

This Programme Memorandum has been prepared in accordance with the CBN Guidelines on the Issuance and Treatment of Bankers Acceptances and Commercial Papers issued on September 11, 2019, the CBN circular to all deposit money banks and discount houses dated July 11, 2016 on 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 in force as at the date thereof. The document is important and should be read carefully. If any recipient is in any doubt about its contents or the actions to be taken, such recipient should please consult his/her banker, stockbroker, accountant, solicitor, or any other professional adviser for guidance immediately.



FEWCHORE FINANCE COMPANY LIMITED
RC 1419718.

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

₦5,000,000,000.00

COMMERCIAL PAPER ISSUANCE PROGRAMME

Fewchore Finance Company Limited ("Fewchore", the "**Issuer**" or the "**Company**"), a private limited liability company incorporated in Nigeria, has established this ₦5,000,000,000.00 (Five Billion Naira) Commercial Paper Issuance Programme (the "**CP Programme**"), under which Fewchore may from time to time issue Commercial Paper notes ("**CP**" or "**Notes**"), denominated in Nigerian Naira or in such other currency as may be agreed between the Issuer and each relevant Issuing and Placing Agent and or the Arranger (as defined in the section entitled, "Summary of the Programme", in separate series or tranches subject to the terms and conditions ("Terms and Conditions") contained in this Programme Memorandum.

Each Series or Tranche (as defined herein) will be issued in such amounts, and will have such discounts, period of maturity and other terms and conditions as set out in the Pricing Supplement applicable to such Series or Tranche (the "Applicable Pricing Supplement"). The maximum aggregate nominal amount of all CP Notes from time to time outstanding under the CP Programme shall not exceed ₦5,000,000,000.00 over a three-year period that this Programme Memorandum, including any amendments thereto, shall remain valid.

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

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

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

ISSUING AND PLACING AGENT AND ARRANGER



United Capital Plc RC 444999

COLLECTING AND PAYING AGENT



Providus Bank Plc RC 198892

THIS PROGRAMME MEMORANDUM IS DATED 22ND FEBRUARY 2024

TABLE OF CONTENTS

GLOSSARY OF DEFINED TERMS.....	3
IMPORTANT NOTICES.....	7
INCORPORATION OF DOCUMENTS BY REFERENCE.....	9
SUMMARY OF THE PROGRAMME.....	10
DESCRIPTION OF FEWCHORE FINANCE COMPANY LIMITED	13
MACRO-ECONOMY OVERVIEW	17
USE OF PROCEEDS	19
TAX CONSIDERATIONS.....	30
SETTLEMENT, CLEARING AND TRANSFER OF NOTES.....	34
PRO FORMA APPLICABLE PRICING SUPPLEMENT	38
COMFORT LETTER AND SUMMARY FINANCIAL STATEMENTS.....	42
EXTRACT OF THE ISSUER’S RATING REPORT.....	49
LEGAL OPINION ON THE NOTES.....	51
GENERAL INFORMATION.....	52
PARTIES TO THE TRANSACTION.....	53

GLOSSARY OF DEFINED TERMS

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

Terms/Abbreviations	Description
"Agency Agreements"	The collecting and paying agency agreement and the Issuing and placing agency agreement dated 22 nd February 2024 or about the date of this Programme Memorandum executed by the Issuer and the Agents
"Agents"	The Collecting and Paying Agent and the Issuing and Placing Agent/Arranger
"Applicable Pricing Supplement"	The pricing supplement applicable to a particular Series or Tranche issued under the CP Programme
"Board" or "Directors"	Board of Directors of Fewchore Finance Company Limited
"Business Day"	Any day except Saturdays, Sundays and public holidays declared by the Federal Government of Nigeria on which banks are open for general banking business in Nigeria
"CBN"	Central Bank of Nigeria
"CBN Guidelines"	CBN's Guidelines on the Issuance and Treatment of Bankers Acceptances and Commercial Papers, issued on 11th September 2019, and the CBN Circular of 12th July 2016 on Mandatory Registration and Listing of Commercial Papers as amended or supplemented from time to time
"Central Securities Depository" or "CSD"	FMDQ Depository Limited
"CITA"	Companies Income Tax Act Cap C21, LFN 2004 (as amended by the Companies Income Tax Act No 11 of 2007 and the Finance Act 2020)
"Collecting and Paying Agent"	Providus Bank Plc or any successor collecting and paying agent in respect of the Notes, appointed by the Issuer
"Commercial Paper", "CP", "CP Notes" or "Notes"	Quoted unsecured commercial papers to be issued by the Issuer under the CP Programme in form of short-term zero-coupon notes under the CP Programme
"Conditions" or "Terms and Conditions"	The terms and conditions, in accordance with which the Notes will be issued, set out in the section of this Programme Memorandum headed "Terms and Conditions of the Notes"
"CP Programme" or "Programme"	The CP Programme described in this Programme Memorandum pursuant to which the Issuer may issue several separate Series or Tranches of Notes from time to time with varying maturities and discount rates provided, however, that the aggregate Face Value of Notes in issue does not exceed ₦5,000,000,000.00
"CSCS"	Central Securities Clearing Systems Plc
"CSD Rules"	The rules governing transfer of title in securities held with the CSD
"Day Count Fraction"	The method of calculating the discount in respect of a Note as specified in the Applicable Pricing Supplement

GLOSSARY OF DEFINED TERMS

"Dealing Member"	An FMDQ Exchange licenced member authorized to make market in securities admitted to trade on the FMDQ Exchange Platform
"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.
"Default Rate"	The interest rate equivalent to the daily overnight NIBOR + 5% per annum or issue rate + 5% per annum (whichever is higher).
"Disclosure Documents"	The documentation and disclosure requirement pursuant to FMDQ Exchange Rules
"Event of Default"	An event of default by the Issuer as set out in Condition 6 of the "Terms and Conditions"
"Face Value"	The par value of the Notes
"FGN"	Federal Government of Nigeria
"FMDQ Depository" or "FMDQD"	FMDQ Depository Limited
"FIRS"	Federal Inland Revenue Service
"FMDQ Securities Exchange Limited" or "FMDQ Exchange" or the "Exchange"	A securities exchange and self-regulatory organisation licensed by the Securities and Exchange Commission to provide a platform for, amongst others, listing, quotation, registration, and trading of debt securities.
"FMDQ Exchange Rules"	The FMDQ Exchange Commercial Paper Registration and Quotation Rules, April 2021 (as may be amended from time to time) and such other regulations (including but not limited to market bulletins) with respect to the issuance, registration and quotation of commercial papers as may be prescribed by FMDQ Exchange from time to time
"Force Majeure"	Means any event or circumstance (or combination of events or circumstances) that is beyond the control of the Issuer which materially and adversely affects its ability to perform its obligations as stated in the Conditions, which could not have been reasonably foreseen, including without limitation, nationwide strikes, national emergency, riot, war, embargo, legislation, acts of God, acts of terrorism, industrial unrest, lockout, plague, epidemic, pandemic and outbreak of infectious disease or any other public health crisis, including quarantine or other restrictions
"Government"	Any federal, state, or local government of the Federal Republic of Nigeria
"Holder" or "Noteholder"	The holder of a Note as recorded in the Register kept by the CSD in accordance with the Terms and Conditions
"Implied Yield"	The yield accruing on the Issue Price of a Note, as specified in the Applicable Pricing Supplement
"ISA"	The Investment and Securities Act, No 29 of 2007, as amended
"Issue Date"	The date on which the relevant Series/Tranche of the Notes is issued as specified in the Applicable Pricing Supplement
"Issue Price"	The price at which the relevant Series/Tranche of the Notes is issued, as specified in the Applicable Pricing Supplement
"Issuing and Placing Agent" or "IPA"	United Capital Plc and any other additional IPA appointed under the Programme from time to time, which appointment may be for a specific issue or on an on-going basis, subject to the Issuer's right to terminate the appointment of any IPA

GLOSSARY OF DEFINED TERMS

"Issuer" or "Fewchore " the "Company"	Fewchore Finance Company Limited
"Arranger"	United Capital Plc
"LFN"	Laws of the Federation of Nigeria
"Maturity Date"	The date as specified in each Applicable Pricing Supplement in which the Principal Amount is due
"Material Adverse Change"	A material adverse effect on the ability of the Issuer to perform and comply with its payment obligations under the CP Programme
"Naira", "NGN" or "₦"	The Nigerian Naira
"NIBOR"	Nigerian Inter-Bank Offered Rate
"Noteholder"	The holder of a Note as recorded in the Register kept by the CSD in accordance with the Terms and Conditions
"PITA"	Personal Income Tax Act Cap P8, LFN 2004 (as amended by the Personal Income Tax (Amendment) Act No 20 of 2011, the Finance Acts 2019, 2020 and 2021)
"Principal Amount"	The nominal amount of each Note, as specified in the Applicable Pricing Supplement
"Pricing Supplement" or "Applicable Pricing Supplement"	The Pricing Supplement applicable to a particular Series or Tranche of Notes issued under the CP Programme
"Programme"	The ₦ 5,000,000,000.00 (Five Billion Naira) commercial paper issuance programme established by the Issuer which allows for multiple issuances of Notes from time to time with varying maturities and discount rates provided, however, that the aggregate Face Value of Notes in issue does not exceed ₦5,000,000,000.00
"Programme Memorandum"	This information memorandum dated 22 nd February 2024 which sets out the aggregate size and broad terms and conditions of the CP Programme
"Qualified Institutional Investors" or "QII"	Includes banks, fund/asset 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 Exchange from time to time
"Redemption Amount"	The amount specified in the Applicable Pricing Supplement as the amount payable in respect of each Note on the Redemption Date
"Redemption Date"	In relation to any Series, the date on which redemption monies are due and payable in respect of the Notes as specified in the Applicable Pricing Supplement
"Register"	A register of Noteholders, maintained by the Issuing and Paying Agent
"Relevant Currency"	The currency in which payments in respect of the Notes of the relevant Tranche or Series are to be made as indicated in the Applicable Pricing Supplement
"Relevant Date"	The payment date of any obligation due on the Notes
"Relevant Last Date"	The date stipulated by the CSD and specified in the Applicable Pricing Supplement, after which transfer of the Notes will not be registered

GLOSSARY OF DEFINED TERMS

"SEC"	The Securities and Exchange Commission
"SEC Rules"	The Consolidated Rules and Regulations of the Securities and Exchange Commission 2013 (as amended) made pursuant to the ISA
"Series"	A Tranche of Notes together with any further Tranche or Tranches of Notes which are (i) expressed to be consolidated and form a single series and (ii) are identical in all respects except for their respective Issue Dates, and/or Issue Prices
"Terms and Condition"	Terms and conditions, in accordance with which the Notes will be issued, set out in the section headed "Terms and Conditions of the Notes"
"Tranche"	Notes which are identical in all respects
"VAT"	Value Added Tax as provided for in the Value/Added Tax Act, CAP VI, LFN 2004 (as amended by the Value Added Tax Act No 12 of 2007 and the Finance Acts 2019, 2020 and 2021)
"Zero Coupon Note"	A Note which will be offered and sold at a discount to its Face Value, and which will not bear interest, other than in the case of late payment

IMPORTANT NOTICES

This Programme Memorandum contains information provided by the Issuer in connection with the CP Programme under which the Issuer may issue and have outstanding at any time Notes up to a maximum aggregate amount of ₦ 5,000,000,000.00 (Five Billion Naira). The Notes shall be issued subject to the Terms and Conditions contained in this Programme Memorandum. The Issuer shall not require the consent of the Noteholders for the issue of Notes under the Programme.

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

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

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

No person has been authorised by the Issuer to give any information or to make any representation not contained or not consistent with this Programme Memorandum or any information supplied in connection with the CP Programme and if given or made, such information or representation must not be relied upon as having been authorised by the Issuer. Neither this Programme Memorandum nor any other information supplied in connection with the CP Programme is intended to provide a basis for any credit or other evaluation or should be considered as a recommendation or the rendering of investment advice by the Issuer, the IPAs, or the Arranger that any recipient of this Programme Memorandum should purchase any Notes.

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

IMPORTANT NOTICES

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

Each person contemplating purchasing any Commercial Paper should make its own independent investigation of the financial condition and affairs, and its own appraisal of the credit worthiness, of the Issuer. Neither this Programme Memorandum nor any other information supplied in connection with the CP Programme constitutes an offer or invitation by or on behalf of the Issuer to any person to subscribe for or to purchase any Notes. The delivery of this Programme Memorandum does not at any time imply that the information contained herein concerning the Issuer is correct at any time subsequent to the date hereof. Investors should review, among other things, the most recent audited annual financial statements of the Issuer prior to taking any investment decision.

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

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

INCORPORATION OF DOCUMENTS BY REFERENCE

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

1. Each Applicable Pricing Supplement relating to any Series or Tranche issued under the Programme.
2. The audited annual financial statements of the Issuer for the financial years prior to each issue of Notes under this Programme; and
3. Any supplements and/or amendments to this Programme Memorandum circulated by the Issuer from time to time in accordance with the Programme Memorandum, which shall be deemed to be incorporated into, and to form part of, this Programme Memorandum and which shall be deemed to modify and supersede the contents of this Programme Memorandum as appropriate.

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

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

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

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

SUMMARY OF THE PROGRAMME

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

TERMS	DESCRIPTION
Issuer	Fewchore Finance Company Limited
Issuing and Placing Agent:	United Capital Plc and any other additional IPA appointed under the Programme from time to time, which appointment may be for a specific issue or on an on-going basis, subject to the Issuer's right to terminate the appointment of any IPA and the Exchange's approval of such revision
Arranger:	United Capital Plc
Collecting and Paying Agent:	Providus Bank Plc
Auditors:	Deloitte & Touche
Registrars/Custodian:	Central Securities Depository specified in the Applicable Pricing Supplement
Solicitors:	Duale Ovia and Alex Adedipe
Programme:	The Commercial Paper Issuance Programme established by the Issuer which allows for the multiple issuances of Notes from time to time under a standardized documentation framework.
Programme Size:	₦ 5,000,000,000.00 (Five Billion Naira).
Issuance in Series:	The Notes will be issued in Series or Tranches, and each Series may comprise one or more Tranches issued on different dates. The Notes in each Series, each a Tranche, will have the same maturity date and identical terms (except that the Issue Dates and Issue Price may be different). Details applicable to each Series or Tranche will be specified in the Applicable Pricing Supplement.
Issue Price:	The price at which the relevant Series/Tranche of the Notes is issued, as specified in the Applicable Pricing Supplement.
Issue rate:	The Discount Rate at Issuance.
Issue Size:	As specified in the Applicable Pricing Supplement.
Issuing and Placing Agent or "IPA"	United Capital Plc
Use of Proceeds:	Unless otherwise stated in the Applicable Pricing Supplement, the net proceeds from each issue of the CPs will be applied by the Issuer for its general corporate purposes or as may otherwise be described in the Applicable Pricing Supplement.
Interest Payments:	Notes shall be issued at a discount and in the form of Zero-Coupon Notes. Thus, the Notes will not bear interest, other than in the case of late payment.
Source of Repayment:	The repayment of all obligations under the Programme will be funded from the cash flow of Fewchore Finance Company Limited

Default Rate:	Interest rate equivalent to the daily overnight NIBOR + 5% per annum or Issue Rate + 5% per annum (whichever is higher).
Currency of Issue:	Nigerian Naira.

SUMMARY OF THE PROGRAMME

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

DESCRIPTION OF FEWCHORE FINANCE COMPANY LIMITED

Fewchore Finance Company Limited is an avant-garde financial services company. The Company provides consumer and business loans, local and international trade financing, and other first-rate financial services to clients. Over the last quinquennial, Fewchore Finance has delivered tailored financial services to clients, offered competitive interest rates to individuals and businesses, and the Company has also developed a robust technology platform to enhance service delivery to its large portfolio of clients.

Since its creation and licensing by the Central Bank of Nigeria in 2017, the Company has financed several blue-chip companies with over ₦ 40,000,000,000 (Forty Billion Naira). Fewchore Finance and its expert workforce provides expert financial service to over 7,000 clients across more than 22 sectors of the Nigerian economy. These Clients have benefited from loans that Fewchore has successfully disbursed totaling over ₦40, 000,000,000 (Forty Billion Naira). The business has recorded tremendous growth across its five years of existence and is customer focused.

The Company's product & service portfolio includes the following: consumer loans, funds management, asset finance, local and trade finance, debt factoring, debt securitization, financial consultancy, loan syndication, warehouse-receipt finance, and issuing of vouchers, coupons, cards, and tokens.

MEMBERS OF THE BOARD

HRH SHEHU KABIR BAYERO – Chairman

Alhaji Bayero attended Bayero University, Kano and obtained a certificate in Crime Management. He also attended several trainings and courses during his time with the Nigerian Police Force. Alhaji Bayero joined the Nigeria Police Force in 1970 as a Police Constable. He rose to the rank of Police Commissioner serving in this capacity in both Gombe and Osun States respectively. He spent 35 years in the Nigerian Police Force, was Turbaned as Barde Kerarriya Kano in 2006 and posted to Takai Local Government as District Head; he subsequently, was posted to Gwarzo Local Government where he is the District Head till date.

MR. ADESUNKANMI BALOGUN – Chief Executive Officer

Mr Adesunkanmi is a seasoned professional with over 25 years of experience in banking. He has a B.Sc. (Hons) in Business Administration from Ogun State University, Ago-Iwoye; a certificate in Corporate Finance from the London Business School as well as in General Management Programme from the Harvard Business School, Boston, USA. He worked in Guaranty Trust Bank where he served as a Relationship Manager for the State Oil Companies Unit, a department he was responsible for setting up and ensuring its strategic growth and relevance in the Upstream Energy Group of the Bank. His preceding experience includes serving as a Relationship Manager in the Commercial Banking Unit and Midstream Unit of the Energy Group, in Fountain Trust Bank (1999).

MR. ADEDAMOLA DEDEKE– Non-Executive Director

Mr. Dedeke is an expert Human Resource professional with over 20 years of experience. He has worked as a Human Resource Generalist, Business Partner and Consultant in various multi-national companies, including O2 Telecommunications, United Kingdom. His career began in the banking sector as an employee of First Bank Nigeria Plc, and he has subsequently been Recruitment Manager at Nigeria Breweries Plc. He was at a point a Human Resource advisor to Union Bank of Nigeria Plc. Mr. Dedeke is a Human Resource Business Partner at People and People Advisory Partners Limited for over 7 years. He holds a B.Sc. (Hons) Accounting and a master's degree in Personnel Psychology from Olabisi Onabanjo University, Ago-Iwoye. He also holds a master's degree in human resource management from the University of Bolton, United Kingdom.

DESCRIPTION OF FEWCHORE FINANCE COMPANY LIMITED

MR. PATRICK BALOGUN – Non-Executive Director

Mr. Patrick Olufemi Balogun is a Chartered Accountant and an expert financial consultant with over 40 years' experience in the Finance Industry, he currently provides financial consultancy services to Niger Delta Petroleum Resources Ltd. He began his career in the Financial Industry at National Car Park Limited, London and he has gathered broad experience in the course of his employment various companies such as Shell Petroleum Nigeria Ltd as a Senior Auditor, Ronnie Davidson & Associate, UK as an Audit/Tax Assistant, Blinkhorn Lyon Golding and Co, London as an Audit/Tax Senior, Roseline Balogun & Associate. etc. He holds a B.Sc in Chemistry & Geology from the prestigious University of Ibadan, Nigeria, and has attended a number of professional courses.

MRS. NIMOLATAI IYABODE ZAKARI – Non-Executive Director

Mrs. Nimotalai Iyabode Zakari is an expert in Consulting with over 40 years in the Finance Sector, she currently works as a Consultant at Bode Zakari Management Consultants. She began her career in the Banking Industry at Central Bank of Nigeria and has garnered a wealth of experience from various companies such as Nai Merchant Bank as a Deputy Manager, Guaranty Trust Bank as an Assistant General Manager and Henry Stephens Engineering Company as a Deputy Credit Controller. She holds a bachelor's degree in accounting from Norfolk State University, Norfolk USA and an MBA in Finance from University of Atlanta, Georgia, USA and has attended a number of professional courses.

MR. VIAVOR BABABUNMI– Non-Executive Director

Mr. Bababunmi was a banker with Stanbic IBTC and left for Banksome Insurance Brokers where he was Head of Business Operations. He is currently an entrepreneur and CEO of Elites Unlocked Limited. Bababunmi holds a B.Sc. (Hons) Biochemistry from Babcock University, Ilisan-Remo, Ogun State, and has several professional certifications.

MR. KOLA GBADAMOSI- Non-Executive Director

Mr Gbadamosi is a businessman and has been a key player in the downstream sector of the Oil & Gas industry for over two decades. He is currently the Managing Director/CEO of Oilbath Nigeria Limited and has served on the Board of several companies in the industry. Mr Gbadamosi holds a bachelor's degree in engineering and a Master's Degree in Business Administration from the University of Ilorin.

MR. OLUWAFEMI BADEWOLE – Executive Director

Oluwafemi has over 15 years postgraduate experience spanning across the Oil and Gas and Banking Industry. He worked as a Relationship Officer in the Telecoms Upstream Energy Groups of Guaranty Trust Bank Plc. He heads the Company's Business Development Group whilst supervising Business Support and Corporate Communications. He holds a BSc, MSc, and is a Fellow of the Chartered Institute of Loans and Risk Mgt of Nigeria. He has also worked in Supply Chain Management in Chevron Nigeria Limited. Femi holds a B.Sc. (Hons) in Computer Science from Covenant University, a Master's Degree in Internet Computing & Network Security from Loughborough University, United Kingdom. An Alumni of the prestigious Lagos Business School, Oluwafemi serves the company as Head of the Business Development Group responsible for revenue generation and identifying new business opportunities.

ALH. DAUDA SALAMI – Independent Director

With 40 years of experience, Alhaji Salami is an experienced finance expert. He was the Treasury Manager at the Nigerian Petroleum Development Company (NPDC), from where he retired from public service. While in NNPC, he also served as the Finance Manager of the Warri Refining and Petrochemical Company Limited (WRPC/NNPC).

Alhaji Salami holds an HND, Accountancy from The Polytechnic, Ibadan, and an MBA from the University of Ado Ekiti. He is a Fellow of the Institute of Chartered Accountant of Nigeria (ICAN), and the Chartered Institute of Taxation of Nigeria (CITN). Alhaji Salami has attended a number of courses in Nigeria and abroad.

DESCRIPTION OF FEWCHORE FINANCE COMPANY LIMITED

MRS. OLAYEMI BADEWOLE (SAN)– Company Secretary

Mrs. Badewole has over 32 years of experience as a seasoned lawyer in areas of Corporate Law, Commercial Law, Civil Litigations, Arbitration Proceedings, Perfection of Titles, and Realization of Securities. She has been the Principal Partner at Badewole & Company for over 22 years. She also worked as an Associate at F.G. Adewole & Co. She holds a BA (Hons) History, Bachelor at Law LL. B (Hons), and a Master at Law LL.M, all achieved from the University of Lagos at various times. Mrs. Badewole is an Associate Member of the Institute of Chartered Securities and Exchange Commission and also a Senior Advocate of Nigeria (SAN).

MANAGEMENT TEAM AS AT FEBRUARY 2024

MR. ADESUKANMI BALOGUN – CEO

Mr Adesunkanmi is a seasoned professional with over 25 years of experience in banking. He has a B.Sc. (Hons) in Business Administration from Ogun State University, Ago-Iwoye; a certificate in Corporate Finance from the London Business School as well as in General Management Programme from the Harvard Business School, Boston, USA. He worked in Guaranty Trust Bank where he served as a Relationship Manager for the State Oil Companies Unit, a department he was responsible for setting up and ensuring its strategic growth and relevance in the Upstream Energy Group of the Bank. His preceding experience includes serving as a Relationship Manager in the Commercial Banking Unit and Midstream Unit of the Energy Group, in Fountain Trust Bank (1999).

MR. OLUWAFEMI BADEWOLE – Executive Director

Oluwafemi has over 15 years postgraduate experience spanning across the Oil and Gas and Banking Industry. He worked as a Relationship Officer in the Telecoms Upstream Energy Groups of Guaranty Trust Bank Plc. He heads the Company's Business Development Group whilst supervising Business Support and Corporate Communications. He holds a BSc, MSc, and is a Fellow of the Chartered Institute of Loans and Risk Mgt of Nigeria. He has also worked in Supply Chain Management in Chevron Nigeria Limited. Femi holds a B.Sc. (Hons) in Computer Science from Covenant University, a Master's Degree in Internet Computing & Network Security from Loughborough University, United Kingdom. An Alumni of the prestigious Lagos Business School, Oluwafemi serves the company as Head of the Business Development Group responsible for revenue generation and identifying new business opportunities.

MRS. BOLATITO ALALADE – Head, Legal

Mrs. Bolatito is an astute lawyer who has 11 years' experience in corporate law, commercial transactions, restructuring, company secretarial services, and perfection of title. She holds a Bachelor of Laws (LLB) from Babcock University, a Barrister at Law (BL) from the Nigerian Law School, a Master of Laws (LLM) from the University of Ibadan, and a Ph.D. She is also an Associate Member of the Chartered Institute of Arbitrators (UK).

MR. NKADI JOSEPH – Head, Compliance, Systems & Control

Mr. Joseph has over 18 years' experience in the financial services industry; he has worked as an Audit-Control Officer in the Internal Audit Group of and Transaction Service Group of GTBank. His skillset includes internal audit and investigations, corporate finance and treasury, compliance, and risk management issues. He holds a B.Sc. in Accounting from the University of Lagos, a Masters in Risk Management from University of Lagos; he is an Associate Chartered Accountant (ACA) and holder of ACCA Diploma in International Financial Reporting (DiplFR)

MRS. MOJIROLA BELLO – Head, Operations

Mrs. Mojirola has a Bachelors' degree (B.Sc.) in Applied Accounting from Oxford Brookes University and ACCA Advanced Diploma in Accounting and Business. She has over 16 years of banking experience with GTBank in operations, marketing, and credit administration.

DESCRIPTION OF FEWCHORE FINANCE COMPANY LIMITED

MR. ANIEKAN EQUERE – Head, Corporate Communications

Mr Aniekan has over 15 years' experience with Silverbird Group, Kenna Partners, Tranos Contracting Limited, and other renowned organizations as a corporate communication and public relations expert. He joined the company in 2021 and has hea.

MRS. SOLACE OLASIMBO – Head, E-Business

Solace Olasimbo has accumulated over 17 years of valuable expertise in the financial services. industry. She has worked for reputable companies such as Meristem Securities Limited, Investment One Financial Services Limited, and GT Pensions (formerly Investment One Pensions).

MRS. TITILOPE IBILOLA – Head, Retail and MSME's

Titilope has over 17 years' experience cuts across the telecommunications, banking, financial services, and retail industry. She has worked in organizations like Globacom, Stanbic IBTC Bank, Orange One Finance, a subsidiary of investment One Financial Services) and Price pointe Wholesale Club.

MACRO-ECONOMY OVERVIEW

Summary of Macroeconomic Review and Outlook

Global Context

The global equities market witnessed an improvement in Investors' sentiment. In the US, inflation was higher than forecast in Q2-2023, raising the prospect that the Federal Reserve may raise interest rates following similarly robust recent data. According to the Bureau of Labor Statistics, the US Consumer Price Index (CPI) rose by 3.7%.

Macro Highlight and Outlook

The National Bureau of Statistics (NBS) recently released the inflation report for September 2023. The report shows that Nigeria's headline inflation surged by 92bps to print at 26.72% y/y in Sep-2023 from 25.80% y/y in Aug-2023. The significant jump in inflation numbers came on the back of the continued effects of the fuel subsidy removal and as the unification of the Foreign Exchange (FX) market segments continues to weigh on consumer prices given the Naira's slide to an all-time low against the Dollar. The Federal Executive Council has proposed a 2024 budget of over N26.0tn, showing a 19.2% y/y increase from 2023. It focuses on infrastructure, human capital, and economic diversification. The budget breakdown includes N10.3tn for recurrent expenditure, N8.0tn for capital expenditure, and N8.3tn for debt service. It assumes an average crude oil price of \$73.96/ per barrel, 1.8mbpd (thousands of barrels) in oil production, and an exchange rate of N700.0/\$. Nigeria has not met its revenue targets in the recent past. There may be worries around the assumptions surrounding the 2024 estimated revenue as crude oil exports have been below target due to underproduction and theft.

The International Monetary Fund (IMF) has downgraded Nigeria's economic growth forecast for 2023 by 30bps to 2.9% from the previous estimate of 3.2%. IMF cited that the downgrade was a result of weaker oil and gas production within the nation. Additionally, surging inflationary pressures are expected to slow down Nigeria's economic growth for 2023. Nigeria relied on foreign borrowing (\$1.21bn) to boost its capital importation in the first six months of 2023. This is because twenty-eight (28) states failed to attract any foreign investments in the time under review. Insecurity and a difficult business environment continue to impact foreign direct investment flows into Nigeria. Meanwhile, Lagos state remained the top destination in Q2 2023 with US\$778.06 million, accounting for 75.52% of total capital, followed by Abuja (FCT), with US\$194.28 million (18.86%).

Money Market Review

The Money Market experienced bearish sentiments in the Treasury Bill Secondary Markets for the week ended October 20th. The financial system was also relatively liquid, opening with a balance of ₦617.6bn. During the week, Cash Reserve Ratio debits reduced liquidity in the financial system; nonetheless, the financial system closed the week with a surplus of ₦246.5bn. Consequently, the weekly average Open Repo Rate (OPR) and Overnight Rate (OVN) fell by 10bps w/w each to close at 1.09% and 1.70%, respectively.

Conversely, the average yield on Open Market Operations (OMO) bills fell by 3bps to settle at 12.06%. Apex Bank debited banks Cash Reserve Requirement (CRR) to the tune of N430.4bn during the week ended October 13th. However, this was not reflected in the system as liquidity

MACRO-ECONOMY OVERVIEW

remained reflat. As a result, the financial system closed the week slightly lower, with a balance of ₦448.8bn. Consequently, the average Open Repo Rate (OPR) and Overnight Rate (OVN) fell by 40bps w/w each to close at 0.93% and 1.63%, respectively. In the primary market, the Central Bank of Nigeria conducted an NT-bills auction, rolling over a total of ₦36.6bn maturing bills across the 91-day, 182-day and 364-day bills. At the auction, investors' demand was strong, given the excess liquidity in the system. As a result, the total subscription printed at ₦321.1bn, implying a bid-to-cover ratio of 8.8x. Notably, the CBN allotted the exact amount that was on offer. Thus, the stop rates across all the 91-day, 182-day and 364-day bills climbed by 132bps, 144bps and 212bps to settle at 3.67%, 5.11% and 9.25%, respectively.

Currency Market

The Naira depreciated by 5.7% w/w at the Investors & Exporters (I&E) window to close at ₦808.27/\$, from its previous close of ₦764.86/\$. At the parallel market, Naira depreciated further, trading at ₦1,170.00/\$ range, a new all-time low. Activities in the I&E window weakened as average FX turnover fell by 39.1% w/w to \$86.0mn. Lastly, Nigeria's gross external reserves stood at \$33.2bn. The market is expected to experience continued pressure on the Naira across all market segments, as FX pressures persist due to the country's weak US Dollar inflows, and as US Dollar demand outweighs supply.

Domestic Equities

The local equities market has recorded weekly gains fuelled by sustained buy-interest in these equities. Hence, Year to Date returns for this market strengthened to 31.12%, while market capitalisation closed at ₦36.8 trillion. Activity levels also declined, as the average volume and value traded tapered by 7.8% and 32.7% to settle at ₦292.6mn units and ₦4.9bn respectively.

Bond Market

The Secondary Bonds Market was dominated by bearish investor sentiments as the average bond yield rose by 5bps to close at 14.5%. Similarly, corporate bonds traded on a bearish note, as the average yield on Corporate Bonds increased by 14 basis points to 14.9%. The average yields in the market declined by 61 basis points to settle at 12.0%.

Fintech Industry Overview

According to Statista, the Nigerian fintech industry is expected to generate \$543.3 million in revenue in 2023. The largest segment of the industry is digital payments, followed by digital investment and digital assets. The FinTech sector in Nigeria has expanded dramatically in recent years, with many businesses offering state-of-the-art financial solutions to customers across the country. One of the main reasons for this FinTech growth is the increasing usage of mobile phones and other digital devices, which has made it simpler for more Nigerians to access financial services online. Venture capitalists and startup incubators have been investing millions of dollars in Fintech companies for the past ten years. The Fintech industry brought in over \$122 million in 2019 alone, second only to Kenya (\$149 million), according to a McKinsey analysis. But since then, Nigeria has overthrown Kenya to become the continent's largest Fintech powerhouse. Fundraising for startup is the metric used to assess this performance. Statistics from Fintech Times show that Nigeria took home \$1.37 billion of the \$4 billion raised on the continent (South Africa raised \$838 million, Egypt raised \$588 million, and Kenya raised \$375 million).

USE OF PROCEEDS

The Issuer shall not use, directly or indirectly, the proceeds of the Notes for any purpose other than the purpose specified in the Programme Memorandum and the Applicable Pricing Supplement.

TERMS AND CONDITIONS OF THE NOTES

3.3 Issue, Term and Constitution of the Notes

- 3.3.1 The Issuer may from time to time, subject to these Terms and Conditions, issue Notes in one or more Series on a continuous basis under the Programme in an aggregate principal amount not exceeding the Programme Limit. Any Series of Notes issued under the Programme shall be constituted by, be subject to, and benefit from, the Deed of Covenant.
- 3.3.2 The Notes will be delivered to the Noteholder in dematerialised (uncertificated, book entry) form; shall be registered with the CSD, which shall serve as the custodian and central depository of the Notes; and the Noteholder may deal in the Notes in accordance with the CSD's procedures and guidelines.
- 3.3.3 The Notes shall be only redeemable at the Maturity Date. As such, the Notes cannot be pre-liquidated and shall be issued without any call or put options.
- 3.3.4 Statements issued by the CSD as to the aggregate number of such Notes standing to the credit of 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, the Collecting and Paying Agent, and the Registrar as the legal and beneficial owner of such aggregate number of Notes for all purposes.
- 3.3.5 Subject to the terms of the Applicable Pricing Supplement, the Notes (i) shall be denominated in a minimum amount of [~~N~~5,000,000.00 (Five Million Naira)]¹ and integral multiples of [~~N~~1,000.00 (One Thousand Naira)]² or as otherwise determined; (ii) will be sold at such discount from their face amounts as shall be agreed upon by the Arranger and the Issuer; (iii) shall have a maturity not exceeding [270 (two hundred and seventy) days]³ including the roll over from the Issue Date; and (iv) shall be denominated in Naira or in the relevant currency stated in the Applicable Pricing Supplement.
- 3.3.6 The tenor of each Note shall be as specified in the Programme Summary but shall not be less than 15 (fifteen) days nor greater than 270 (two hundred and seventy) days calculated from (and including) the Issue Date to (but excluding) the Maturity Date of that Note.

TERMS AND CONDITIONS OF THE NOTES

- 3.3.7 Any Note created and issued pursuant to this Programme, the Issuing and Placing Agency Agreement, Collection and Paying Agency Agreement, the Programme Memorandum and the Applicable Pricing Supplement, shall be constituted by, be subject to and have the benefit of the Deed of Covenant.
- 3.3.8 Each note shall be covered by the terms specified in the Applicable Pricing Supplement
- 3.3.9 The aggregate amount of the Notes outstanding at any time will not exceed the maximum aggregate amount of ₦ 5,000,000,000.00 (Five Billion Naira).

3.4 Agreements for Note Transactions

If the Issuer and the Arranger shall agree on the terms of the purchase of any Note by the Noteholders (including agreement with respect to the Issue Date, aggregate Principal Amount, denomination, currency, purchase price, redemption basis, Maturity Date and discount basis), then:

- 3.4.1 the Issuer shall cause such Note to be issued and delivered in accordance with the terms of the Issuing and Placing Agency Agreement.
- 3.4.2 the Arranger shall, to the extent of the amounts actually received from the sale of the Notes, cause the purchase price of such Notes to be paid on the Issue Date by the transfer of freely transferable and same day funds in Naira (or in such other currency as may be agreed between the Arranger and the Issuer and specified in the Applicable Pricing Supplement) to the applicable account specified by the Collecting and Paying Agents for this purpose; and
- 3.4.3 the Arranger shall notify the Agents of the delivery instructions applicable to such Note in accordance with prevailing market practice and in sufficient time to enable the Agents to deliver such Note to the relevant Noteholder's CSD Account with the CSD on its Issue Date.

3.5 Failure to Issue

If, for any reason (including, without limitation, the failure of the relevant trade), a Note in a Note Transaction is not to be issued, the Issuer and/or the Arranger shall promptly notify the Agents of that fact.

3.6 Re-Issue or Rollover of the Notes

There shall be no automatic re-issue or rollover of the Notes. If the Issuer intends to re-issue or rollover the Notes, the Issuer shall inform the Arranger and the Agents in writing at least 15 (fifteen) Business Days before the Maturity Date of the relevant Series of Notes and provide to the Arranger such information that the Arranger may reasonably request for the re-evaluation of the Notes and for the approval of the FMDQ Exchange for such roll over; provided that where a Noteholder does not agree to such re-issue or rollover, the Issuer shall make all payments due on the relevant Notes to such Noteholder and failure to make such payments shall constitute a default under the Terms and Conditions of the relevant Series of Notes. Upon the receipt of the Issuer's notice to rollover the Notes, the Issuing and Placing Agent shall notify FMDQ Exchange that all Noteholders have been duly informed of the Issuer's notice to rollover the Notes no later than 3:00 PM, one (1)

TERMS AND CONDITIONS OF THE NOTES

Business Day prior to the Maturity Date of the Notes. The combined tenors of the initial Issue and any subsequent rollover(s) shall not exceed 270 (two hundred and seventy) days

4. REPRESENTATIONS AND WARRANTIES OF THE ISSUER

4.1 The Issuer makes the representations and warranties in this Clause 4 to the Arranger.

4.2 Status

The Issuer is a company which is duly incorporated, validly existing under the laws of the Federal Republic of Nigeria and has all the requisite power and authority to carry on its business as conducted and to execute, deliver and perform its obligations under the Notes, this Agreement and each of the transaction documents to which it is a party.

4.3 Powers and Authority

4.3.1 The Issuer has the power to enter into, perform and deliver, and has taken all necessary actions to authorise the entry into, performance and delivery of, the Notes and the transaction documents to which it is a party and the transactions contemplated by the Notes and the transaction documents.

4.3.2 The Notes and the transaction documents have been duly authorised. The obligations expressed to be assumed by the Issuer in each of the transaction documents constitute, and the Notes, (when paid for, issued and delivered under the Agency Agreement), will constitute legal, valid and binding obligations of the Issuer enforceable against it in accordance with their respective terms.

4.4 Authorisations

4.4.1 No consent or action of, or filing or registration with, any governmental or public regulatory body or authority, including the SEC, is required to authorise, or is otherwise required in connection with the execution, delivery or performance of, this Agreement, the Notes or the Agency Agreements in connection with the offer and sale of the Notes save for the registration of the Notes with the CSD, which shall serve as the custodian of the Notes and the registration of the Notes on the FMDQ Exchange established for the trading of securities including money market instruments.

4.4.2 All authorisations and approvals required to enable the Issuer to lawfully enter into, exercise its rights and comply with its obligations under the Notes and the transaction documents to which it is a party have been obtained and are in full force and effect, or, in the case of an issue of Notes, will be obtained and will be in full force and effect on the Issue Date of such Notes, and copies thereof have been supplied or, in the case of an issue of Notes, will have been supplied to the Arranger on or prior to the Issue Date of such Notes.

REPRESENTATIONS AND WARRANTIES OF THE ISSUER

4.5 No Conflict

Neither the execution and delivery of this Agreement and the transaction documents, nor the issuance of the Notes in accordance with the transaction documents, nor the fulfilment of, or compliance with, the terms and provisions hereof or thereof by the Issuer, will (a) result in the creation or imposition of any mortgage, lien, charge or encumbrance of any nature whatsoever upon any of the properties or assets of the Issuer or (b) violate or result in a breach or a default under any of the terms of the Issuer's memorandum and articles of association, any contract or instrument to which the Issuer is a party or by which it or its property is bound, or any law or regulation, or any order, writ, injunction or decree of any court or government instrumentality, to which the Issuer is subject or by which it or its property is bound, which breach or default might have a Material Adverse Change on the condition (financial or otherwise), operations or business of the Issuer or the ability of the Issuer to perform its obligations under this Agreement, the Notes or any of the transaction documents.

4.6 No Event of Default

No event has occurred, or circumstances have arisen which, had any Notes already been issued, might (whether or not until the giving of notice and/or other passage of time and/or the fulfilment of any other requirement) constitute an event described under "Event of Default" in the Terms and Conditions.

4.7 Ranking

Each Note constitutes a direct, unconditional, unsubordinated and unsecured obligation of the Issuer and shall rank *pari passu* among themselves and, save for certain debts preferred by law, *pari passu* with all other present and future unsecured and unsubordinated obligations of the Issuer outstanding from time to time.

4.8 Disclosure Documents

- 4.8.1 The Disclosure Documents, taken as a whole, contain all information with respect to the Issuer and the Notes (including all information which, according to the particular nature of the Issuer and of the Notes, is necessary to enable actual or potential investors and their professional advisers to make an informed assessment of the assets and liabilities, financial position, profit and losses, and prospects of the Issuer and of the rights attaching to the Notes).
- 4.8.2 The statements of fact contained or incorporated by reference in the Disclosure Documents relating to the Issuer and the Notes are true and accurate and not misleading and there are no other facts in relation to the Issuer and the Notes the omission of which would, in the context of the issue of the Notes, make any statement in the Disclosure Documents misleading in any respect.
- 4.8.3 The statements of intention, opinion, belief or expectation contained in the Disclosure Documents are, and in the case of any supplement to the Disclosure Documents will be at the date of its publication, honestly held, reasonably arrived at and made in good faith by the Issuer after due and careful enquiry.
- 4.8.4 Reasonable enquiries have been made by the Issuer to ascertain such facts and to verify the accuracy of all such statements.

REPRESENTATIONS AND WARRANTIES OF THE ISSUER

4.9 Adverse Change and Litigation

Since the date of the most recent published audited financial statements supplied to the Arranger and, in relation to any date on which this warranty falls after the date of this Agreement, except as otherwise disclosed by any Disclosure Document subsequently delivered by the Issuer to the Arranger:

- (a) there has been no adverse change (nor any event or development involving a prospective change of which the Issuer is, or might reasonably be expected to be aware) in the business, financial or other condition of the Issuer; which is adverse to the condition (financial or otherwise), prospects, results of operations, profitability or general affairs of the Issuer, or any development that could adversely affect the ability of the Issuer to perform its obligations under this Agreement, the other transaction documents or the Notes and
- (b) there is nor in the previous 12 (twelve) months has there been, any litigation, arbitration, administration or other investigations or proceedings pending or, to the knowledge of the Issuer, threatened against or affecting the Issuer, which in any case could reasonably be expected to be a Material Adverse Change on the ability of the Issuer to perform its obligations under this Agreement, the other transaction documents or the Notes.

4.10 No Default

The Issuer is not in default in respect of any indebtedness for borrowed money or any obligation having a like adverse commercial effect on the Issuer.

4.11 Ratings

There has been no downgrading or any notice of any intended downgrading since the date of the Programme Memorandum of the credit rating accorded to the Issuer or any of the Issuer's debt by any local or internationally recognised rating agency which has assigned a credit rating to the Issuer or any of the Issuer's debt. The Issuer is not aware that any such rating is listed on "credit watch" or has been announced to be under formal review by any other relevant rating agency

In the event of a change or downgrade in the credit rating of the Issuer, the Issuer shall promptly notify the Arranger, the Noteholders and FMDQ Exchange of such change or downgrade in the ratings of the Issuer or any of the Issuer's debt.

4.12 Registration and Quotation

- (a) Save for the registration of the Notes with the CSD, which shall serve as the custodian of the Notes and the quoting of the Notes on the FMDQ Exchange platform or any other recognised trading platform, the Notes are not required to be registered under the ISA and the Issuer has not taken any action that would require the registration of the Notes under the ISA.
- (b) No consent or action of, or filing or registration with, any governmental or public regulatory body or Authority, including the SEC, is required to authorise, or is

REPRESENTATIONS AND WARRANTIES OF THE ISSUER

otherwise required in connection with the execution, delivery or performance of, the Notes or the transaction documents to which it is a party.

4.13 No Immunity

Neither the Issuer nor any of its assets is entitled to immunity on the grounds of sovereignty or otherwise from any legal action or proceeding (which shall include, without limitation, suit, attachment prior to judgment, execution or other enforcement).

4.14 Money Laundering

The operations of the Issuer are, have been and will be conducted at all times in compliance with applicable financial record keeping and reporting requirements and money laundering statutes in Nigeria and any other jurisdictions in which the Issuer conducts business, the rules and regulations thereunder and any related or similar rules, regulations or guidelines, issued, administered or enforced by any governmental agency (collectively, "**Money Laundering Laws**") and there are no pending actions, suits or proceedings by or before any court or governmental agency, authority or body or any arbitrator involving the Issuer with respect to Money Laundering Laws which could, individually or in aggregate, have or is reasonably likely to have a Material Adverse Change on the Issuer, and to the best of the Issuer's knowledge, no such actions, suits or proceedings are threatened or contemplated.

- (a) The Issuer has instituted, maintains and enforces, and will continue to maintain and enforce, policies and procedures designed to ensure compliance by itself, directors, officers, other members of senior management, employees, non-senior managers, agents, representatives and associated persons or parties acting on behalf of the Issuer, with the Economic and Financial Crimes Commission Act, Chapter E1 LFN 2004, the Corrupt Practices and other Related Offences Act, 2000, No 5, LFN and the rules and regulations promulgated under each such law (collectively referred to as the "**Anti-Bribery and Corruption Laws**").

4.15 Maximum Amount

The aggregate outstanding principal amount of all Notes on the date of issue of any Note does not and will not exceed the maximum aggregate amount of ₦ 5,000,000,000.00 (Five Billion Naira).

4.16 Notice of Inaccuracy

If, prior to the time a Note is issued and delivered to or for the account of the Noteholder, an event occurs which would render any of the representations and warranties set out in this Clause 4 immediately, or with the lapse of time, untrue or incorrect, the Issuer will inform the Noteholders in writing as soon as practicable (and without any undue delay) of the occurrence of such event. In each case, the Arranger shall inform the Issuer in writing without any undue delay whether it wishes to continue or discontinue the issuance and delivery of the respective Notes.

REPRESENTATIONS AND WARRANTIES OF THE ISSUER

4.17 Financial Statements

The most recently published audited financial statements of the Issuer incorporated by reference in the Programme Memorandum were prepared in accordance with International Financial Reporting Standards, are consistently applied throughout the periods involved, and give a true and fair view of the financial condition and operations of the Issuer as at the date to which they were prepared.

4.18 Certain Unlawful Activities

Neither the Issuer nor any of the Issuer's subsidiaries or joint ventures, nor any of their respective directors, executive officers, or other members of senior management or, to the knowledge of the Issuer, any of its agents, non-executive officers, non-senior managers, employees, or any other persons acting on their behalf have:

- 4.18.1 violated or is in violation of any applicable Anti-Bribery and Corruption Laws;
- 4.18.2 made, offered to make, promised to make or authorised the payment or giving of, directly or indirectly, any bribe, rebate, payoff, influence payment, facilitation payment, kickback or other payment or gift of money or anything of value to any officer, employee or ceremonial office holder of any government or instrumentality thereof, any political party, any political candidate, any royal family member or any other person who is connected or associated personally with any of the foregoing, that is prohibited under any applicable law or regulation or that otherwise is or was for the purpose of improperly influencing any act or decision of such payee in his official capacity, improperly inducing such payee to do or omit to do any act in violation of his lawful duty, securing any improper advantage or inducing such payee to use his influence with a government or instrumentality thereof to affect or influence any act or decision of such government or instrumentality (each, a "**Prohibited Payment**"); or
- 4.18.3 been subject to any investigation by any governmental or regulatory entity with regard to any actual or alleged Prohibited Payment or breach of any Anti-Bribery and Corruption Laws.

4.19 Sanctions

Neither the Issuer, nor any of the Issuer's subsidiaries or joint ventures, nor any of their respective directors, executive officers, or other members of senior management nor, to the knowledge of the Issuer, any agent, non-executive officers, non-senior managers, employees, or any persons acting on any of their behalf is:

- (i) a Restricted Party; or
- (ii) has received notice of or is aware of any claim, action, suit, proceeding or investigation against it with respect to Sanctions by any Sanctions Authority;
- (iii) the subject of (or owned or controlled by any person who is the subject of) the Sanctions; or

REPRESENTATIONS AND WARRANTIES OF THE ISSUER

- (iv) In violation of any applicable Sanctions in any respect material in the context of the transaction documents.

4.20 No breach of laws

- (a) The Issuer has not, and none of its subsidiaries has, breached any law or regulation which breach has or is reasonably likely to have a Material Adverse Change.
- (b) No labour disputes are current or, to the best of its knowledge and belief (having made due and careful enquiry), threatened against the Issuer which have or are reasonably likely to have a Material Adverse Change.

4.21 Insolvency and Financial Distress

No corporate action, legal proceedings or other procedure or step is taken in relation to:

- (a) the suspension of payments, a moratorium of any indebtedness, liquidation, winding-up, dissolution, judicial management, or re-organisation (by way of voluntary arrangement, scheme of arrangement or otherwise) of the Issuer;
- (b) a compromise, assignment, or arrangement with any creditor of the Issuer;
- (c) the appointment of a liquidator, trustee, judicial manager, administrator or other similar officer in respect of the Issuer, or any of its assets; or
- (d) enforcement of any security over any assets of the Issuer,

or any analogous procedure or step is taken in any jurisdiction against the Issuer unless such step or procedure is a frivolous or vexatious petition for winding-up or liquidation presented by a creditor or any other person which is being contested in good faith and with due diligence and is discharged or struck out within ninety (90) days.

4.22 Times for making representations and warranties

The representations and warranties set out in this Clause 4:

- (a) are made on the date of this Agreement; and
- (b) are deemed to be repeated on each date upon which a Note Transaction is agreed and each date upon which any Note is, or is to be, issued by reference to the facts and circumstances then existing including each date in which a payment is made in respect of a Note Transaction and a Roll Over Date, provided that when a representation or warranty under Clauses 4.8 (Disclosure Documents) and

4.9 (Adverse Change and Litigation) is repeated under Clause 4.22(b) above, the reference to Disclosure Documents shall be deemed to be only the Disclosure Documents which have been

REPRESENTATIONS AND WARRANTIES OF THE ISSUER

published before the date on which a relevant Note Transaction is made (in the case of that Note Transaction and the corresponding issue of Notes).

TAX CONSIDERATIONS

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

The Notes issued under the Issuance will be zero-coupon Notes and as such, will be offered and sold at a discount to Face Value. The Notes will thus not bear interest, and the Issuer will not be required to withhold or deduct tax from payments in respect of the Notes to the Noteholders. However, the discount on the Notes may be taxed in accordance with applicable Nigerian tax laws.

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

RISK FACTORS

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

BUSINESS AND OPERATIONAL RISK

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

LIQUIDITY RISK

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

MARKET AND INTEREST RATE RISK

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

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

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

FOREIGN EXCHANGE RISK

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

RISK FACTORS

RISKS RELATING TO THE COMMERCIAL PAPERS

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

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

Liquidity risk for the Commercial Paper

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

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

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

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

Tax risk

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

Exchange rate risks

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

RISK FACTORS

Legality of Purchase

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

Change of Law

The terms and conditions of the Commercial Papers are based on Nigerian law in effect as at the date of this Programme Memorandum. No assurance can be given as to the impact of any possible judicial decision or change in Nigerian law or the official application or interpretation of Nigerian law after date of this Programme Memorandum.

Credit ratings may not reflect all risks

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

SETTLEMENT, CLEARING AND TRANSFER OF NOTES

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

Registration

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

Lodgement

The Authorised Participant will electronically lodge CPs within 10 (ten) Business days after receiving the approval for quotation of the CPs on the Exchange and advise the CSD after lodgement to transfer the CPs to the sub-accounts of the beneficial owners of the Notes and the CSD shall process same.

Redemption

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

SETTLEMENT, CLEARING AND TRANSFER OF NOTES

CPA shall notify the Exchange immediately and provide reasons for the default or imminent default.

- vii. In the event of item (vi) crystallising, the Note holdings must remain with the CSD until the CPA fulfils all payment obligations to the holders of the Notes. The CPA shall notify the Exchange and the CSD of the payments and provide evidence of pay-off. Thereafter, the CSD will expunge the Notes accordingly.

Roll-Over

- i. All CPs, including roll-overs shall not exceed 270 days (tenor) from the date of issue.
- ii. Every roll-over of a CP issue shall be treated or classified as a fresh/separate CP.
- iii. Where the issuer is desirous to rollover, the IPA shall be informed no later than three business days before the maturity date of the CP and shall furnish the IPA with the relevant updated document for the re-evaluation of the CP.
- iv. The IPA upon receipt of notification shall notify FMDQ Exchange by providing the relevant documentation that all investors have been duly informed not later than 3:00 PM, one business day prior to the maturity of the CP. Upon receipt, FMDQ Exchange shall confirm approval.
- v. 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 unique identifier, subject to receipt of CP rollover fees from the Authorised Participant.
- vi. The CSD shall expunge the existing CP Symbol and ISIN Codes from the system and replace with the new codes.

Default

- i. The IPAs shall notify FMDQ Exchange in writing that the CP has been liquidated and that funds have been transferred to all CP holders by 3:00 p.m. on the Maturity Date of the CP, failing which, the Issuer shall be deemed to be in default.
- ii. In the case of a rollover, if any investor objects to a rollover, the Issuer shall effect the payment of the value of the investor's CP holding on the maturity date, based on the initial terms of the Issue. Failure by the Issuer to effect such payment shall result in a default.
- iii. The FMDQ Exchange shall be notified immediately it is identified that a default is imminent or there is a strong possibility of default. The IPAs shall provide reasons for the default or imminent default e.g., the investors may not be paid due to CPA experiencing technical issues such as a market disruption or insufficient funds in the funding account to meet payment obligations on maturity date or as the case may be

Event of Default

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

SETTLEMENT, CLEARING AND TRANSFER OF NOTES

- i. Non-Payment or Part 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.
- ii. Breach of Other Obligations: the Issuer does not perform or comply with any one or more of its other obligations under the Offer Documents which default will affect the capacity of the Issuer to meet its payment obligations and which default has not been remedied for a period of 10 (ten) Business Days, after the date on which written notice of such default requiring the Issuer to remedy the same shall have been given to the Issuer by the Collecting and Paying Agent (except where such default is not capable of being remedied, in which case no such notice as is mentioned above will be required).
- iii. Failure to notify FMDQ Exchange by 5:00 PM in writing that the CP has been liquidated and that funds have been transferred to all CP holders on the maturity date of the CP and failure to provide evidence of settlement of all investors to the Exchange on the maturity date
- iv. Inability to Pay Debts: the Issuer stops or suspends payment of 70% of its debts due to financial difficulties. Insolvency: the appointment of a liquidator (other than in respect of a solvent liquidation or reorganization), receiver, manager or other similar officer in respect of the Issuer and any of its assets.
- v. Obligations Unenforceable: any of the Notes or the Offer Documents is or becomes wholly or partly void, voidable or unenforceable.
- vi. If the Issuer initiates bankruptcy or insolvency proceedings or becomes insolvent, or is provisionally or finally sequestrated, or is provisionally or finally wound up, or is unable to pay its debts as they become due, or is placed under provisional or final judicial management, or enters into a scheme of arrangement or compromise with its creditors
- vii. Should the members of the Issuer pass a resolution for the winding up of the Issuer

Action Upon Event of Default

- i. Upon the occurrence of an Event of Default and such Event of Default is continuing, any Noteholder may by written notice to the Issuer at its specified office(s), effective upon the date of receipt thereof by the Issuer, declare the Notes held by that Noteholder to be forthwith due and payable, provided that no such action shall be taken if it is as a result of a Force Majeure event or if the Issuer withholds or refuses to make any payment in order to comply with any law or regulation of Nigeria or to comply with any order of a court of competent jurisdiction
- ii. Upon the occurrence of an Event of Default which results in the inability of the Issuer to make a payment on the Maturity Date, the Issuer shall pay the Noteholders interest at the Default Rate until the debt obligations to the Noteholders have been settled in full.
- iii. 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

Secondary Market Trading (OTC) Guidelines

- i. Standard settlement cycle is T + 2.

SETTLEMENT, CLEARING AND TRANSFER OF NOTES

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

Reporting

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

Transfer of Notes

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

Cash Settlement

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

PRO FORMA APPLICABLE PRICING SUPPLEMENT



Fewchore Finance Company Limited
RC 1419718.

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

₦5,000,000,000.00

COMMERCIAL PAPER ISSUANCE PROGRAMME

This Applicable Pricing Supplement must be read in conjunction with the Programme Memorandum, originally dated 22nd February 2024 prepared by United Capital Plc on behalf of Fewchore Finance Company Limited in connection with its ₦5,000,000,000.00 (Five Billion Naira) Commercial Paper Issuance Programme, as amended and/or supplemented from time to time (the "Programme Memorandum").

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

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

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

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

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

ISSUING AND PLACING AGENT



United Capital Plc RC 444999

COLLECTING AND PAYING AGENT



Providus Bank Plc RC 198892

This Pricing Supplement Dated [•]

PRO FORMA APPLICABLE PRICING SUPPLEMENT

Terms	Description
Issuer	Fewchore Finance Company Limited
Issuing and Placing Agent	United Capital PLC
Collecting and Paying Agent	Providus Bank PLC
Sponsor to the Quotation on FMDQ Exchange	United Capital PLC
Solicitor	Duale Ovia and Alex Adedipe
Auditor	Deloitte and Touche
Custodian	FMDQ Depository Limited
Series Number	[1]
Programme Size	₦ 5,000,000,000.00
Aggregate Nominal Amount	₦ [●]
Face Value	₦ [●]
Discounted Value	[●]
Nominal Amount Per Note	₦1,000.00
Issue Price	[●]
Tenor	[●]
Maturity Date	[●]
Final Redemption Amount	[●]
Minimum Subscription	₦5,000,000.00 (Five Million Naira) and integral multiples of ₦1,000.00 (One Thousand Naira)
Specified Currency	Nigerian Naira (₦)
Status of Notes	Each Note constitutes a senior unsecured obligation of the Issuer and save for certain debts mandatorily preferred by law, the Notes rank pari passu among themselves, and it ranks pari passu with other present and future senior

PRO FORMA APPLICABLE PRICING SUPPLEMENT

unsecured obligations of the Issuer outstanding from time to time

Terms	Description
Form of Notes	Uncertificated
Quotation	Notes may be quoted on the FMDQ Exchange platform or any other recognized exchange
Issuer Rating	[o] by Agosto & Co and [o] by DataPro Limited
Method of Offer	Fixed Price Offer
Taxation	Please refer to the 'Tax Considerations' section in the Programme Memorandum
Book Closed Period	The Register will be closed from [●] to [●] until the Maturity Date
Implied Yield	[●]%
Discount Rate	[●]%
Any Other Formula or basis for Determining Amount(S) Payable	[●]
Day Count Fraction	Actual/Actual (actual number of days in a month and actual number of days in a year)
Business Day Convention	Any day except Saturdays, Sundays and public holidays declared by the Federal Government of Nigeria on which banks are open for business in Nigeria
Redemption/Payment Basis	[Redemption at par] [other (specify)]
Issuer's Early Redemption	[Applicable/Not Applicable]
Issuer's Optional Redemption	[Applicable/Not Applicable]
Other Terms Applicable on Redemption	[●]
Offer Opens	[●]
Offer Closes	[●]
Allotment Date	[●]

PRO FORMA APPLICABLE PRICING SUPPLEMENT

Issue Date	[•]
Notification of Allotment	All applicants will be notified through an email and/or telephone of their allotment by no later than [•]
Payment Date	[•]
Details of Bank Account(s) To Which Payments Are to Be Made in Respect of The Notes	Bank: Providus Bank Plc Account Name: [•] Account Number [•] Sort Code: [•]
Settlement Procedures and Settlement Instructions	[•]
Delivery Date	[•]

MATERIAL ADVERSE CHANGE STATEMENT

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

RESPONSIBILITY

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

Signed at _____ on this [•] day of [•], 2024.

For and on behalf of
Fewchore Finance Company Limited

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

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



P.O. Box 965
Marina
Lagos
Nigeria

Deloitte & Touche
Civic Towers
Plot GA 1, Ozumba Mbadiwe Avenue
Victoria Island
Lagos
Nigeria
Tel: +234 (1) 904 1700
www.deloitte.com/ng

15 November 2023

The Board of Directors
Fewchore Finance Company Limited
14 Murtala Muhammed Way
Yaba,
Lagos.

Financial Advisor/Joint Issuing House
United Capital
3rd and 4th Floor,
Afriland Towers, 97/105
Broad Street,
Lagos.

Dear Sirs,

COMFORT LETTER ON THE SUMMARY FINANCIAL STATEMENTS

Opinion

The accompanying summary financial statements which comprise the summary of the statement of financial position as at 31 December 2022, the summary statement of profit or loss, and summary statement of cash flows for the year ended as contained in page 4 of the N5 billion Commercial Paper Issuance Programme (see appendix 1) below, are consistent with information in the audited financial statements of Fewchore Finance Company Limited for the year ended 31 December 2022.

In our opinion, the summary financial information derived from financial statements of Fewchore Finance Company Limited (the "Company") for the year ended 31 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 (CAMA) 2020, the Financial Reporting Council of Nigeria Act 2011 and Banks and Other Financial Institution Act, circulars and guidelines issued by the Central Bank of Nigeria, and the Financial Reporting Council of Nigeria Act, 2011.

We expressed unmodified audit opinion on the financial statements as at 31 December 2022 in our report dated 28 July 2022.

Summary Financial Statements

The summary financial statements do not contain all disclosures required by the International Financial Reporting Standards, Companies and Allied Matters Act (CAMA) 2020, Banks and Other Financial Institution Act, circulars and guidelines issued by the Central Bank of Nigeria, and the Financial Reporting Council of Nigeria Act, 2011 applied in the preparation of the audited financial statements of Fewchore Finance Company 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 Fewchore Finance Company Limited. The summary financial information do not reflect the effects of events that occurred subsequent to the date of the report on the financial statements.



The list of Partners and Partner equivalents is available in our office
Associate of Deloitte Africa, a Member of Deloitte Touche Tohmatsu Limited

Appendix 1



FEWCHORE

FEWCHORE FINANCE'S FINANCIALS

FEWCHORE'S INCOME STATEMENT FY'2021-2022

	31-Dec-22	31-Dec-21
	N'000	N'000
Operating Income		
Interest Income	2,219,725	1,436,537.00
Interest expense	-1,373,984	-696,250
Net interest income	845,741	538,287
Fees and Commission Income	28,440	18,465
Operating Income - other	107,142	37,215
Total Operating Income	981,323	593,967
Impairment on loans	-46,979	-37,836
Net operating income	932,344	556,129
Total Operating Expenses	694,342	-285,796
Profit before taxation	238,002	270,333
Taxation	-60,802	-19,556
Profit after taxation	177,200	250,777
Earnings per share (Naira)	1.77	2.5

Leverage Performance

	2021 (N'000)	2022 (N'000)
EBITDA	455,073	831,025
EBITDA x3	1,365,219	2,493,075
EBITDA x5	2,275,365	4,155,125

- Based on our assessment, FewChore Finance has a debt capacity of N2.5 billion based on a 3x EBITDA multiple and N4.15 billion based on a 5x EBITDA multiple
- We recommend that FewChore Finance registers a Commercial Paper programme of N5 billion with a series I Issuance of up to N2.5 billion

4

 United Capital
The Independent Auditor



11 May 2022

The Managing Director
Fewchore Finance Company Limited
50 Victoria Arobieke Street
Off Admiralty Way, Lekki
Lagos, Nigeria

Dear Sir

Report on the Independent Review of Annual Audited Accounts of Fewchore Finance Company Limited for the years 2019, 2020, and 2021

Introduction

Deloitte and Touche ("Deloitte") is pleased to present a summarised report on the independent review of the audited annual accounts of Fewchore Finance Company Limited for the years 2019, 2020, and 2021. The purpose of the review was to perform an independent evaluation of the accounts to ascertain that the classification, measurement, and presentation of financial transactions are in line with applicable IFRS principles and review accounting policies applied in the preparation of the accounts to ensure that they have been applied consistently in the classification, measurement, and presentation of major account balances.

We confirm that the ultimate responsibility for the use of the report rests with Fewchore Finance Company Limited's Board of Directors and Management. Our judgment on the appropriate application of IFRS for the specific transaction is based solely on the facts provided to us; should the facts or circumstances differ from those described in our opinion; our conclusions might change.

Deloitte has not been engaged to perform an audit, compilation, or attestation services as described in the pronouncements on professional standards issued by the Financial Reporting Council ("FRC") or any successor standards-setting body. The scope of our work was limited to an analysis of documentation and information made available to us and specific inquiries undertaken to pursue our mandate. We have not verified the authenticity or completeness of the documentation made available to us. All observations made in this report are based on the assumption that the information provided to us is complete and accurate.

Our analysis was performed at a high level. It should be noted that others, including regulators and other governmental bodies, may reach different conclusions, as they may make different judgments and interpretations of information, or may have other information not provided to Deloitte.

We would like to express our sincere appreciation for the cooperation we received from you and your team in preparing the report. Please feel free to contact Uyi Izeke (08056598428) at your convenience to address any questions you may have regarding this report.

Yours truly,

Chartered Accountants



Our Analysis and Review Findings

The detailed report of our review of Fewchore’s financial records for 2019, 2020, and 2021 are found in our 85-page document which has been shared with management. Below is a summary of our analysis and findings:

1. Financial Statement Review

- I. **Corporate governance and company’s risk management disclosure:** The Company has made adequate disclosures of its Corporate Governance and risk management practices for the periods under review in line with the Code of Corporate Governance. We recommend consistency and continuous improvement in this regard.
- II. **Accounting Policy:** The accounting policies disclosed on the financial statements guides the treatment of accounting transactions in line with IFRS requirements. Policies such as Property plant and equipment, employee benefits, revenue, income tax and intangible assets, provisions and contingent liabilities have been properly disclosed. However, we recommend adequate disclosures be made in areas such as financial risk management and fair value measurement.
- III. **Financial instruments disclosures:** Our review of this area include credit risk, liquidity risk, and market risk. We noted that the company has made substantial disclosures on each of the financial risks mentioned above. However, for subsequent financial years, more information should be disclosed with regards to its exposures to market risks by the environment in which it operates as well as credit risk due to the nature of services it provides to its customers.

2. IFRS 9 Expected Credit loss model Review and Analysis

We noted that there is room for improvement concerning the company’s impairment model and IFRS 9 policies especially as it relates to what is considered to be generally accepted methodologies. While we agree that there is no singular universal model for computing ECL, there are generally accepted principles that guide IFRS 9 ECL modelling. The Company will need to improve on its balanced scorecard technique for Probability of default (PDs) and Loss Giving Default (LGD) estimation.

Impact analysis

The table below shows the impact on profit based on the difference between the Company’s reported expected credit loss charge for the three years under review and our reperformance of the expected credit loss amount

Operating Profit			
Year of assessment	Reported profit N’000	Impact N’000	Recomputed profit N’000
2019	185,681	(75,331)	110,350
2020	162,140	46,557	208,697
2021	243,001	(12,358)	230,643

Loans and Advances			
Year of assessment	Reported Amount N’000	Impact N’000	Recomputed Amount N’000
2019	1,502,485	(75,331)	1,427,154
2020	2,724,578	(28,774)	2,695,804
2021	3,689,282	(41,131)	3,648,151

Conclusion

Based on our review of the classification, measurement and presentation of account balances in the financial statements, we believe that the company has complied with the provisions of the International Financial Reporting Standards (IFRS) concerning disclosure requirements except for the areas of improvement noted above which have been brought to management’s attention. In addition, the company’s Corporate Governance disclosures are also sufficient and in line with the Code of Corporate Governance.

INCOME STATEMENT	2020	2021	2022
	₹ '000	₹ '000	₹ '000
Interest Income		1,436,537	2,219,725
Interest Expense	(411,106)	(898,250)	(1,373,984)
Revenue Net Interest Income	390,639	538,287	845,741
Fees and commission income	21,980	18,465	28,440
Other operating income	73,139	37,215	103,051
Total operating income	485,758	593,967	977,232
Impairment charge on loan	(56,964)	(37,838)	(26,094)
Net Operating Income	428,794	556,129	951,138
Personnel expense	(42,787)	55,817	80,942
Depreciation of property and equipment	(17,876)	(32,214)	(41,718)
Amortisation of intangible assets	(1,154)	(4,507)	(11,035)
Other operating expenses	(188,827)	189,427	417,256
Exchange gain/loss	-	-	22,641
Finance costs	-	3,831	98,665
Total operating expenses	(250,644)	285,796	672,256
PROFIT BEFORE TAX	178,150	270,333	278,882
Tax expense	(16,010)	(19,556)	(67,360)
PROFIT AFTER TAX	162,140	250,777	211,521
TOTAL EARNINGS FOR THE YEAR	162,140	250,777	211,521

SUMMARY OF THE FINANCIAL STATEMENTS

STATEMENT OF FINANCIAL POSITION	2020	2021	2022
Non-current assets	₹ '000	₹ '000	₹ '000
Property, plant, and equipment	87,833	119,164	97,759
Intangible assets	22,197	30,661	30,211
Current assets			
Cash & cash equivalents	505,875	1,566,044	1,803,825
Investment securities	-	401,147	531,044
Financial Assets:	-	531,044	
Loans and Advances	2,724,578	3,896,271	5,457,531
Other Receivables	157,185	-	-
Other Assets	34,506	52,661	224,551
TOTAL ASSETS	3,669,767	6,065,948	8,144,921
EQUITY AND LIABILITIES			
LIABILITIES			
Customers borrowings	2,650,566	4,763,035	6,391,315
Deposit for shares	-	465,000	-
Bank overdraft	-	-	154,002
Tax payable	10,333	13,973	68,181
Deferred tax liabilities	15,910	21,493	20,672
Other liabilities	493,379	24,330	56,113
TOTAL LIABILITIES	3,170,188	5,287,831	6,690,283
EQUITY			
Share capital	100,000	100,000	100,000
Share premium	-	100,000	449,500
Other reserve	17,526	449,500	33,026
Retained earnings	520,430	33,026	700,223
Statutory reserves	99,281	700,223	131,009
Non distributable regulatory reserve	40,880	131,009	40,880
TOTAL EQUITY	529,579	778,119	1,454,638
TOTAL EQUITY AND LIABILITIES	3,699,767	6,065,950	8,144,921

SUMMARY OF THE FINANCIAL STATEMENTS

CASH FLOW STATEMENT	2020	2021	2022
CASH FLOW FROM OPERATING ACTIVITIES	₱ '000	₱ '000	₱ '000
Cash flows from operating activities			
Profit/(loss) before taxation	178,150	270,333	278,882
Adjustment for non-cash items:			
Depreciation & Amortization	19,030	36,721	52,753
Assets written off	-	760	-
Impairment on loan	56,964	37,838	26,094
Fair value changes	-	(16,776)	(77,641)
Loan recovery	-	(93,094)	-
Prior year adjustment	426	2,239	-
Operating profit/loss before changes in operating assets and liabilities	254,570	238,021	280,088
Changes in operating assets and liabilities			
Decrease in financial assets			
Loans and Advances	(1,279,057)	(946,955)	(1,587,354)
Other Receivables	(42,618)	-	-
Decrease in other assets	(16,336)	(18,155)	(171,890)
Due to customers	-	2,112,470	1,628,280
Increase in customers borrowings & other accounts	845,835	-	-
Increase Other Liabilities	481,216	(4,049)	31,783
Total changes in operating assets and liabilities	243,610	1,381,332	180,907
Tax paid	(13,755)	(10,333)	(13,973)
Tax credit	-	-	-
Net cashflows from operating activities	229,855	1,370,999	166,934
Cash flows from investing activities			
Investment in quoted securities	(167,593)	(233,554)	(52,256)
Proceed on asset disposal	-	206	-
Intangible Asset	(17,432)	(12,971)	(10,585)
Purchase of fixed assets	(41,498)	(64,512)	(20,311)
Net cash (used in)/generated from investing activities	(226,523)	(310,831)	(83,152)
Cash flows from financing activities			
Deposit for shares	-	-	(465,000)
Bank overdraft	-	-	154,002
Share premium	-	-	449,500
Additional shares issued	-	-	15,500
Share capital	-	-	-
Net cash (used in)/generated from financing activities	-	-	154,002
Increase in cash and cash equivalents	3,332	1,060,168	237,781
Cash and cash equivalents at start of year	502,543	505,875	1,566,044
Cash and cash equivalents at end of year	505,875	1,566,044	1,803,825

EXTRACT OF THE ISSUER'S RATING REPORT



Research Credit Rating Credit Risk Management

2023 Non-Bank Financial Institution Rating: Fewchore Finance Company Limited

Fewchore Finance Company Limited

Issuer Rating:

Bbb-

Outlook: Stable
Issue Date: 6 November 2023
Expiry Date: 30 June 2024
Previous Rating: Bb+*
*Expired 30 June 2023

Industry:
Finance Company

Analysts:

Dumebi Nkeonye
dumebinkeonye@agusto.com

Adebisi Olukoya
biyiolukoya@agusto.com

Agusto & Co. Limited
UBA House (5th Floor)
57, Marina
Lagos
Nigeria

www.agusto.com

RATING RATIONALE

Agusto & Co. hereby upgrades the rating assigned to Fewchore Finance Company Limited ("Fewchore Finance", "FFCL" or "the Company") to "Bbb-". The upgrade reflects Fewchore Finance's more established performance track record and growing market share in the finance house industry. FFCL's rating is also upheld by adequate capitalisation and risk management practices and an experienced management team. However, the rating is constrained by the Company's reliance on expensive purchased funds, high concentration risk in loans and borrowings and an aggressive loan book growth in an adverse macro-economic environment.

FFCL is a finance company licensed by the Central Bank of Nigeria (CBN) that primarily focuses on providing short-term credit facilities for local trade finance and working capital. As at 31 December 2022, the Company had total assets of ₦8.1 billion while gross loans and advances stood at ₦5.1 billion. Loans to corporates and high net-worth individuals (HNIs) for the purpose of trade financing, working capital and project financing accounted for the bulk of the loan book with 68%. Education loans granted to students to study abroad and expansion loans for schools also constituted a significant share of the portfolio with 31%. Fewchore Finance's loans showed some concentration, with exposures to two sectors – education (31%) and oil & gas (22%) jointly accounting for 53% of the portfolio. We believe that the exposures to the oil & gas sector carries significant credit risk given the disruptions and challenges in the sector occasioned by recurring oil theft and vandalism. The loans were also concentrated by obligors, with exposures to the top 20 borrowers constituting 49% of the portfolio, which leaves the Company overly susceptible to the possibility of stress in the financial condition of a few borrowers. As at the 2022 FYE, FFCL had NPLs of ₦79.4 million, translating to an NPLs to gross loans ratio of 1.5%, which was significantly below the CBN threshold of 10% and our benchmark of 5% for finance companies. The low NPL ratio reflects Fewchore Finance's lending strategy and risk management practices, which focus on funding transactions from International Oil Companies (IOCs) and other large corporates with assured off-takers and guaranteed repayment through domiciliation of proceeds. FFCL's cumulative loan loss provision fully covered the NPLs, which is good.

In 2022, the Company recorded a significantly low net interest margin (NIM) of 3.37%

The copyright of this document is reserved by Agusto & Co. Limited. No matter contained herein may be reproduced, duplicated or copied by any means whatsoever without the prior written consent of Agusto & Co. Limited. Action will be taken against companies or individuals who ignore this warning. The information contained in this document has been obtained from published financial statements and other sources which we consider to be reliable but do not guarantee as such. The opinions expressed in this document do not represent investment or other advice and should therefore not be construed as such. The circulation of this document is restricted to whom it has been addressed. Any unauthorized disclosure or use of the information contained herein is prohibited.

FEWCHORE FINANCE COMPANY LTD

Long-Term Rating:

BBB⁺

Short Term Rating: A2
Previous Rating: BBB⁺
Rating Outlook: Stable
Trend: UP
Currency: Naira
Date Issued: 10 Nov., 2023
Valid Till: 09 Nov., 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 ₦'000	2021 ₦'000	2020 ₦'000	2019 ₦'000	2018 ₦'000
Gross Earnings	2,355,307	1,492,217	896,864	710,065	340,095
Profit Before Tax	238,002	270,333	178,150	205,192	72,319
Shareholders' Funds	1,420,316	778,117	529,579	367,012	180,796
Deposit Liability	6,391,315	4,763,035	2,650,566	1,804,732	880,148
Loans & Advances	5,416,651	3,896,271	2,724,578	1,502,485	657,499
Total Assets	8,104,041	6,065,948	3,699,767	2,207,895	1,075,586

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 an 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 Liquidity
- Good Asset Quality
- Experienced Management Team
- Improved Earnings

Negative Rating Factors:

- Concentration Risk
- Declined Profit Margin

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



2023

The Managing Director
United Capital Plc
3rd & 4th Floors
AfriLand Towers
97/105 Broad Street
Lagos

Dear Sirs,

LEGAL OPINION ON THE ₦5,000,000,000.00 COMMERCIAL PAPER ISSUANCE PROGRAMME BY FEWCHORE FINANCE COMPANY LIMITED

1. Introduction

1.1. We act as Transaction Counsel to Fewchore Finance Company Limited (the "Issuer") in connection with the establishment of a ₦5,000,000,000.00 (Five Billion Naira) commercial paper issuance programme (the "Programme"); under which the Issuer may from time to time issue the commercial paper notes ("Notes") in separate series or tranches to support the Issuer's short-term working capital requirements (the "Transaction").

2. The Documents

2.1. In the aforesaid capacity, we have prepared and reviewed the following documents as a basis for the opinions hereinafter expressed:

- a) the Issuing and Placing Agency Agreement dated [•] between the Issuer and United Capital Plc;
 - b) the Collecting and Paying Agency Agreement dated [•] between the Issuer and Providus Bank Limited;
 - c) the Deed of Covenant dated [•];
 - d) the Programme Memorandum dated [•]; and
 - e) the Pricing Supplement in connection with the Transaction dated [•]
- (together the "Transaction Documents").

2.2. We have examined and relied on the following corporate documents of the Issuer (the "Corporate Documents"):

- a) the copy of the certificate of incorporation of the Issuer dated June 19, 2017;

GENERAL INFORMATION

AUTHORISATION

This CP Programme and Notes issued hereunder were approved by the resolution of the Board of Directors of Fewchore Finance Company Limited dated 13th September 2023.

AUDITORS

Deloitte and Touche Professional Services acted as the Auditor of the annual financial statements of the Issuer for the financial year ended 31st December 2022, and was responsible for the audit, and issued unqualified reports.

COMMERCIAL PAPER OUTSTANDING

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

GOING CONCERN

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

LITIGATION

The Issuer is not engaged in any litigation, arbitration, administration or other investigations or proceedings pending or, to the knowledge of the Issuer, threatened against or affecting the Issuer, which in any case could reasonably be expected to be a Material Adverse Change on the ability of the Issuer to perform its obligations under this Agreement, the other transaction documents or the Notes.

MATERIAL CONTRACTS

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

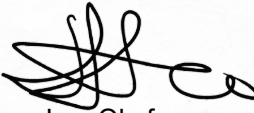
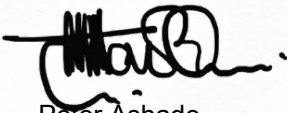
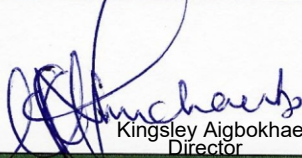
- i. the Deed of Covenant dated 22nd February 2024 executed by the Issuer as a deed poll in favour of the Noteholders.
- ii. the Issuing and Placing Agency Agreement 22nd February 2024 executed by the Arranger and the Issuer; and
- iii. the Collecting and Paying Agency Agreement dated 22nd February 2024 executed by the Issuer and the Collecting and Paying Agent.

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

ULTIMATE BORROWER

The Issuer is the borrower in respect of the Notes.

PARTIES TO THE TRANSACTION

ISSUER		
 Adesunkanmi Balogun Managing Director	FEWCHORE FINANCE COMPANY LIMITED 10a Victoria Arobieke St, Lekki Phase 1, Eti-Osa 105102, Lagos	 Olufemi Badewole Executive Director
ISSUING AND PLACING AGENT & ARRANGER		
 Leo Okafor Company Secretary	UNITED CAPITAL PLC 3rd & 4th Floors Afriland Towers 97/105 Broad Street Lagos	 Peter Ashade Director
SOLICITOR TO THE ISSUER		
DUALE OVIA AND ALEX ADEDIPE (DOA SOLICITORS) Plot 1b, block 129 Jide Sawyerr Dr, Lekki Phase I 106104, Lekki, Lagos		 SIMISOLA EYISANMI Managing Associate
COLLECTING AND PAYING AGENT		
 Kingsley Aigbokhaevbo Director	PROVIDUS BANK PLC Block 55, Plot 1A Admiralty Way, Lekki Phase 1 Lagos	 Walter Akpani Director
AUDITOR		
DELOITTE AND TOUCHE Civic Towers, Ozumba Mbadiwe Ave, Victoria Island 106104, Lagos		 DAVID ACHUGAMONU Partner