Percentage Sold: 23%</p> <p>Sales Status: Selling</p>	
Tiwa Garden City	<p>Location: At Aiyetoro, Lekki - Epe Expressway, Lagos</p> <p>Title: Certificate of Occupancy</p> <p>Percentage Sold: 95%</p> <p>Sales Status: Sold out</p>	

Tiwa Commercial Hub	<p>Location: At Aiyetoro, Lekki - Epe Expressway, Lagos</p> <p>Title: Government Allocation</p> <p>Percentage Sold: 21%</p> <p>Sales Status: Selling</p>	
Arizon Estate	<p>Location: At Eleko, Idera Scheme, Ibeju Lekki, Lagos</p> <p>Title: NA</p> <p>Percentage Sold: 1%</p> <p>Sales Status: Selling</p>	

CORPORATE GOVERNANCE AND BOARD OF DIRECTORS OF THE ISSUER

As at 30 June 2023, Zylus has two Executive Directors and six Non-Executive Directors. The Board formulates broad policies and takes decisions for the management and operations of the company to attain the company's objectives. Profiles of the Board Members are shown below:

Pastor Olumide Oladapo Emmanuel – Chairman

Pastor Olumide is a Bible Scholar with over 25 years' experience in ministry. He is currently the Overseer of Calvary Bible Church, a Bible-believing Church that has her nets spread all over the world, including Nigeria, United Kingdom, United States, and South Africa. A philanthropist, humanitarian and businessman, Olumide Oladapo Emmanuel joined the Board of Zylus Homes and Property Limited in 2023. He is a leader whose mentorship spans across business, ministry, marriage, relationship and family life. He has won several local and international awards in both the religious and secular spheres. He is also a well-published, best-selling author of over thirty books from his self-published platform as well as world-renowned publishing houses. His books are well celebrated worldwide with eight of them translated in other languages.

Olumide holds the following educational qualifications:

- Senior Executive Master's Program in Business Administration from University of Huddersfield (2011)
- Executive Masters Certificate in Real Estate with Focus on capital market, project finance and Business Strategy from Harvard Business School, USA (2012)
- Doctor of Life Coaching from Los Angeles Development Institute, USA (2019)
- Doctor of Entrepreneurial Leadership from Logos University, USA (2021 in view)

Pastor Olumide has held various positions in the following companies:

- Founder/ Overseer, Truth of Calvary Ministries (1995 – date)
- Founder/ CEO, Common Sense Group (2002 – date)
- President, Ministers Forum International (2003 – date)
- President, National Transformation Network (2018 – date)
- Global President, The Billionaires Conclave (2021)
- Global President, The Global Kingdom Ministers Network (2021)
- Executive Director, Success, Business & Leadership School (2009 – date)
- Chairman, Common Sense Television (2017 – date)
- Executive Director, The Entrepreneurship Academy
- Founder/ President, Olumide Emmanuel Foundation (2010 – date)
- Founder/ COO, Olumide Emmanuel Ventures (1990 – 2002)

Dr. Oluwatosin Olatujoye (PMPI, CISM) – Managing Director

Dr. Oluwatosin Olatujoye has over a decade of sales and marketing, negotiation, public speaking, management, human resource, project management and development, sales and marketing experience. He started his career as a sales representative at

American International Insurance Company (AIICO) in 2007 where he began his journey and rose up the ladder to become a branch manager. He has attended and participated in numerous local and international seminars and summits. He has acquired several certifications among which are; Professional Post - graduate Certificate in Real Estate & Asset Valuation Management, Proficiency in Human Resources Management, Certified International Strategic Management (CISM), Proficiency in International Strategic Management (PISM) and Certificate in Entrepreneur Management (CEM) by Enterprise Development Center, PAN Atlantic University & Lagos Business School. In recognition of his contribution to the real estate industry and the society at large, he has won prestigious awards like: AIICO's Best Unit Manager (2016), AIICO Top 10 Agency Managers in Revenue (2017), Nigeria Achievers Award (2020), Top 50 Entrepreneurs in Nigeria, Icon of Humanity Award, and Nigeria Property Merit Awards. He was recently named West Africa Man of the Year by ECOWAS Youth Council and honored with the Nelson Mandela Award for Excellence by the same organization.

Dr. Olatujoye holds the following educational qualifications:

- Certificate in Entrepreneur Management from Lagos Business School, PAN Atlantic University (2021)
- Certificate in Enterprise Management from Metropolitan School of Business and Management in the United Kingdom (2022)
- Certificate in Finance the Business Enterprise from London Business School (2023)

Dr. Olatujoye has held various positions in the following companies:

- Managing Director, Zylus Homes and Property Limited (2022 to date)
- Branch Manager, American International Insurance Company (2007 – 2019)
- Bulk Teller, First Bank of Nigeria (2006 – 2007)

Mr. Sonekan Wasiu Olasunkanmi, Executive Director

Mr. Sonekan is a highly motivated individual, an accomplished, versatile, and results-driven professional with a proven track record in accounting and office administration, ultimately benefitting the organization's bottom line. Aside from his position as Finance Director, he is also the Managing Director of Zylus Investment, a sister Company under Zylus Group International, and since he joined the organization, has led the investment arm to achieve giant strides.

Mr. Sonekan holds the following educational qualifications:

- MSc. Finance (in view) from Babcock University Ilisan (2022)
- Rome Business School 2022: Certificate in Entrepreneurship development
- Lagos Business School 2022: Analytical Competence in Managing Operations
- He is currently an Associate member of the Chartered Institute of Management Accountants
- BSc. Accounting from the Federal University of Agriculture, Abeokuta (2016)
- PGD in Digital Marketing from the International Digital Marketing College, UK
- He is also a certified Project Accountant and holds a Certification in Strategic Management (CISM)

Mr. Sonekan has held various positions in the following companies:

- Director of Finance, Zylus Homes and Property Limited

- Chief Financial Officer, Zylus Homes and Property Limited
- Chief Operating officer, Zylus Homes and Property Limited
- Accountant, Zylus Homes and Property Limited (2019)
- Accountant, SOKAM Construction Company where he served as an accountant (2017 – 2019)

Mr. Lateef Lawal Olaoluwa – Non-Executive Director

Lateef started his career in the banking sector where he held the position of a Customer Service Officer. During his stay in Stanbic IBTC Bank he was able manage thousands of diverse customers and also took up the role of Personal Banking Officer which was strictly for sales of accounts opening. After a few years in banking industry, he transited to the oil and gas sector as a Station Manager following which he moved on to the real estate industry.

Mr. Lateef holds the following educational qualifications:

- MBA Human Resource Management (in view) from Babcock University, Ilisan, Remo (2022)
- BSc. Industrial Relations and Personnel Management from Lagos State University
- PGD Digital Marketing from the International Digital Marketing College UK
- He is a member of Institute of Management (Chartered) as well as a full member of the Chartered Institute of Human Resources Management of Nigeria

Mr. Lateef has held various positions in the following companies:

- Head of Real Estate and Real Estate Services, Zylus Homes and Property Limited.
- Sales Manager, Zylus Homes and Property Limited
- Head of Corporate Communication, Zylus Homes and Property Limited
- Human Resource Manager, Zylus Homes and Property Limited
- Station Manager Affiliate, NNPC 2017 (2017 – 2019)
- Customer Service Officer, Stanbic IBTC Bank (2016 – 2017)

Mr. Adeleke Hafees (FCA) – Non-Executive Director

Mr. Hafees is a finance expert with over two decades of experience in Accounting and Auditing. He started his career in 1998 with Co-Link Investment where he began his journey on the road to building an outstanding career for himself. Thereafter, he proceeded to the Federal University of Agriculture, Abeokuta in 2008 and rose through the ranks to become Principal Internal Auditor in 2018 at the Directorate of Internal Audit. Mr. Hafees is an Associate Member of the Association of Accounting Technicians (AAT) and a Fellow of the Institute of Chartered Accountants of Nigeria (ICAN).

Mr. Adeleke holds the following educational qualifications:

- Fellow of the prestigious Institute of Chartered Accountant of Nigeria (ICAN-FCA)
- Member of the Association of Accounting Technician (AAT)
- BSc. Accounting 2014 from Crescent University Abeokuta

Mr. Adeleke has held various positions in the following companies:

- Managing Director, Trustline Capital Limited with AUM in excess of N10 billion (2021 to date)
- Worked in the Directorate of Internal Audit Federal, University of Agriculture (2001 to 2021)
- Accountant, Co-Link Investment (1998 – 2001)

Mrs. Abiye Tam-George – Non-Executive Director

Mrs. Abiye Tam-George is an accredited Regional Attorney-Mediator with the Compliance Advisor Ombudsman (CAO) for the International Financial Corporation (IFC) and the Multilateral Investment Guarantee Agency (MIGA) of the World Bank Group. She is a certified Mediator with the Lagos State Multi-Door Courthouse. A member distinguished panel of Neutrals LMDC, Abiye has a PGD in Peace Studies and Conflict Resolution. She is an astute mediation advocate and a motivational speaker. Her love for education has made her pioneer different seminars and workshops on educational advancement. She is a member of the Board of Trustees, Lawyers in Oil and Gas Network, Association of Environmental Lawyers of Nigeria, and City of Peace Initiative Lagos. She also authored the book, Children's Rights (A Handbook for Children and Young Persons) in March 2012.

Abiye holds the following educational qualifications:

- Barrister-at-Law (B.L) from Nigerian Law School, Enugu (2007)
- Bachelor of Law (LL. B) from Rivers State University of Science and Technology, Port-Harcourt, Nigeria (2003)
- Diploma Law (Dip. Law) from Rivers State College of Arts and Science, Port-Harcourt, Nigeria (1995)

Her professional trainings include:

- Communication and Forensic Skills for Lawyers (2013)
- Arbitration Basic Course (2016)
- Arbitration Master Course (2016)
- Mediation Course (2016)

Abiye has held various positions in the following companies:

- Principal Partner, Abiye Tam-George Legal (ATG Legal)
- Executive Director, Tamabofri Educational Services, Lagos
- Director, Legal Department, Institute of Communication and Corporate Studies, Lagos

Her professional affiliations and memberships include:

- Chairlady, Child Rights Committee, African Bar Association
- Former Public Relations Officer, African Women Lawyers Association
- Former Chairlady, Project Committee, International Federation of Women Lawyers Lagos
- Secretary, Premier Bar Co-operative, Nigerian Bar Association Lagos Branch

- Member, Nigerian Bar Association, Lagos Branch
- Member, Human Rights Committee, Lagos Branch Year of board membership: 2022

Mrs. Ijeoma Theo-Nwangwu – Non-Executive Director

Mrs. Ijeoma Theo-Nwangwu is a marketing professional and entrepreneur with over 25 years work experience. She is a certified high ticket closer having expertise in trade and marketing strategies with an emphasis on real estate and renewable energy. She is dependable and analytical in her approach towards robust marketing solutions. She is a Board member of a few real estate companies and holds leadership positions in various professional associations and social clubs.

Mrs. Theo-Nwangwu holds the following educational qualifications:

- BA English/Literature from Abia State University (1985 to 1989)
- MBA Marketing from Delta State University (1985 to 1989)

Mrs. Theo-Nwangwu has held various positions in the following companies:

- Managing Director, Global Telmart Resources Limited (Feb 2013 to date)
- General Manager, Eauxwell Nigeria Limited (May 2011 to Jan 2013)

Mr. Ajayi James Steven – Non-Executive Director

Mr. Ajayi James Steven is a civil engineer and project manager by profession with over 15 years work experience in several areas including real estate (where he currently manages a portfolio worth over N20 billion), project management, construction management, maintenance planning & scheduling, maintenance inspection & performance evaluation, quality control, highway pavement construction, bridge construction and engineering survey among other things. He was involved in some landmark projects such as the construction of LASU – Isheri road and bridge as well as the construction of Okota – Itire Link Bridge and roads while he was with China Civil Engineering Construction Company Nigeria Limited.

Mr. Ajayi holds the following educational qualifications:

- MPM Project Management from University of Lagos (2016)
- Project Management certificate from Alfred and Victoria Associate (2009)
- Project Management Professional (PMP) from Project Management Institute (2009)
- B.Tech (Hons) Civil Engineering from Ladoke Akintola University of Technology, Ogbomosho (2006)

Mr. Ajayi has held various positions in the following companies:

- Consulting Project Manager, Folaven Limited (2021 to date)
- Construction Project Manager, Realty Point Limited (2021)
- Project Manager, Folaven Limited (2015)
- Assistant Manager Facilities Maintenance, COTECNA Destination Inspection Limited (2012)

- Project Engineer, Crown Realities Plc (2011)
- Senior Resident Engineer, Zapex Construction Nigeria Limited (2020)
- Assistant Engineer/ Senior Surveyor, China civil Engineering Construction Company Nigeria Limited (2009)

His professional affiliations, memberships and volunteer work include:

- Corporate Member, Nigerian Society of Engineers (MNSE)
- Member, Nigerian Institution of Civil Engineers (MNSCE)
- Registered Engineer, Council for the Regulation of Engineering in Nigeria (COREN)
- Special Project Volunteer, Slum2School Africa (2014 to date)
- Course Facilitator, School of Estate (2016 to date)

KEY MANAGEMENT TEAM

Zylus’ Management team, led by Oluwatosin Olatujoye (PMPI, CISM), comprises of professionals with corresponding competencies and skills working together to achieve the objectives of the Company. Members of the management team are:

EMPLOYEES

As of December 31, 2022, Zylus Homes and Property Limited had an average number of Fifty-five (55) employees, comprising 8 Management Staff, 16 Senior Staff and 31 Junior Staff. The staff comprises professionals in real estate, finance and office management.

Oluwatosin Olatujoye (PMPI, CISM) – Managing Director (See Board profile above)

Mr. Ojo Olugbenga Joseph – Chief Operating Officer

He is a corporate and marketing expert with 19 years’ work experience.

Mr. Ojo holds the following educational qualifications:

- PhD Business Administration & Strategy (in view)
- MBA Marketing from Obafemi Awolowo University (2008)
- MSc Industrial Chemistry from University of Ibadan (1997)
- Postgraduate Diploma in Computer Science from Lagos City Computer College (1995)
- BSc Degree in Chemistry from University of Ado-Ekiti (1993)
- Fellow (Faculty Head) Institute of Customer Relationship Management
- Fellow (Faculty Head) Chartered Institute of Project Management

Mr. Ojo has held various positions in the following companies:

- Chief Operating Officer, Zylus Homes and Property Limited (2021 to date)
- Managing Director, Rescue Technologies Limited (2018 – 2020)
- Chief Executive Officer, Poise Nigeria Limited (2014 – 2017)
- General Manager, Interprods WA Ltd (2012 – 2013)
- Group Marketing Manager and Business Development Manager, Robert Johnson Holdings Limited (2004 – 2012)
- National Sales Manager, Interworld Management & Services Limited (2002 – 2004)
- Project Coordinator, ISATONG Nigeria Limited (1999 – 2001)
- Assistant Project Manager, INTEKNO Nigeria Limited (1997 – 1999)

Mr. Harris Basil Onyemaechi – Head of Legal

He is a legal professional with 15 years' work experience.

Mr. Harris holds the following educational qualifications:

- BL from Nigeria Law School (2014)
- LLB from Lagos State University, Badagry Expressway, Ojo, Lagos (2013)
- SSCE from StockhanSecondary School (2008 External Student)
- Diploma in Information Technology from DalotComputer College (2006)
- Diploma in Pub. Admin from Ambrose Ali University, Ekpoma (2002)
- SSCE from Government Army Day Secondary School, Minna (1992)

Mr. Harris has held various positions in the following companies:

- Head of Legal, Zylus Homes and Property Ltd (2021 to date)
- Business Manager, United Bank for Africa (2014 to 2021)
- Consultant Associate and Legal Counsel, GAB-ANNA Chambers, a first-tier litigation and soliciting firm (2017 – 2021)
- Legal Counsel, UBANI & CO Barristers& Solicitors (2014 – 2017)
- Team Lead, AIICO Insurance Plc (2002 – 2014)
- Supervisor / Manager, Homey Cool Ventures (1997 – 2001)
- Sales Officer, Evason Nigeria Limited (1995 – 1997)
- P.A. to the Project Manager, Foundation Mira Nigeria Limited (1992 – 1994)

Mr. Komolafe, Taiwo Theophilus (BSc, ACA, CPFA) – Head of Accounts

He is an accounting professional with 19 years' work experience.

Mr. Komolafe holds the following educational qualifications:

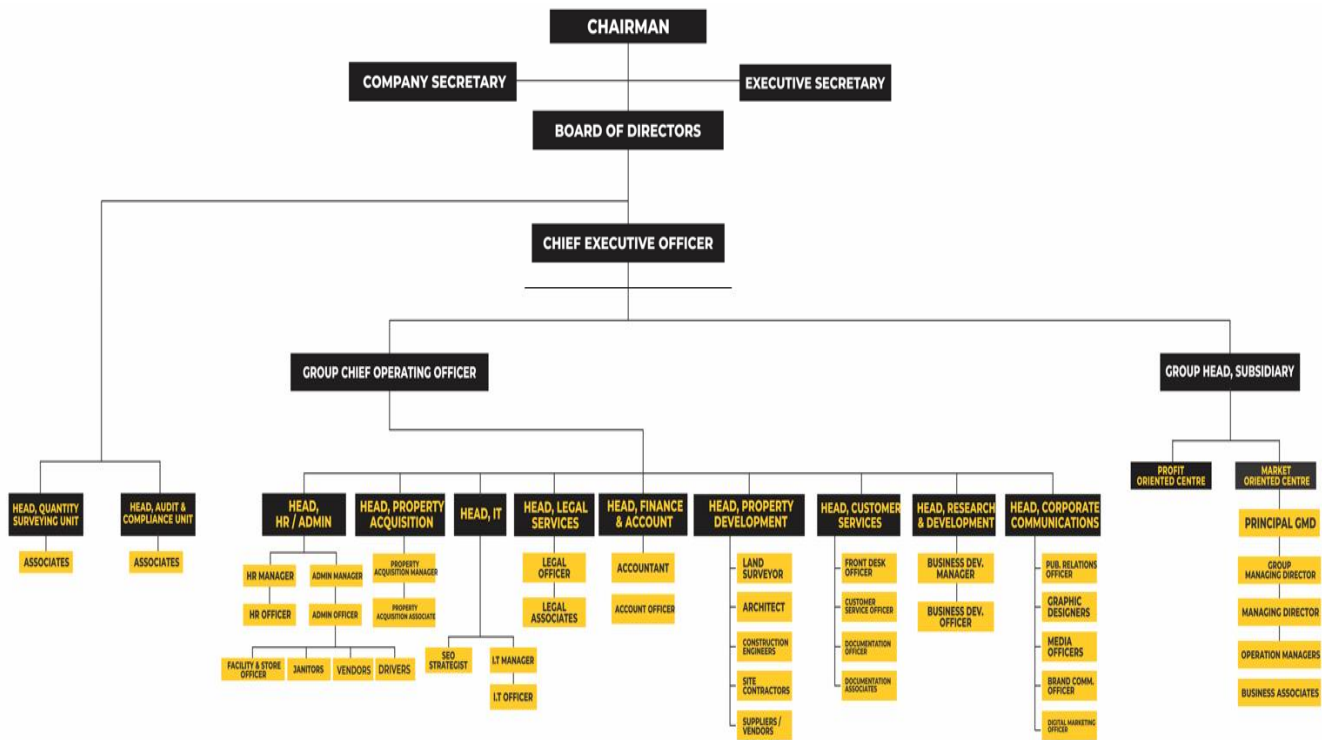
- Full Member, Hibreed, Canada-Certified Business Analyst
- Nigeria Institute of Management Accountants, awaiting Fellow Conferment (2021)
- Member of Chartered Global Investments Analysts Institute, awaiting Corporate Finance Institute Certificate
- Certified Professional Forensic Accountant and member of the Institute of Certified Forensic Accountants
- Associate Chartered Accountant and member of the Institute of Chartered Accountants of Nigeria
- Diploma in Computerized Accounting (Advance Computer Training) from METROSOFT Computer Institute Limited
- BSc (Hons.) Accounting from Kogi State University Anyigba, Nigeria (2005)

Mr. Komolafe has held various positions in the following companies:

- Head of Accounts and Finance, Zylus Homes and Property Limited (January 2022 to date)
- Chief Finance Officer, Oat Group (February 2020 – July 2021)
- Finance Manager/ Consultant KG Network Nigeria Limited (November 2019 – January 2021)
- Accountant, The Premier Specialists Medical Centre Limited (May 2009 – October 2019)
- Accountant, Locke International Consultancy Limited (September 2008 – April 2009)
- Accounting Officer, AMBAK Konsult (May 2007 – August 2008)

ORGANIZATIONAL STRUCTURE

Zylus business operates a hierarchical organizational structure as shown below:



No Material Adverse Change

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

Litigation

The Issuer is not and has not been since its incorporation engaged in any litigation or arbitration proceedings which may have or have had during such period a significant effect on its respective financial position and, as far as the Issuer is aware, no such litigation or arbitration proceedings are pending or threatened.

USE OF PROCEEDS

Use of Proceeds

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

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

Sources of Repayment

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

REVISED CBN GUIDELINES ON THE ISSUANCE OF CPs

BACKGROUND

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

REGULATORY FRAMEWORK

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

QUALIFICATION

A CP qualifies as a financing vehicle if:

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

SIZE AND TENOR

CPs shall be issued at the primary market for a minimum value of ₦5,000,000.00 (Five Million Naira) and multiples of ₦1,000 (One Thousand Naira), thereafter.

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

RATING

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

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

INVESTORS IN COMMERCIAL PAPERS

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

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

FORMS OF MAINTAINING CPs

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

ISSUING, CALCULATING AND PAYING AGENT

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

GENERAL REQUIREMENTS

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

MANDATORY REGISTRATION & QUOTATION

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

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

COMPLIANCE WITH THE CBN GUIDELINES AND FMDQ EXCHANGE RULES

The Issuer has complied with all applicable provisions as stated in the CBN Guidelines and FMDQ Exchange Rules. A legal opinion confirming adherence to the CBN Guidelines and FMDQ Exchange Rules is incorporated on page 49 of this Programme Memorandum.

COMPLIANCE WITH SECURITIES REGULATION

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

TERMS AND CONDITIONS OF THE NOTES

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

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

1. Issuance of Notes

The Issuer may from time to time, subject to these Terms and Conditions, issue Notes in one or more Series on a continuous basis under the Programme in an aggregate principal amount not exceeding the Programme Limit of ₦10,000,000,000.00 (Ten Billion Naira). Any Series of Notes issued under the Programme shall be constituted by, be subject to, and benefit from, the Deed of Covenant.

2. Form, Denomination, and Title

2.1 Form and Denomination`

- 2.1.1 Unless otherwise specified in any Applicable Pricing Supplement, the Notes shall be registered electronically, serially numbered, and denominated in a minimum amount of ₦5,000,000 and integral multiples of ₦1,000 in excess thereof; and will be sold at such discount from their face value amounts as shall be agreed upon by the Issuing and Placing Agent and the Issuer; and shall have a maturity not exceeding 270 (two hundred and seventy) days, including the rollover from the Issue Date.
- 2.1.2 The Notes issued under this Programme will be denominated in Naira.
- 2.1.3 The Notes issued will be in the form of short-term Zero-Coupon Notes and will not bear interest, other than in the case of late payment.
- 2.1.4 The Notes will be delivered to the Issuing and Placing Agent in dematerialized (uncertificated, book-entry) form; shall be registered by the Issuing and Placing Agent with the CSD which shall serve as the custodian and central depository of the Notes; and the Issuing and Placing Agent may deal in the Notes in accordance with the CSD procedures and guidelines.

2.2 Title

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

3. Status of the Notes

The Notes shall constitute a senior unsecured obligation of the Issuer, which are guaranteed by the Guarantor and the Notes rank *pari passu* among themselves and, save for certain debt obligations mandatorily preferred by law, *pari passu* with all

other present and future senior unsecured obligations of the Issuer outstanding from time to time.

4. Security

Any issuance of a Series or Tranche of the Programme shall be secured by a Security up to the value of the particular Series or Tranche or a bank guarantee issued by a reputable commercial bank acceptable to the Security Trustee.

5. Guarantee

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

6. Redemption

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

7. Payments

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

7.1 Method of Payments

- 7.1.1 Payment of the outstanding obligation in respect of the Notes will be made by electronic funds transfer, in Naira, to the account of the Noteholder specified in the Register.
- 7.1.2 All monies payable in respect of the Notes shall be paid to or to the order of the Noteholders by the Agent. Noteholders shall not be required to present and/or surrender any documents of title to the Agent.
- 7.1.3 In the case of joint Noteholders, payment by electronic transfers or cheque will be made or addressed to, as the case may be, the account of the Noteholder first named in the Register. Payment by electronic transfer to the Noteholder first named in the Register shall discharge the Issuer of its relevant payment obligations under the Notes to such joint Noteholders.
- 7.1.4 In the case of Notes held by a nominee, the nominee shall be paid as the registered Noteholder.
- 7.1.5 Neither the Issuer nor its agents shall be responsible for any loss in transmission of funds paid in respect of each Note.
- 7.1.6 If the Issuer or the Agent is prevented or restricted directly or indirectly from making any payment by electronic funds transfer (whether by reason of strike, protest, curfew, lockout, fire explosion, floods, riot, insurrection, war, accident, any act of God, embargo, legislation, shortage of or breakdown in facilities, civil commotion, Government interference or control or any other cause or contingency beyond the control of the Issuer), the Issuer or the Agent shall make such payment by cheque (or by such number of cheques as may be required in accordance with applicable banking law and practice) and the Issuer and the Agent shall not

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

- 7.1.7 Cheques may be posted by registered mail, provided that neither the Issuer nor the Agent shall be responsible for any loss in transmission and the postal authority shall be deemed to be the agent of the Noteholders for the purposes of all cheques posted in terms of this condition.

7.2 **Payment Day**

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

7.3 **Closed Periods**

No Noteholder may require the transfer of the Notes (i) during the period of 5 (five) days ending on the due date for redemption in respect of that Note, or (ii) following the issuance of a default notice to the Issuer pursuant to Condition 7.2 (Action upon Event of Default).

8. **Event of Default**

8.1 **Event of Default**

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

- 8.1.1 **Non-Payment:** default by the Issuer in the payment of the Redemption Amount to the Noteholders in respect of the Notes on the Maturity Date and the continuance of such default.
- 8.1.2 In line with section 9.2 of the FMDQ Exchange Rules, part payment of the CP value to investors shall also constitute a default
- 8.1.3 **Breach of Other Obligations:** the Issuer does not perform or comply with any one or more of its other obligations under the Offer Documents which default will affect the capacity of the Issuer to meet its payment obligations and which default has not been remedied for a period of Ten (10) days, after the date on which written notice of such default requiring the Issuer to remedy the same shall have been given to the Issuer by the Issuing, Collection and Paying Agent (except where such default is not capable of being remedied, in which case no such notice as is mentioned above will be required).
- 8.1.4 **Seizure/Compulsory Acquisition of Assets:** if any step is taken by any person with a view to the seizure, compulsory acquisition, expropriation, or nationalisation of all or a material part of the assets of the Issuer.
- 8.1.5 **Inability to Pay Debts:** the Issuer stops or suspends payment of a substantial part of its debts due to financial difficulties.

- 8.1.6 Insolvency: The appointment of a liquidator (other than in respect of a solvent liquidation or reorganization), receiver, manager, or other similar officers in respect of the Issuer and any of its assets.
- 8.1.7 Obligations Unenforceable: any of the Notes or the Offer Documents is or becomes wholly or partly void, voidable, or unenforceable.
- 8.1.8 Failure to Notify: In line with section 9.8 of the FMDQ Exchange Rules, in respect of any Tranche or Series, if the Issuer fails to notify FMDQ Exchange (through the IPA) that the Notes have been liquidated and funds have been transferred to all Noteholders by 4:00pm on the Redemption Date

8.2 Action upon Event of Default

- 8.2.1 Upon the occurrence of an Event of Default and such Event of Default is continuing, any Noteholder may by written notice to the Issuer and the Guarantor at its specified office(s), effective upon the date of receipt thereof by the Issuer, declare the Notes held by that Noteholder to be forthwith due and payable, provided that no such action shall be taken if the Issuer or Guarantor withholds or refuses to make any payment in order to comply with any law or regulation of Nigeria or to comply with any order of a court of competent jurisdiction.
- 8.2.2 Where an Event of Default occurs prior to the Maturity Date, the amount payable to the Noteholder shall be the Face Value of the Note discounted at the Issue Rate from the Maturity date to the Default Date. Provided that the amount payable shall bear interest at the Default Rate from the Default date to the date of payment thereof.
- 8.2.3 In addition, each Noteholder shall have the right to exercise all other remedies available to it/him/her under the laws of the Federal Republic of Nigeria.

9. Register

- 9.1 The Register shall be maintained by the Registrar. The Register shall reflect each Tranche and Series of Notes; the number of Notes issued and shall contain the name, address, and bank account details of the registered Noteholders. The Register shall set out the aggregate Principal Amount of the Notes issued to such Noteholder and the date of issue.
- 9.2 Statements issued by the CSD as to the aggregate number of Notes standing to the CSD account of any person shall be conclusive and binding for all purposes save in the case of manifest error and such person shall be treated by the Issuer and the Agent as the legal and beneficial owner of such aggregate number of Notes for all purposes.
- 9.3 The Register shall be open for inspection from 9.00 am to 5.00 pm during the normal business hours of the Agent to any Noteholder or any person authorised in writing by the Noteholder.
- 9.4 The Agent shall alter the Register in respect of any change of name, address, or bank account details of any of the registered Noteholders of which it is notified in accordance with these Terms and Conditions.

10. Notices

10.1 Notices to the Noteholders

- 10.1.1 All notices to the Noteholders will be valid if it is delivered by hand, courier, electronic mail, or sent by

registered post in a letter duly addressed to the Party to whom same is required to be given at the registered address of such Party or any address given by such Party at their respective addresses of record in the relevant register of Notes of a Series maintained by the Registrar. The Issuer shall also ensure that notices are duly given or published in a manner that complies with the rules and regulations of the FMDQ Exchange, the CSD, or such other regulatory authority as may be applicable to the Notes.

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

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 same with the Agent at its registered office.

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

11. Modification

11.1 The Issuing, Collection, and Paying Agent and the Issuer may agree without the consent of the Noteholders, to any modification of the Terms and Conditions which is of a formal, minor or technical nature or is made to correct a manifest error or to comply with the mandatory provisions of any law in Nigeria and which in the opinion of the Issuing and Paying Agent is not prejudicial to the interest of the Noteholders. Notice of such modification shall be published in at least one daily newspaper of general circulation in Nigeria or delivered in accordance with the provisions of Condition 8 (Notices) and shall be deemed to have been given and received on the date of first publication.

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

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

11.2.2 such amendment:

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

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

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

12. Meeting of Noteholders

12.1 The Issuer may at any time convene a meeting of all Noteholders upon at least 21 (twenty-one) days prior written

- notice to the Noteholders. The notice required to be given shall be in accordance with clause 8 (Notices). Such Notice shall specify the date, agenda, time of the meeting to be held, and the place for holding the meeting, which places shall be in Nigeria.
- 12.2 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.
 - 12.3 Noteholders holding not less than 10% (ten percent) in Principal Amount of the outstanding Notes shall be able to request the Issuer to convene a meeting of Noteholders. Should the Issuer fail to requisition such a meeting within 10 (ten) Business Days of such a request being received by the Issuer, the Noteholders requesting the meeting may convene such a meeting.
 - 12.4 A Noteholder may by an instrument in writing (a "Form of Proxy") signed by the holder or, in the case of a corporate entity executed under its common seal or signed on its behalf by an attorney or a duly authorised officer of the corporate entity, appoint any person (a "Proxy") to attend and act on his/her or its behalf in connection with any meeting or proposed meeting of the Noteholders.
 - 12.5 Any Noteholder which is a corporate entity may by resolution of its directors or other governing body authorise any person to act as its representative (a "Representative") in connection with any meeting or proposed meeting of the Noteholders.
 - 12.6 Any Proxy or Representative appointed shall, so long as the appointment remains in force, be deemed for all purposes in connection with any meeting or proposed meeting of the Noteholder specified in the appointment, to be the Holder of the Notes to which the appointment relates and the Holder of the Notes shall be deemed for such purposes not to be the Holder.
 - 12.7 The chairman of the meeting shall be appointed by the Issuer. The procedures to be followed at the meeting shall be as determined by the chairman subject to the remaining provisions of this Condition 10. Should the Noteholders requisition a meeting, and the Issuer 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 Noteholders, holding not less than 51% (fifty-one percent) of the outstanding Principal Amount of all the Notes present in person, by representative or by proxy.
 - 12.8 At any meeting of Noteholders, two or more Noteholders present in person, by a representative, or by proxy, holding in the aggregate not less than one-third of the Principal Amount of outstanding Notes shall form a quorum.
 - 12.9 At any meeting of Noteholders, any resolution put to the vote shall be first decided on a show of hands, unless a poll is demanded. A poll may be demanded by either the chairman, the Issuer, or one or more Noteholders present in person, by a representative, or by proxy. In the case of equality of votes, the Chairman shall both on a show of hands and on a poll have a casting vote in addition to the vote or votes (if any) to which he may be entitled as a Noteholder or as a holder of a voting certificate or as a proxy or as a representative.
 - 12.10 If a poll is demanded it shall be taken in such manner as the chairman directs and the result of the poll shall be deemed to be the resolution of the meeting at which the poll was demanded. The demand for a poll shall not prevent the continuance of the meeting for the transaction of any business other than the motion on which the poll has been demanded. On a poll, each Noteholder present in person or by proxy at the time of the meeting shall have the number of votes equal to the number of Notes, by denomination held by the Noteholder.
 - 12.11 If 30 (thirty) minutes after the time appointed for any such meeting a quorum is not formed, the meeting shall, if convened upon the requisition of Noteholders, be dissolved. In any other case, it shall be adjourned to such date and time not being less than 14 (fourteen) days nor more than 21 (twenty-One) days thereafter and at the same time and place. At such adjourned meeting, 2 (two) or more Noteholders present or represented by proxy holding in aggregate not less than one-third of the Principal Amount of outstanding Notes shall form a quorum and shall have power to pass any resolution and to decide upon all matters which could properly have been dealt with at the original meeting had the requisite quorum being present.
 - 12.12 A resolution in writing duly signed by seventy-five percent (75%) of the Noteholders holding in aggregate not less than seventy-five percent (75%) of the Principal Amount of outstanding Notes, shall be as effective for all purposes as a resolution duly passed at a meeting of the Noteholders, provided that the resolution was sent to all the Noteholders

entitled to receive notice of a meeting of Noteholders. Such resolution may be contained in one document or in several documents of identical form duly signed by or on behalf of all the Noteholders.

13. Further issues

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

14. Governing Law

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

TAX CONSIDERATION

The Notes issued under the Programme will be zero-coupon notes and as such, will be offered and sold at a discount to Face Value. The Notes will thus not bear interest. Notwithstanding, the discount on the Notes may be taxed in accordance with applicable Nigerian Income tax laws, to wit, CITA or PITA as may be applicable to the Noteholders.

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

RISK FACTORS

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

Investors should also seek professional advice before making investment decisions in respect of the Notes.

1. RISKS FACTORS RELATING TO THE ISSUER

a) Regulatory Risk

Regulatory risk is the risk arising from a change in regulations in any legal, taxation and accounting pronouncements or specific industry regulations that pertain to the business of the Company. In order to manage this risk, the Company is an active participant in industry and engages in discussions with real estate regulatory bodies in Nigeria. This is to safeguard the Company's ability to continue as a going concern so that it can continue to provide returns for the shareholder and benefits for other stakeholders.

b) Legal Risk

The Company has a policy of ensuring that all the contractual obligations are documented and appropriate evidence of agreements with the relevant parties to the contract are preserved. All significant contracts are reviewed by independent legal resources and amounts are provided for, if there is consensus as to any possible exposure.

As of 31 December 2022, the Directors are not aware of any significant obligation not provided for.

c) Operational Risk

Operational risk is the risk of direct or indirect loss resulting from inadequate or failed internal processes, people and systems from external events. To manage this risk, the initiation of all transactions and their administration are conducted on the foundation of segregation of duties that has been designed to ensure materially the completeness, accuracy and validity of all transactions. These controls are augmented by management and executive review of control accounts and systems, electronic and manual checks and controls, back-up facilities and contingency planning. The internal control systems and procedures are also subjected to regular internal audit reviews.

d) Interest Rate Risk

Interest rate risk is the risk that the value and cash flow of a financial instrument will fluctuate due to changes in market interest rates. And as a result, the following investments and liabilities which are held at fair value will be directly impacted by changes in market interest rates. Accounts receivable and accounts payable where settlement is expected within 30 days are not included in the analysis, since the effect of interest rate risk on these balances is not considered material given to the short-term duration of these underlying cashflows. The majority of financial instruments subject to interest rate risk are allocated to match liabilities. The revenues and profit generation of the Company are linked to the value of assets under management. Therefore, movements in interest rates and commodity prices that adversely affect the values of assets under management will impact the Company's revenues and reported loss. The Company manages this risk through its structured investment process.

e) Credit Risk

Credit risk is the risk that one party to a financial instrument will cause a loss to the other party by failing to discharge an obligation. Key areas where the Company is exposed to credit risk are: certain classes of financial assets such as bonds, term deposits and cash and cash equivalents; and certain accounts within trade and other receivables.

f) Liquidity Risk

Liquidity risk is the risk arising from the inability of the Company to generate adequate funds to meet its financial obligations when they fall due. It is the policy of the company to hold financial investments at a level sufficient to ensure that it has available funds to meet its maturing financial obligations. The Company's Statement of Cash flows.

2. RISKS FACTORS RELATING TO THE NOTES

a) Market Price Risk

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

Each investor needs to assess the market risk prior to trading their Notes.

b) Interest Rate Risk

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

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

c) Liquidity Risk

Although the listing of the Notes increases the possibility of trading activity, the Notes issued under the Programme will be new securities that may not be widely distributed. The liquidity of the Notes may be limited, and investors may not be able to trade the Notes actively or realise a yield comparable to that of similar instruments, if any, in developed secondary markets. The trading market for debt securities may be volatile and may be adversely impacted by many events. The market for debt securities is influenced by economic and market conditions, interest rates, currency exchange rates as well as global events, which may also have an adverse effect on the price of the Notes.

d) Ranking

The Notes will constitute senior unsecured obligations of the Issuer. Therefore, holders of secured indebtedness, if any, will have claims that are prior to the claims of the holders of the Notes, to the extent of the assets securing such indebtedness. Thus, in the event of a bankruptcy, liquidation, dissolution, reorganization or similar proceeding, the pledged assets would be available to satisfy obligations on the secured indebtedness before any payment could be made on the Notes.

3. RISKS FACTORS RELATING TO NIGERIA

a) Political Risk

Following the controversial 2023 general elections, the country appears to be settling down for governance. However, the coast is not yet clear as the elections results as announced by the Independent National Electoral Commission (INEC) that ushered in the Bola Ahmed Tinubu to office is still contested in court. Besides, the diverse political, religious and ethnic landscape in Nigeria that has led to struggles for power between rival groups, continues to hinder the smooth governance of the country. The pastoralist conflict in the North-East and Middle Belt has been escalating and Boko Haram continues to weaken the North-East economy. In the South, Niger Delta pipeline attacks could threaten oil production and the state of the environment.

In addition, frustrations over poor living conditions and economic hardships can potentially fuel further conflict. The risks related to political instability, continued criminal activities including banditry, kidnapping, security challenges as well as political and religious tensions in the country could adversely impact Nigeria's economy and by extension - the operations of Zylus Homes and Property Limited.

b) Economic Risk

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

Oil prices have since recovered from the lows of the COVID-19 pandemic and decision by the Organization of the Petroleum Exporting Countries (OPEC) to pump more oil into the market has improved foreign exchange earnings of Nigeria. Nevertheless, the Nigerian economy has continued to record slowed growth in low single digits, high inflation in high double digits and growing unemployment in excess of 33 per cent. Following initial market reforms by the newly inaugurated Tinubu administration, the country has seen the removal of fuel subsidies and the harmonization of the apex bank's foreign exchange market segments. These have led to sustained inflationary pressures and a reduction in the purchasing power of households and businesses alike. The Company's prospects may be impacted by economic headwinds in Nigeria as they could adversely affect the demand for its products.

c) Foreign Exchange Risks

The Nigerian foreign exchange market has witnessed sustained volatility post COVID-19 as the market continued to witness strained foreign exchange supply. This, in addition to the harmonization of the foreign exchange market segments by the Tinubu administration sustained the depreciation of the Naira against the US Dollar. Specifically, Naira shed more than half its value against USD from N307/USD at the beginning of 2020 to N600.43/USD averaged in June 2023 at the Investors & Exporters Foreign Exchange window. Following the harmonization of the exchange rates, Naira tumbled further to average N777.26/USD in July 2023. Notwithstanding, the Company is not significantly exposed to foreign exchange market fluctuations.

SETTLEMENT, CLEARING AND TRANSFER OF NOTES

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

Clearing System

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

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

Authorised Participants

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

For purposes of Notes issued under this Programme, the Authorised Participants are Pathway Advisory Limited, Keystone Bank Limited, and any other bank or dealer appointed by the Issuer.

Registration

- I. The Authorised Participants shall register with the CSD before dealing in CPs
- II. The Authorised Participant shall complete the required registration form or other applicable document(s) and shall be required to submit proof of appropriate FMDQ membership along with the completed form.
- III. Noteholders are required to route their account opening applications and transactions through any of the above-mentioned Authorised Participant, who will officially notify the CSD to create sub-accounts for these Noteholders and attach Noteholders' mandates to this effect.
- IV. 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.
- V. FMDQ Exchange shall request for the CP to be registered with the CSD, who in turn shall furnish FMDQ Exchange and the Authorised Participant with the CP unique identifier for the registered CP, subject to receipt of CP registration fees from the Authorised Participant.
- VI. The CSD will re-open the existing unique identifier for all tranches with the same maturity dates, however, new unique identifier will be issued for tranches with different maturity dates.

Lodgment

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

owners of the Notes.

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

Redemption

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

Roll-Over

- V. All CPs, including rollovers, shall not exceed 270 days (tenor) from the date of issue.
- I. Every rollover 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 unique identifier, subject to receipt of CP rollover fees from the Authorised Participant.
- III. The CSD shall expunge the existing CP unique identifier from the system and replace them with new codes.

Default

- I. Where the Issuer is unable to repay the Noteholders and the CP will be in default status, the Authorised Participants shall notify the CSD, FMDQ Exchange, as well as the Noteholders, the latest two (2) Business Days before the Maturity Date, latest by the 3.00 pm.
- II. The CSD shall make public the default status to the market latest by the date which is one (1) Business Day before the Maturity Date.
- III. The ICPA shall notify FMDQ Exchange in writing that the CP has been liquidated and that funds have been transferred to all CP holders by 4:00 PM on the Maturity Date, failing which the Issuer shall be deemed to be in default.
- IV. In the case of (i) above, the CP holdings must remain with the CSD until the CPA pays off the Noteholders and notifies the CSD and the FMDQ Exchange with evidence.
- V. Thereafter, the CSD will notify the public and expunge the CP from the CSD depository accordingly. CPA pays off the Noteholders and notifies the CSD of the evidence.

Secondary Market Trading (OTC) Guidelines

- I. Standard settlement cycle is T+2.
- II. FMDQ Exchange shall submit the confirmed CP trade details on trade day in the specified format via the CSD authorised platform based on the following settlement timelines:
 - a. Same Day Settlement: 12.30 p.m.
 - b. T+1 or T+2 Settlements: 3.00 p.m.
- III. The CSD shall deliver securities and send confirmation of transfers via the CSD's authorised platform by 2.00 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 the CSD and the Authorised Participant simultaneously.
- V. Transactions for standard settlement (T+2) shall stop five (5) Business Days before the Maturity Date. Therefore, the last applicable settlement shall be before the close of business on the date which is five (5) BusinessDays before the Maturity Date.

Reporting

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

Transfer of Notes

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

Cash Settlement

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

PROFORMA APPLICABLE PRICING SUPPLEMENT



Zylus Homes and Property Limited RC: 1668319

Issue of Up to ₦ [•] Series1 Under its ₦10,000,000,000 Commercial Paper Issuance Programme

This Pricing Supplement must be read in conjunction with the Programme Memorandum dated August [•], 2023 prepared by Pathway Advisors Limited on behalf of Zylus Homes and Property Limited in connection with its N10,000,000,000 Commercial Paper Issuance Programme, as amended and/or supplemented from time to time (the “Programme Memorandum”).

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

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

This document has been prepared in accordance with the Central Bank of Nigeria Guidelines on the Issuance and Treatment of Bankers Acceptances and Commercial Paper, issued on 18 November 2009, and the CBN circular to all deposit money banks and discount houses dated 12 July 2016 on Mandatory Registration and Listing of Commercial Papers (together with the “CBN Guidelines”) and the FMDQ Exchange Commercial Paper Registration and Quotation Rules (the “Rules”) in force from time to time. The document is not required to be registered with the Nigerian 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.

ARRANGER/DEALER/ISSUING AND PLACING AGENT



COLLECTING AND PAYING AGENT



THIS PRICING SUPPLEMENT IS DATED [●]

PARTIES	
Issuer	Zylus Homes and Property Limited
Arranger	Pathway Advisors Limited
Collecting and Paying Agent	Keystone Bank Limited
Issuing and Placing Agent	Pathway Advisors Limited
Sponsor to the Quotation on FMDQ Exchange	Pathway Advisors Limited
Financial Advisers	Pathway Advisors Limited
Auditors	Joseph Dauda & Company (Chartered Accountants)
Registrar/ Depository	FMDQ Depository Limited
Trustees	Meristem Trustees Limited DLM Trust Company Limited
Solicitors	Africa Law Practice Nigeria & Company.
PROVISIONS RELATING TO THE NOTE	
Series Number	[]
Programme Size	₦10,000,000,000.00
Issued and Outstanding at the date of this Pricing Supplement	NIL
Face Value	[]
Discounted Value	[]
Nominal Amount Per Note	₦1000
Tenor	270 Days
Issue Date	[]
Maturity Date	[]
Final Redemption Amount	[]
Minimum Subscription	Minimum of ₦5,000,000.00 and multiples of ₦1,000.00 thereafter
Specified Currency	Nigeria Naira (₦)
Status of Notes	Each Note constitutes a direct, unconditional, unsubordinated and secured obligation of the Issuer and the Notes rank <i>pari passu</i> among themselves and, save for certain debts preferred by law, <i>pari passu</i> with all other present and future secured and unsubordinated obligations of the Issuer outstanding from time to time. All series under the programme will be secured: either asset backed or with a bank guarantee.
Form of Notes	Uncertificated
Quotation	FMDQ Securities Exchange Limited
Taxation	Please refer to the 'Tax Consideration' section in the Programme Memorandum
Method of Offer	Fixed Price Offer
Use of Proceeds	Working Capital
Source of Repayment	Operating cashflow of the company
Book Closed Period	[]
ZERO COUPON NOTES	
Discount Rate	[]
Implied Yield	[]
Any Other Formula or Basis for Determining Amount(S) Payable	$PV = FV * (1 - (DR * t / \text{actual number of days in a year}))$
Day Count Fraction	Actual/ Actual (actual number of days in a month and actual number of days in a year)
Business Day Convention	Any day except Saturdays, Sundays and public holidays declared by the Federal Government of Nigeria on which banks are open for business in

	Nigeria
PROVISION REGARDING REDEMPTION	
Redemption/Payment Basis	Redemption at par
Issuer's Early Redemption	Not Applicable
Issuer's Optional Redemption	Not Applicable
Other Terms Applicable on Redemption	Not Applicable
Offer Opens	[]
Offer Closes	[]
Allotment Date	[]
Notification of Allotment	[]
Settlement Date	[]
Details of Bank Account to Which Payments Are to be Made in Respect of the Notes	Bank: Keystone Bank Limited Account Name: Zylus Homes and Property CP Proceeds Account Account Number: 1012821025
Settlement Procedure and Settlement Instruction	Purchases will be settled via direct debit,electronic funds transfer (NIBBS, NEFT, RTGS, etc.)
Issuer Rating	Short-term Rating A2, Long-Term BBB by Datapro Limited

MATERIAL ADVERSE CHANGE STATEMENT

Except as disclosed in this document, there has been no Material Adverse Change in the financial position or prospects of the Issuer since the December 31,2022 audited accounts.

RESPONSIBILITY

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

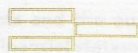
Signed at _____ on this _____ day of _____ 2023

For and on behalf of Zylus Homes and Property Limited

Name: **Dr. Oluwatosin Olatujoye**
Capacity: Managing Director
Who warrants his/her authority hereto

Name: **Mr. Sonekan Wasiu Olasunkanmi**
Capacity: Director
Who warrants his/her authority here

AUDITOR'S COMFORT LETTER



Joseph Dauda & Co.
Chartered Accountants

7/9 Olajide Street, Off Bashiru Street, Behind GT Bank Ojodu Branch, Ojodu, Lagos
Tel: 08033249201, 08092234673 Email: joseph_dauda123@yahoo.com

23rd June 2023

The Managing Director
FMDQ Securities Exchange Limited
Exchange Place
35, Idowu Taylor Street
Victoria Island
Lagos, Nigeria

Dear Sir,

**ZYLUS HOMES AND PROPERTY LIMITED ₦10 BILLION COMMERCIAL PAPER ISSUANCE PROGRAMME:
REPORT OF THE INDEPENDENT AUDITOR ON THE SUMMARY FINANCIAL STATEMENTS OF THE BOARD OF
DIRECTORS OF ZYLUS HOMES AND PROPERTY LIMITED**

Opinion

The accompanying summary of financial information which comprise the summary statements of financial position as at **31ST of December 2020, 31ST of December 2021, and 31ST of December 2022** the summary of profit or loss and other comprehensive income for the years ended **31ST of December 2020, 31ST of December 2021, and 31ST of December 2022** and the summary of cash flows for the years ended, are derived from the audited financial statements of Zylus Homes and Property Limited for the years ended **31ST of December 2020, 31ST of December 2021, and 31ST of December 2022** respectively.

In our opinion, the summary financial information derived from financial statements of Zylus Homes and Property Limited (the "Company") for the years ended **31ST of December 2020, 31ST of December 2021, and 31ST of December 2022** are consistent in all material respect with the financial statements in accordance with the international Financial Reporting Standards, the Companies and Allied Matters Act CAP C20, LFN 2004, the Financial Reporting Council of Nigeria Act 2011.

Summary Financial Statements

The summary financial statements do not contain all disclosures required by the International Financial Reporting Standards, Companies and Allied Matters Act CAP C20 LFN 2004, and the Financial Reporting Council of Nigeria Act, 2011 applied in the preparation of the audited financial statements of **Zylus Homes and Property Limited**. 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 **Zylus Homes and Property Limited**.

The Audited Financial Statements and Our Report Thereon

In our opinion the summary of financial information derived from the audited financial statements of **Zylus Homes and Property Limited** for years ended **31ST of December 2020**, **31ST of December 2021**, and **31ST of December 2022** are consistent, in all material respects, with those financial statements in accordance with the Companies and Allied Matters Act, CAP C20, LFN 2004.

Director's Responsibility for the Summary Financial Statements

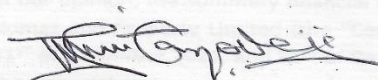
The Directors are responsible for the preparation of the summary audited financial information for years ended **31ST of December 2020**, **31ST of December 2021**, and **31ST of December 2022** in accordance with the Companies and Allied Matters Act, CAP C20, LFN 2004, the Financial Reporting Council of Nigeria Act, 2011 and International Financial Reporting Standards.

Auditors' Responsibility

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

This letter is provided solely for the purpose of assisting the FMDQ Securities Exchange Limited to which it is addressed in discharging its responsibility in connection with the proposed transaction and is not to be used for any other purpose.

Yours faithfully,



Adegboye Adedeji
FRC/2021/004/00000024526
For: Joseph Dauda & Co
(Chartered Accountants)
Lagos, Nigeria



HISTORICAL FINANCIAL INFORMATION OF ZYLUS HOMES AND PROPERTY LIMITED

Statement of Financial Position as at December 31	2022	2021	2020
ASSETS	₦'m	₦'m	₦'m
Non-Current Assets			
Property, plant and equipment	918	375	55
Investment Properties	2,755	2,530	1,002
Intangible Assets	26	1	0
	3,699	2,905	1,057
Current Assets			
Inventory	4,238	3,543	803
Receivables	3,887	2,150	1,538
Prepayment	13	12	9
Cash and Cash Equivalents	1,104	523	475
	9,243	6,226	2,825
Total Assets	12,942	9,132	3,882,084
EQUITY AND LIABILITIES			
Equity			
Share Capital	1	1	1
Deposit For Shares	2,000	2,000	1,500
Retained Earnings	3,752	2,007	806
Total Equity	5,753	4,008	2,306,962
Non-Current Liabilities			
Borrowing	844	49	0
Director' Loan Account	2,500	2,000	877
	3,344	2,049	876,519
Current Liabilities			
Payables	3,655	2,969	550
Other Payables	2	19	89
Current Tax Liabilities	188	86	60
	3,845	3,075	698,603
Total Liabilities	7,189	5,124	1,575,122
Total Equity and Liabilities	12,942	9,132	3,882,084

Statement of Profit or Loss	2022	2021	2020
	₹'m	₹'m	₹'m
Continuing Operations			
Income			
Revenue	11,501	10,250	5,226
Cost of Sales	(8,633)	(8,572)	(4,155)
Profit from Sale of Trading Properties	2,867	1,678	1,071
Other Income	12	10	27
Finance Costs	(98)	(72)	(8)
Operating Profit	2,781	1,617	1,090
Sales, Marketing and Distribution Expenses	-155	-35	-53
Personnel Cost	-194	-118	-54
Depreciation and Amortisation	-107	-42	-10
Other Operating Expenses	-392	-135	-108
Profit Before Taxation	1,933	1,287	866
Taxation	-188	-86	-60
Profit After Taxation	1,745	1,201	806
Earnings Per Share			
Basic and Diluted Earnings Per Share (N)	1745	1201	806

Statement of Cash Flow	2022	2021	2020
	₦'m	₦'m	₦'m
Cash flows from operating activities			
Profit after taxation	1,745	1,201	806
Taxation	188	86	60
Profit before taxation	1,933	1,287	866
Adjustments to reconcile loss before taxation to net cashflow from operations:			
Depreciation and Amortisation	107	42	10
Net cash flow before changes in working capital	2,040	1,328	875,360
Changes in working capital			
Inventory	-696	-2,739	-803
Receivables	-1,737	-612	-1,538
Prepayment	-2	-2	-9
Payables	686	2,419	550
Other Payables	-17	-69	89
Income tax paid	-86.26	-59,698	0
Cash generated from operating activities	188	265	-835,494
Cash from Investing Activities			
Property, Plant and Equipment	-644	-361	-64
Investment Properties	-225	-1,527	-1,002
Intangible Assets	-32	-1	0
Cash generated from investing activities	-901	-1,889	-1,067
Cash from Financing Activities			
Share Capital	0	0	1
Deposit for Shares	0	500	1,500
Borrowing	795	49	0
Directors' Loan Account	500	1,124	877
Cash generated from financing activities	1,295	1,672	2,378
Net increase in cash and cash equivalents	581	47	-834,183
Cash and cash equivalents, beginning of the year	523	475	0
Cash and cash equivalents, end of year	1,104	523	475

ZYLUS HOMES AND PROPERTY LIMITED

Long-Term Rating:

BBB

Short Term Rating: A2
Rating Outlook: Stable
Trend: UP
Currency: Naira
Date Issued: 29 May., 2023
Valid Till: 28 May., 2024

Reference:

Abiodun Adeseyoju, FCA.
Abimbola Adeseyoju
Oladele Adeoye

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

EXECUTIVE SUMMARY

	2022 N'000	2021 N'000	9 Months to 31st December, 2020 N'000
Turnover	11,500,726	10,250,387	5,225,906
Pre-Tax-Profit	1,033,291	1,286,986	865,660
Shareholders Fund	5,752,776	4,007,688	2,306,962
Non-Current Assets	3,699,138	2,905,114	1,057,269
Long Term Debt	3,343,623	2,048,805	876,519

Rating Explanation

The Short-Term Rating of A2 indicates *Fair Credit Quality* and adequate capacity for timely payment of financial commitments.

The Long-Term Rating of *BBB* indicates *Slight Risk*. It shows Fair Financial Strength, Operating Performance and Business Profile when compared to the standard established by *DataPro*. This Company, in our opinion, has the ability to meet its ongoing obligations, but its financial strength is vulnerable to adverse changes in economic conditions.

RATING SYNOPSIS

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

The qualitative information used were based on industry and market intelligence including public information. The quantitative information was obtained from the Company's Audited and Management Accounts.

The risk factors were assessed using the Company's Capitalization, Earnings Profile, Liquidity, Corporate Governance, Regulatory Compliance and Sustainability of its current healthy profile in the medium to long term period.

Overall, the following were observed:

Positive Rating Factors:

- Good Profitability
- Good Liquidity
- Diversified source of Revenue

Negative Rating Factor:

- Macro Economic Constraints

This report does not represent an offer to trade in securities. It is a reference source and not a substitute for your own judgment. As far as we are aware, this report is based on reliable data and information, but we have not verified this or obtained an independent verification to this effect. We provide no guarantee with respect to accuracy or completeness of the data relied upon, and therefore the conclusions derived from the data. This report has been prepared at the request of, and for the purpose of, our client only and neither we nor any of our employees accept any responsibility on any ground whatsoever, including liability in negligence, to any other person. Finally, DataPro and its employees accept no liability whatsoever for any direct or consequential loss of any kind arising from the use of this document in any way whatsoever.

LEGAL OPINION ON THE NOTES

15 MILITARY STREET
ONIKAN LAGOS
NIGERIA
T: +234 1 700 2570 – 9
E: ALP@ALP.COMPANY



30 June 2023

Managing Director
Pathway Advisors Limited
7 Utomi Aire Street
Lekki Phase I, Lagos

Dear Sir,

**RE: LEGAL OPINION WITH RESPECT TO THE NGN10,000,000,000.00
(TEN BILLION NAIRA) COMMERCIAL PAPER ISSUANCE PROGRAMME
BY ZYLUS HOMES AND PROPERTY LIMITED**

1. INTRODUCTION

- 1.1. We have acted with respect to the proposed Zylus Homes and Property Limited (the “**Issuer**”) ~~₦~~10,000,000,000.00 (Ten Billion Naira) Commercial Paper Issuance Programme (the “**Programme**”) to be constituted by the Programme Trust Deed (defined below).
- 1.2. In our capacity as Solicitors to the Programme, we hereby issue this Legal Opinion (this “**Opinion**”) to Pathway Advisors Limited subject to the terms contained herein.

2. DOCUMENTS

For the purposes of this Opinion, we have reviewed and based our Opinion on the following “**Opinion Documents**”:

- 2.1. the Certificate of Incorporation of the Issuer;
- 2.2. a certified true copy of the Memorandum and Articles of Association of the Issuer;

**THIS LEGAL OPINION IS SUBJECT TO (1) COMPLETION OF DUE DILIGENCE ON THE ISSUER,
AND (2) REVIEW OF THE EXECUTED TRANSACTION DOCUMENTS OF THE ISSUER**

- 2.3. the resolutions of the board of directors of the Issuer dated 22 June 2023, approving and authorizing the terms of, and the transactions contemplated by the Transaction Documents to which it is expressed to be a party, resolving that it executes such Transaction Documents, authorizing a specified person or persons to execute such Transaction Documents on its behalf and/or dispatch all documents and notices to be signed and/or dispatched by it under or in connection with such Transaction Documents;
- 2.4. the programme trust deed dated on or about the date of this Opinion between the Issuer and Meristem Trustees Limited and DLM Trust Company Limited (the "Note Trustees") (the "Programme Trust Deed");
- 2.5. the Collecting and Paying Agent Agreement dated on or about the date of this Opinion between the Issuer and Keystone Bank Limited;
- 2.6. the Issuing and Placing Agent Agreement dated on or about the date of this Opinion between the Issuer and Pathway Advisors Limited;
- 2.7. the dealer agreement dated on or about the date of this Opinion between the Issuer and the Pathway Advisors Limited;
- 2.8. the deed of covenant dated on or about the date of this Opinion; and
- 2.9. the Programme Placement Memorandum dated on or about the date of this Opinion.

3. SCOPE

- 3.1. For this Opinion, we have examined, reviewed, and relied only on the Opinion Documents.
- 3.2. This Opinion is confined to Nigerian Law as interpreted and applied by Nigerian Courts as at the date of this Opinion, and we neither express nor imply any opinion on any matter insofar as it may be affected by the law of a country other than Nigerian Law, or as to matters of fact. We express no opinion nor make any comment on the content, adequacy, or sufficiency of the commercial terms negotiated by the parties to the Transaction Documents (as hereinafter defined).
- 3.3. We have not assisted in the investigation or verification of the facts, or the reasonableness of any assumption or statement of opinion (including, without limitation, as to the solvency of any other person expressed to be a party to the Transaction Documents (as hereinafter defined) or any other person), contained in the Transaction Documents (as hereinafter defined) or in determining whether any material fact has been omitted therefrom.

4. INTERPRETATION AND REFERENCES

**THIS LEGAL OPINION IS SUBJECT TO (1) COMPLETION OF DUE DILIGENCE ON THE ISSUER,
AND (2) REVIEW OF THE EXECUTED TRANSACTION DOCUMENTS OF THE ISSUER**

In this Opinion, unless otherwise defined or the context otherwise requires, terms defined in the Programme Memorandum shall be applicable, and the following capitalised terms shall have the following meanings:

- 4.1. “Arranger” means Pathway Advisors Limited;
- 4.2. “Board Resolutions” means the resolutions in paragraphs 2.3;
- 4.3. “Collecting and Paying Agent” means Keystone Bank Limited;
- 4.4. “Constitution” means the 1999 Constitution of the Federal Republic of Nigeria, as amended;
- 4.5. “Issuing and Placing Agent” means Pathway Advisors Limited;
- 4.6. “Nigerian Courts” means the Supreme Court of Nigeria, the Court of Appeal, the Federal High Court, the High Court of the Federal Capital Territory and the various State High Courts;
- 4.7. “Notes” has the meaning assigned to it in the Programme Memorandum;
- 4.8. “Noteholders” has the meaning assigned to it in the Programme Memorandum;
- 4.9. “Notes Trustees” means Meristem Trustees Limited and DLM Trust Company Limited;
- 4.10. “Rating Agency” means Datapro Limited;
- 4.11. “SEC” means the Securities and Exchange Commission;
- 4.12. “Transaction Documents” means the documents listed in paragraphs 2.1 to 2.9 above;
- 4.13. defined terms appearing in title case shall be given their meaning as defined, while the same terms appearing in lower case shall have their plain English meaning;
- 4.14. words used in the singular, shall have the same meaning when used in the plural;
- 4.15. references to “Nigerian Law” include any regulations made or imposed by any Nigerian authority and any treaty or international convention which the Federal Republic of Nigeria has ratified and incorporated into domestic law; and
- 4.16. references to any Nigerian authority are references to any governmental, official or judicial authority or body in Nigeria.

5. EXTENT OF REVIEW AND EXAMINATION

THIS LEGAL OPINION IS SUBJECT TO (1) COMPLETION OF DUE DILIGENCE ON THE ISSUER, AND (2) REVIEW OF THE EXECUTED TRANSACTION DOCUMENTS OF THE ISSUER

- 5.1. For the purpose of providing this Opinion and except otherwise stated, we have based this Opinion only on the draft versions of the Transaction Documents circulated by the Arranger. We have not examined any document or agreement cross-referenced in any of the Transaction Documents save as expressly stated.
- 5.2. We have made no searches or enquiries concerning any party to the Transaction Documents nor have we examined any documents, other than the documents referred to in paragraph 2 (*Documents*) of this Opinion.

6. ASSUMPTIONS

This Opinion is issued based on the following assumptions:

6.1. Genuineness and Authenticity

- 6.1.1 the genuineness of all signatures and seals on all and any document reviewed by us;
- 6.1.2 the completeness and conformity to the originals of all Transaction Documents and other documents supplied to us as certified, electronic, faxed or photocopies;
- 6.1.3 the documents in paragraph 2 above have not been amended, altered, or tampered in any way;
- 6.1.4 the genuineness and authenticity of all approval letters, consents, and authorizations sighted;
- 6.1.5 the accuracy and completeness of all corporate minutes, resolutions, certificates, and records that we have seen;
- 6.1.6 the accuracy of any and all representations of facts expressed in or implied by the documents that we have examined;
- 6.1.7 the absence of any amendments or variations to the terms of the Transaction Documents and the authenticity of the originals of such Transaction Documents;
- 6.1.8 each Transaction Document has been duly authorised, and would be duly executed, by or on behalf of each of the parties thereto, and the performance thereof is within the capacity and powers of each of the parties thereto;
- 6.1.9 where an Opinion Document has been examined by us in draft or specimen form, it will be or has been executed in the form of the draft or specimen; and

**THIS LEGAL OPINION IS SUBJECT TO (1) COMPLETION OF DUE DILIGENCE ON THE ISSUER,
AND (2) REVIEW OF THE EXECUTED TRANSACTION DOCUMENTS OF THE ISSUER**

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

6.2. Completeness

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

6.3. Good Faith, *e.t.c.*

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

6.3.1 no party has entered into or executed any document, or any transaction contemplated therein in order to prejudice any creditor of any party to such document; and

6.3.2 each of the Transaction Documents has been entered into, and each of the transactions referred to therein is carried out, by each of the parties thereto, for the purpose of carrying on their respective businesses, for the benefit of each of them respectively, and on arms' length commercial terms.

6.4. Consents

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

6.4.2. The Board Resolution was duly passed at a properly convened meeting. The Board Resolution has not been amended or rescinded and is in full force and effect.

6.5. The Noteholders who will subscribe to the Notes have the capacity to and authority to:

6.5.1 subscribe to the Notes;

6.5.2 execute any documents or instruments required of them further to the Transaction Documents; and

6.5.3 exercise any rights and perform any obligations under documents referred

THIS LEGAL OPINION IS SUBJECT TO (1) COMPLETION OF DUE DILIGENCE ON THE ISSUER, AND (2) REVIEW OF THE EXECUTED TRANSACTION DOCUMENTS OF THE ISSUER

to in 6.5.2 above.

6.6. Restrictions

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

7. OUR OPINION

Based on the foregoing assumptions and subject to the qualifications set out below and to any matters not disclosed to us, we are of the following opinion:

7.1. Legal Status of the Transaction Parties

7.1.1 The Issuer is duly incorporated and validly existing under the laws of the Federal Republic of Nigeria. To the best of our knowledge as at the date of this Opinion, no steps have been taken to wind up the Issuer or to terminate its existence or to appoint a receiver in respect of its affairs or otherwise to place its business or any of its assets outside the control of its directors.¹

7.1.2 The Issuer has the full power, consent, authority and capacity to execute, deliver, perform and observe the terms and conditions of the Transaction Documents to which it is a party.

7.1.3 All Transaction Documents to which the Issuer is a party constitute legal, valid, binding, and enforceable obligations against each of them.

7.1.4 The Board Resolution is valid under the respective constitutional documents of the Issuer and under the laws of Nigeria. The Board Resolution is sufficient corporate authorizations for the Issuer to execute the Transaction Documents to which it is a party and to carry out all relevant transactions; and the resolution need not be filed, recorded or registered with any Nigerian authority.

7.2. Regulatory Requirements

7.2.1 The Issuer is a private limited company, and the Notes shall be offered by private placement to Qualified Institutional Investors (QIIs) and quoted on the FMDQ Securities Exchange Limited platform.

¹ We say to the best of our knowledge because winding-up petitions (including other analogous steps) are filed and heard before the courts and there are no systematic records of court filings to allow for such a check. Public notice of such events only occurs when such an order is published in the newspapers or filed at the Corporate Affairs Commission.

**THIS LEGAL OPINION IS SUBJECT TO (1) COMPLETION OF DUE DILIGENCE ON THE ISSUER,
AND (2) REVIEW OF THE EXECUTED TRANSACTION DOCUMENTS OF THE ISSUER**

- 7.2.2 The provisions of the Stamp Duties Act, Cap S8, Laws of the Federation of Nigeria, 2004 (as amended) (the “SDA”) require any instrument executed in Nigeria, or relating, wheresoever executed, to any property situate or any matter or thing done or to be done in Nigeria to be stamped and the appropriate stamp duty paid in respect of the said instrument. Unstamped or insufficiently stamped instruments are not admissible in evidence (except in criminal proceedings) in Nigerian Courts.
- 7.2.3 There is no provision in the constitutional documents of the Issuer that will be and no Nigerian law will be contravened by:
- (a) any provision in any Transaction Document; or
 - (b) the carrying out of any relevant transactions contemplated by the Transaction Documents.
- 7.2.4 There has been obtained and there is in full force and effect every consent, approval or authorization by any Nigerian authority which is either necessary or desirable in connection with:
- (a) the execution by the Issuer of any of the Transaction Documents to which it is a party; or
 - (b) the validity or enforceability of any of the Transaction Documents to which the Issuer is a party;
- 7.3. Transaction Documentation
- 7.3.1 All the Transaction Documents are governed by Nigerian Law and upon their execution, would constitute obligations of the parties thereto that are legal, valid and binding upon the parties and enforceable against the parties in accordance with their terms;
- 7.3.2 Each of the Transaction Documents is in a proper form to be enforced under Nigerian Law (save for payment of stamp duty as described in paragraph 7.2.2 above) and would be recognised by a Nigerian Court as constituting legal, valid, and binding obligations of the parties thereto and enforceable against those parties in accordance with its terms;
- 7.3.3 The Notes, when issued, would constitute valid, legal, binding, and enforceable obligations of the Issuer.
- 7.3.4 Subject to insolvency laws generally applicable to Nigerian companies, in insolvency proceedings involving the Issue, the Issuer’s obligations under the relevant Transaction Documents will remain valid, binding, and enforceable; and

THIS LEGAL OPINION IS SUBJECT TO (1) COMPLETION OF DUE DILIGENCE ON THE ISSUER, AND (2) REVIEW OF THE EXECUTED TRANSACTION DOCUMENTS OF THE ISSUER

7.3.5 The assets of the Issuer are not entitled to any immunity from service or process, suit, judgment, execution, or attachment (including pre-judgment attachment) in respect of any obligation under, or security interest created by, any of the Transaction Documents.

7.5 Claims and Litigation

We received a letter dated 26 June 2023 duly signed by a director of the Issuer containing representation from the directors of the Issuer to the effect that the Issuer has no litigation, claims, or other similar proceedings pending or existing with any person or body corporate which is likely to have any material adverse effect on the Issue, and no awareness as to any other threatened claims or litigation involving the Issuer which might be detrimental to the Issue.

8. QUALIFICATIONS

This Opinion is subject to the following qualifications:

- 8.1. Our opinion that an obligation or document is enforceable means that the obligation or document is of a type and form which Nigerian Courts generally will enforce. It does not mean that the obligation or document can necessarily be enforced in all circumstances and with regard to a final judgment or award, certain defences to its application or grounds for setting it aside may be accepted or applied, in spite of an agreement to the contrary.
- 8.2. The following events are circumstances in which an obligation or document may not be necessarily enforced by Nigerian Courts;
 - (a) upon the presentation of a winding-up petition against a Nigerian company, proceedings commenced against it to enforce a liability under a Transaction Document may be stayed or restrained by a Nigerian Court;
 - (b) no attachment or execution can be levied against the assets of a Nigerian company after the commencement of its winding-up;
 - (c) the enforcement of the rights of the parties under the Transaction Documents may with the passage of time become statute-barred under the limitation laws of the Federal Republic of Nigeria;
 - (d) the assessment of stamp duties on documents by the Stamp Duties Office of the Federal Inland Revenue Service is mostly inconsistent and largely untested in Nigerian Courts;
 - (e) the power of Nigerian Courts to order specific performance of an obligation or to order any other equitable remedy is discretionary and, accordingly, a Nigerian Court might make an award of damages where specific performance of an obligation or any other equitable remedy was

**THIS LEGAL OPINION IS SUBJECT TO (1) COMPLETION OF DUE DILIGENCE ON THE ISSUER,
AND (2) REVIEW OF THE EXECUTED TRANSACTION DOCUMENTS OF THE ISSUER**

- sought;
- (f) the procedural rules to which any action brought in a Nigerian Court is subject maybe such that a court declines jurisdiction or stays an action;
 - (g) a Nigerian Court may stay or strike out proceedings if concurrent proceedings are being brought elsewhere;
 - (h) it may be incompatible with the human rights provisions under the Constitution;
 - (i) public policy requires otherwise; or
 - (j) the Nigerian Court otherwise has discretion as to what remedy it grants.
- 8.3. It is expressed as of the date hereof and 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.
- 8.4. Where an obligation is to be performed in a jurisdiction outside Nigeria, that obligation may not be enforceable in Nigeria to the extent that:
- (a) its performance would be illegal under the laws of, or contrary to public policy or to the exchange control regulations of, the other jurisdiction or of the law applicable to the obligation; and
 - (b) the Nigerian Court(s) take account of the law of that jurisdiction.
- 8.5. We express no opinion as to:
- (a) any issue, agreement, instrument or other document other than as specified or expressly addressed in this Opinion; and
 - (b) whether or not a foreign court (applying its own conflict of laws rules) will act in accordance with the parties' agreement as to jurisdiction and/or choice of law.
- 8.6. This Opinion is subject to all insolvency, bankruptcy, liquidation, receivership, moratorium, reorganization, or similar laws affecting the rights of creditors (including secured creditors) generally.
- 8.7. Any provision in the Transaction Documents for the payment of a specific amount or liquidated damages in the event of a breach or default may be unenforceable if it amounts to a penalty.
- 8.8. Any provision in the Transaction Documents providing for a matter to be agreed on

**THIS LEGAL OPINION IS SUBJECT TO (1) COMPLETION OF DUE DILIGENCE ON THE ISSUER,
AND (2) REVIEW OF THE EXECUTED TRANSACTION DOCUMENTS OF THE ISSUER**

in the future may be unenforceable or void for uncertainty.

- 8.9. A Nigerian court may hold that the parties to a Transaction Document have amended it orally, even though there is a provision requiring amendments to be in writing.
- 8.10. Any provision in the Transaction Documents purporting to restrict the exercise of any statutory power by any person may be void.
- 8.11. The effectiveness of terms in the Transaction Documents exculpating a party from liability or duty otherwise owed are limited by law.
- 8.12. A Nigerian Court may refuse to treat as final, conclusive and/or binding any notification, calculation, certificate or determination which is stated in any Transaction Document to be final, conclusive and/or binding if it is shown to have an unreasonable or arbitrary basis, or not to have been reached in good faith, despite a provision to the contrary.
- 8.13. Where a party to a Transaction Document has discretion or may determine a matter in its opinion, a court may require that such discretion is exercised in good faith reasonably and for a proper purpose and that such determination is made in good faith based on reasonable grounds.
- 8.14. A Nigerian Court would have discretion on whether to allow the severance of an invalid or unenforceable provision in a Transaction Document.
- 8.15. Despite a provision in any Transaction Document to the effect that the written terms of that Transaction Document constitute the entire agreement between the parties to it, a court may hold that oral or other assurances given during negotiations may be binding.
- 8.16. Confidentiality obligations may be overridden by the requirements of the legal process.
- 8.17. A Nigerian court can give judgment in currencies other than Naira if, subject to the terms of the contract, it is the currency that most fairly expresses the claimant's loss. However, such judgments may be required to be converted into Naira for enforcement purposes.

9. BENEFIT OF OPINION

- 9.1. This Opinion is prepared exclusively for the purpose of the Programme and for the benefit of Pathway Advisors Limited and FMDQ Exchange Securities Limited. Other than for the Programme and for the benefit of the persons to whom it is meant, it is not to be used by any other person or for other purposes or quoted or referred to in any public document or filed with anyone without our express consent. We do not undertake to update this Opinion and this Opinion is not to be distributed,

**THIS LEGAL OPINION IS SUBJECT TO (1) COMPLETION OF DUE DILIGENCE ON THE ISSUER,
AND (2) REVIEW OF THE EXECUTED TRANSACTION DOCUMENTS OF THE ISSUER**

in whole or in part, to any person other than as agreed between the Issuer and us and then only for purposes directly relating to this Transaction. Provided however that this Opinion may be disclosed without our consent to:

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

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

Yours faithfully,

ALP NG & Co.



STATUTORY AND GENERAL INFORMATION

Authorisation

This CP Programme and Notes issued hereunder were approved by the resolution of the Board of Directors of Pathway Advisors Plc dated June 22, 2023.

Auditors

Joseph Dauda and Company (Chartered Accountants) acted as auditors of the annual financial statements of the Issuer for the financial years ended December 31, 2021 and December 31, 2022 and issued unqualified reports.

Commercial Paper Outstanding

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

Going Concern

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

Material Contracts

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

- I. the Deed of Covenant executed by the Issuer as a deed poll in favour of the Noteholders;
- II. the Dealer Agreement executed by the Dealer and the Issuer;
- III. the Issuing and Placing Agency Agreement executed by the Issuer and Issuing and Placing Agent;
- IV. Collecting and Paying Agency Agreement executed by the Issuer and the Collecting and Paying Agent;

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

Ultimate Borrower

The Issuer is the borrower in respect of the Notes.

PARTIES TO THE PROGRAMME

Issuer	Zylus Homes and Property Limited 31, Theophilus Oji Street, Lekki Phase 1, Lagos.	<i>OLUMWASEIN OLATUNJOKE</i> <i>Chukwura Chukwura</i>
Transaction Sponsor	Pathway Advisors Limited 7b Utomi Aire Street, Lekki Phase 1, Lagos.	<i>Akanbi</i> <i>Dolapo Akanbi</i>
Arranger, Dealer, Issuing and Placing Agent	Pathway Advisors Limited 7b Utomi Aire Street, Lekki Phase 1, Lagos.	<i>Akanbi</i> <i>Dolapo Akanbi</i>
Trustees	Meristem Trustees Limited 20a, Gerrard Road, Ikoyi, Lagos. DLM Trust Company Limited 66/68, Alexander Avenue, Ikoyi, Lagos	<i>Abiodun Damilola Heron</i> <i>Ramsey</i> <i>Lola Razag</i>
Collecting & Paying Agent	Keystone Bank Limited 1, Keystone Bank Crescent Off Adeyemo Alakija Street Victoria Island, Lagos.	<i>Chifine Nwanze</i> <i>- Chifine Nwanze</i>
Auditor to the Issuer	Joseph Dauda and Company (Chartered Accountants) 7/9 Olajide Street, Off Bashiru Street, Ojodu, Lagos.	<i>Joseph Dauda</i>
Solicitors	Africa Law Practice Nigeria & Company (ALP NG & Co.) 15 Military Street, Onikan, Lagos.	<i>ALP NG & Co.</i> <i>Kehinde Adegoke</i>